

**I. CALL TO ORDER**

The special meeting of the Matanuska-Susitna Borough Assembly was held on May 23, 2006, at the Borough Assembly Chambers, 350 E. Dahlia Avenue, Palmer, Alaska. The meeting was called to order at 6 p.m. by Mayor Timothy L. Anderson for the purpose of addressing Ordinance Serial No. 06-006, adoption of the budget.

**II. ROLL CALL**

Assembly members present and establishing a quorum were:

Ms. Lynne Woods, Assembly District No. 1  
Mr. Bill Allen, Assembly District No. 2  
Mr. Talis J. Colberg, Assembly District No. 3  
Ms. Mary Kvalheim, Assembly District No. 4  
Ms. Cindy Bettine, Assembly District No. 5  
Mr. Jim Colver, Assembly District No. 6 (Deputy Mayor)  
Ms. Betty Vehrs, Assembly District No. 7 (*teleconferenced*)

Staff in attendance were:

Ms. Michelle M. McGehee, CMC, Borough Clerk  
Mr. John Duffy, Borough Manager  
Ms. Nicholas Spiropoulos, Assistant Borough Attorney  
Ms. Lonnie McKechnie, Executive Assistant to the Borough Clerk  
Ms. Marian Romano, Assistant Borough Manager  
Ms. Tammy Clayton, Finance Director  
Ms. Cheyenne Heindel, Financial Analyst  
Mr. Dennis Brodigan, Emergency Services Director  
Mr. Murph O'Brien, Planning Director  
Mr. Ron Swanson, Community Development Director  
Mr. Keith Rountree, Public Works Director  
Ms. Linda Brenner, Division Manager of Recreational Services

**III. APPROVAL OF AGENDA**

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

MOTION: Assemblymember Woods moved to have Audience Participation be heard prior to Unfinished Business.

VOTE: The motion passed without objection.

Mayor Anderson inquired if there were any additional changes to the agenda.

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

#### **IV. PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by Mr. David Allison, Chief Animal Care and Regulation Officer.

#### **VI. AUDIENCE PARTICIPATION**

The following persons spoke in support of the Enterprise Facilitation Project for small businesses: Mr. Chaz St. George, President of the Greater Wasilla Chamber of Commerce; Ms. Cheryl Metiva, Executive Director of the Wasilla Chamber of Commerce; Ms. Teresa Blum, Chair of the Wasilla Chamber of Commerce's Steering Committee; and Mr. Marty Metiva, Co-Chair of Wasilla Chamber of Commerce's Steering Committee.

#### **V. UNFINISHED BUSINESS**

- A. Ordinance Serial No. 06-006: AN ORDINANCE APPROPRIATING MONIES FROM THE CENTRAL TREASURY AND ESTABLISHING THE RATE OF LEVY FOR ALL BOROUGH FUNCTIONS FOR THE FISCAL YEAR BEGINNING JULY 1, 2006, AND ENDING JUNE 30, 2007.

MOTION: Assemblymember Colver moved to adopt Ordinance Serial No. 06-006, appropriating monies from the central treasury and establishing the rate of levy for all Borough functions for the fiscal year beginning July 1, 2006, and ending June 30, 2007.

#### **Technical Amendments:**

- Page B-11, 100-000-000-335-350, State Sharing Revenue: proposed at \$0, amended by \$5,697,691, for an adjusted amount of \$5,697,691.
- Page B-14, 100-000-000-368-220, Recovery from Service Areas: proposed at \$594,115, amended by \$65,362 (decrease), for an adjusted amount of \$528,753.
- Tab B, 100-var-var-412-400; PERS: proposed at \$1,941,706, amended by \$452,955 (decrease), for an adjusted amount of \$1,515,751.
- Page B-96, 100-160-300-411-xxx, Areawide Expenditures, Wages: proposed at \$577,927, amended by \$89,959, for an adjusted amount of \$667,886.
- Page B-96, 100-160-300-412-xxx, Areawide Expenditures Benefits: proposed at \$356,758, amended by \$49,545, for an adjusted amount of \$406,303.
- Tab D, 200-var-var-412-400, PERS: proposed at \$226,508, amended by \$49,689 (decrease), for an adjusted amount of \$176,819.
- Page E-5, 202-100-121-412-400, PERS: proposed at \$9,922, amended by \$2,177 (decrease), for an adjusted amount of \$7,745.
- Tab F, 203-var-var-412-400, PERS: proposed at \$112,636, amended by \$24,709 (decrease), for an adjusted amount of \$87,927.

- Page G-7, 250-000-000-341-xxx, Wasilla-Lakes Fire Service Area Revenues: proposed at \$0, amended by \$270,000, for an adjusted amount of \$270,000.
- Page G-8, 250-000-000-411-100, Fire Code Officials – Wages: proposed at \$198,360, amended by \$91,820, for an adjusted amount of \$290,180.
- Page G-8, 250-000-000-412-xxx, Fire Code Officials – Benefits: proposed at \$349,687, amended by \$64,603, for an adjusted amount of \$414,290.
- Page G-8, 250-000-000-412-xxx, PERS: proposed at \$414,290, amended by \$16,041 (decrease), for an adjusted amount of \$398,249.
- Page G-9, 250-000-000-429-900, Other Contractual: proposed at \$3,115, amended by \$45,000, for an adjusted amount of \$48,115.
- Page G-10, 250-000-000-443-110, Telecomm – Admin. & Audit: proposed at \$126,319, amended by \$48,265 (decrease), for an adjusted amount of \$78,054.
- Page G-18, 251-000-000-412-400, PERS: proposed at \$2,402, amended by \$527 (decrease), for an adjusted amount of \$1,875.
- Page G-20, 251-000-000-443-110, Telecomm – Admin & Audit: proposed at \$6,179, amended by \$48 (decrease), for an adjusted amount of \$6,131.
- Page G-26, 253-000-000-412-400, PERS: proposed at \$512, amended by \$112 (decrease), for an adjusted amount of \$400.
- Page G-28, 253-000-000-443-110, Telecomm – Admin & Audit: proposed \$5,942, amended by \$3,820 (decrease), for an adjusted amount of \$2,122.
- Page G-32, 254-000-000-412-400, PERS: proposed at \$940, amended by \$206 (decrease), for an adjusted amount of \$734.
- Page G-34, 254-000-000-443-110, Telecomm – Admin. & Audit: proposed at \$2,614, amended by \$20 (decrease), for an adjusted amount of \$2,594.
- Page G-38, 256-000-000-412-400, PERS: proposed at \$6,448, amended by \$1,415 (decrease), for an adjusted amount of \$5,033.
- Page G-40, 256-000-000-443-110, Telecomm – Admin. & Audit: proposed at \$12,477, amended by \$4,695 (decrease), for an adjusted amount of \$7,782.
- Page G-44, 257-000-000-412-400, PERS: proposed at \$7,942, amended by \$1,738 (decrease), for an adjusted amount of \$6,186.
- Page G-46, 257-000-000-443-110, Telecomm – Admin. & Audit: proposed at \$19,370, amended by \$8,169 (decrease), for an adjusted amount of \$11,201.
- Page G-52, 258-000-000-412-400, PERS: proposed at \$3,921, amended by \$860 (decrease), for an adjusted amount of \$3,061.
- Page G-54, 258-000-000-443-110, Telecomm – Admin. & Audit: proposed \$4,397, amended by \$270 (decrease), for an adjusted amount of \$4,127.
- Page G-60, 259-000-000-443-110, Telecomm – Admin. & Audit: proposed \$9,625, amended by \$75 (decrease), for an adjusted amount of \$9,550.
- Page H-7, 265-000-000-368-220, Recovery from Service Areas: proposed at \$1,103,157, amended by \$23,781 (decrease), for an adjusted amount of \$1,079,376.
- Page H-8, 265-000-000-412-400, PERS: proposed at \$108,405, amended by \$23,781 (decrease), for an adjusted amount of \$84,624.
- Page H-15, (270-285) 000-000-443-130, Midway RSA Admin. & Audit: proposed at \$48,375, amended by \$1,043, for an adjusted amount of \$47,332.
- Page H-21, (270-285) 000-000-443-130, Fairview RSA Admin. & Audit: proposed at

- \$48,732, amended by \$1,051 (decrease), for an adjusted amount \$47,681.
- Page H-27, (270-285) 000-000-443-130, Caswell Lakes RSA Admin. & Audit: proposed at \$82,593, amended by \$1,780 (decrease), for an adjusted amount of \$80,813.
- Page H-33, (270-285) 000-000-443-130, South Colony RSA Admin. & Audit: proposed at \$93,481, amended by \$2,015 (decrease), for an adjusted amount of \$91,466.
- Page H-39, (270-285) 000-000-443-130, Knik RSA Admin. & Audit: proposed at \$163,902, amended by \$3,533 (decrease), for an adjusted amount of \$160,369.
- Page H-45, (270-285) 000-000-443-130, Lazy Mountain RSA Admin. & Audit: proposed at \$15,430, amended by \$333 (decrease), for an adjusted amount of \$15,907.
- Page H-51, (270-285) 000-000-443-130, Greater Willow RSA Admin. & Audit: proposed at \$7,309, amended by \$1,516 (decrease), for an adjusted amount of \$5,793.
- Page H-57, (270-285) 000-000-443-130, Big lake RSA Admin. & Audit: proposed at \$112,559, amended by \$2,426 (decrease), for an adjusted amount of \$110,113.
- Page H-63, (270-285) 000-000-443-130, North Colony RSA Admin. & Audit: proposed at \$16,021, amended by \$345 (decrease), for an adjusted amount of \$15,676.
- Page H-69, (270-285) 000-000-443-130, Bogard RSA Admin. & Audit: proposed at \$89,878, amended by \$1,938 (decrease), for an adjusted amount of \$87,940.
- Page H-75 (270-285) 000-000-443-130, Greater Butte RSA Admin. & Audit: proposed at \$52,113, amended by \$1,123 (decrease), for an adjusted amount of \$50,990.
- Page H-81, (270-285) 000-000-443-130, Meadow Lakes RSA Admin. & Audit: proposed at \$96,996, amended by \$2,091 (decrease), for an adjusted amount of \$94,905.
- Page H-87, (270-285) 000-000-443-130, Gold Trails RSA Admin. & Audit: proposed at \$107,014, amended by \$2,307 (decrease), for an adjusted amount of \$104,707.
- Page H-93, (270-285) 000-000-443-130, Greater Talkeetna RSA Admin. & Audit: proposed at \$68,425, amended by \$1,475 (decrease), for an adjusted amount of \$66,960.
- Page H-99, (270-285) 000-000-443-130, Trapper Creek RSA Admin. & Audit: proposed at \$16,869, amended by \$364 (decrease), for an adjusted amount of \$16,505.
- Page H-105, (270-285) 000-000-443-130, Alpine RSA Admin. & Audit: proposed at \$20,450, amended by \$441 (decrease), for an adjusted amount of \$20,009.
- Page I-8, 291-000-000-412-400, PERS: proposed at \$3,276, amended by \$719 (decrease), for an adjusted amount of \$2,557.
- Page I-18, 293-000-000-412-400, PERS: proposed at \$10,745, amended by \$2,357 (decrease), for an adjusted amount of \$8,388.
- Tab K, 510-var-var-412-400, PERS: proposed at \$125,172, amended by \$27,459 (decrease), for an adjusted amount of \$97,713.
- Page L-6, 520-100-112-412-400, PERS: proposed at \$26,191, amended by \$5,746 (decrease), for an adjusted amount of \$20,445.

MOTION: Assemblymember Colver moved to approve the technical amendments as presented by Administration.

VOTE: The primary amendment (technical amendments) passed without objection.

**Amendment No. 1 - Areawide Fund (Fund 100) and Education Operating Fund (Fund 204)  
(Page B15, J3 and J4)**

**MOTION:** Assemblymember Colver moved a primary amendment to the Areawide Fund (Fund 100-000-000) to decrease the transfer to Education Operating (445-220) by \$150,000 as shown on page B15, decrease Transfer from the Areawide Fund (367-110) in the Education Operating Fund (Fund 204-000-000) by \$150,000 shown on page J3, decrease the Education Operating expenditures (406-100) in the Education Operating Fund (Fund 204-000-000) by \$150,000 shown on page J4; and transfer the \$150,000 to a Reserve within the Areawide Fund to be utilized for the costs of keeping the school buildings open for community uses during July 2006.

Mayor Anderson spoke in support of the amendment for the purpose of keeping schools open for community functions.

Assemblymember Colberg queried if the amendment would cut the School District's budget by \$150,000.

Mayor Anderson advised that it would cut the School District's budget by \$150,000.

Assemblymember Allen queried the legalities of keeping the schools open without the School District's consent.

Mr. Spiropoulos:

- advised that he has not looked into the legalities of this issue;
- noted that the School District runs the schools; and
- advised that he could have an answer for the Assembly on May 25, 2006.

Discussion ensued regarding the legalities of the Borough keeping the schools open for public use without the School District's consent.

**MOTION:** Assemblymember Kvalheim moved a secondary amendment to strike "Education Operating Fund (445-220)" and to insert "Fund Balance" pending the Deputy Borough Attorney's opinion regarding the legalities of the Borough keeping the schools open without the consent of the School District.

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

Assemblymember Bettine:

- queried the Community Schools Program budget; and
- opined that this is a Community Schools issue.

Mr. Duffy:

- advised that the programs for Community Schools are in Trapper Creek and Talkeetna; and
- advised that the Community Schools Program is in the Recreational Services budget under the Community Development Department.

Ms. Brenner:

- spoke regarding the Community Schools Program;
- stated that the program is primarily run in Talkeetna and Trapper Creek;
- advised that Colony High School and the Borough Gymnasium are used in the core area; and
- spoke regarding the groups that have called with concerns regarding the school closures.

Discussion ensued regarding:

- the Community Schools Program;
- the need for a legal opinion;
- cooperation with the School Board; and
- concerns about vandalism.

VOTE: The primary amendment passed as amended with Assemblymembers Colberg and Vehrs in opposition.

### **Amendment 1A – Education Funding**

MOTION: Assemblymember Colver moved to approve the Education Funding.

MOTION: Assemblymember Colberg moved a primary amendment to allocate \$1,000,000 from State Revenue Sharing to the Education Fund (to increase the School District's operating budget from \$38,000,000 to \$39,000,000).

Assemblymember Woods spoke in support of the primary amendment.

Ms. Clayton noted that the mill rate is currently 9.407 areawide.

Mr. Duffy stated that administration did not support applying the \$5.6 million to lower the mill levy all at one once.

Discussion ensued regarding the mill levy and revenue sharing.

VOTE: Assemblymember Allen moved a secondary amendment to strike "\$1,000,000" and insert "\$2,000,000" (to increase the School District's operating budget from \$38,000,000 to \$40,000,000).

Discussion ensued regarding the mil levy and revenue sharing.

VOTE: The secondary amendment failed with Assemblymembers Allen and Colberg in support.

Ms. Clayton noted that the mill rate with an increase in the School District's operating fund by \$1,000,000 is 9.550 areawide.

*(The meeting recessed at 7:35 p.m. and reconvened at 7:45 p.m.)*

**MOTION:** Assemblymember Woods moved a secondary amendment to strike "\$1,000,000" and insert "\$1,500,000" (to increase the School District's operating budget from \$38,000,000 to \$39,500,000).

**MOTION:** Assemblymember Allen moved to suspend the rules to allow School Board Member Wells to provide a brief overview of the School District's finances.

**VOTE:** The motion to suspend the rules passed with Assemblymembers Vehrs, Kvalheim, and Colver opposed.

School Board Member Wells:

- spoke regarding the appeal of the Special Education Audit to the State;
- advised that he and Assemblymember Colver volunteered to meet with Senator Green and Representative Stoltz to discuss special education and the no child left behind mandates;
- spoke regarding the allocations from House Bill 13; and
- spoke regarding the School District's top ten priorities.

Assemblymember Kvalheim queried if the schools would remain open in July if the Borough was to provide the School District with an additional \$2,000,000.

School Board Wells:

- advised that he could not speak for the entire Board; and
- advised that the School Board has not finalized the School District's budget.

Assemblymember Colver noted that none of the lost jobs were restored.

School Board Member Wells stated that it will take an additional \$4 million to hold those jobs harmless, based on the hit from the Special Education Audit.

Discussion ensued regarding the School District's budget.

**VOTE:** The secondary amendment passed with Assemblymember Vehrs and Colver in opposition.

**VOTE:** The primary amendment passed as amended without objection.

**MOTION:** Assemblymember Kvalheim moved a primary amendment to create an "Education Reserve" in the amount of \$3,000,000, to be placed in the Borough's Education Fund. These funds shall be available for the School District and may be obtained by submitting a request for a portion or all of the funds with an explanation of how the funds will be utilized. The request will be presented to the Assembly in the form of

an Assembly Memorandum. This reserve amount will be established by reducing the previously approved Borough approved contribution to education.

Mr. Duffy:

- spoke regarding the reserve that was created last year for the School District;
- noted that the reserve funds from last year have been used for the portables at Susitna Valley High School; and
- spoke regarding the reserve that the Assembly created for the School District in the late 1980's.

Assemblymember Kvalheim:

- stated that all of the Assembly Members need to be held responsible for the tax payers money;
- spoke regarding supporting education; and
- stated that she does not feel that the School Board was provided all the information that was needed from the School District's Administration prior to making their decisions.

Discussion ensued regarding the creation of an education reserve.

**MOTION:** Assemblymember Colver moved a secondary amendment to strike the following phrase "and may be obtained by submitting a request for a portion or all of the funds with an explanation of how the funds will be utilized. The request will be presented to the Assembly in the form of an Assembly Memorandum" to read as follows: "Create an Education Reserve in the amount of \$3,000,000 to be placed in the Borough's Education Fund. These funds shall be available for the School District. This reserve amount will be established by reducing the previously approved Borough approved contribution to education.

**VOTE:** The secondary amendment failed with Assemblymembers Colver and Vehrs in support.

**MOTION:** Assemblymember Bettine moved a secondary amendment to strike the amount of "\$3,000,000" and to insert the amount of "\$1,500,000."

**VOTE:** The secondary amendment passed with Assemblymembers Colberg, Colver, and Vehrs in opposition.

Assemblymember Colberg, Allen, Woods, and Bettine spoke in opposition to the primary amendment.

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

**VOTE:** The main motion passed as amended without objection.

**MOTION:** Assemblymember Colver moved for reconsideration of the Education portion of the budget.

**VOTE:** The motion to reconsider failed unanimously.

## **Debt Service**

MOTION: Assemblymember Colver moved to adopt the Debt Service portion of the budget.

VOTE: The motion passed without objection.

## **Enhanced 911**

MOTION: Assemblymember Colver moved to approve the Enhanced 911 portion of the budget.

Assemblymember Colver queried the amount of increase in the revenue by the increase Enhanced 911 surcharge.

Ms. Clayton advised that the revenue increase is \$202,000.

MOTION: Assemblymember Colver moved a primary amendment to reduce the Enhanced 911 budget by \$202,000 in revenue and expenses.

Assemblymember Colver:

- stated that this would increase the levy on each phone line by \$0.25 in the budget;
- noted that many families have phone lines and cell phones; and
- stated his intent is for the Borough to live within the levy that already exists.

Mr. Brodigan spoke to the affects of reducing the budget to the Enhanced 911 System.

Discussion ensued regarding the Enhanced 911 System.

VOTE: The primary amendment passed with Assemblymembers Allen, Colberg, and Kvalheim opposed

MOTION: Assemblymember Colver moved to reconsider the primary amendment.

VOTE: The motion to reconsider the primary amendment failed with Assemblymember Allen in support.

VOTE: The main motion as amended passed without objection.

## **Solid Waste Enterprise Fund**

MOTION: Assemblymember Colver moved to approve the Solid Waste Enterprise Fund potion of the budget.

VOTE: The motion passed without objection.

## **Port Enterprise Fund**

MOTION: Assemblymember Colver moved to approve the Port Enterprise Fund portion of the budget.

MOTION: Assemblymember Bettine moved a primary amendment to reduce the Port Enterprise Fund by \$200,000 in expenses.

Mr. Duffy:

- stated that the probable impact of the budget reduction will be in “Other Contractual” and “Other Professional” line items; and
- spoke to the projects that are in those budget line items.

Assemblymember Allen and Colberg spoke in opposition to the primary amendment.

Assemblymember Bettine, Vehrs, and Colver spoke in support of the primary amendment.

Discussion ensued regarding the Port Enterprise Fund.

VOTE: The primary amendment passed with Assemblymembers Allen and Colberg in opposition.

VOTE: The main motion passed as amended without objection.

Ms. Clayton noted that the mill rate is currently 9.622 areawide.

### **Fire Service Areas**

MOTION: Assemblymember Colver moved to approve the Fire Service Areas portion of the budget.

### **Amendment No. 2 - Willow Fire Service Area Fund (Fund 258) (Pages G54, N7)**

MOTION: Assemblymember Vehrs moved a primary amendment to the Willow Fire Service Area Fund (Fund 258) by decreasing the Transfer to Capital (446-400) shown on page G54 and N7 from \$75,780 to \$25,780, to remove the F450 Foam Unit Truck, for a total reduction of \$50,000.

VOTE: The primary amendment passed without objection.

VOTE: The main motion passed as amended without objection.

## **Road Service Areas**

MOTION: Assemblymember Colver moved to approve the Road Service Areas portion of the budget.

### **Amendment No. 3 – Greater Willow Road Service Area Fund (Fund 276)(Pages H47, H51, and N4)**

MOTION: Assemblymember Vehrs moved a primary amendment to the Greater Willow Road Service Area Fund (Fund 276) to pay off their existing revolving loan by increasing the principal payment shown on page H47 from \$1,556 to \$6,224 and by decreasing the Transfer to Capital (446-400) shown on page H51 and N4 from \$70,309 to \$65,641.

Assemblymember Vehrs advised that the Greater Willow Road Service Area Board of Supervisors requested that she make this amendment to the budget.

VOTE: The primary amendment passed without objection.

VOTE: The main motion passed as amended without objection.

## **Other Service Areas**

MOTION: Assemblymember Colver moved to approve the Other Service Areas portion of the budget.

VOTE: The motion passed without objection.

## **Land Management**

MOTION: Assemblymember Colver moved to approve the Land Management portion of the budget.

VOTE: The motion passed without objection.

## **Non-Areawide**

MOTION: Assemblymember Colver moved to approve the Non-Areawide portion of the budget.

Ms. Clayton noted that the mill rate is currently .351 non-areawide.

*(The special meeting recessed at 9:04 p.m. and reconvened at 9:18 p.m.)*

VOTE: The motion passed without objection.

## **Areawide**

MOTION: Assemblymember Kvalheim moved to approve the Areawide portion of the budget.

### **Amendment No. 4 - Areawide: Capital Projects/Grants/Pass (Tab N, Page 1)**

MOTION: Assemblymember Colver moved a primary amendment to the Areawide Fund, Grants/Pass Through, Federal Transportation Grant Match by inserting two projects: (1) Hatcher Pass and (2) Lake Lucille Road. (There is no change to the amount of funding).

Assemblymember Colver advised that the amendment is at the request of Administration.

VOTE: The primary amendment passed without objection.

### **Amendment No. 5 - Areawide: Transfers – Youth Programs (100-000-000-449-210)(Tab B, Page 15) and Capital Projects/Grants/Pass (Tab N, page 1)**

MOTION: Assemblymember Colver moved a primary amendment to the Areawide Fund, Transfers to Youth Programs (fund 100-000-000-449-210), by inserting \$5,000 for youth programs, for an increase of \$5,000, and a corresponding increase of \$5,000 in the capital projects/grants budget to insert the \$5,000 proposed for the Boys and Girls Club.

Assemblymember Colberg spoke in opposition to the amendment.

Assemblymember Bettine:

- stated that she supports the amendment this time only; and
- spoke to the need for a program for organizations to come forward to request funding.

VOTE: The primary amendment passed with Assemblymember Colberg in opposition.

### **Amendment No. 6 - Areawide: Transfers – Youth Programs (100-000-000-449-210)(Tab B, Page 15) and Capital Projects/Grants/Pass (Tab N, page 1)**

MOTION: Assemblymember Kvalheim moved a primary amendment to the Areawide Fund, Transfers to Youth Programs (fund 100-000-000-449-210), by inserting \$45,000 for youth programs, for an increase of \$45,000, and a corresponding increase of \$45,000 in the capital projects/grants budget to insert the \$45,000 proposed for the Mat-Su Youth Court.

Assemblymember Kvalheim spoke in support of the amendment.

MOTION: Assemblymember Colver moved a secondary amendment to strike “\$45,000” and insert “\$15,000.”

Assemblymember Allen and Kvalheim spoke in opposition to the secondary amendment.

VOTE: The secondary amendment passed with Assemblymembers Woods, Allen, and Kvalheim opposed.

VOTE: The primary amendment passed as amended with Assemblymember Colberg opposed.

**Amendment No. 7 - Areawide: Capital Project Transfers – (100-000-000-446-500) (Tab B, Page 15) and Capital Projects/Grants/Pass: Grants/Pass Through (Tab N, Page 1)**

MOTION: Assemblymember Colver moved a primary amendment to the Areawide Fund, Capital Project Transfers (100-000-000-446-500) by striking \$14,500 for a decrease of \$14,500, and a corresponding decrease of \$14,500 in the capital projects/grants budget to strike \$14,500 proposed for Cities, Tourism Infrastructure, for a remaining balance of \$0 and transfer the \$14,500 to a Reserve for Tourism within the Areawide Fund.

Assemblymember Colver and Mayor Anderson spoke in support of the amendment.

Assemblymember Bettine spoke in opposition to funding tourism.

Discussion ensued regarding tourism and the visitor centers.

VOTE: The primary amendment failed with Assemblymembers Allen, Colberg, and Colver in support.

MOTION: Assemblymember Bettine moved a primary amendment to strike \$14,500 from Cities, Tourism Infrastructure in the capital projects/grants budget.

VOTE: The primary amendment passed with Assemblymembers Allen and Colberg opposed.

**Amendment No. 8 - Areawide: Capital Project Transfers – (100-000-000-446-500) (Tab B, Page 15) and Capital Projects/Grants/Pass: Public Works (Tab N, Page 3)**

MOTION: Assemblymember Woods moved a primary amendment to the Areawide Fund, Capital Project Transfers (100-000-000-446-500), by striking \$115,000 for a decrease of \$115,000 and a corresponding decrease of \$115,000 in the capital projects/grants budget to strike \$115,000 proposed for public works fleet vehicles, for a remaining balance of \$0.

Assemblymember Woods spoke regarding the Management Review Audit finding that there are vehicles that the Borough has that are not in use.

VOTE: The primary amendment passed without objection.  
Ms. Clayton noted that the mill rate is currently 9.606.

**Amendment No. 9 - Areawide: Capital Project Transfers – (100-000-000-446.700) (Tab B, Page 15) and Capital Projects/Grants/Pass: Public Works (Tab N, Page 3)**

MOTION: Assemblymember Colver moved a primary amendment to the Areawide Fund, Capital Project Transfers (100-000-000-446-700), by striking \$1,000,000 for a decrease of \$1,000,000, and a corresponding decrease of \$1,000,000 in the capital projects/grants budget to strike \$1,000,000 proposed for the Old Administration Building Renovation, for a remaining balance of \$500,000.

Assemblymember Colver queried Administration plans regarding the renovation and the origins of the funds.

Mr. Duffy:

- advised that the funds originated from areawide property tax;
- advised that the amount is based on the architects analysis for rehabilitation purposes; and
- spoke in opposition to phasing the construction.

Assemblymember Colver:

- spoke to the possibility of approaching the State next year for construction funds; and
- noted that the abatement could be done this year.

Assemblymember Bettine:

- spoke regarding concerns on the cost of leasing facilities; and
- spoke in support of renovating the building.

VOTE: The primary amendment failed with Assemblymembers Vehrs and Kvalheim in support.

**Amendment No. 10 - Areawide, Assembly Reserves, (100-100-102-429-900) (Tab B, Page 19)**

MOTION: Assemblymember Allen moved a primary amendment to the Assembly Reserve account to insert \$40,000, for an increase of \$40,000.

Assemblymember Allen spoke in support of the amendment.

Assemblymember Colver queried the amount that is left in Assembly Reserves for fiscal year 2006.

Ms. McGehee advised that there is a balance of \$40,000 in Assembly Reserves.

Discussion ensued regarding Assembly Reserves.

VOTE: The primary amendment passed with Assemblymembers Vehrs, Colberg, and Bettine opposed.

**Amendment No. 11 - Areawide, Clerk's Operating Budget, (100-100-103-426-200) (Tab B, Page 21)**

**MOTION:** Assemblymember Colver moved a primary amendment to the Clerk's operating budget (426-200) to insert \$3,000 for legal expenses, for a total legal budget of \$8,000.

Assemblymember Colver noted that there is an increased need for the Clerk to obtain legal services.

Assemblymember Bettine queried if the Clerk could do a budget adjustment to cover the shortfalls.

Mayor Anderson advised that the Clerk would need to do budget adjustment to cover the shortfalls.

Discussion ensued regarding increasing the legal expenses in the Clerk's budget.

**VOTE:** The primary amendment passed with Assemblymembers Allen and Bettine opposed.

**MOTION:** Assemblymember Vehrs moved to reconsider Amendment No. 11.

**VOTE:** The motion to reconsider failed unanimously.

**Amendment No. 12 - Areawide: Labor Relations Board (100-100-604-426-200) (Tab B, Page 27)**

**MOTION:** Assemblymember Colver moved a primary amendment to the Areawide Fund (100-100-604-426-200) by inserting \$3,000 for Legal, for an increase of \$3,000.

Mayor Anderson:

- advised that there has been a case filed to the Labor Relations Board recently; and
- advised that there will be additional legal fees that will need to be covered.

**VOTE:** The primary amendment passed with Assemblymember Bettine opposed.

**Amendment No. 13 - Areawide: Administration (100-100-110-426-900)(Tab B, Page 36)**

**MOTION:** Assemblymember Allen moved a primary amendment to the Areawide Fund, Administration (fund 100-100-110-426-900), by striking \$65,000 for the federal lobbyist position, for a decrease of \$65,000.

Assemblymember Allen spoke in support of the amendment.

Assemblymember Vehrs, Kvalheim, and Colver spoke in opposition to the amendment.

**VOTE:** The primary amendment passed with Assemblymembers Kvalheim, Vehrs, and Colver opposed.

**Amendment No. 14 - Areawide: Assembly, Administration (100-100-110-426-900) (Tab B, Page 36)**

MOTION: Assemblymember Colver moved a primary amendment to the Areawide Fund (100-100-110-426-900) by striking \$25,000 from Other Professional Charges, for a decrease of \$25,000.

Mayor Anderson advised that the decrease is being requested to reflect the actual expensed of fiscal year 2005.

Mr. Duffy:

- noted that this line has already been reduced by \$65,000 by deleting the federal lobbyist; and
- spoke regarding the projects that the funds would cover.

Assemblymember Allen spoke in opposition to the amendment.

VOTE: The primary amendment failed with Assemblymembers Vehrs in support.

*(The special meeting recessed at 10:20 p.m. and reconvened at 10:28 p.m.)*

MOTION: Assemblymember Allen moved to reconsider Amendment No. 13.

VOTE: The motion to reconsider failed with Assemblymembers Kvalheim and Colver in support.

**~~Amendment No. 15 - Areawide: Assembly, Administration (100-100-110-434-300) (Tab B, Page 36)~~**

~~MOTION: Assemblymember Colver moved a primary amendment to the Areawide Fund (100-100-110-434-300) by striking \$1,500 from Furniture under \$5000, for a decrease of \$1,500.~~

~~VOTE: The primary amendment passed without objection.~~

*(This amendment was not moved.)*

**Amendment No. 16 - Areawide: Assembly, Human Resources (100-100-115-426-900) (Tab B, Page 38)**

MOTION: Assemblymember Colver moved a primary amendment to the Areawide Fund (100-100-115-426-900) by striking \$6,100 from Other Professional Charges, for a decrease of \$6,100.

Mayor Anderson stated that this amendment brings Human Resources budget back to the same amount as fiscal year 2005.

Mr. Duffy spoke regarding the programs that are in the Human Resources line item of Other Professional Charges.

Assemblymember Kvalheim noted that the classification study is an important item.

Mr. Duffy advised that there is nothing new in the line item; however, the amounts are being increased.

VOTE: The primary amendment passed without objection.

**Amendment No. 17 - Areawide: Assembly, Information Technology (100-100-121-414-200)  
(Tab B, Page 41)**

MOTION: Assemblymember Colver moved a primary amendment to the Areawide Fund (100-100-121-414-200) by striking \$8,000 from Expense Reimbursement Outside Borough, for a decrease of \$8,000.

Mayor Anderson advised that this amendment brings Information Technology's budget back to the actual expense in fiscal year 2005.

Ms. Romano spoke regarding investing in the training of staff.

Assemblymember Vehrs spoke in opposition to the amendment.

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

MOTION: Assemblymember Allen moved to adjourn the special meeting at 11 p.m.

Assemblymember Vehrs and Colver spoke in opposition to the motion to adjourn at 11 p.m.

VOTE: The motion passed with Assemblymembers Woods, Colver, and Vehrs opposed.

~~**Amendment No. 18 - Areawide: Assembly, Information Technology (100-100-121-414-400)  
(Tab B, Page 41)**~~

~~MOTION: Assemblymember Colver moved a primary amendment to the Areawide Fund (100-100-121-414-400) by striking \$6,000 from Travel Tickets, for a decrease of \$6,000.~~

~~VOTE: The primary amendment passed without objection.~~

*(This amendment was not moved.)*

**Amendment No. 19 - Areawide: Assembly, Law (100-100-111-426-200) (Tab B, Page 43)**

MOTION: Assemblymember Colver moved a primary amendment to the Areawide Fund (100-100-111-426-200) by striking \$10,000 from Legal, for a decrease of \$10,000.

Mayor Anderson advised that the decrease reflects the fiscal year 2006 level of funding.

Mr. Spiropoulos:

- noted that fiscal years 2007 budget is \$39 more than the fiscal year 2006 budget; and
- spoke to the need for the additional legal funds.

VOTE: The primary amendment passed without objection.

**Amendment No. 20 - Areawide: Mayor (100-110-104-414-200) (Tab B, Page 45)**

MOTION: Assemblymember Colver moved a primary amendment to the Areawide Fund (100-110-104-414-200) by striking \$800 from Expense Reimbursement Outside Borough, for a decrease of \$800.

Mayor Anderson advised that the line item was decreased to reflect actual expenses.

VOTE: The primary amendment passed without objection.

**Amendment No. 21 - Areawide: Mayor (100-110-104-414-400) (Tab B, Page 45)**

MOTION: Assemblymember Colver moved a primary amendment to the Areawide Fund (100-110-104-414-400) by striking \$1,000 from Travel Tickets, for a decrease of \$1000.

Mayor Anderson advised that the line item was decreased to reflect actual expenses.

VOTE: The primary amendment passed without objection.

**Amendment No. 22 - Areawide: Mayor (100-110-104-429-900) (Tab B, Page 46)**

MOTION: Assemblymember Colver moved a primary amendment to the Areawide Fund (100-110-104-429-900) by striking \$1,000 from Other Contractual, for a decrease of \$1,000.

Mayor Anderson advised that the line item was decreased to reflect actual expenses.

VOTE: The primary amendment passed without objection.

**Amendment No. 23 - Areawide: Mayor (100-110-104-434-300) (Tab B, Page 46)**

MOTION: Assemblymember Colver moved a primary amendment to the Areawide Fund (100-110-104-434-300) by striking \$1,000 from Furniture under \$5,000, for a decrease of \$1,000.

Mayor Anderson advised that there has been no need for additional furniture.

VOTE: The primary amendment passed without objection.

**~~Amendment No. 24 - Areawide: Finance, Revenue and Budget (100-120-119-426-900) (Tab B, Page 51)~~**

~~MOTION: Assemblymember Colver moved a primary amendment to the Areawide Fund (100-120-119-426-900) by striking \$15,000 from Other professional charges, for a decrease of \$15,000.~~

~~VOTE: The primary amendment passed without objection.~~

*(This amendment was not moved.)*

**Amendment No. 25 - Areawide: Planning and Land Use, Planning (100-130-130-429-300) (Tab B, Page 66)**

MOTION: Assemblymember Colver moved a primary amendment to the Areawide Fund (100-130-130-429-300), by striking \$25,000 from Planning Studies, for a decrease of \$25,000.

Mayor Anderson advised that the decrease is to reflect the actual expenses in fiscal year 2005 and 2006.

Mr. O'Brien:

- spoke to the studies that need to be performed in the near future; and
- stated that the reduction would take away some of the flexibility to accomplish items they have been requested to perform.

Assemblymember Kvalheim, Woods, and Allen spoke in opposition to the amendment.

VOTE: The primary amendment failed unanimously.

**Amendment No. 26 - Areawide: Planning and Land Use, Platting (100-130-131-426-900) (Tab B, Page 68)**

MOTION: Assemblymember Colver moved a primary amendment to the Areawide Fund (100-130-131-429-900), by striking \$10,000 from Other Contractual, for a decrease of \$10,000.

Mayor Anderson advised that the decrease is based on the actual expenses for fiscal year of 2005 and 2006.

Mr. O'Brien spoke to the need to hire contractors to provide advice to staff on projects.

VOTE: The primary amendment passed with Assemblymembers Woods, Allen, and Kvalheim opposed.

**Amendment No. 27 - Areawide: Public Works, Administration (100-150-150-414-200) (Tab B, Page 79)**

MOTION: Assemblymember Colver moved a primary amendment to the Areawide Fund (100-150-150-414-200), by striking \$2,410 from Expense Reimbursement Outside Borough, for a decrease of \$2,410.

VOTE: The primary amendment passed without objection.

**Amendment No. 28 - Areawide: Public Works, Administration (100-150-150-414-400) (Tab B, Page 79)**

MOTION: Assemblymember Colver moved a primary amendment to the Areawide Fund (100-150-150-414-400), by striking \$1,990 from Travel Tickets, for a decrease of \$1,990.

Mr. Duffy spoke to the need to send staff out of State for training, due to the fact that the training is not available within the State.

Assemblymember Allen spoke in opposition to the amendment.

VOTE: The primary amendment passed with Assemblymembers Allen, Colberg, and Kvalheim in opposition.

Ms. Clayton noted that the mill rate is currently 9.60 areawide.

**VII. VETO**

A. Motion to Override Any Possible Mayoral Veto on the Fiscal Year 2007 Budget Items

*(This item was not discussed as there was a motion to adjourn the special meeting at 11 p.m.)*

**VIII. MAYOR, ASSEMBLY, AND STAFF COMMENTS**

*(There were no comments made as there was a motion to adjourn the special meeting at 11 p.m.)*

**IX. ADJOURNMENT**

The special meeting adjourned at 11 p.m.

**/ S /**

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TIMOTHY L. ANDERSON, Borough Mayor

ATTEST:

**/ S /**

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MICHELLE M. MCGEHEE, CMC, Borough Clerk

Minutes approved: 06/20/06