

I. CALL TO ORDER

The regular meeting of the Matanuska-Susitna Borough Assembly was held on May 8, 2012, at the Borough Assembly Chambers, 350 E. Dahlia Avenue, Palmer, Alaska. The meeting was called to order at 6 p.m. by Mayor Larry DeVilbiss for the purpose of deliberations and possible adoption of Ordinance Serial No. 12-012 (fiscal year 2013 budget ordinance).

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. Steven 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. Don Moore, Assistant Borough Manager
Mr. Nicholas Spiropoulos, Borough Attorney
Ms. Brenda J. Henry, Executive Assistant to the Borough Clerk
Ms. Tammy Clayton, Finance Director
Ms. Shaune O'Neil, Public Works Director
Ms. Eileen Probasco, Acting Planning and Land Use Director
Mr. Dennis Brodigan, Emergency Services Director
Ms. Patty Sullivan, Public Affairs Director
Ms. Cheyenne Heindel, Financial Analyst
Mr. Don Dyer, Community Development Director
Ms. Shannon Post, Chief Information Officer

III. APPROVAL OF AGENDA

Mayor DeVilbiss 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. Kyle Kowalski, a member of the audience.

V. DELIBERATIONS AND POSSIBLE ADOPTION OF THE FISCAL YEAR 2013 BUDGET.

- A. Ordinance Serial No. 12-012: AN ORDINANCE APPROPRIATING MONIES FROM THE 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, 2012, AND ENDING JUNE 30, 2013.

MOTION PENDING: Assemblymember Arvin moved to adopt Ordinance Serial No. 12-012, appropriating monies from the 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, 2012, and ending June 30, 2013.

Amendment No. 12

Capital Project Fund: Land and Resource Management (Tab O, Page 2)

MOTION: Assemblymember Colver moved a primary amendment to the Capital Project Fund; Land and Resource Management, by replacing the right-of-way acquisition project with municipal entitlement surveys (receive title to Borough lands) for \$125,000 and 5-year disposal plan for \$75,000 for a total of \$200,000.

MOTION: Assemblymember Keogh moved a secondary amendment as follows:

- to retain the right-of-way acquisition funded at \$100,000;
- striking "\$125,000" and inserting in its place "\$75,000;" and
- striking "\$75,000" and inserting in its placed "25,000."

VOTE: The secondary amendment failed with Assemblymembers Keogh and Halter in support.

VOTE: The primary amendment passed with Assemblymember Keogh opposed.

Amendment No. 13

Capital Project Fund: Land and Resource Management (Tab O, Page 2)

MOTION: Assemblymember Colver moved a primary amendment to the Capital Project Fund; Land and Resource Management, by inserting the following project in the amount of \$952,000 to be funded by municipal revenue sharing as follows:

- Hatcher Pass Development Plan – \$952,000 project total.
 - Pave Access Road - \$395,000;
 - Real Estate Development Plan (design and plat lands for sale) - \$200,000;

- Little Susitna Natural Gas Crossing – at Edgerton Parks Road - \$107,000; and
- Phase II trail construction – design and build next phase of trails - \$250,000.

CONFLICT OF INTEREST: Assemblymember Arvin declared a possible conflict as his business is currently involved in the road that is being constructed in Hatcher Pass.

RULING: Mayor DeVilbiss ruled that Assemblymember Arvin had no conflict.

VOTE: The primary amendment failed with Assemblymembers Colver, Salmon and Arvin in support.

Amendment No. 14

Capital Project Fund: Land and Resource Management (Tab O, Page 2)

MOTION: Assemblymember Colver moved a primary amendment to the Capital Project Fund; Land and Resource Management, by inserting the following project in the amount of \$702,000 to be funded by municipal revenue sharing as follows:

- Hatcher Pass Development Plan – \$702,000 project total.
 - Pave access road - \$395,000;
 - Real Estate Development Plan (design and plat lands for sale) - \$200,000; and
 - Little Susitna Natural Gas Crossing – at Edgerton Parks Road - \$107,000.

VOTE: The primary amendment failed with Assemblymembers Colver, Salmon, and Arvin in support.

Amendment No. 15

Capital Project Fund: Land and Resource Management (Tab O, Page 2)

MOTION: Assemblymember Colver moved a primary amendment to the Capital Project Fund; Land and Resource Management, by inserting the following project in the amount of \$307,000 to be funded by municipal revenue sharing as follows:

- Hatcher Pass Development Plan – \$307,000 project total.
 - Real Estate Development Plan (design and plat lands for sale) - \$200,000; and
 - Little Susitna Natural Gas Crossing – at Edgerton Parks Road - \$107,000.

VOTE: The primary amendment passed with Assemblymembers Keogh and Halter opposed.

Amendment No. 16

Fire Service Areas: Butte FSA and Sutton FSA (Tab G, Pages 34 and 42)

- MOTION: Assemblymember Keogh moved a primary amendment to the Fire Service Area Fund as follows:
- Butte FSA – striking the mill rate of “3.15” and inserting in its place “3.05;” and
 - Sutton FSA – striking the mill rate of “4.19” and inserting in its place “4.06.”

VOTE: The primary amendment passed without objection.

Amendment No. 17

Road Service Areas: South Colony RSA and Alpine RSA (Tab H, Pages 34 104)

- MOTION: Assemblymember Keogh moved a primary amendment to the Road Service Area Fund as follows:
- South Colony RSA - striking the mill rate of “1.64” and inserting in its place “1.50;” and
 - Alpine RSA - striking the mill rate of “3.92” and inserting in its place “3.68.”

MOTION: Assemblymember Keogh moved a secondary amendment to South Colony RSA, by striking the mill rate of “1.50 and inserting in its place 1.57.”

VOTE: The secondary amendment failed with Assemblymembers Keogh, Woods, and Arvin in support.

VOTE: The primary amendment passed without objection.

Amendment No. 18

Road Service Areas: Gold Trail RSA (Tab H, Page 88)

MOTION: Assemblymember Colver moved a primary amendment to the Road Service Area Fund, Gold Trail Road Service Area, by striking the mill rate of “2.15” and inserting in its place “2.0.”

VOTE: The primary amendment passed without objection.

Reconsideration of Amendment No. 2

Fire Service Areas: West Lakes FSA (Tab G, page 14)

MOTION: Assemblymember Halter moved to reconsider Amendment No. 2.

VOTE: The motion to reconsider passed with Assemblymember Colver opposed.

MOTION: Assemblymember Halter moved a primary amendment to the Fire Service Area Fund, West Lakes Fire Service Area, by striking the mill rate of “1.67” and inserting in its place “1.56.”

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

Amendment No. 19

Areawide: Other Contractual (429,900) (Tab B)

MOTION: Assemblymember Arvin moved a primary amendment to the Areawide Fund, Other Contractual, by reducing this line item throughout the budget by 20 percent with the exception of Emergency Medical Services, the Law Department, and the Clerk’s Office.

VOTE: The primary amendment passed with Assemblymember Keogh opposed.

(The meeting recessed at 7:26 p.m. and reconvened at 7:36 p.m.)

Amendment No. 20

Overtime Wages (411,300) (Tab B)

MOTION: Assemblymember Arvin moved a primary amendment to the Overtime Wages, by reducing the line item by 25 percent throughout the budget with the exception of the Law Department, the Clerk’s Office, Assessments Division, and Collections Division.

VOTE: The primary amendment passed with Assemblymembers Keogh and Woods opposed.

Amendment No. 21

Training and Reimbursement/Conference Fees (414.200, 414.400, and 429.900) (Tab B)

MOTION: Assemblymember Arvin moved to amend the Expense Reimbursement outside the Borough (414.200), Travel Tickets (414.400), Training and Conference Fees (429.200), by reducing this line item by 25 percent throughout the budget.

VOTE: The primary amendment passed with Assemblymember Colver opposed.

Amendment No. 22

Areawide Fund: Information Technology – Office of Information Technology (100.115.121) (Tab B, Page 79)

MOTION: Assemblymember Colligan moved a primary amendment to the Areawide Fund, Information Technology, Office of Information Technology by inserting a Help Desk Specialist (1 Full Time Employee) in the total net amount of \$16,935;

- Reduce Temp Wages – 411.200: strike \$172,974, and inserting in its place \$98,415, for a total decrease of \$74,559; and
- Increase Permanent Wages – 411.100: strike \$768,330 and inserting in its place \$820,025, for a total increase of \$51,695; and
- Increase Benefits – 411.100-700: increase by \$39,799.

VOTE: The primary amendment passed without objection.

Amendment No. 23

Capital Project Fund (Tab O)

MOTION: Assemblymember Halter moved a primary amendment to the Capital Project Fund to add the Talkeetna Library-Design-Work-New Facility Construction with a \$300,000 areawide capital appropriation and an \$85,000 non-areawide capital appropriation for a total of \$385,000.

VOTE: The primary amendment passed with Assemblymember Colver opposed.

Amendment No. 24

Capital Project Fund (Tab O)

MOTION: Assemblymember Keogh moved a primary amendment to the Capital Project Fund to add the Emergency Services District 6, Sutton Ambulance-Building Design and Construction Phase I with a \$150,000 areawide capital appropriation.

VOTE: The primary amendment failed with Assemblymembers Salmon, Keogh, and Halter in support.

Amendment No. 25

Capital Project Fund: Community Development (Tab O, Page 1)

MOTION: Assemblymember Colver moved a primary amendment to the Capital Project Fund, Community Development, Parks and Outdoor Recreation, from municipal revenue sharing, as follows:

- Adding project: Gates and Signs – Alcantra Recreation Facility - \$15,000; and
- Adding project: Hatcher Pass Recreation Area – Toilet Maintenance - \$9,000.

VOTE: The primary amendment passed with Assemblymembers Keogh, Halter, and Arvin opposed.

Amendment No. 26

Capital Project Fund: Emergency Services (Tab O, Page 4)

MOTION: Assemblymember Colligan moved a primary amendment to Emergency Services Capital Projects, municipal revenue sharing, as follows:

- Emergency Services Management Study - \$50,000; and
- Consolidated Dispatch Governance and Implementation Plan - \$300,000.

Discussion ensued regarding what the studies would yield, should they be funded.

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

VOTE: The motion passed without objection.

VOTE: The primary amendment passed without objection.

Amendment No. 27

Revenue: Business Inventory Tax

MOTION: Assemblymember Halter moved a primary amendment to add the estimated revenue for business inventory tax of \$510,000.

VOTE: The primary amendment passed without objection.

Reconsideration of Amendment No. 11

Capital Fund: Grants/Pass Through, Youth Court

MOTION: Assemblymember Keogh moved to reconsider amendment no. 11.

VOTE: The motion to reconsider failed with Assemblymembers Keogh and Woods in support.

(The meeting recessed at 8:50 p.m. and reconvened at 9:06 p.m.)

Assemblymember Colver queried the mill rate for last year.

Ms. McKechnie advised that areawide was set at 10.085 with a rebate of .724 mills equaling 9.361 and .425 for non-areawide.

Amendment no. 28

Revenue: Business License Tax

MOTION: Assemblymember Colligan moved a primary amendment to include the revenue source from business licenses in the amount of \$200,000.

VOTE: The primary amendment passed with Assemblymember Salmon opposed.

Amendment No. 29

Areawide: Revenue Sharing

MOTION: Assemblymember Arvin moved a primary amendment to use the \$3,028,964, set aside for revenue sharing, to reduce the mill rate.

MOTION: Assemblymember Keogh moved a secondary amendment to insert the words by “giving a rebate.”

Discussion ensued whether or not to provide a rebate.

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

VOTE: The motion passed without objection.

VOTE: The secondary amendment failed with Assemblymembers Salmon, Keogh, and Woods in support.

VOTE: The primary amendment passed unanimously.

Amendment No. 30

MOTION: Assemblymember Arvin moved a primary amendment to Ordinance Serial No. 12-012, to set the areawide mill rate at 9.918 and .489 for the non-areawide mill rate and to set the minimum Fund Balance at \$25,047,100.

VOTE: The primary amendment passed without objection.

VOTE: The main motion passed as amended without objection.

MOTION: Assemblymember Arvin moved to extend the meeting past 10 p.m. and not to exceed 10:30 p.m.

VOTE: The motion passed without objection.

VI. AUDIENCE PARTICIPATION

The following person spoke to concerns with not providing revenue sharing as a rebate: Ms. Michelle Church.

VII. VETO

A. MOTION TO OVERRIDE ANY POSSIBLE MAYORAL VETO ON FISCAL YEAR 2013 BUDGET ITEMS (ORDINANCE SERIAL NO. 12-012)

(There were no vetoes presented.)

VIII. MAYOR, ASSEMBLY, AND STAFF COMMENTS

Mr. Moosey:

- noted that the budget process this year was done a little differently;
- related that he wanted to ensure that the Assembly had a good understanding of the issues; and
- stated that if any members have any questions or ideas for improving the budget process, for next year, to please let him know.

Ms. McKechnie:

- related that due to the budget being adopted this evening that the May 9 and May 14 at 6 p.m., meetings are cancelled; and
- reminded the body of the work session on May 14 at 2:30 p.m. for the JPARC presentation.

Discussion ensued regarding the work session.

Assemblymember Salmon

- related that there are things that he would like done differently next year; and
- stated that he would prefer that members contact department directors and the Manager with budget questions before meetings.

Ms. McKechnie:

- stated that the Mayor has until 6 p.m. on May 15 to issue any vetoes;
- noted that this would mean that the body would be addressing vetoes during the regular meeting; and
- advised that the May 14 meeting could be reserved to address any vetoes, should that be something that the body chooses to do.

Assemblymember Keogh queried which boards or commissions were notified of the JPARC work session.

Mr. Moosey advised that the Aviation Advisory Board and the MSB Fish and Wildlife Commission have been notified.

Assemblymember Keogh requested that the Transportation Advisory Board and the Planning Commission be advised as well.

Ms. McKechnie:

- advised that it has to be advertised when three or more members from a Borough board or commission will be present at the same meeting;
- related that the advertisement has already been run; and
- stated that the Transportation Advisory Board and the Planning Commission have not been advertised for.

Assemblymember Keogh queried if less than a quorum of those bodies show up if it would be problematic.

Mr. Moosey:

- noted that it is a public meeting; and
- queried how it would be handled if three or more from either of the unadvertised bodies.

Mr. Spiropoulos:

- advised that they would have to be asked to leave;
- spoke to the Supreme Court opinion that every fact finding inquiry or meeting of any board or commission is subject to the Open Meetings Act; and
- reiterated that if they happen to show up, that some of them would have to be asked to leave.

Assemblymember Halter thanked staff for their hard work on the budget.

Assemblymember Colver:

- stated that he is on the distribution list for the MSB Fish and Wildlife Commission and that he has received no notice of the work session; and
- requested that the Manger make sure that they be notified as soon as possible.

Assemblymember Colligan:

- stated that he is frustrated with the budget process;
- noted that he is looking forward to the next Assembly Planning Session;
- opined that the body needs to set very specific goals and to meet those goals;
- spoke to ways he would like to see more efficiency.

Assemblymember Woods advised that he will not be present at the May 14 meetings, as he will be unavailable.

Assemblymember Arvin queried when the revenue cap was set and the process that went along with that.

Mr. Spiropoulos:

- stated that he believes the revenue cap was instituted in 2005;
- related that it was a result of a citizen's initiative;
- spoke to the process of how an initiative is processed;
- advised that while it was in the process, that the Assembly adopted essentially the same thing; and
- stated that the initiative never made it to the ballot due to the fact that the Assembly had already adopted the same type of legislation.

Assemblymember Arvin:


- stated that he would like the body to keep in mind how the revenue cap affects the budget;
- thanked staff for their hard work on the budget;
- spoke to past years when the process was much more lengthy; and
- thanked the body for the ensuring a shortened budget process.

Mayor DeVilbiss:

- thanked the body for working as a cohesive group; and
- spoke to concerns with sustainability and ongoing expenses.

IX. ADJOURNMENT

The regular meeting adjourned at 10:11 p.m.



LARRY DeVILBISS, Borough Mayor

ATTEST:



LONNIE R. McKECHNIE, CMC, Borough Clerk

Minutes Approved: 06/05/12