

I. CALL TO ORDER

The special meeting of the Matanuska-Susitna Borough Assembly was held on May 13, 2009, at the Borough Assembly Chambers, 350 E. Dahlia Avenue, Palmer, Alaska. The meeting was called to order at 6:03 p.m. by Deputy Mayor Lynne Woods for the purpose of continued budget deliberations (Ordinance Serial No. 09-009).

II. ROLL CALL

Assembly members present and establishing a quorum were:

Ms. Lynne Woods, Assembly District No. 1 (*Deputy Mayor*)
Mr. Pete Houston, Assembly District No. 2 (*arrived at 6:07 p.m.*)
Ms. Michelle R. Church, Assembly District No. 3
Mr. Mark Ewing, Assembly District No. 4 (*arrived at 6:18 p.m.*)
Ms. Cindy L. Bettine, Assembly District No. 5
Mr. Robert Wells, Assembly District No. 6
Mr. Tom Kluberton, Assembly District No. 7

Staff in attendance were:

Ms. Lonnie R. McKechnie, Borough Clerk
Mr. John Duffy, Borough Manager
Mr. Nick Spiropoulos, Borough Attorney
Ms. Brenda J. Henry, Executive Assistant to the Borough Clerk
Mr. Keith Rountree, Public Works Director
Mr. Dennis Brodigan, Emergency Services Director
Ms. Linda Brenner, Community Development Director
Mr. Mark Mayo, Planning and Land Use Director
Ms. Patty Sullivan, Public Affairs Director
Ms. Tammy Clayton, Finance Director
Ms. Cheyenne Heindel, Financial Analyst
Mr. Robert Haskell, Chief Animal Care and Regulation Officer
Mr. Dave Hanson, Economic Development Director

III. APPROVAL OF AGENDA

Deputy Mayor Woods 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 Ms. Rindi White, reporter with the Anchorage Daily News.

V. ITEMS OF BUSINESS (budget deliberations)

A. ADOPTION OF THE FISCAL YEAR 2010 BUDGET

1. Ordinance Serial No. 09-009: AN ORDINANCE APPROPRIATING MONIES FROM THE CENTRAL TREASURY FOR THE BOROUGH OPERATING FUNDS, ENTERPRISE FUNDS AND CAPITAL FUNDS AND ESTABLISHING THE RATE OF LEVY FOR ALL BOROUGH FUNCTIONS FOR THE FISCAL YEAR BEGINNING JULY 1, 2009, AND ENDING JUNE 30, 2010.

MOTION PENDING: Assemblymember Bettine moved to adopt Ordinance Serial No. 09-009, appropriating monies from the central treasury for the Borough operating funds, enterprise funds, and capital fund and establishing the rate of levy for all Borough functions for the fiscal year beginning July 1, 2009, and ending June 30, 2010.

Amendment No. 8

Areawide: Hatcher Pass, Sledding Hill Phase I (100-000-000-446-400) (Tab N, Page 1)

MOTION: Assemblymember Church moved a primary amendment to the Areawide Fund, Capital/Grants, Hatcher Pass Sledding Hill Phase I, by striking the amount of “\$30,000” and inserting “\$0”, for a decrease of “\$30,000.”

Assemblymember Wells:

- spoke to the fatalities at Hatcher Pass, especially in the winter;
- opined that the area requires more organized activities;
- stated the sledding hill is something that he would like to see eventually happen; and
- stated that Hatcher Pass development is important to the community.

VOTE: The motion passed without objection.

Amendment No. 9

Areawide: Planning (100-130-130-421-100) (Tab B, Page 65)

MOTION: Assemblymember Church moved a primary amendment to the Areawide Fund, Planning Department – Telephone, by striking the amount of “\$8,000” and inserting “\$4,000”, for a decrease of “\$4,000.”

MOTION: Assemblymember Kluberton moved a secondary amendment to strike decrease of “\$4000” and insert decrease of “\$1500.”

WITHDRAW: Assemblymember Kluberton withdrew the secondary amendment.

There was no objection noted.

VOTE: The primary amendment failed unanimously.

Amendment No. 10

Areawide: Administration (100-100-110) (Tab B, Page 36)

MOTION: Assemblymember Church moved a primary amendment to the Areawide Fund, Administration, by striking the amount of “\$310,000” and inserting “\$251,700” for a decrease of “\$58,300”, with reductions to the following accounts:

- 414.900, reduce by \$4,000;
- 421.300, reduce by \$2,000;
- 425.200, reduce by \$28,300;
- 425.300, reduce by \$5,000;
- 426.900, reduce by \$10,000;
- 429.900, reduce by \$2,000;
- 430.100, reduce by \$1,000;
- 433.100, reduce by \$1,000; and
- 434.100, reduce by \$5,000.

VOTE: The amendment passed without objection.

Amendment No. 11

Areawide: Mayor (100-110-104-413-100) (Tab B, Page 41)

MOTION: Assemblymember Church moved a primary amendment to the Areawide Fund, Mayor – Mileage within the Borough, by striking the amount of “\$2,050” and inserting “\$1,650”, for a decrease of “\$400.”

VOTE: The primary amendment failed unanimously.

Amendment No. 13

Areawide: Mayor (100-110-104-413-900) (Tab B, Page 41)

MOTION: Assemblymember Church moved a primary amendment to the Areawide Fund, Mayor – Other Expense within Borough, by striking the amount of “\$600” and inserting “\$0”, for a decrease of “\$600.”

(Assemblymember Wells exited the meeting at 6:40 p.m.)

VOTE: The primary amendment passed without objection.

Amendment No. 15

Areawide: Mayor (100-110-104-434-300) (Tab B, Page 42)

MOTION: Assemblymember Church moved a primary amendment to the Areawide fund, Mayor – Furniture Under \$5,000, by striking the amount of “\$1,000” and inserting “\$0”, for a decrease of “\$1,000.”

VOTE: The primary amendment passed without objection.

Amendment No. 7

Areawide: Assembly (100-100-101-426-300) (Tab B, Assembly, Page 19)

MOTION: Assemblymember Church moved a primary amendment to the Areawide Fund, Assembly, Dues and Fees, by striking “\$39,000” and inserting “\$40,000”, for an increase of “\$1,000”, for Renewable Energy Alaska Project membership.

VOTE: The amendment passed without objection.

Amendment No. 17

Areawide: Capital Projects – Grant/Pass Through (100-000-00-449-210) (Tab N, Page 1)

MOTION: Assemblymember Bettine moved a primary amendment to the Areawide Fund, Youth Court, by striking the amount of “\$25,000” and insert “\$15,000”, for a decrease of “\$10,000.”

Assemblymember Bettine:

- opined that Youth Court is a valuable community program; and
- further added it would be a shame to cut it out completely.

Assemblymember Houston stated that he does not agree with cutting funds for this program.

Discussion ensued regarding:

- Youth Court program;
- the need for guidelines for organizations that receive grant funding from the Borough; and
- the human services matching grant program.

VOTE: The amendment failed unanimously.

Assemblymember Bettine requested that the Manager to create a grant program for organizations to apply for.

Amendment No. 18

**Areawide: Capital Projects – Parks and Outdoor Recreation (100-000-00-446-400)
(Tab N, Page 2)**

MOTION: Assemblymember Bettine moved a primary amendment to the Areawide Fund, Alcantra Park (Restrooms, Concessions, Storage), by striking the amount of “\$250,000” and inserting “\$150,000”, for a decrease of “\$100,000.”

MOTION: Assemblymember Kluberton moved a secondary amendment to strike “concessions” from the title of the project.

VOTE: The secondary amendment passed without objection.

VOTE: The primary amendment passed as amended without objection.

Amendment No. 19

**Areawide: Capital Projects – Land and Resource Management (Tab N, Page 2)
(100-000-000-446-400)**

MOTION: Assemblymember Bettine moved a primary amendment to the Areawide Fund, Right-of-Way Acquisitions, by striking the amount of “\$50,000”, and inserting “\$150,000”, for an increase of “\$100,000.”

MOTION: Assemblymember Bettine moved a secondary amendment to strike the word “road” in the project title.

VOTE: The secondary amendment passed without objection.

VOTE: The primary amendment passed as amended without objection.

Amendment No. 20A

Areawide: Capital Projects – Public Works (Tab N, Page 2) (100-000-000-446-400)

MOTION: Assemblymember Bettine moved a primary amendment to the Areawide fund, Security Hardware Replacement – Exterior and Interior, by striking the amount of “\$250,000” and insert “\$0”, for a decrease of “\$250,000.”

Assemblymember Bettine queried the project.

Mr. Rountree related that these funds were to replace failing locks and knobs throughout the Dorothy Swanda Jones building.

Assemblymember Ewing stated that he would like to see the Borough make due with the existing locks until the space issues are resolved.

Assemblymember Kluberton:

- stated that he would like to see the Borough move to a key card system;
- noted that it is much easier to deactivate a key card when they are lost or stolen; and
- opined that perhaps only the exterior doors could be addressed this year.

Discussion ensued regarding:

- interior and exterior hardware replacement; and
- the need for the Owner's Representative report regarding space issues.

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

VOTE: The motion failed with Assemblymember Bettine in support.

MOTION: Assemblymember Kluberton moved a secondary amendment to strike projects listed under the Public Works – Administration Building entirely and insert a single project titled “Administration Building Maintenance Funds.”

Discussion ensued regarding the maintenance of the Dorothy Swanda Jones Building.

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

VOTE: The motion passed unanimously.

VOTE: The secondary amendment passed with Assemblymember Woods in opposition.

VOTE: The primary amendment failed unanimously.

Amendment 20B

Areawide: Capital Projects – Public Works (Tab H, Page 2)(100-000-000-446-400)

MOTION: Assemblymember Bettine moved a primary amendment to the Areawide fund, Security Hardware Replacement – Exterior and Interior, by striking the amount of “\$250,000” and insert “\$90,000”, for a decrease of “\$160,000.”

VOTE: The amendment passed without objection.

Amendment No. 21

Areawide: Capital Projects – Rescue (Tab N, Page 4) (100-000-000-446-400)

MOTION: Assemblymember Bettine moved to amend the Areawide Fund, SAR ATV:

- by striking SAR ATV (2) & Trailer (1) (Talkeetna) in the amount of “\$50,000” and insert “\$0”, for a decrease of “\$50,000;” or
- by striking SAR ATV (2) (Trapper Creek) in the amount of “\$35,000” and insert “\$0”, for a decrease of “\$35,000.”

MOTION: Assemblymember Kluberton moved a secondary amendment to reinsert the “\$50,000” for SAR ATV (2) & Trailer (1) (Talkeetna)” and to strike “SAR/ATV (2) Trapper Creek” entirely.

VOTE: The secondary amendment passed without objection.

VOTE: The primary amendment passed as amended without objection.

(The special meeting recessed at 7:52 p.m. and reconvened at 8:00 p.m.)

(Assemblymember Wells reentered the meeting at 8:00 p.m.)

Amendment No. 22

Areawide: Capital Projects – Public Works (Tab H, Page 2)(100-000-000-446-400)

MOTION: Assemblymember Bettine moved a primary amendment to the Areawide fund, Public Works by inserting “35,000” for repair of the West Big Lake access and shore restoration.

VOTE: The amendment passed without objection.

Amendment No. 23

Areawide: Assembly Reserve

MOTION: Assemblymember Ewing moved a primary amendment to the areawide fund, Public Works, by inserting “10,000” Wasilla Lake Access at Peck Street.

MOTION: Assemblymember Wells moved a secondary amendment to strike the “\$10,000” and insert “\$52,217”, to be put into a reserve account, which would include work for the Wasilla Lake access at Peck Street, with the remainder of funds to be brought back by the Manager for projects to be approved by the Assembly.

VOTE: The secondary amendment passed without objection.

VOTE: The primary amendment passed as amended without objection.

Amendment No. 24

Areawide: Grants/Pass Through (Tab H, Page 1)

MOTION: Assemblymember Wells moved a primary amendment to the Agriculture Land Preservation, by striking "\$300,000" and inserting "\$100,000" for a decrease of "\$200,000."

MOTION: Assemblymember Bettine moved a secondary amendment to strike "\$100,000" and insert "\$200,000" for a decrease of "\$100,000."

VOTE: The secondary amendment failed with Assemblymember Bettine in favor.

VOTE: The primary amendment passed with Assemblymember Houston, Woods and Church opposed.

Amendment No. 25

Solid Waste Enterprise Fund: Labor Services (Tab K, Page 6) (510-150-401)

MOTION: Assemblymember Wells moved a primary amendment to Labor Services, by striking "\$1,664,690" and insert "\$1,564,690", for a decrease of "\$100,000."

MOTION: Assemblymember Ewing moved a secondary amendment to strike the decrease of "\$100,000" and insert a decrease of "\$150,000."

VOTE: The secondary amendment passed with Assemblymember Houston opposed.

VOTE: The primary amendment passed without objection.

MOTION PENDING: Assemblymember Kluberton moved a primary amendment to change the allocations for road service areas (fund 265) to 50 percent maintenance and 50 percent capital (striking allocation by road miles).

Mr. Duffy spoke to the different calculations that could change how allocations for road service areas are handled.

MOTION: Assemblymember Kluberton moved a secondary amendment to strike "50 percent" for maintenance and insert in its place "65 percent" and to strike "50 percent" for capital and insert "35 percent" in its place.

Assemblymember Bettine:

- proposed that the Assembly pass the budget as it is; and
- come back before June 30 if any further amendments are required for road service areas.

Discussion ensued regarding allocation to road service areas.

VOTE: The secondary amendment passed with Assemblymembers Wells and Bettine opposed.

VOTE: The primary amendment passed as amended with Assemblymembers Ewing and Bettine opposed.

Amendment No. 29

Road Service Areas: Caswell Lakes Road Service Area (Tab H, Page 28)

MOTION: Assemblymember Kluberton moved a primary amendment to the Caswell Lakes Road Service Area by striking the mill rate of “4.46” and inserting “4.11” in its place.

VOTE: The motion passed without objection.

Amendment No. 1a

Education Operating (Tab J, Page 2)

MOTION: Assemblymember Kluberton moved to reconsider the secondary amendment to amendment 1a regarding the Education Operating budget that reads: Assemblymember Houston moved a secondary amendment to the Education Operating Fund, by striking “\$46,108,048” and insert “45,097,365” in its place.

VOTE: The motion to reconsider passed with Assemblymembers Wells and Woods opposed.

Assemblymember Wells:

- stated that the reduction effectively decreases last years school district budget by \$300,000;
- opined that the goal to reduce the mill rate below 10 mills should not be at the expense of education; and
- noted that public testimony at the public hearings was for increased funding for the school district.

Assemblymember Church:

- noted that the Borough has done a fine job preparing the budget; and
- noted that the school district has room to improve their expenditures.

Discussion ensued regarding education funding.

VOTE: The secondary amendment passed with Assemblymembers Wells opposed.

VOTE: The primary amendment passed as amended with Assemblymember Wells and Kluberton opposed.

MOTION: Assemblymember Wells moved to extend the meeting past 10 p.m.

GENERAL CONSENT: The motion passed without objection.

MOTION: Assemblymember Bettine moved a primary amendment to Section 10 of Ordinance Serial No. 09-009, Appropriation for Reservation of Fund Balance, to decrease the reservation by \$11,290, from \$19,711,363 to \$19,000,773, which is the amount equal to a minimum of 25 percent of all budgeted operating expenditures of the fiscal year 2009 operating budget, excluding the budgeted operating expenditures of the school district.

VOTE: The primary amendment passed without objection.

MOTION: Assemblymember Bettine moved a primary amendment to set the areawide mill rate at “9.98” and the non-areawide mill rate at “.429.”

VOTE: The primary amendment passed without objection.

VOTE: The main motion passed as amended without objection.

MOTION: Assemblymember Bettine moved to reconsider Ordinance Serial No. 09-009.

VOTE: The motion failed unanimously.

VII. VETO

A. Motion to Override Any Possible Mayoral Veto on Fiscal Year 2009 Budget Items (Ordinance Serial No. 09-009)

(There were no vetoes presented.)

VIII. MAYOR, ASSEMBLY, AND STAFF COMMENTS

Assemblymember Houston:

- opined that Administration did a good job with the budget;
- spoke to the sales tax ordinance coming forward soon;
- stated that most of the public input regarding the sales tax has been negative; and
- noted that perhaps their constituents will be more trusting when they see that the mill rate has been lowered.

Assemblymember Bettine:

- spoke to the need for the Borough to work with the city councils regarding the sales tax ordinance;
- noted that the city of Wasilla's Finance Director spoke to concerns with collecting and distributing the sales tax; and
- stated that she would like to see the plan in place prior to June 2.

Mr. Duffy related that Administration is working with the cities beginning Monday.

Discussion ensued regarding the sales tax ordinance.

Assemblymember Wells:

- stated that he was disappointed on the vote for education funding;
- further added that it was well discussed; and
- stated that he hopes that constituents will realize that the Assembly is working to hold the line on the mill rate.

Assemblymember Ewing:

- stated that the city of Wasilla has said they would be willing to discuss a sales tax;
- thanked the Borough staff for their assistance with the budget process; and
- noted the professionalism of Borough staff.

IX. ADJOURNMENT

The special meeting adjourned at 10:15 p.m.

TALIS J. COLBERG, Borough Mayor

ATTEST:

LONNIE R. McKECHNIE, CMC, Borough Clerk

Minutes approved: 07/21/09