

I. CALL TO ORDER

The regular meeting of the Matanuska-Susitna Borough Assembly was held on May 15, 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.

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*) (*attended telephonically*)
Mr. Steve Colligan, Assembly District No. 4
Mr. Darcie K. Salmon, Assembly District No. 5
Mr. Jim Colver, Assembly District No. 6 (*arrived at 6:08 p.m.*)
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. Cheyenne Heindel, Financial Analyst
Ms. Shaune O'Neil, Public Works Director
Mr. Eric Phillips, Community Development Director
Mr. Dennis Brodigan, Emergency Services Director
Ms. Patty Sullivan, Public Affairs Director
Ms. Shannon Post, Chief Information Officer
Mr. Alex Strawn, Permitting Services Manager
Ms. Joell Church, Records Management Officer
Mr. Dave Dunivan, Borough Assessor
Ms. Carol Vardeman, Acting Animal Care Manager
Mr. Don Dyer, Economic Development Director

III. APPROVAL OF AGENDA

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

Mr. Moosey requested to pull Resolution Serial No. 12-053 from the consent agenda for further discussion.

Assemblymember Halter requested to pull AM Nos. 12-057 and 12-064 from the consent agenda for further discussion.

GENERAL CONSENT: The agenda was approved without objection.

IV. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mr. Shell Ewing, a member of the audience.

V. MINUTES OF PRECEDING MEETINGS

- A. Special Assembly Meeting: 05/01/12
- B. Regular Assembly Meeting: 05/01/12
- C. Special Assembly Meeting: 05/02/12

Mayor DeVilbiss inquired if there were any corrections to the special meeting minutes of May 1, 2012, the regular meeting minutes of May 1, 2012, or the special meeting minutes of May 2, 2012.

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

VI. REPORTS/CORRESPONDENCE

A. AGENCY REPORTS

1. Reports from cities

Houston City

Ms. Virgie Thompson, Mayor:

- thanked the Assembly for funding a block grant to the City;
- related that the City is working with local residents to provide a summer lunch program for school children; and
- noted that the funding will also assist the City with its work with Mid-Valley Seniors.

Wasilla City

Mr. Burt Cottle, Deputy City Administrator:

- thanked the Assembly for supporting Mat-Su Youth Court;
- noted that the Mat-Su Youth Court provides services for all Borough youth;
- stated that the land transfer for the library is moving along nicely;
- related that there should be an updated status report before the body at the next regular meeting;
- stated that the City will begin phase 1 of a community garden program; and
- spoke to it being graduation week, with 1,100 seniors graduating from high school.

Palmer City

Mr. Doug Griffith, City Manager:

- reminded the body of the City's capital project fair;
- stated that the Council voted for an emergency closure of South Eklutna Street;
- noted that there is unprecedented activity in the commercial district, especially by JD Steel;
- stated that the City recently adopted the Parks and fields recreation plan;
- spoke to the swearing in of the new Palmer Police Chief; and
- thanked the Assembly for the block grant provided to the City.

2. Matanuska-Susitna Borough School District

Ms. Laurine Domke, Federal Programs Director:

- stated that the first two graduation ceremonies of the year have been held at the Menard Sports Complex;
- noted that there are graduation ceremonies scheduled for the entire week;
- thanked the Assembly for supporting the School District with the State Legislature's funding of their top five priority projects;
- spoke to the State track meet in Fairbanks next week, which the District is excited about; and
- stated that there was a recent Bus Driver Rodeo, in which Dr. Paramo participated.

B. COMMITTEE REPORTS

1. Joint Assembly/School Board Committee on School Issues

Assemblymember Colver:

- spoke to the update that was provided on school bond projects;
- related that the School District mentioned that they are entering into negotiations with their bargaining groups;
- spoke to having reached an agreement with the owner of the parcel intended for the new Iditarod Elementary School;
- advised that the District is looking at acquiring the top rated site for South Palmer Elementary School;
- stated that the District is now reviewing a second round of five parcels for the Knik Goose Bay High School;
- noted that the Committee will not be having meetings during the summer; and
- commented that overall, they are pleased with the budget.

2. Assembly Public Relations

(There were no reports provided.)

C. MANAGER COMMENTS

1. State/Federal Legislation
2. Strategic Planning Issues

Mr. Moosey:

- related that the Governor did not veto any Borough projects from the budget;
- advised that he has been in conversation with the Naval Undersea Warfare Center;
- stated that they are interested in possibly using the M/V Susitna;
- noted that he had hoped to have a firm commitment from them to present to the Assembly, however, due to their concerns with operations and maintenance costs, that has not yet occurred;
- stated that the owner's representative is working to find a possible compromise;
- advised that he will be having a conference call with the Federal Transportation Administration to discuss interim options for the ferry; and
- stated that he will report back after the conference call with the details.

Assemblymember Arvin directed the Manager to prepare a report prior to the next regular meeting that outlines all of the warranties that have expired or will expire on the M/V Susitna.

There was no objection noted.

D. ATTORNEY COMMENTS

Mr. Spiropoulos:

- advised that the State Redistricting Board submitted a plan to the Superior Court, which was rejected;
- noted that they then filed an appeal with the Supreme Court and also filed an interim plan;
- stated that the Supreme Court directed that the original proclamation plan be adopted as the interim plan for the State, with the exception of the southeast;
- advised that nothing affecting the Borough has occurred and that the amended plan is substantially the same;
- related that he is waiting on the ruling from the Supreme Court as to whether or not they will approve the amended proclamation plan as it pertains to the southeast;
- spoke to having emailed the Assembly the petitioner's opening brief regarding the rail extension suit;
- advised that his office will be coordinating the Borough's response with the state of Alaska and the Surface Transportation Board; and
- advised that the Railroad and the Borough share an attorney who resides in Washington, D.C.

E. CLERK COMMENTS

Ms. McKechnie spoke regarding the upcoming meeting schedule and pertinent election dates.

F. CITIZEN AND OTHER CORRESPONDENCE

1. MSB Board/Committee Minutes:
 - a. Aviation Advisory Board: Resolution Serial No. 12-01, 12-02
 - b. Caswell FSA Board of Supervisors: 01/11/12
 - c. Enhanced 911 Advisory Board: 12/13/11
 - d. Historical Preservation Commission: 02/03/11, 03/03/11, 05/05/11, 09/08/11, 10/06/11, 12/15/11
 - e. Local Road Service Area Advisory Board: 02/16/12
 - f. Platting Board: 03/01/12, 03/15/12, 03/22/12
 - g. Transportation Advisory Board: 02/22/12, Resolution Serial No. 12-03, 12-04
 - h. Wastewater and Septage Advisory Board: 02/14/12, Resolution Serial No. 12-01

2. Community Council Minutes:
 - a. North Lakes Community Council: 11/29/11
 - b. Point MacKenzie Community Council: 08/11/11

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

G. INFORMATIONAL MEMORANDUMS

(There were no informational memorandums presented.)

VII. UNFINISHED BUSINESS

- A. Ordinance Serial No. 12-058: AN ORDINANCE AMENDING AND REPEALING PORTIONS OF MSB 3.15 RELATING TO THE BUSINESS INVENTORY TAX. *(Sponsored by Mayor DeVilbiss)*
 1. IM No. 12-081

MOTION PENDING: Assemblymember Arvin moved to adopt Ordinance Serial No. 12-058.

MOTION: Assemblymember Salmon moved a primary amendment to Ordinance Serial No. 12-058 as follows:

- page 1 of the ordinance, by striking all of the whereas clauses and inserting in their place:
 - WHEREAS, the Matanuska-Susitna Borough Assembly was considering repealing the business inventory tax altogether; and
 - WHEREAS, the Matanuska-Susitna Borough Assembly has decided that in lieu of repeal, the exemption rate should be raised to \$1,000,000; and
 - WHEREAS, an exemption rate of \$1,000,000 will generate areawide revenue of approximately \$510,000;
- by striking Sections 3, 4, and 5; and
- by amending Section 2, MSB 3.15.035(C), by replacing the language with the following:
 - (C) All personal property shall be exempt from Borough taxation as authorized in A.S. 29.45.050(b)(2) except motor vehicles subject to

MSB 3.15.035(B), and business inventory in excess of \$1,000,000 in value shall be subject to ad valorem taxation.

Mr. Spiropoulos:

- advised that the amendment was prepared in order to be proactive due to the budget discussions; and
- stated that this amendment is a natural consequence of what occurred during the budget process and will ensure the budget remains balanced.

Assemblymember Colligan queried if there would be discussion with staff concerning this ordinance.

Mayor DeVilbiss noted that this is the time for that.

Discussion ensued regarding:

- opposition to conducting discussion that has already occurred;
- what revenues can be projected with the increased exemption;
- the number of businesses that comply with the inventory tax requirement;
- that it would take additional staff or outside contractor in order to enforce or collect all of this tax;
- the number of businesses that would be subject to the tax if the exemption is increased;
- the possibility of having a sunset date for the legislation;
- postponing the legislation; and
- the possibility of changing the effective date for only a portion of the ordinance.

MOTION: Assemblymember Colligan moved to postpone Ordinance Serial No. 12-058 to a time certain of June 5, 2012.

VOTE: The motion failed unanimously.

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

VOTE: The motion passed without objection.

VOTE: The primary amendment passed without objection.

Assemblymember Colligan directed the Manager to notify all businesses that there is an inventory tax report due even if the amount to report is \$0.

There was no objection noted.

Assemblymember Halter spoke to concerns that property owners should need to be notified that they could be bearing the burden of increased taxes if there is a loss of inventory tax.

Assemblymember Colligan:

- opined that any action the Assembly takes tonight is transferring the tax burden to property owners;
- stated that the Borough needs a mission for the Economic Development Director to develop new revenues; and
- opined that performing an audit on business inventory will provide a tool to do so.

Discussion ensued regarding:

- the Borough having a good economic development plan;
- that local businesses provided significant input into the plan;
- whether or not there is documentation that the Borough has prevented businesses locating in the valley due to the inventory tax;
- the many opportunities to draw new business to the Borough; and
- that the business inventory tax exemption in Anchorage is \$25,000.

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

VOTE: The motion passed without objection.

VOTE: The main motion passed as amended without objection.

- B. Ordinance Serial No. 12-060: AN ORDINANCE REPEALING MSB 3.36, BUSINESS LICENSES. (*Sponsored by Mayor DeVilbiss*)
1. IM No. 12-083

MOTION PENDING: Assemblymember Arvin moved to adopt Ordinance Serial No. 12-060.

Assemblymember Colligan:

- stated that he is not in favor of repealing business licenses;
- opined that the information gathered is valuable, as it provides information on what businesses are doing within the Borough boundaries;
- spoke to ways that the information concerning business licenses is compiled;
- noted that he would like to see more comprehensive information; and
- requested a staff report.

Mayor DeVilbiss spoke to the possibility of having a singular business license rather than separate city and borough business licenses.

Assemblymember Salmon stated that before we hear from staff, that he would like to know the Mayor's position, since he is the sponsor of the legislation.

Mayor DeVilbiss:

- stated that this is not a strategic move;
- related that the Borough barely breaks even and that it is not a revenue generator; and

- advised that on the inquiries he sent out to businesses regarding how to make the Borough more business friendly, that the number one request was to remove the requirement for a business license.

Discussion ensued regarding:

- whether or not to hear a staff report on this issue again;
- the business license enhancement proposal handout provided by staff;
- the opinion that having the business license requirement supports economic development;
- that if the Borough business license requirement is repealed, the possibility of having a requirement that State business licenses must be filed with the Borough;
- that if the ordinance is voted down, there will be a \$200,000 revenue hole in the budget;
- that Information Technology is working to put the application online; and
- the opinion that the day-to-day operations of a business are not necessarily the business of the Borough.

VOTE: The motion failed with Assemblymembers Salmon and Arvin in support.

Assemblymember Halter directed the Manager to come back with a plan for a unified business license with the cities and the State.

There was no objection noted.

(The meeting recessed at 7:07 p.m. and reconvened at 7:18 p.m.)

VIII. VETO

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

Ms. McKechnie spoke to the process of how to vote on the vetoes.

Veto No. 1

Delete from Assembly 100-100-101-426-300 - AML/NACO Memberships \$44,803 (AML - \$43,630/NACO – 1,200)

Assemblymember Colver queried if Veto No. 1 is “other contractual.”

Ms. McKechnie advised that it is under “Dues and Fees.”

MOTION: Assemblymember Woods moved to override Veto No. 1.

Mayor DeVilbiss:

- opined that Alaska Municipal League’s (AML) interests are divergent from the Boroughs;
- further opined that the expenses are justified by AML by way of revenue sharing;

- stated that AML has three meetings every year; and
- opined that every penny they claim to get back for the Borough is something that would be received anyway.

Assemblymember Colver:

- stated that from a statewide and federal perspective, it is important to not be isolationist;
- noted that he understands the fact that there are disagreements statewide, as well as other differences;
- stated that AML was instrumental in resurrecting revenue sharing;
- further opined that body may need to be more involved with an organized presence to get better support; and
- opined that the veto is not in the best interest of the Borough.

Discussion ensued regarding:

- that the newly elected officials training and the education portion conducted by AML is beneficial;
- that the AML conferences are a melting pot of State issues and a good way to understand issues outside the Borough;
- that some members would not mind losing the National Association of Counties membership; and
- that AML is of good value and serves the Borough well for a variety of reasons;

VOTE: The motion to override passed with Assemblymember Arvin opposed.

Veto No. 2

Amendment No. 8 - Areawide Fund and Fire Service Areas - Reducing the increase for on-call responders hourly rate by \$3 (50 percent) with all of its subsequent line items

MOTION: Assemblymember Halter moved to override Veto No. 2.

CONFLICT OF INTEREST: Assemblymember Keogh declared a conflict of interest as his son is an on-call paramedic emergency responder and has been for several years.

RULING: Mayor DeVilbiss ruled that Assemblymember Keogh had a conflict of interest and would be recused from voting on the issue.

(Assemblymember Keogh exited the meeting.)

Mayor DeVilbiss opined that it was too high of a jump in one budget cycle and that the conversation would be better had in context of balancing temporary and full time employees.

Assemblymember Salmon:

- recalled that the public testimony was that the issue has not been addressed over the last nine years;
- noted that the Borough is losing emergency responders because they are not making enough; and
- acknowledge that yes it is a big jump, but long overdue.

Assemblymember Halter spoke in support of overriding the veto.

Assemblymember Arvin:

- stated that he supports overriding the veto;
- noted that he was the maker of the motion for the increase;
- stated that there are social considerations and that the Borough must care for those in the community;
- advised that the funds are in the budget;
- spoke to the amendments that he had proposed that would have nearly offset the increase; and
- noted that it is the duty of the Borough to provide core essential services such as education, infrastructure, and emergency services.

VOTE: The motion to override passed without objection.

(Assemblymember Keogh reentered the meeting.)

Veto No. 3

Amendment No. 11 - Capital Projects/Grants/Pass - Reduce Youth Court from \$75,000 to \$30,000.

Mayor DeVilbiss

- related that he had requested a copy of the Youth Court budget, which showed their revenues;
- opined that \$30,000 would balance their budget and that this is the reason for the veto.

Assemblymember Colligan:

- noted that Youth Court is a Boroughwide program, not just for the city of Wasilla;
- stated that the City has been supporting Youth Court at the benefit of the entire Borough;
- stated that he would like to see sin taxes applied toward funding Youth Court in the future; and
- noted that the program actually has an \$80,000 deficit.

Discussion ensued regarding:

- other granting avenues available to Youth Court; and
- that Youth Court is an important program that engages kids in the legal community, as well as working to assist first time youth offenders.

MOTION: Assemblymember Colligan moved to override Veto No. 3.

Assemblymember Salmon spoke in support of overriding the veto.

Assemblymember Keogh spoke in opposition to overriding the veto.

Discussion ensued regarding:

- that 75 percent of cigarette taxes are generated within the city of Wasilla;
- that cigarette taxes are collected at the whole sale level;
- the possibility of using cigarette taxes to fund Youth Court; and
- the possibility of Youth Court having fundraisers.

VOTE: The motion to override passed with Assemblymember Keogh opposed.

Mayor DeVilbiss queried if there was any objection to withdrawing Veto Nos. 4 and 5.

There was no objection noted.

IX. SPECIAL ORDERS

A. PERSONS TO BE HEARD (Three minutes per person.)

(There were no persons to be heard.)

B. PUBLIC HEARINGS (Three minutes per person.)

1. Ordinance Serial No. 12-067: AN ORDINANCE APPROPRIATING \$5,697,945 FROM THE ADMINISTRATIVE OFFICE SPACE RESERVE, FUND 100, AND REAPPROPRIATING \$18,637 FROM VARIOUS PROJECTS WITHIN FUND 405, AND \$289,024 FROM VARIOUS PROJECTS WITHIN FUND 425, TO FUND 435, PROJECT NO. 10063, FOR DOROTHY SWANDA JONES BUILDING ADDITION CONSTRUCTION.
 - a. Resolution Serial No. 12-051: A RESOLUTION APPROVING THE AMENDED BUDGETS FOR VARIOUS PROJECTS WITHIN FUND 405, FUND 425, AND FUND 435, AND APPROVING THE AMENDED SCOPE OF WORK FOR PROJECT NO. 10063, FOR DOROTHY SWANDA JONES BUILDING ADDITION CONSTRUCTION.
 - (1) IM No. 12-101
 - (2) AM No. 12-059: AWARD OF BID 12-138, TO PINNACLE CONSTRUCTION, INC. IN THE CONTRACT AMOUNT OF \$5,805,700 FOR THE DOROTHY SWANDA JONES ADMINISTRATION BUILDING ADDITION CONSTRUCTION.

Mayor DeVilbiss opened the public hearing.

The following person spoke in opposition to Ordinance Serial No. 12-067, Resolution Serial No. 12-051, and AM No. 12-059 and to concerns with the lack of staff reports: Ms. Michelle Church.

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

MOTION: Assemblymember Salmon moved to adopt Ordinance Serial No. 12-067, Resolution Serial No. 12-051, and AM No. 12-059.

Assemblymember Halter noted that a majority of the proposed annex is for staff office space.

Mr. Moosey:

- advised that a good portion of the first floor is for public meetings and public use;
- related that the annex will create additional meeting spaces that are in high demand within the Borough building; and
- stated that the Assembly offices in the annex are each six foot by eight foot.

Discussion ensued regarding:

- the possibility of combining Assembly office space;
- that sharing office space is not always feasible;
- that the bid for the annex came in very low;
- that the intent is to expand other departments into the vacated space as funds become available;
- that the historical character of the building will be preserved;
- concerns that the existing building may not be a safe working environment due to overcrowding;
- that the current Assembly Chambers is not a sufficient space for the public;
- the different funds that were appropriated, which resulted in no impact to the tax payers;
- that the current space does not meet the needs of staff;
- that the body looked at demolishing or renovating the gym, which was determined to be non-cost effective and would have in fact inflated the cost;
- that the new space will add approximately 18,000 square feet;
- that the new chambers will provide seating for 300 members of the public;
- concerns that the timing is not fiscally appropriate;
- that the current Assembly Chambers has not been upgraded or changed in the last 15 years;
- the possibility of postponing the legislation;
- that the bid does not include audio or video for chambers;
- that the projected move in date is December 2013;
- that ground breaking can occur next month if the legislation is adopted; and
- that the low bidder only has to hold the responsive bid for 60 days and it has already been 30 days since the bid came in.

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

VOTE: The motion passed without objection.

VOTE: The motion passed with Assemblymembers Arvin and Colligan opposed.

2. Ordinance Serial No. 12-063: AN ORDINANCE REPEALING MSB 17.61.040, THE REQUIREMENT FOR A CORE AREA LAND USE PERMIT.
 - a. IM No. 12-098

Mayor DeVilbiss opened the public hearing.

The following person spoke in opposition to Ordinance Serial No. 12-063: Ms. Michelle Church.

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

MOTION: Assemblymember Salmon moved to adopt Ordinance Serial No. 12-063.

Mr. Strawn provided a staff report.

Assemblymember Keogh queried the impact of repealing the requirement for a core area land use permit.

Mr. Strawn advised that the core area land use permit would go away and that there would still be a requirement for a core area conditional use permit.

Assemblymember Salmon queried if this permit is a redundancy.

Mr. Strawn affirmed the query.

Discussion ensued regarding where the core area conditional use permit would be required.

VOTE: The motion passed without objection.

3. Ordinance Serial No. 12-064: AN ORDINANCE AMENDING MSB 17.28, INTERIM MATERIALS DISTRICT; AND MSB 17.125, DEFINITIONS.
 - a. IM No. 12-099

Mayor DeVilbiss opened the public hearing.

The following person spoke in opposition to Ordinance Serial No. 12-064: Ms. Michelle Church.

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

MOTION: Assemblymember Salmon moved to adopt Ordinance Serial No. 12-064.

Mr. Strawn provided a staff report.

Assemblymember Colver spoke to concerns with perceived loop holes.

Discussion ensued regarding:

- the sound levels being measured at the boundary of the receiving lot;
- that the only limitation would be due to the character of the receiving land;
- that Permitting Services Staff will be attending a training regarding sound levels and how to measure them;
- that it does not matter how far away you are from the receiving land, it matters about the noise crossing the property line; and
- whether or not there is a benefit to postponing the legislation until after the sound level training.

MOTION: Assemblymember Arvin moved to postpone Ordinance Serial No. 12-064 to a time certain of September 18, 2012.

VOTE: The motion to postpone passed with Assemblymember Salmon, Woods, and Halter opposed.

(The meeting recessed at 8:52 p.m. and reconvened at 9 p.m.)

(Assemblymembers Colver and Colligan were not in the room when the veto was issued.)

VETO: Mayor DeVilbiss vetoed the postponement of Ordinance Serial No. 12-063 to September 18, 2012.

Assemblymember Arvin spoke in opposition to the veto.

MOTION: Assemblymember Arvin moved to override the veto.

(Assemblymembers Colver and Colligan re-entered the meeting.)

VOTE: The motion to override the veto failed with Assemblymembers Colver, Keogh and Arvin in support (requires 5 votes).

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

VOTE: The motion passed without objection.

VOTE: The main motion passed with Assemblymembers Keogh and Arvin opposed

C. AUDIENCE PARTICIPATION (Three minutes per person.)

The following persons spoke to concerns regarding the Animal Care Shelter: Ms. Carolyn Johnson and Ms. Rhonda Weinrick.

The following person spoke to the need for a shooting range within the Borough: Ms. Taffina Katkus.

The following person spoke to the economics of using wood pellets for wood fired boilers: Mr. Dane Crowley, Superior Pellet Fuels, Inc.

The following person spoke to concerns with Ordinance Serial No. 12-068: Mr. Kenny Barber.

MOTION: Assemblymember Colver moved to suspend the rules to take up discussion of cancelling the June 19th meeting.

VOTE: The motion passed without objection.

Assemblymember Colver:

- opined that the June 19 meeting should be cancelled; and
- noted that the public hearings that would have been on June 19 could be rescheduled to June 28.

Discussion ensued regarding cancelling of the June 19 meeting.

Mayor DeVilbiss inquired if there was any objection to cancelling the June 19 meeting.

There was no objection noted.

D. CONSENT AGENDA

1. RESOLUTIONS

a. Resolution Serial No. 12-052: A RESOLUTION APPROVING THE AMENDED SCOPE OF WORK FOR THE HIDDEN HILLS FISH PASSAGE PROJECT, PROJECT NO. 30113, TO INCLUDE SETTLERS BAY AT CROCKER CREEK FISH PASSAGE PROJECT.

(1) IM No. 12-104

2. ACTION MEMORANDUMS

a. AM No. 12-054: AUTHORIZATION TO PURCHASE DIESEL FUEL AND PROPANE FROM CROWLEY PETROLEUM DISTRIBUTION IN AN AMOUNT NOT TO EXCEED \$360,000 FOR THE GOOSE CREEK CORRECTIONAL CENTER.

- b. AM No. 12-055: APPROVAL OF UTILITY RELOCATION COSTS TO ENSTAR NATURAL GAS COMPANY IN THE AMOUNT OF \$150,434 FOR SETTLERS BAY AT CROCKER CREEK FISH PASSAGE PROJECT, PROJECT NO. 30112.
- c. AM No. 12-056: APPROVAL OF UTILITY RELOCATION COSTS TO MATANUSKA ELECTRIC ASSOCIATION IN THE AMOUNT OF \$130,000 FOR KIME LANE – ERICA TO KIME WAY UPGRADE PROJECT, PROJECT NO. 30042.
- e. AM No. 12-058: AWARD OF BID NO. 12-119 TO AMES 1, LLC. IN THE CONTRACT AMOUNT OF \$1,483,486.52 FOR BUTTE AND SNOWSHOE ELEMENTARY SCHOOLS ROOF REPAIR/REPLACEMENT.
- f. AM No. 12-060: AWARD OF BID NO. 12-146 TO TC CONSTRUCTION INC. IN THE CONTRACT AMOUNT OF \$348,000 FOR FINGER LAKE ELEMENTARY SCHOOL ROOF UPGRADES.
- g. AM No. 12-061: AWARD OF BID NO. 12-136 TO WOLVERINE SUPPLY INC. IN THE CONTRACT AMOUNT OF \$830,278.95 FOR BIRCH HILLS ESTATES ROAD UPGRADES PHASE II.
- h. AM NO. 12-062: AWARD OF BID NO. 12-152 TO AMES 1, LLC. IN THE CONTRACT AMOUNT OF \$2,170,000 FOR PALMER JUNIOR MIDDLE SCHOOL ROOF REPAIR/REPLACEMENT.
- i. AM No. 12-063: AWARD OF BID NO. 12-141 TO E/P ROOFING, INC. IN THE CONTRACT AMOUNT OF \$678,000 FOR HOUSTON MIDDLE SCHOOL ROOF REPAIR/REPLACEMENT.
- j. AM No. 12-064: AWARD OF BID NO. 12-137 TO DRENNON CONSTRUCTION AND CONSULTING, INC. IN THE CONTRACT AMOUNT OF \$328,530 FOR GOVERNMENT PEAK RECREATION TRAIL.
- k. AM No. 12-065: AUTHORIZATION TO PURCHASE NARROWBAND COMPLIANT RADIOS FROM MOTOROLA SOLUTIONS, INC. IN THE AMOUNT OF \$874,842.43 FOR EMERGENCY SERVICES.
- l. AM No. 12-066: AWARD OF BID NO. 12-133 TO PARKHURST MECHANICAL LLC. IN THE CONTRACT AMOUNT OF \$271,238 FOR TALKEETNA PUBLIC WATER SYSTEM METERING.

Ms. McKechnie read the above legislation into the record.

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

VOTE: The motion passed without objection.

- d. AM No. 12-057: AUTHORIZATION TO PURCHASE PRECAST CONCRETE RESTROOM BUILDINGS FROM CXT, INC. IN THE AMOUNT OF \$277,995.88.

MOTION: Assemblymember Halter moved to adopt AM No. 12-057.

Assemblymember Halter:

- spoke to concerns that were voiced last year by the residents of Talkeetna that they needed more restrooms for the tourist season;
- stated that he agrees with this; and
- requested that staff provide an update.

Mr. Phillips:

- advised that the restrooms are part of a plan for each area that they will be located in;
- noted that the contract for the Borough is tagged onto the State contract;
- advised that the Assembly adopt the legislation, as it is 90 days from ordering to production;
- stated that if changes need to be made that he can certainly look into it; and
- spoke to the public input that has been received thus far.

Assemblymember Halter queried if the locations have been locked in.

Mr. Phillips stated that he is unsure, as the project was locked in before he was hired two weeks ago.

Discussion ensued regarding:

- the possibility of changing the Talkeetna single vault to a double vault;
- the timeframe for installation;
- that the locations will have to be determined;
- that it takes 90 days to construct the vaults;
- that the contract is for purchase and installation; and
- the master plan for Jim Creek.

VOTE: The motion passed without objection.

- b. Resolution Serial No. 12-053: A RESOLUTION APPROVING THE PENDING \$93,941.26 FINANCIAL RESPONSIBILITY FOR THE M/V SUSITNA FOR AN ADDITIONAL TWO MONTHS.

(1) IM No. 12-108

MOTION: Assemblymember Salmon moved to adopt Resolution Serial No. 12-053.

Mr. Moosey:

- noted that the Borough took financial responsibility for the M/V Susitna two months ago;
- stated that at that time, he requested two months while he sorted out options for the ferry;
- advised that he is continuing to look at options; and
- spoke to an upcoming conference call he has with the Federal Transportation Administration.

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

VOTE: There motion passed without objection.

MOTION: Assemblymember Colligan moved a primary amendment to Resolution Serial No. 12-053, by striking “two months” and inserting in its place “one month” and striking “\$93,941.26” and inserting in its place “\$46,970.63.”

Discussion ensued regarding:

- the impacts of the amendment; and
- the source of funding for the ferry.

VOTE: The primary amendment failed with Assemblymembers Colver, Halter, and Colligan in support.

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

VOTE: The main motion passed with Assemblymembers Colver, Colligan and Arvin opposed.

X. NEW BUSINESS

A. INTRODUCTIONS (For public hearing – 06/05/12, Borough Assembly Chambers)

1. Ordinance Serial No. 12-068: AN ORDINANCE REAPPROPRIATING \$40,000 FROM THE LAND AND RESOURCE MANAGEMENT DIVISION FISCAL YEAR 2012 OPERATING BUDGET, FUND 203, TO FUND 480, PROJECT NO. 45128, AND APPROVING THE SCOPE OF WORK AND BUDGET FOR MASTER PLAN FOR THE JIM CREEK PARCEL.
 - a. Resolution Serial No. 12-054: A RESOLUTION APPROVING THE SCOPE OF WORK AND BUDGET FOR THE MASTER PLAN FOR THE JIM CREEK PARCEL.
 - (1) IM No. 12-105
2. Ordinance Serial No. 12-069: AN ORDINANCE ACCEPTING AND APPROPRIATING \$240,000 FROM THE UNITED STATES FISH AND WILDLIFE SERVICE FOR FIVE CULVERT REPLACEMENTS UNDER THE FISH PASSAGE IMPROVEMENTS PROJECT, PROJECT NO. 30114, FUND 410.
 - a. Resolution Serial No. 12-055: A RESOLUTION APPROVING THE SCOPE OF WORK AND BUDGET FOR UP TO FIVE CULVERT REPLACEMENTS UNDER THE FISH PASSAGE IMPROVEMENTS PROJECT, PROJECT NO. 30114.
 - (1) IM No. 12-106
3. Ordinance Serial No. 12-070: AN ORDINANCE TO ACCEPT AND APPROPRIATE \$20,000 FROM THE ALASKA STATE DEPARTMENT OF NATURAL RESOURCES, OFFICE OF HISTORY AND ARCHAEOLOGY TO FUND 480,

PROJECT NO. 47011, ARCHAEOLOGICAL SURVEYS, TO CONDUCT AN ARCHAEOLOGICAL SURVEY AND INVENTORY OF HISTORIC AND PREHISTORIC SITES ON BOROUGH LANDS IN THE MIDDLE SUSITNA RIVER VALLEY.

- a. Resolution Serial No. 12-056: A RESOLUTION APPROVING THE SCOPE OF WORK AND BUDGET TO RESEARCH AND CONDUCT AN ARCHAEOLOGICAL SURVEY AND INVENTORY OF ARCHAEOLOGICAL SITES ON BOROUGH LANDS IN THE MIDDLE SUSITNA RIVER VALLEY.

(1) IM No. 12-107

- B. INTRODUCTIONS (For public hearing – ~~06/19/12~~, 06/28/12 Borough Assembly Chambers)

- 1. Ordinance Serial No. 12-065: AN ORDINANCE CREATING PORTION OF WAGNER SUBDIVISION NATURAL GAS LOCAL IMPROVEMENT DISTRICT NO. 455, APPROVING THE IMPROVEMENT PLAN FOR THE DISTRICT, AUTHORIZING THE MANAGER TO PROCEED WITH THE IMPROVEMENT, AND ASSESSING EQUALLY AMONG THE PROPERTIES WITHIN THE DISTRICT THE COSTS OF THE IMPROVEMENT.

- a. IM No. 12-102

- 2. Ordinance Serial No. 12-066: AN ORDINANCE CREATING SOUTH LAURIE LANE NATURAL GAS LOCAL IMPROVEMENT DISTRICT NO. 468, APPROVING THE IMPROVEMENT PLAN FOR THE DISTRICT, AUTHORIZING THE MANAGER TO PROCEED WITH THE IMPROVEMENT, AND ASSESSING EQUALLY AMONG THE PROPERTIES WITHIN THE DISTRICT THE COSTS OF THE IMPROVEMENT.

- a. IM No. 12-103

Ms. McKechnie read the above legislation into the record.

MOTION: Assemblymember Salmon moved to introduce the legislation as read into the record by the Clerk and set the public hearings for June 5, 2012 and June 28, 2012, respectively.

VOTE: The motion passed without objection.

C. MAYORAL NOMINATIONS AND APPOINTMENTS

1. VACANCY REPORT

Mayor DeVilbiss requested the following confirmations:

Aviation Advisory Board

Beth Fread

Enhanced 911 Advisory Board
Lance Ketterling
Thomas Remaley, resignation
Alaina Anderson
Diana Campbell, resignation

Mayor DeVilbiss made the following recommendations:

Board of Adjustment and Appeals
H. Paul Campbell
Platting Board
Jay VanDiest

MOTION: Assemblymember Salmon moved to approve the Mayor's recommendations and resignations up for confirmation this evening.

VOTE: The motion passed without objection.

D. OTHER NEW BUSINESS

(There was no other new business.)

E. REFERRALS (For referral to the Planning Commission for 90 days or other date specified by the Assembly)

(There were no referrals presented.)

XI. RECONSIDERATION

(There was no reconsideration presented.)

XII. MAYOR, ASSEMBLY, AND STAFF COMMENTS

Mr. Moosey requested that Mr. Moore be allowed to provide a staff report to the Assembly on the Animal Care Shelter.

There was no objection noted.

Mr. Moore:

- opined that the Animal Care Shelter is a type of orphan, dealt with but not cared for;
- stated that the program has drifted around the Borough, reporting to different departments throughout its lifetime;
- spoke to the confusing history of the shelter and the fact that there has been three chiefs in the last three years;
- stated that Title 24 overburdens the meager staff that is at the shelter;
- opined that the shelter is fortunate to have the professional base of the current veterinarian;
- related that the data is there to support the good work of the staff;

- noted that the shelter is dependent heavily upon shelter volunteers, which are primarily in-shelter volunteers and the rescue groups;
- spoke to a recent meeting he conducted with local rescue groups;
- stated that he would like to see guidelines put in place to assist staff;
- noted that his only requirement when drafting policies is to require that they be safe for the animals, the public, and the volunteers, as well as legal;
- spoke to the investigation that has been called for by members of the public;
- opined that all the negative speech about shelter staff is incorrect and inappropriate; and
- related that he would like to get policies in writing to help staff through this rough spot.

Assemblymember Colligan queried what is needed from the Assembly at this point.

Mr. Moore:

- requested that shelter staff be allowed to do their job; and
- stated that the Assembly can call for the investigation, but he is relatively certain of the outcome.

Assemblymember Colver:

- thanked Mr. Moore for assisting with this complicated issue;
- stated that he appreciates his patience and commitment to the issue;
- related that he knows that this is of great consequence and is important; and
- noted that he fully supports Mr. Moore's effort.

Ms. McKechnie:

- advised that when construction on the new addition begins, that Assembly meetings will have to move to the School District Administrative building for four months, due to issues with handicap accessibility; and
- advised that eventually there will be a tunnel through the construction for handicap access and at that time the meetings can be moved back to this building.

Assemblymember Keogh queried when that might happen.

Mr. Moosey stated that he is unsure as that will be subject of discussion at a later date.

Assemblymember Colligan

- spoke to his review of the Youth Court budget;
- opined they should be funded at the level the Assembly budgeted for;
- spoke to overall concerns with the M/V Susitna; and
- noted that there are items he would like to address in the next budget cycle.

Assemblymember Woods:

- stated that he is worried about the revenue cap, as he is being presented with a scenario that the contracts up for bid at the levels they are will be extremely rare soon; and
- spoke to concerns with the rising cost of living.

Assemblymember Salmon:

- spoke to the history of when the ferry began and the plans for its use at that time;
- noted that the purpose of the ferry was to transport residents to and from Anchorage and to help with the Knik Arm Bridge;
- noted that all of the discussion lately has been to get rid of the ferry;
- opined that the ferry is not a business adventure, but rather a component of infrastructure;
- stated that people have been opining on the history of the ferry without truly understanding it; and
- stated that he is disgusted with the lack of support for the ferry, as he thinks it is a good thing.

MOTION: Assemblymember Arvin moved to suspend the rules to extend the meeting past 10:30 p.m. and not to exceed 10:45 p.m.

VOTE: The motion passed without objection.

Assemblymember Arvin:

- spoke to items he would like to look at in the future;
- noted that he was on the Port Commission and appointed by Assemblymember Salmon when he was the Mayor;
- stated that he used to support it whole heartedly, but that his opinion has changed;
- spoke to overall concerns with the ferry; and
- opined that the ferry is not currently a functional asset to the Borough but rather a liability.

Mayor DeVilbiss

- spoke to a meeting he has with the Chair of the Animal Care and Regulation Board tomorrow morning; and
- requested a book that outlines the final and adopted budget.

XIII. EXECUTIVE SESSION

(There was no executive session held.)

XIV. ADJOURNMENT

The regular meeting adjourned at 10:35 p.m.


LARRY DeVILBISS, Borough Mayor

ATTEST:


LONNIE R. McKECHNIE, CMC, Borough Clerk

Minutes Approved: 06/28/12