

I. CALL TO ORDER

The regular meeting of the Matanuska-Susitna Borough Assembly was held on May 20, 2014, 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. Jim Sykes, Assembly District No. 1
Mr. Matthew Beck, Assembly District No. 2
Mr. Ronald Arvin, Assembly District No. 3 (*Deputy Mayor*)(*arrived at 6:07 p.m.*)
Mr. Steve Colligan, Assembly District No. 4
Mr. Darcie K. Salmon, Assembly District No. 5
Mr. Jim Colver, Assembly District No. 6 (*arrived at 6:02 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. George Hays, Assistant Borough Manager
Mr. Nicholas Spiropoulos, Borough Attorney
Ms. Brenda J. Henry, Assistant Clerk
Ms. Tammy Clayton, Finance Director
Mr. Terrance Dolan, Public Works Director
Ms. Eileen Probasco, Planning and Land Use Director
Mr. Dennis Brodigan, Emergency Services Director
Ms. Patty Sullivan, Public Affairs Director
Mr. Eric Phillips, Community Development Director
Mr. Michael Brown, Capital Projects Director
Ms. Joell Church, Records Management Officer
Mr. Larry Macknicki, Information Technology Director
Mr. Michael Newman, Accountant
Mr. Alex Strawn, Development Services Director

III. APPROVAL OF AGENDA

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

Mr. Moosey requested to pull AM 14-062 completely from the agenda and to take no action.

Mayor DeVilbiss queried if there was any objection.

There was no objection noted.

Assemblymember Sykes:

- requested to take up reconsideration prior to taking up public hearings;
- requested to take up audience participation prior to taking up the veto; and
- noted that this would allow the public an opportunity to speak to those agenda items.

There was no objection noted.

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

Mayor DeVilbiss:

- expressed his condolences regarding the tragic death of Mr. Steven Garcia;
- queried if there was any objection to observing a moment of silence in honor of Mr. Garcia; and
- stated that if there was no objection that he would also like to read a proclamation into the record, which is regarding a separate matter.

There was no objection noted.

A moment of silence was observed for Mr. Garcia.

IV. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mr. Joe Hannan, Palmer City Manager.

V. MINUTES OF PRECEDING MEETINGS

- A. Special Assembly Meeting: 05/01/14
- B. Special Assembly Meeting: 05/02/14
- C. Special Assembly Meeting: 05/05/14
- D. Regular Assembly Meeting: 05/06/14

Mayor DeVilbiss inquired if there were any corrections to the special meeting minutes of May 1, 2014, May 2, 2014, May 5, 2014, or the regular meeting minutes of May 6, 2014.

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

VI. REPORTS/CORRESPONDENCE

- A. AGENCY REPORTS
 - 1. Reports from cities

Palmer City

Mr. Joe Hannan, City Manager:

- commented that the weather has been beautiful; and
- stated that he is looking forward to working with the Assembly.

Wasilla City

Mr. Bert Cottle, Deputy Administrator:

- stated that the City Council has approved new construction of commercial spaces within the City;
- thanked the Assembly for the budget process and continued support of the Sexual Assault Response Team (SART);
- thanked the Assembly for providing funding for Youth Court; and
- noted the costs of housing prisoners as opposed to the costs for funding Youth Court.

2. Matanuska-Susitna Borough School District

Dr. Deena Paramo, Superintendent:

- spoke to the school magazine provided to the Assembly;
- advised that the School District is also funding youth court;
- noted that today is the last day of school with 1,100 graduating seniors;
- stated that with school out for the summer, there will be 300 buses off the road; and
- spoke in support of funding for preschool.

B. COMMITTEE REPORTS

1. Joint Assembly/School Board Committee on School Issues

(There was no report provided.)

2. Joint MSB Assembly/MOA Assembly Transportation Subcommittee

(There was no report provided.)

3. Assembly Public Relations

(There were no reports provided.)

C. MANAGER COMMENTS

1. Legislative Presentation in Honor of the MSB Fish and Wildlife Commission

Representative Shelly Hughes, Representative Wes Keller, Representative Bill Stoltze, and Representative Mark Neuman expressed appreciation of, and presented certificates of recognition to the MSB Fish and Wildlife Commission.

2. State/Federal Legislation
3. Strategic Planning Issues

Mr. Emerson Krueger, Planner II, reported on the Alaska Oil and Gas Workforce Development Plan.

Mr. Moosey:

- reported that recent bids for road projects have come in significantly lower than expected;
- spoke to recent actions of the Aviation Advisory Board;
- stated that he would like to begin working on the Assembly's legislative priorities for 2015;
- referred to Administration's proposed audit plan, which will require input of the Assembly; and
- spoke to the continuing efforts to consolidate E-911 dispatch.

Mayor DeVilbiss read a proclamation into the record regarding "The Season of Service."

D. ATTORNEY COMMENTS

Mr. Spiropoulos:

- spoke to the recent municipal Attorney's Conference, which was held in Anchorage;
- noted the different topics that were discussed;
- spoke to presentations that he had made at the conference;
- related that Assemblymember Halter requested that he speak to a pending lawsuit regarding school funding;
- summarized the lawsuit for the body and reported on the status; and
- advised that he would report back to the body the status of the lawsuit at a later date.

E. CLERK COMMENTS

Ms. McKechnie spoke regarding the upcoming meeting schedule.

F. CITIZEN AND OTHER CORRESPONDENCE

1. MSB Board/Committee Minutes:

- a. Health and Social Services Board: 03/21/14
- b. Parks, Recreation, and Trails Advisory Board: 02/24/14
- c. Planning Commission: 04/07/14, Resolution Serial No. 14-05
- d. Talkeetna Sewer and Water Advisory Board: 01/08/14

2. Community Council Minutes:

- a. North Lakes Community Council: 03/29/13, 04/26/13, 05/30/13, 09/26/13, 10/29/13, 11/25/13, 01/30/14, 02/27/14

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

G. INFORMATIONAL MEMORANDUMS

(There were no informational memorandums presented.)

VII. UNFINISHED BUSINESS

(There was no unfinished business.)

C. AUDIENCE PARTICIPATION (Three minutes per person.)

The following persons spoke in opposition of the mayoral veto of budget amendment no. 14: Mr. Larry Dearman; Ms. Kelly McBride; Ms. Michelle Reynolds; Ms. Sarah Welton, School Board Member; Ms. Sydney Brazeau; Ms. Kimberley Thompson; Ms. Patricia Chesbro; Ms. Dori Wallis; Ms. Ellen Varosi; Mr. Chris Hines; Ms. Penny Schram-Browner; Ms. Amity Condie; Mr. Warren Keogh; Ms. Helen Munoz; Ms. Jeanne Troshynski; and Ms. Carol Carman.

The following persons spoke in support of the amendment for Ordinance Serial No. 13-144: Mr. Early Lackey, Mr. Sam Combs, and Mr. Kenneth Barber.

The following person spoke in opposition of the amendment to Ordinance Serial No. 13-144: Ms. Lucy Thisius.

The following person spoke in support of the mayoral veto of budget amendment no. 14 and to the need for additional emergency responders: Mr. Mike Coons.

(The meeting recessed at 7:27 p.m. and reconvened at 7:40 p.m.)

The following person spoke in opposition of the mayoral veto of budget amendment no. 14: Mr. Jim Brazeau.

The following person spoke in support of the mayoral veto of budget amendment no. 14: Mr. Bill Mackreth.

VIII. VETO

A. Motion To Override Any Possible Mayoral Veto On Fiscal Year 2015 Budget Items (Ordinance Serial No. 14-014)

MOTION: Assemblymember Beck moved to override the mayoral veto of budget Amendment No. 14.

Assemblymember Beck:

- spoke to his education history;
- spoke to the research that he did prior to the budget process regarding possible funding needs;
- summarized the Assembly's budget process;

- opined that funding preschool education is appropriate;
- stated that the amendment was unanimously approved by the Assembly;
- spoke to his pride in the items that were funded through the budget process; and
- requested support for overriding the veto.

Assemblymember Colligan:

- spoke to the value of preschool education;
- opined that it is not the responsibility of the body to make decisions on how School District programs are funded;
- opined that if preschool funding is a priority for the School District, that they will fund it;
- spoke to funding the School District budget at the full requested amount of 3 percent growth when the Borough's budget grew by only 1 percent; and
- spoke in support of sustaining the mayoral veto.

Discussion ensued regarding:

- education being a top priority;
- the funding for preschool is a very small portion of the School District's overall budget;
- that the amendment did not impact the mill rate;
- the amount of feedback from the public regarding the mayoral the veto;
- the opinion that the veto is appropriate; and
- that the School District did not request funding for preschool in their budget.

VOTE: The motion to override the mayoral veto failed with Assemblymembers Colver, Sykes, Halter, and Beck in support and Assemblymembers Arvin, Colligan, and Salmon opposed (requires 5 votes).

XI. RECONSIDERATION

A. **Ordinance Serial No. 13-144:** An Ordinance Amending MSB 17.63, Race Track Regulations. *(Sponsored by Assemblymember Salmon)(Reconsideration filed by Assemblymember Arvin 05/07/14)*

1. IM No. 13-242

MOTION: Assemblymember Arvin moved to reconsider Ordinance Serial No. 13-144.

Assemblymember Arvin:

- provided a history on the race track ordinance;
- spoke to the legislative intent of the legislation; and
- requested support of reconsideration.

Assemblymember Sykes:

- noted his opposition to reconsideration;
- stated that the body has not discussed any kind of expansion of existing facilities;
- opined that the amendment is not involving the public in the process;

- spoke to the possibility of referring the legislation back to the Planning Commission; and
- noted that the body has had no discussion regarding expansion of racetrack facilities therefore, the amendment is inappropriate.

Assemblymember Beck spoke to concerns of not being aware that the possible amendment was coming forward.

Assemblymember Colver spoke in support of reconsideration.

VOTE: The motion passed with Assemblymembers Sykes and Beck opposed.

MOTION: Assemblymember Arvin moved a primary amendment to Ordinance Serial No. 13-144, MSB 17.63.200 as follows:

- by striking the words at the beginning of paragraph (E) that read “provided that no nonconforming use or structure is enlarged or extended to occupy a greater land area than was authorized as a pre-existing nonconforming use under subsection (C)” to read “A nonconforming use or structure may be modified upon a determination by the director of planning that the proposed modification renders the nonconforming use or structure more compatible with the surrounding land uses or reduces or eliminates noise, smoke, or dust;” and
- by inserting a new paragraph (F) to read: “(F) A non-conforming use may be extended throughout the building or structure, or lot in or on which located, and the building in which it is located may be increased in size provided, however, that any such increase in size of the building or of the use will not increase the lot area covered beyond 75 percent of the area covered by the use at the time the use became non-conforming and further provided that any such extension will conform to applicable height, side, front, and rear yard setbacks.”

Assemblymember Arvin:

- noted that there are two specific sites within the Borough that have permits for non-conforming structures;
- stated that due to the restrictions of the permit, one owner is unable to utilize approximately two-thirds of his property;
- related that the amendment will allow for the property owner to fully use the property while remaining within the parameters of the permit;
- stated that it is not substantially different from what has been before the body previously; and
- requested support of the amendment.

Assemblymember Sykes:

- opined that this amendment is a process issue;
- opined that when the amendment was discussed at a community council meeting that it was vaguely described as grandfather rights;
- opined that if there will be discussion about expansion that it needs to be honest;

- spoke to concerns with the amendment changing grandfather rights; and
- stated that he does not want to see the race track ordinance go the way of the tower ordinance.

Discussion ensued regarding:

- the types of racetracks that are currently within the Borough;
- that the amendment does not bypass the need for a permit;
- concerns that the public process is being circumvented;
- that the legislation has gone through the appropriate public process; and
- that all current requirements of the existing permit will be retained.

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

VOTE: The motion passed without objection.

VOTE: The primary amendment passed with Assemblymember Sykes opposed.

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

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. 14-061:** An Ordinance Approving A Supplemental Appropriation Of \$44,000 From The Garden Terrace Special Service Area No. 8 Fund Balance, Fund 291, To The Garden Terrace Special Service Area No. 8 Fiscal Year 2014 Operating Budget, Fund 291.
 - a. IM No. 14-087

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. 14-061.

VOTE: The motion passed without objection.

2. **Ordinance Serial No. 14-062:** An Ordinance Approving A Land Exchange Of Borough-Owned Land For Privately Owned Land Which Shall Be Retained In Perpetuity As Non-Developable Land For The Purpose Of Public Health, Safety, And Welfare, And As

A Revetment And Mitigation Buffer For The Old Glenn Highway Right-Of-Way And Authorizing The Manager To Implement The Land Exchange (MSB 006848).

- a. **Resolution Serial No. 14-042:** A Resolution Approving A Best Interest Finding That The Proposed Land Exchange Of Borough-Owned Land For Privately-Owned Land To Be Retained In Perpetuity As Non-Developable Land And Utilized As A Revetment And Mitigation Buffer For The Old Glenn Highway Right-Of-Way Is In The Best Interest Of Public Health, Safety, And Welfare (MSB 006848).

(1) IM No. 14-092

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 Sykes moved to adopt Ordinance Serial No. 14-062 and Resolution Serial No. 14-042.

VOTE: The motion passed without objection.

Mayor DeVilbiss queried if there was any objection to taking up public hearing nos. 3 and 4 together.

There was no objection noted.

3. **Ordinance Serial No. 14-063:** An Ordinance Approving A Supplemental Appropriation Of \$25,000 From The Greater Talkeetna Road Service Area No. 29 Fund Balance, Fund 283, To The Greater Talkeetna Road Service Area No. 29 Fiscal Year 2014 Operating Budget, Fund 283.

a. IM No. 14-093

4. **Ordinance Serial No. 14-064:** An Ordinance Approving An Appropriation Of \$200,000 From The Greater Butte Road Service Area No. 26 Fund Balance, Fund 280, To Fund 410, Project No. 30046, For The Greater Butte Road Service Area No. 26 Capital Projects.

a. IM No. 14-097

MOTION: Assemblymember Halter moved to adopt Ordinance Serial Nos. 14-063 and 14-064.

VOTE: The main motion passed without objection.

5. **Ordinance Serial No. 14-065:** An Ordinance Accepting And Appropriating \$15,000 From The Willow Trails Committee And \$8,000 From The Willow Area Community Organization For The Willow Lake Drive Upgrade, Fund 430, Project No. 35409.

- a. **Resolution Serial No. 14-043:** A Resolution Amending The Scope Of Work And Budget For The Willow Lake Drive Upgrade, Project No. 35409.
(1) IM No. 14-099

Mayor DeVilbiss opened the public hearing.

The following person spoke in support of Ordinance Serial No. 14-065 and Resolution Serial No. 14-043: Mr. Steve Charles, Willow Trails Committee.

The following person spoke to concerns that the legislation was never before the Aviation Advisory Board for comment: Ms. Jane Dale, Aviation Advisory Board Member.

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

MOTION: Assemblymember Halter moved to adopt Ordinance Serial No. 14-065 and Resolution Serial No. 14-043.

Assemblymember Halter:

- noted that the legislation is only about upgrading the road to make the area safer for users of all types;
- opined that it is a misnomer to say that Willow Lake is a year round airport; and
- noted that the plan provides safer access for all user types in the winter.

VOTE: The motion passed without objection.

6. **Ordinance Serial No. 14-066:** A Ordinance Authorizing The Borough Manager To Enter Into A Management Agreement Between The Borough And The Matanuska Susitna Trails And Parks Foundation For Management And Operation Of The Government Peak Recreation Area Chalet, Approval Of Rental Rates For Private Rentals Of The Chalet, And Allowing Renters Of The Chalet To Consume And Serve Alcoholic Beverages Per The Terms Of The Rental Agreement At The Government Peak Recreation Area Chalet.
a. IM No. 14-100

Mayor DeVilbiss opened the public hearing.

The following persons spoke in support of Ordinance Serial No. 14-066: Ms. Rachel Greenberg, and Mr. Craig Saunders, Parks and Trails foundation.

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

MOTION: Assemblymember Colver moved to adopt Ordinance Serial No. 14-066.

MOTION: Assemblymember Colver moved a primary amendment to Ordinance Serial No. 14-066, as follows:

- by inserting the words “with such terms and conditions deemed necessary or advisable by the Manager,” at the end of Section 2, to read: “The Matanuska-Susitna Borough Assembly hereby authorizes the Borough Manager to enter into a management agreement with the Matanuska-Susitna Trails and Parks Foundation for management and operation of the Government Peak Recreation Area Chalet with such terms and conditions deemed necessary or advisable by the Manager;” and
- by inserting the words “with such terms and conditions deemed necessary or advisable by the Manager,” at the end of Section 4, to read: “The Matanuska-Susitna Borough Assembly hereby authorizes the sale or serving of alcoholic beverages per the terms and conditions of a use permit which will include provisions to indemnify and hold harmless the Borough and provide additional insurance to cover the sale or serving of alcoholic beverages with such terms and conditions deemed necessary or advisable by the Manager.”

Assemblymember Colver:

- advised that the Attorney had recommended the amendment to the agreement;
- spoke to how the maintenance would occur and utilities would be paid;
- summarized the ways the facility would be managed; and
- requested support of the amendment.

VOTE: The primary amendment passed without objection.

VOTE: The main motion passed as amended without objection.

7. **Ordinance Serial No. 14-067:** An Ordinance Relating To The Elimination Of Gas Distribution Line Improvement Districts By Amending MSB 3.28.010, 3.28.020, and 3.28.062. (*Sponsored by Assemblymember Halter*)
 - a. IM No. 14-104

Mayor DeVilbiss opened the public hearing.

The following person spoke in support of Ordinance Serial No. 14-067: Ms. Patricia Rosnel.

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

MOTION: Assemblymember Halter moved to adopt Ordinance Serial No. 14-067.

Assemblymember Halter:

- spoke to the large amount of staff time that goes into processing local improvement districts (LID’s);
- opined that it is time the Borough get out of the gas LID business; and
- noted that gas LID’s that are going through the current process would not be affected.

Mayor DeVilbiss queried what objection Halter had to a non-contiguous LID.

Assemblymember Halter:

- spoke to his concerns with people who did not want to participate originally, who suddenly do once the gas line is put into place; and
- spoke to the large amount of time staff puts in working on LID's.

Assemblymember Salmon spoke to the need to have gas LID's.

MOTION: Salmon moved a primary amendment to Ordinance Serial No. 14-067, MSB 3.28.010, to insert the words "from a line of the most northern boundary of Houston which extends east and west to the corporate boundaries of the Borough" in the first sentence after the words "distribution line improvements districts" to read: "Local improvement districts may be created as provided in this chapter for the purpose of acquiring, installing or construction capital improvements, except for Natural Gas Distribution Line Improvement Districts from a line of the most northern boundary of Houston, which extends east and west to the corporate boundaries of the Borough, all or a portion of the costs of which may be paid by assessments against the property benefited. The assembly may assess against the property of a governmental unit and private real property benefited by a capital improvement all or a portion of the cost acquiring, installing or constructing the capital improvement."

Assemblymember Halter spoke in opposition to the amendment.

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

Assemblymember Colver

- recognized that there is objection to gas LID's;
- opined that the legislation is a job killer;
- stated that the Borough is growing due to the ability to easily secure utilities;
- noted that the high cost of heating fuel in rural Alaska is hard on the economy;
- noted that the LID process is not perfect;
- spoke in opposition of eliminating gas LID's; and
- opined that the ability to create a gas LID makes the Borough an attractive and affordable place to live.

Assemblymember Sykes:

- queried if there are any serious downsides to eliminating gas LID's; and
- spoke to Lazy Mountain being the first location to have a non-contiguous gas LID.

Ms. Clayton:

- stated that the LID process provides a way for residents to hook up to gas when they may not have the funds upfront;
- noted that the interest rate is typically very low;
- related that there will be many subdivisions within the Borough that will be unable to get natural gas if the legislation is adopted; and
- stated that it is a method in place that assists residents in getting natural gas, with all costs passed on to the property owners.

Discussion ensued regarding:

- concerns that property is foreclosed upon when the assessment is not paid;
- whether conventional lending institutions would fund an LID;
- the staff time and expense that is associated with LID's;
- that currently, natural gas is only available as far north as Big Lake;
- that the natural gas utility could not facilitate the LID process due to the Regulatory Commission;
- the opinion that the non-contiguous LID process is a good one for neighbors with differing opinions;
- the exorbitant costs associated with bringing natural gas to private property;
- that having natural gas on a piece of property makes it more desirable;
- the desire to lower the cost of energy for residents;
- concerns with residents attempting to buy into non-contiguous LID's when they chose to not participate from the beginning; and
- concerns that government should not be involved in the LID process.

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

VOTE: The motion passed without objection.

VOTE: The main motion failed with Assemblymember Halter in support.

D. CONSENT AGENDA

1. RESOLUTIONS

- a. **Resolution Serial No. 14-044:** A Resolution Establishing Fees At The Brett Memorial Ice Arena, The Palmer And Wasilla Pools, The Borough Libraries, The Borough Gym, Park Facilities, And The Community Enrichment Program.

(1) IM No. 14-103

- b. **Resolution Serial No. 14-045:** A Resolution Amending The Scope Of Work For Project Nos. 10136 And 45110 To Allow The Talkeetna Fire Service Area To Construct A Water Supply/Fill System At The Station 11-3 Site.

(1) IM No. 14-105

2. ACTION MEMORANDUMS

- b. **AM No. 14-046:** Award Of Bid No. 14-128B To Tew's Inc. For The Contract Amount Of \$664,692.09 For Oilwell Road Near Petersville Road Fish Passage Improvement Project.
- c. **AM No. 14-049:** Authorization To Purchase From Statewide Petroleum Services In The Amount Of \$140,225 A Van Body Mounted Steam Generator.
- d. **AM No. 14-050:** Award Of Proposal No. 14-106P To R2 Resource Consultants In The Contract Amount Of \$194,131 For The Fisheries Research Program.
- e. **AM No. 14-051:** Award Of Proposal No. 14-126P To Alaska Emergency Medical Consultants In The Contract Amount Of \$130,000 Per Year Over A Three-Year Period For Services As The Medical Director.
- f. **AM No. 14-052:** Approval Of Change Order No. 4 To Contract No. 12-140 To Peak Oilfield Services In The Amount Of \$45,563.26 For Generator Testing And Maintenance.
- g. **AM No. 14-053:** Award Of Proposal No. 14-115P To CH2MHill In The Contract Amount Of \$149,992 For The Landfill Development Plan.
- i. **AM No. 14-055:** Approval Of Change Order No. 4 To Contract No. 12-145 with ATS In The Amount Of \$113,273 For Fire Alarm And Security Systems.
- j. **AM No. 14-056:** Approval To Enter A Utility Agreement With Matanuska Telephone Association In The Amount Of \$229,406 For Utility Relocation For The The Caswell Lakes Road Upgrade, Project No. 35408-9102.
- m. **AM No. 14-059:** Approval of Change Order No. 8 to contract No. 07-196 with Perkins Consulting for the amount not to exceed \$110,000 for the South Central Rail Extension.
- n. **AM No. 14-060:** Award Of Bid No. 14-133B To Western Construction And Equipment, LLC. For The Contract Amount Of \$834,974 For Chipseal Upgrades In The Willow Area.
- o. **AM No. 14-061:** Approval To Enter Into A Utility Agreement With Matanuska Electric Association In The Amount Of \$829,155 For Utility Relocation Within The Seldon Road And Lucille Street Upgrade And Intersection Improvements, Project No. 35406-9102.
- ~~p. **AM No. 14-062:** Award Of Bid No. 14-141B To American Marine International In The Amount Of \$1,415,100 For Cathodic Protection At Port Mackenzie.~~

Ms. McKechnie read the above legislation into the record.

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

VOTE: The motion passed without objection.

- a. **AM No. 14-043:** Acceptance Of Late Filed And Retroactive Senior Citizen And Disabled Veteran Exemption Applications.

MOTION: Assemblymember Arvin moved to adopt AM No. 14-043.

Assemblymember Sykes:

- opined that there needs to be a process where exemptions do not come before the body unless it is an extreme situation;
- spoke to concerns with the deadlines not being met; and
- stated that he will support the legislation.

VOTE: The motion passed without objection.

- h. **AM No. 14-054:** Approval Of Change Order No. 3 To Pruh's Construction Company, LLC. In The Amount Of \$590,846 To Add Port Mackenzie Pavement Extension To The 2013 Roads Paving Project, Project No. 35245 And To Reduce Costs On The Alsop Road Paving Project, Project No. 30040 And To Grant Change Order Authority Without Assembly Approval Up To \$350,000 For Future Contract Amendments.

MOTION: Assemblymember Salmon moved to adopt AM No. 14-054.

Assemblymember Sykes:

- spoke to concerns with future contract amendments;
- stated that the action memorandum is to lower the costs of paving in that area; and
- queried the plural use of the word "amendment."

Mr. Moosey:

- noted that these are state legislative funds;
- advised that the amount of the funds from the legislative grant is \$350,000;
- stated that it may take more than one change order to reach that number, hence the use of the word "amendments;" and
- spoke to the need to utilize the short construction season in the most efficient manner possible.

Discussion ensued regarding:

- that by granting the change order authority in advance, it will move the project along more quickly; and
- that it provides staff flexibility in completing the project.

VOTE: The motion passed without objection.

- k. **AM No. 14-057:** Award Of Bid No. 14-143B To Alaska Excavating, LLC. In The Contract Amount Of \$2,343,580 For Sullivan Avenue And Caudill Road Improvements.

CONFLICT OF INTEREST: Assemblymember Colver declared a conflict of interest as his company was an unsuccessful subcontractor that bid on the project.

RULING: Mayor DeVilbiss ruled that Assemblymember Colver had a conflict and would be recused from voting.

(Assemblymember Colver exited the meeting.)

MOTION: Assemblymember Sykes moved to adopt AM No. 14-057.

VOTE: The motion passed without objection.

(Assemblymember Colver re-entered the meeting.)

- l. **AM No. 14-058:** Award Of Bid No. 14-148B To Quality Asphalt Paving In The Contract Amount Of \$4,753,502.03 For Seldon Road And Lucille Street Upgrades.

CONFLICT OF INTEREST: Assemblymember Arvin declared a conflict of interest as the perspective awardee is a member/owner of a company that he serves as the executive director for.

RULING: Mayor DeVilbiss ruled that Assemblymember Arvin had a conflict and would be recused from voting.

(Assemblymember Arvin exited the meeting.)

MOTION: Assemblymember Colver moved to adopt AM No. 14-058.

Assemblymember Colver:

- spoke to his pleasure with the restructuring of the Public Works Department;
- opined that having a Capital Projects Department is working well; and
- stated he is pleased that the project is moving forward.

VOTE: The motion passed without objection.

(Assemblymember Arvin re-entered the meeting.)

- q. **AM No. 14-063:** Authorization To Purchase From Norton Corrosion Limited In The Amount Of \$582,984.40, Eight Anode Sleds For Port Mackenzie.

MOTION: Assemblymember Salmon moved to adopt AM No. 14-063.

MOTION: Assemblymember Salmon moved a primary amendment to AM No. 14-063, in the last paragraph, by striking the words “along with the award of 14-141B as contained in Action Memorandum 14-062” and by striking the words “2014 calendar year” and inserting in their place the words “2015 fiscal year” to read: “By approving this action memorandum, the Assembly will authorize the purchase of anode sleds and associated cabling and enable the project to move forward during the 2015 fiscal year.”

Mr. Moosey:

- stated that the reason for the amendment is that the materials will be bought in advance due to the long lead time in which they will be received;
- noted that the construction portion of the project will be put back out to bid; and
- advised that the funds are from a state legislative grant.

VOTE: The primary amendment passed without objection.

VOTE: The main motion passed as amended without objection.

- r. **AM No. 14-064:** Approval To Enter Into A Utility Agreement With General Communications, Inc. In The Amount Of \$190,738 For Utility Relocation Within The Seldon Road And Lucille Street Upgrade And Intersection Improvements.

CONFLICT OF INTEREST: Assemblymember Colver declared a conflict of interest as the awardee is his client.

RULING: Mayor DeVilbiss ruled that Assemblymember Colver had a conflict and would be recused from voting.

(Assemblymember Colver exited the meeting.)

MOTION: Assemblymember Arvin moved to adopt AM No. 14-064.

VOTE: The motion passed without objection.

(Assemblymember Colver re-entered the meeting.)

X. NEW BUSINESS

A. INTRODUCTIONS (For public hearing – 06/03/14, Assembly Chambers)

1. **Ordinance Serial No. 14-069:** An Ordinance Accepting And Appropriating \$55,000 From The United States Fish And Wildlife Service To Fund 480, Project No. 45275, For The Mat-Su Wetlands Hydrology Project.
 - a. **Resolution Serial No. 14-046:** A Resolution Establishing The Scope Of Work And Budget And Authorizing The Manager To Enter Into The Necessary Agreements With

The United States Fish And Wildlife Service And The United States Geological Survey For The Mat-Su Wetlands Hydrology Project.

- (1) IM No. 14-106
2. **Ordinance Serial No. 14-070:** An Ordinance Authorizing The Manager To Dedicate A Public Use Easement Over Borough-Owned Tidelands To Knik Arm Bridge And Toll Authority (KABATA) For The Purpose Of Constructing A Toll Bridge Crossing To Connect The Municipality Of Anchorage To Existing KABATA Right-Of-Way Within The Port Mackenzie District (MSB006832).
 - a. IM No. 14-108
3. **Ordinance Serial No. 14-071:** An Ordinance Approving The Land Classification Of Certain Borough Parcels Lying Within Township 14 North, Range 4 West, Sections 2, 3, 16, 17, And 18, Seward Meridian, As Commercial, Industrial, And Watershed Lands For The Purpose Of Inclusion In The Future Boundary Expansion Of Port Mackenzie Special Land Use District (MSB006894).
 - a. IM No. 14-109
4. **Ordinance Serial No. 14-072:** An Ordinance Accepting And Appropriating \$23,760 From The Alaska State Department Of Natural Resources, Office Of History And Archaeology, To Fund 480, Project No. 47011, For The Purpose Of Conducting An Archaeological Survey And Inventory Of Sites Within The Proposed Fish Creek Townsite And Its Surrounds.
 - a. **Resolution Serial No. 14-047:** A Resolution Approving The Scope Of Work And Budget For The Purpose Of Conducting An Archaeological Survey And Inventory Of Sites Within The Proposed Fish Creek Townsite And Its Surrounds.
 - (1) IM No. 14-110
5. **Ordinance Serial No. 14-073:** An Ordinance Approving A Supplemental Appropriation Of \$66,000 From Knik Road Service Area No. 17 Fund Balance, Fund 274, To Knik Road Service Area No. 17 Fiscal Year Operating Budget, Fund 274.
 - a. IM No. 14-113

Ms. McKechnie read the above legislation into the record.

MOTION: Assemblymember Arvin moved to introduce the legislation as read into the record by the Clerk and set the public hearings for June 3, 2014.

VOTE: The motion passed without objection.

B. MAYORAL NOMINATIONS AND APPOINTMENTS

1. VACANCY REPORT

Mayor DeVilbiss requested the following confirmations:

Animal Care and Regulation Board
Jamie West
Health and Social Services Board
Joan Tower, resignation
Knik RSA No. 17
Daniel Huttunen

Mayor DeVilbiss has the following under consideration:

Parks, Recreation, and Trails Advisory Board
Sonya Walden, resignation

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

VOTE: The motion passed without objection.

C. OTHER NEW BUSINESS

(There was no other new business.)

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

(There were no referrals presented.)

XII. MAYOR, ASSEMBLY, AND STAFF COMMENTS

Mr. Moosey:

- requested to add a discussion on economic development under the Manager's Report for the next meeting; and
- stated that he would appreciate input from the Assembly on the topic.

Ms. McKechnie requested that the body wait to push the voting button until after the Mayor calls for the question so that the voting system does not need to be reset so often.

Assemblymember Beck:

- thanked Emergency Services personnel for their responses to recent emergencies;
- expressed his confidence in the work they do, which he is very thankful for;
- spoke to attending the graduation at the Career and Technical High School;
- requested that members who voted to sustain the mayoral veto to reconsider their position;
- opined that the body did a disservice to the public by vetoing the budget amendment for preschool funding; and
- noted that the public was overwhelmingly in favor of the amendment.

Assemblymember Sykes:

- noted his disappointment that the veto was not overridden;
- opined that there was no public process when the body had not seen the racetrack amendment; and
- opined that when a permit is changed that it should go through the public process.

MOTION: Assemblymember Colligan moved to suspend the rules to extend the meeting past 10 p.m. and not to exceed 10:15 p.m.

VOTE: The motion passed without objection.

Assemblymember Colligan:

- requested that members forward all of the public input that they received regarding funding for preschool to the School Board;
- noted that the Assembly had directed the Manager to make significant reductions in the Borough's budget;
- noted that the School District's budget was fully funded;
- spoke to concerns with future funding;
- reiterated that if the School District feels that preschool is important, that they should fund it through their budget; and
- opined that LID's need to be a statewide priority.

Assemblymember Arvin:

- spoke to his concerns that a member believes he tried to subvert the public process;
- reported on his intent of the legislation and how it came about;
- stated that there is a process and that it was openly discussed;
- thanked the members who supported the racetrack amendment;
- noted that he is fully aware of the rules of public process and they were adhered to; and
- opined that preschool funding will probably be one of the top issues that he will grapple with as an Assembly Member.

Assemblymember Halter:

- stated that he expected opposition regarding eliminating gas LID's;
- opined that the preschool funding amendment should not have been vetoed;
- spoke to his desire not to be too involved in School District business;
- stated that the racetrack amendment was not difficult to understand; and
- thanked the body for supporting the Willow Lake legislation, as it is well supported by the community.

Mayor DeVilbiss:

- thanked the body for sustaining the veto;
- opined it was the right thing to do;
- spoke to the communication that he received in opposition to funding preschool;
- opined that the body is not ready to step into the noncompulsory component of education;
- noted that property owners fund the majority of education;


- stated that he has no regrets for vetoing the amendment;
- thanked the body for their support; and
- spoke to the bond closing for an LID that he will be attending in Anchorage tomorrow.

XIII. EXECUTIVE SESSION

(There was no executive session held.)

XIV. ADJOURNMENT

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



LARRY DeVILBISS, Borough Mayor

ATTEST:



LONNIE R. McKECHNIE, CMC, Borough Clerk

Minutes Approved: 06/17/14