

I. CALL TO ORDER

The regular meeting of the Matanuska-Susitna Borough Assembly was held on July 18, 2006, at the Central Mat-Su Public Safety Building, 101 W. Swanson Avenue, Wasilla, Alaska. The meeting was called to order at 6 p.m. by Deputy Mayor Jim Colver.

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 (*Telephonically*)
Ms. Cindy L. Bettine, Assembly District No. 5
Mr. Jim Colver, Assembly District No. 6 (*Deputy Mayor*)
Ms. Betty Vehrs, Assembly District No. 7

Staff in attendance were:

Mr. John Duffy, Borough Manager
Ms. Michelle M. McGehee, Borough Clerk
Mr. Nicholas Spiropoulos, Borough Attorney
Ms. Lonnie McKechnie, Executive Assistant to the Borough Clerk
Ms. Tammy Clayton, Finance Director
Mr. Keith Rountree, Public Works Director
Mr. Dennis Brodigan, Emergency Services Director
Mr. Ron Swanson, Community Development Director
Mr. Murph O'Brien, Planning Director
Mr. Dave Hanson, Economic Development Director
Ms. Patty Sullivan, Public Relations Manager
Mr. Allen Black, Borough Assessor

III. APPROVAL OF AGENDA

Deputy Mayor Colver inquired if there were any changes to the agenda.

Mr. Duffy:

- requested that Resolution Serial No. 06-087 be pulled from the consent agenda so that a report could be provided; and
- requested that AM Nos. 06-149 and 06-150 be pulled from the agenda.

Assemblymember Allen requested that the Assessor provide an overview on Informational Memorandum No. 06-205.

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

IV. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Ms. Bonnie Quill, President of the Glenn Highway National Scenic Byway Organization.

V. MINUTES OF PRECEDING MEETINGS

A. Joint Assembly/School Board Meeting: 06/13/06

Deputy Mayor Colver inquired if there were any corrections to the June 13, 2006, Joint Assembly/School Board meeting minutes.

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

B. Special Assembly Meeting: 06/20/06

Deputy Mayor Colver inquired if there were any changes to the June 20, 2006, special meeting minutes.

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

VI. REPORTS/CORRESPONDENCE

A. AGENCY REPORTS

1. Reports from cities

Wasilla City

Councilmember Straub:

- advised that the city passed their two-year budget;
- advised that the city has a new police chief and deputy chief;
- provided an update regarding the Garden Terrace water project;
- spoke regarding the airport expansion;
- advised that the city has put funds aside to hire a consultant for designing a new library; and
- advised that the International House of Pancakes (IHOP) is moving into the city of Wasilla.

Assemblymember Bettine commended the city for the expansion of the park.

2. Matanuska-Susitna Borough School District

(There was no report provided.)

3. Glenn Highway National Scenic Byway – Ms. Bonnie Quill

Ms. Quill:

- provided an update regarding the Glenn Highway National Scenic Byway Organizations projects;
- noted that potential partners have been identified to help complete the organization's projects;
- advised that the organization has been recognized by the National Scenic Byway Resource Center as a model grassroots group;
- spoke regarding the 5-year marketing plan; and
- spoke regarding the \$118,000 grant that the organization received to develop a public relations campaign.

Assemblymembers Woods and Vehrs congratulated the organization for the work they have accomplished.

4. Alaska Railroad – Mr. Bruce Carr Re: Vegetation Management Permit

(There was no one present to provide a report.)

B. COMMITTEE REPORTS

1. Joint Assembly/School Board Committee on School Issues

(There was no report provided.)

2. Regional Transportation Planning Organization

(There was no report provided.)

3. Assembly Public Relations Committees

a. Chambers of Commerce *(Assemblymembers Vehrs and Bettine)*

Assemblymember Bettine:

- spoke regarding the Governor's Annual picnic that is taking place on July 21, 2006; and
- advised that most of the candidates for Governor will be present at the joint Chambers of Commerce meeting on July 26, 2006.

b. School Board *(Assemblymembers Allen and Colver)*

(There was no report provided.)

c. Cities *(Assemblymembers Kvalheim, Allen, and Vehrs)*

Assemblymember Vehrs:

- spoke regarding attending a Houston City Council meeting;
- noted that the council meetings have had more people in attendance with the prison moving into the area; and
- stated that she is proud to represent the city of Houston.

d. Home Builders and Realtors Associations (*Assemblymembers Colver, Bettine, and Vehrs*)

(There was no report provided.)

e. Community Councils (*Mayor Anderson and Manager*)

(There was no report provided.)

f. Civic Clubs (*Mayor Anderson and Assemblymember Kvalheim*)

(There was no report provided.)

g. Non-Profit Organizations (*Mayor Anderson and Assemblymembers Kvalheim and Vehrs*)

(There was no report provided.)

C. MANAGER COMMENTS

1. State/Federal Legislation

Mr. Duffy:

- advised that Houston City Council adopted a resolution in support of the new prison being located within the city;
- spoke regarding the upcoming bond sale;
- provided an update regarding the South Denali Visitor's Center;
- spoke regarding the 4-year college effort;
- spoke regarding the letters of appreciation that the Borough has received recently;
- advised that the legislation to award the Bogard road extension will be presented to the Assembly at the August 1, 2006, meeting; and
- advised that the Borough has been highlighted in the Alaska Municipal League's Touchstone magazine.

D. ATTORNEY COMMENTS

Assemblymember Woods queried the judge's decision regarding the recent animal neglect case.

Mr. Spiropoulos:

- advised that there was a \$5,000 promissory note signed;
- advised that the appellant is legally responsible for all of the fees; and
- advised that these items were not technically part of the judge's order, but agreements were made with the Borough.

Assemblymember Woods voiced concerns regarding the court enforcing Borough code violations.

Assemblymember Vehrs:

- stated that when she was a member of the Animal Care and Regulation Board, they became discouraged with the court's decisions; and
- spoke regarding the Animal Care and Regulation Board raising the fines.

E. CLERK COMMENTS

Ms. McGehee:

- spoke regarding the upcoming meeting schedule;
- advised that there are a number of active Board cases; and
- provided an update regarding the initiative petitions.

F. CITIZEN AND OTHER CORRESPONDENCE

1. MSB Board/Committee Minutes:
 - a. Animal Care and Regulation Board: 04/10/06, 05/08/06, 05/23/06, 06/12/06
 - b. Board of Adjustment and Appeals: 02/28/06, 04/27/06, 03/28/06, 04/13/06, 06/13/06
 - c. Greater Butte RSA No. 26: 06/08/06
 - d. Greater Talkeetna RSA No. 29: 05/11/06
 - e. Local Road Service Area Advisory Board: 06/15/06
 - f. Parks, Recreation, and Trails Advisory Board: 04/24/06, Resolution Nos. 06-09 and 06-10
 - g. Planning Commission: 05/15/06
 - h. Port Commission: 03/20/06, 05/15/06
 - i. Talkeetna Sewer and Water SSA No. 36: 05/25/06
2. Community Council Correspondence:
 - a. Big Lake Community Council: 03/08/06, 04/12/06
 - b. Trapper Creek Community Council: 06/15/06

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

G. INFORMATIONAL MEMORANDUMS

1. IM No. 06-205: AN INFORMATIONAL MEMORANDUM REGARDING THE NOTIFICATION OF CERTIFICATION OF THE 2006 REGULAR REAL PROPERTY ASSESSMENT ROLL.

2. IM No. 06-214: AN INFORMATIONAL MEMORANDUM REGARDING EMERGENCY PROCUREMENT OF MATERIALS AND SERVICES FOR THE PALMER JUNIOR MIDDLE SCHOOL FIRE SPRINKLER SYSTEM INSTALLATION PROJECT.

Assemblymember Allen:

- spoke regarding the rise in property values over the last couple of years;
- noted that the property values are starting to level off; and
- requested that the Borough Assessor, Mr. Black, provide a report on Informational Memorandum No. 06-205.

Mr. Black provided a breakdown of the assessment and appraisal process that the Borough uses.

Assemblymember Vehrs queried how the Borough deals with conservation easements.

Mr. Black:

- advised that conservation easements are new to the Borough; and
- spoke regarding how the conservation easements were appraised.

Discussion ensued regarding:

- the information that assessment uses to assess property values; and
- the appeals to the Board of Equalization.

(The regular meeting recessed at 6:50 p.m. and reconvened at 7:05 p.m.)

(Assemblymember Kvalheim exited the meeting.)

VII. SPECIAL ORDERS (to begin at 7 p.m.)

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

B. PUBLIC HEARINGS (Three minutes per person.)

1. Ordinance Serial No. 06-126: AN ORDINANCE ACCEPTING AND APPROPRIATING \$355,000 FROM THE UNITED STATES DEPARTMENT OF AGRICULTURE NATURAL RESOURCES CONSERVATION SERVICE (NRCS) TO FUND 480, PROJECT NO. 45022, FOR A COMPREHENSIVE WATERSHED STUDY TO ASSESS BANK EROSION HAZARDS IN THE MATANUSKA RIVER WATERSHED.
 - a. Resolution Serial No. 06-083: A RESOLUTION APPROVING THE SCOPE OF WORK AND BUDGET AND AUTHORIZING THE MANAGER TO ENTER INTO COMPREHENSIVE AGREEMENTS FOR COMPLETION OF A COMPREHENSIVE WATERSHED STUDY TO ASSESS BANK EROSION HAZARDS IN THE MATANUSKA RIVER WATERSHED.

(1) IM No. 06-186

Mr. O'Brien provided a staff report.

Deputy Mayor Colver 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 Woods moved to adopt Ordinance Serial No. 06-126 and Resolution Serial No. 06-083.

VOTE: The motion passed without objection.

2. Ordinance Serial No. 06-127: AN ORDINANCE PLACING ON THE BALLOT OF THE OCTOBER 2006 REGULAR BOROUGH ELECTION, A PLAN FOR SCHOOL BOARD MEMBERSHIP STRUCTURE, SPECIFICALLY IN REGARD TO DISTRICTING SEATS OF SCHOOL BOARD MEMBERS AND QUALIFICATIONS OF OFFICE BY AMENDING MSB 19.04.020 AND MSB 19.04.040, AND AMENDING MSB 25.15.010(A), CANDIDATE QUALIFICATIONS.
(Sponsors: Mayor Anderson and Assemblymember Vehrs)
 - a. IM No. 06-187

Deputy Mayor Colver opened the public hearing.

The following person spoke in favor of Ordinance Serial No. 06-127 and presented a citizens petition: Ms. Jody Fitzgerald.

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

MOTION: Assemblymember Vehrs moved to adopt Ordinance Serial No. 06-127.

Assemblymember Vehrs:

- stated that constituents throughout the valley have requested to vote on districting School Board seats; and
- spoke regarding the need for areas throughout the Borough to have their own representation on the School Board.

Assemblymember Colberg:

- advised that he has not heard from constituents requesting the districting of School Board seats;
- opined that the arguments in favor of the legislation are false;
- noted that all of the present School Board members live outside of the cities;
- spoke regarding the majority of the School Board representation coming from outside of the core area;

- stated that the core area has consistently selected School Board members outside of the core area for representation;
- spoke regarding how the ordinance would affect the current School Board members; and
- opined that schools are a Boroughwide concern and a joint interest.

Assemblymember Vehrs:

- spoke regarding the constituents in the northern area feeling left out;
- noted that School Board members could not visit every school within the Borough during the school year;
- stated that she would like to see a level playing field for everyone in the Borough; and
- requested to let the constituents vote on the issue.

Assemblymember Allen:

- opined that there has been equal treatment to all the schools throughout the Borough; and
- advised that he has not received any comments from the public supporting the districting of School Board seats.

Assemblymember Woods:

- advised that she has spoken to School Board members regarding this issue;
- spoke regarding school issues in small communities; and
- advised that she is in support of allowing the voters to decide the issue.

Discussion ensued regarding the districting of school board seats.

VOTE: The motion failed with Assemblymembers Allen, Colberg, and Colver opposed and Assemblymembers Bettine, Vehrs, and Woods in support. **(Tie vote.)**

3. Ordinance Serial No. 06-128: AN ORDINANCE AUTHORIZING THE MATANUSKA-SUSITNA BOROUGH TO ISSUE AREAWIDE GENERAL OBLIGATION BONDS, 2006, IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$39,700,000 TO FINANCE THE ACQUISITION, DESIGN, CONSTRUCTION, INSTALLATION, MAJOR RENOVATION AND RENEWAL OF EDUCATIONAL AND RELATED CAPITAL IMPROVEMENTS IN THE BOROUGH, FIXING CERTAIN DETAILS OF SUCH BONDS AND AUTHORIZING THEIR SALE.
 - a. IM No. 06-188

Ms. Clayton provided a staff report.

Assemblymember Woods queried the typographical errors in the documentation.

Ms. Clayton advised that the documents are drafts and that the changes have been made.

Ms. Woods queried the definition of issuance the costs.

Ms. Clayton:

- stated that issuance costs are the costs associated with issuing the bonds; and
- spoke regarding the different costs of issuing the bonds.

Discussion ensued regarding the bonds.

Deputy Mayor Colver 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 Vehrs moved to adopt Ordinance Serial No. 06-128.

VOTE: The motion passed without objection.

4. Ordinance Serial No. 06-129: AN ORDINANCE AUTHORIZING AN APPROPRIATION FROM THE LAND MANAGEMENT FUND BALANCE, FUND 203, IN THE AMOUNT OF \$1,500,000 TO FUND 400 FOR THE PURPOSE OF COMPLETING THE CIVIL AND STRUCTURAL WORK AS WELL AS DESIGN WORK FOR KNIK-GOOSE BAY AREA ELEMENTARY SCHOOL AND THE SUBSEQUENT REIMBURSEMENT OF THE FUNDS FROM THE 2006 SERIES A GENERAL OBLIGATION BOND PROCEEDS.
 - a. IM No. 06-191

Mr. Duffy advised that the legislation requires five votes for passage.

Deputy Mayor Colver 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 Bettine moved to adopt Ordinance Serial No. 06-129.

VOTE: The motion passed without objection.

C. AUDIENCE PARTICIPATION (Three minutes per person.)

The following person spoke regarding drainage issues on her property: Ms. Sabrieta Holland.

The following person spoke regarding the April Moore campaign for the District 15 representative: Ms. Lois Wier.

The following person spoke in opposition to Resolution Serial No. 06-088: Ms. Jay Nolfi.

- D. CONSENT AGENDA (Resolution Serial Nos. 06-084, 06-087, and 06-088 and AM Nos. 06-129 and 06-145 were pulled from the consent agenda and addressed separately. *See pp. 11-15 of 23*)

Deputy Mayor Colver queried whether there was any objection to taking up Resolution Serial No. 06-088 first and to allow the Alaska Railroad to address the resolution, as they were not present during Agency Reports.

There was no objection noted.

1. RESOLUTIONS

- b. Resolution Serial No. 06-085: A RESOLUTION SUPPORTING THE MAT-SU BRANCH OF THE FOOD BANK OF ALASKA. (*Sponsor: Mayor Anderson*)
(1) IM No. 06-193

- c. Resolution Serial No. 06-086: A RESOLUTION AMENDING THE BUDGET FOR THE BRETT MEMORIAL ICE ARENA DASHER BOARD REPAIR/UPGRADE PROJECT, PROJECT NO. 15017, FUND 440 AND APPROVING THE SCOPE OF WORK AND BUDGET FOR THE MATANUSKA RIVER PARK COMFORT STATION PLUMBING REPLACEMENT/ UPGRADE PROJECT, PROJECT NO. 20193, FUND 440.
(1) IM No. 06-206

2. ASSEMBLY MEMORANDUMS

- a. AM No. 06-079: APPROVAL OF TECHNICAL CORRECTION TO THE GATEWAY COMMUNITY COUNCIL LEGAL DESCRIPTION.
- c. AM No. 06-140: AWARD OF BID NO. 06-176 TO D& S ROAD SERVICES FOR THE ANNUAL AMOUNT NOT TO EXCEED \$71,820 FOR THE TRAPPER CREEK ROAD SERVICE AREA NO. 30 ANNUAL ROAD MAINTENANCE.
- d. AM No. 06-141: ACCEPTANCE OF LATE FILED SENIOR CITIZEN AND DISABLED VETERANS TAX EXEMPTION APPLICATIONS FOR 2006.
- e. AM No. 06-142: APPROVAL OF THE VACATION OF A PORTION OF WEST WILMA STREET ADJACENT TO FREEMAN SUBDIVISION ADDITION NO. 1, BLOCK 6, LOT 2, LOCATED IN TOWNSHIP 17 NORTH, RANGE 3 WEST, SECTION 8, SEWARD MERIDIAN, ALASKA, IN THE BIG LAKE COMMUNITY COUNCIL AREA.
- f. AM No. 06-143: APPROVAL FOR ADDITIONAL FUNDING FOR THE PORT PROJECT MANAGER TO PROVIDE PROJECT MANAGEMENT AND ON-SITE REPRESENTATIVE SERVICES FOR THE CAREER CENTER/VOCATIONAL HIGH SCHOOL, PROJECT NO. 40144.

- h. AM No. 06-146: AWARD OF PROPOSAL NO. 06-170 TO E & E CONSTRUCTION, INC., IN THE AMOUNT OF \$637,386 FOR THE BUTTE FIRE SERVICE AREA PUBLIC SAFETY BUILDING 2-1 ANNEX DESIGN-BUILD.
- i. AM No. 06-147: AWARD OF PROPOSAL NO. 06-169 TO HDR ALASKA, INC., IN AN AMOUNT NOT TO EXCEED \$156,023 TO DEVELOP AND ADMINISTER THE PILOT PROJECT FOR THE ACQUISITION OF THE AT-RISK PROPERTIES ALONG THE MATANUSKA RIVERBANK.
- j. AM No. 06-148: AWARD OF BID NO. 06-162 TO RAIN PROOF ROOFING, LLC., IN THE AMOUNT OF \$182,700 FOR THE MATANUSKA-SUSITNA BOROUGH SCHOOL ROOF WIND RETROFIT.
- ~~k. AM No. 06-149: AUTHORIZATION TO PURCHASE DELL COMPUTER HARDWARE AND SERVERS IN THE AMOUNT OF \$149,700 FOR THE TAX ASSESSMENT, PROPERTY APPRAISAL, BILLING AND COLLECTION SYSTEM FROM DELL INCORPORATED.~~
- ~~l. AM No. 06-150: AUTHORIZATION TO PURCHASE REQUIRED LICENSING FOR THE TAX ASSESSMENT, PROPERTY APPRAISAL, BILLING AND COLLECTION SYSTEM HARDWARE SUITE IN THE AMOUNT OF \$179,000 FROM ASAP SOFTWARE EXPRESS, INC.~~
- m. AM No. 06-152: AWARD OF PROPOSAL NO. 06-181, DESIGN BUILD BEST VALUE OF THE KNIK GOOSE BAY ELEMENTARY SCHOOL TO UNIT COMPANY IN THE AMOUNT OF \$11,550,000.
- n. AM No. 06-153: APPROVAL TO AUTHORIZE THE MANAGER TO ENTER INTO A CONTRACT TO SELL CLASS A BORROW MATERIAL (SAND AND GRAVEL) FROM PORT MACKENZIE TO ALASKA INTERSTATE CONSTRUCTION, LLC., FOR A COMBINED WARFAGE, CONVEYOR AND ROYALTY RATE OF \$3.61 PER TON.

Ms. McGehee read the above legislation into the record.

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

VOTE: The motion passed without objection.

(The regular meeting recessed at 8 p.m. and reconvened at 8:15 p.m.)

Mr. Ernest Piper, Alaska Railroad's Assistant Vice President of Safety and Operations:

- spoke regarding the use of herbicides on rights-of-ways;
- requested that the Assembly wait until the end of the Alaska State Department of Environmental Conservation public comment period before taking a position on the issue; and
- suggested that the Borough provide detailed comments for the Alaska State Department of Environmental Conservation to use during their deliberations.

e. Resolution Serial No. 06-088: A RESOLUTION OPPOSING THE ALASKA RAILROAD'S PERMIT REQUEST TO THE ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION TO SPRAY HERBICIDE MIXTURE ALONG THE RAILROAD RIGHT-OF-WAY IN THE MATANUSKA-SUSITNA BOROUGH.

(1) IM No. 06-213

MOTION: Assemblymember Vehrs moved to approve Resolution Serial No. 06-088.

MOTION: Assemblymember Vehrs moved to postpone Resolution Serial No. 06-088 to a time certain of August 15, 2006.

Assemblymember Allen queried how the Assembly would be a part of the public hearing process, as Mr. Piper suggested.

Mr. Piper:

- advised that the Alaska State Department of Environmental Conservation public comment period is open until August 14, 2006; and
- noted that Borough staff could be directed to submit comments for the Alaska State Department of Environmental Conservation to use during their deliberations.

Discussion ensued regarding the postponement of Resolution Serial No. 06-088.

MOTION: Assemblymember Colberg moved to amend the date of postponement by striking August 15, 2006, and inserting August 1, 2006.

VOTE: The motion to postpone to a time certain of August 1, 2006, passed without objection.

VOTE: The motion to postpone, as amended, passed without objection.

a. Resolution Serial No. 06-084: A RESOLUTION AMENDING THE SCOPE OF WORK AND BUDGET FOR THE LANDFILL-TRANSFER SITE IMPROVEMENTS, PROJECT NOS. 25035 AND 25038, TO ALLOW FOR PUBLIC WALL UPGRADES AT THE CENTRAL LANDFILL, DESIGN OF A HAZARDOUS WASTE FACILITY, AND THE PURCHASE AND INSTALLATION OF A COMMERCIAL SCALE.

(1) IM No. 06-190

- (2) AM No. 06-132: AWARD OF BID NO. 06-148 TO ALL WRIGHT CONSTRUCTION, INC., IN THE AMOUNT OF \$119,800 TO BUILD A BACKSTOP AND ENCLOSURE WALLS FOR THE PUBLIC WALL AT THE CENTRAL LANDFILL.
- (3) AMNo.06-151: AWARD OF PROPOSAL NO. 06-112 TO CH2M HILL FOR THE AMOUNT OF \$129,192 TO DESIGN A HAZARDOUS WASTE COLLECTION FACILITY AT THE CENTRAL LANDFILL.

MOTION: Assemblymember Bettine moved to approve Resolution Serial No. 084, and AM Nos. 06-132 and 06-151.

Mr. Rountree provided a staff report.

Assemblymember Bettine queried what would happen if the loan for the Big Lake project was not approved.

Mr. Rountree stated that there is a very high chance that the loan will be funded.

Ms. Clayton advised that the funds would be taken out of the net assets in the enterprise fund if the loan was not approved.

Assemblymember Allen queried the source of the loan.

Ms. Clayton advised that the loan funds are coming from the state of Alaska.

Assemblymember Allen spoke to the need of a loan commitment from the State.

Assemblymember Bettine queried the project completion date.

Mr. Rountree advised that the project should be completed by the fall of 2006.

Assemblymember Woods spoke to the need for a commercial scale at the landfill.

VOTE: The motion passed without objection.

- d. Resolution Serial No. 06-087: A RESOLUTION AUTHORIZING THE MANAGER TO ENTER INTO A MEMORANDUM OF UNDERSTANDING REGARDING THE MAT-SU PRISON.
- (1) IM No. 06-208

Mr. Duffy provided a staff report.

Ms. Clayton:

- spoke regarding the general provisions of Senate Bill 65;
- spoke regarding Governor Murkowski's support of the project;
- spoke regarding the memorandum of understanding;

- noted that the Borough is responsible for issuing the bonds; and
- advised that an ordinance for the issuance of the bonds will be brought forward to the Assembly in November or December.

Assemblymember Woods queried whether the costs of staff time would be reimbursed.

Ms. Clayton advised that staff time would not normally be reimbursed; however, they can monitor staff time along the way.

Assemblymember Allen:

- spoke to the need to identify the Alaska State Department of Corrections in the agreement documentation rather than “corrections;” and
- queried how far the facility would be defined at the point of issuing the request for proposals on the design/build.

Jerry Watkins, Consultant for the Alaska Housing Finance Corporation:

- spoke regarding what would be included in the request for proposals; and
- advised that the request for proposals would not design the building.

Discussion ensued regarding:

- the lease option;
- the cost of the facility;
- the prison site criteria;
- the cost of the roads and utility infrastructure; and
- the ramifications if the memorandum of understanding is terminated by the State.

MOTION: Assemblymember Vehrs moved to approve Resolution Serial No. 06-087.

VOTE: The motion passed without objection.

CONFLICT OF INTEREST: Deputy Mayor Colver declared a conflict of interest on AM No. 06-129

(Deputy Mayor Colver exited the meeting at this time.)

(Assemblymember Vehrs assumed the duties of the chair.)

- b. AM No. 06-129: APPROVAL OF A CHANGE ORDER TO QUALITY ASPHALT PAVING IN THE AMOUNT OF \$53,370 TO INCLUDE PAVING MISSION HILLS DRIVE IN THE 2006 ROAD PAVING PROJECT.

MOTION: Assemblymember Bettine moved to approve AM No. 06-129.

Assemblymember Bettine queried whether the dust control funds are budgeted in advanced when the cities use the funds to pave roads.

Mr. Rountree:

- advised that the funds come from vehicle tax;
- stated that the funds used to be first come first serve; and
- advised that currently the money that is needed for calcium chloride is taken from the top and the rest will go to the cities.

Assemblymember Bettine queried whether the match for the paving of local improvement districts comes from the same fund.

Mr. Duffy:

- advised that the match for the paving for local improvement districts does come from the same funds; and
- spoke to how the funds would be distributed.

Assemblymember Bettine spoke to the need for a policy change.

VOTE: The motion passed without objection.

(Deputy Mayor Colver returned to the meeting at this time and resumed his duties as the chair.)

(The regular meeting recessed 9:15 p.m. and reconvened at 9:18 p.m.)

g. AM No. 06-145: APPROVAL OF THE RENOVATION APPROACH FOR THE OLD ADMINISTRATION BUILDING.

MOTION: Assemblymember Bettine moved to approve AM No. 06-145.

Mr. Duffy:

- spoke to the need of having direction from the Assembly; and
- spoke regarding the options for the uses of the old administration building.

Deputy Mayor Colver:

- spoke regarding the logistics of having departments and staff located in separate buildings; and
- proposed that the Assembly have a work session to discuss the options.

Mr. Duffy spoke to the need to make general decisions at this time.

Assemblymember Allen:

- spoke regarding the space planning that the Borough had performed a couple of years ago;
- spoke in support of having a new chambers to accommodate the public;
- suggested a multiple-use chambers for the Assembly, the cities, and the School Board; and
- spoke to the need for the Administration to bring suggestions to the Assembly.

Assemblymember Vehrs:

- spoke regarding the needs of the tax payers; and
- opined that there is a perception of a growing government.

Assemblymember Bettine:

- noted that the legislation was pulled to decide whether the Assembly would hold a work session;
- stated that the general public does not understand the need for additional office space; and
- spoke to the need for the Administration to bring forward a plan.

Discussion ensued regarding:

- the need for adequate meeting facilities;
- space planning; and
- recommendations from Administration.

VOTE: The motion passed with Assemblymember Vehrs in opposition.

VIII. UNFINISHED BUSINESS

(There was no unfinished business presented.)

IX. NEW BUSINESS

A. INTRODUCTION (For public hearing – 08/01/06, 7 p.m., Borough Assembly Chambers)

1. Ordinance Serial No. 06-132: AN ORDINANCE ACCEPTING AND APPROPRIATING A \$38,250 ALASKA COASTAL MANAGEMENT (306 PROGRAM REQUIRED TASKS) GRANT TO FUND 480, PROJECT NO. 20158, FOR FISCAL YEAR 2007 REQUIRED TASKS.

a. Resolution Serial No. 06-089: A RESOLUTION ESTABLISHING THE SCOPE OF WORK AND BUDGET FOR THE ALASKA COASTAL MANAGEMENT (306 PROGRAM REQUIRED TASKS) GRANT FOR FISCAL YEAR 2007.

(1) IM No. 06-194

2. Ordinance Serial No. 06-133: AN ORDINANCE ACCEPTING AND APPROPRIATING A \$3,855 ALASKA COASTAL MANAGEMENT GRANT (309 SPECIAL PROJECTS) TO FUND 480, PROJECT NO. 20158, FOR FISCAL YEAR 2007 SPECIAL TASKS.

a. Resolution Serial No. 06-090: A RESOLUTION ESTABLISHING A SCOPE OF WORK AND BUDGET FOR THE ALASKA COASTAL MANAGEMENT GRANT (309 SPECIAL PROJECTS) FOR FISCAL YEAR 2007 FOR FINALIZATION OF THE MATANUSKA-SUSITNA BOROUGH COASTAL MANAGEMENT PLAN AMENDMENT.

(1) IM No. 06-195

3. Ordinance Serial No. 06-134: AN ORDINANCE AMENDING MSB. 5.25.059(A) AND PLACING ON THE BALLOT OF THE OCTOBER 3, 2006, REGULAR ELECTION, THE ANNEXATION OF CERTAIN PROPERTIES INTO THE WILLOW FIRE SERVICE AREA NO. 35.
 - a. IM No. 06-196
4. Ordinance Serial No. 06-135: AN ORDINANCE AMENDING MSB 5.25.140(A), WASILLA-LAKES FIRE SERVICE AREA NO. 130 BY ADJUSTING THE BOUNDARIES TO REFLECT THE ADDITION OF CERTAIN PROPERTIES.
 - a. IM No. 06-197
5. Ordinance Serial No. 06-136: AN ORDINANCE REAPPROPRIATING \$21,406 FROM FUND 435, PROJECT NO. 10057, ADMINISTRATION BUILDING REPAIRS, AND \$31,114 FROM FUND 435, PROJECT NO. 10152, ASBESTOS ABATEMENT IN BOROUGH BUILDINGS, TO FUND 480, PROJECT NO. 45202, FOR THE REWRITE OF THE BOROUGH'S SUBDIVISION CONSTRUCTION MANUAL.
 - a. Resolution Serial No. 06-091: A RESOLUTION APPROVING THE AMENDED BUDGETS FOR PROJECT NO. 10057, ADMINISTRATION BUILDING REPAIRS AND PROJECT NO. 10152, ASBESTOS ABATEMENT IN BOROUGH BUILDINGS, AND APPROVING THE SCOPE OF WORK AND BUDGET FOR PROJECT NO. 45202, TO ALLOW FOR THE REWRITE OF THE SUBDIVISION CONSTRUCTION MANUAL.
 - (1) IM No. 06-199
6. Ordinance Serial No. 06-137: AN ORDINANCE ACCEPTING AND APPROPRIATING AN ADDITIONAL \$7,500 FROM THE ALASKA STATE DIVISION OF HOMELAND SECURITY AND EMERGENCY MANAGEMENT, TO FUND 480, PROJECT NO. 45126, TO ALLOW FOR THE CONTINUATION OF THE CITIZEN CORPS PROGRAM.
 - a. Resolution Serial No. 06-092: A RESOLUTION AMENDING THE BUDGET FOR PROJECT NO. 45126, FUND 480, TO ALLOW FOR THE CONTINUATION OF THE CITIZEN CORPS PROGRAM.
 - (1) IM No. 06-200
7. Ordinance Serial No. 06-138: AN ORDINANCE ACCEPTING AND APPROPRIATING \$15,450 FROM THE ALASKA STATE DIVISION OF HOMELAND SECURITY AND EMERGENCY MANAGEMENT, TO FUND 480, PROJECT NO. 20341, TO COMPLETE THE BOROUGH ALL-HAZARDS MITIGATION PLAN.
 - a. Resolution Serial No. 06-093: A RESOLUTION APPROVING THE SCOPE OF WORK AND BUDGET FOR THE ALASKA STATE HOMELAND SECURITY AND EMERGENCY MANAGEMENT GRANT, PROJECT NO. 20341, FUND 480, TO COMPLETE THE BOROUGH ALL-HAZARD MITIGATION PLAN.
 - (1) IM No. 06-201

8. Ordinance Serial No. 06-139: AN ORDINANCE PROVIDING FOR THE SALE OF CERTAIN BOROUGHWIDE REAL PROPERTY ACQUIRED THROUGH TAX FORECLOSURE FOR DELINQUENT REAL PROPERTY TAXES YEARS 1998 AND 2003, AND PRIOR AND FOR DELINQUENT SPECIAL ASSESSMENTS FOR THE YEAR 2001 AND PRIOR, AND NOT NEEDED FOR PUBLIC PURPOSE.
 - a. IM No. 06-202
9. Ordinance Serial No. 06-140: AN ORDINANCE APPROPRIATING \$60,000 OF INTEREST EARNINGS ON THE 2004 SERIES B, GENERAL OBLIGATION SCHOOL BONDS TO FUND 400, SCHOOL CAPITAL PROJECTS, PROJECT NO. 40148 FOR THE PALMER JUNIOR MIDDLE SCHOOL SPRINKLER INSTALLATION PROJECT.
 - a. Resolution Serial No. 06-094: A RESOLUTION AMENDING THE BUDGET FOR PROJECT NO. 40148, FUND 400, FOR THE PALMER JUNIOR MIDDLE SCHOOL SPRINKLER PROJECT.
 - (1) IM No. 06-209
10. Ordinance Serial No. 06-141: AN ORDINANCE ACCEPTING AND APPROPRIATING \$249,979 FROM THE ALASKA STATE DEPARTMENT OF HEALTH AND SOCIAL SERVICES, TO FUND 475, PROJECT NO. 20365, HUMAN SERVICES COMMUNITY MATCHING GRANT.
 - a. Resolution Serial No. 06-095: A RESOLUTION APPROVING THE SCOPE OF WORK AND BUDGET FOR PARTICIPATION IN THE HUMAN SERVICES COMMUNITY MATCHING GRANT PROGRAM.
 - (1) IM No. 06-210
11. Ordinance Serial No. 06-142: AN ORDINANCE PLACING ON THE BALLOT OF THE OCTOBER 3, 2006, REGULAR ELECTION, A QUESTION FOR THE QUALIFIED VOTERS OF THE GREATER WILLOW ROAD SERVICE AREA NO. 20, TO INCREASE THE MILL LEVY FOR THE GREATER WILLOW ROAD SERVICE AREA NO. 20 FROM 2.53 TO 2.72 FOR FISCAL YEAR 2008.
(Sponsor: Assemblymember Vehrs)
 - a. IM No. 06-212
12. Ordinance Serial No. 06-143: AN ORDINANCE REAPPROPRIATING \$101,752 FROM THE CAPITAL RESERVE TO FUND 400, SCHOOL DISTRICT RENEWAL, RENOVATION, AND UPGRADE PROJECT, PROJECT NO. 40158, FOR ADDITIONAL FUNDS NEEDED FOR THE SUPPLY AND PURCHASE OF SIX PORTABLE CLASSROOMS AT SU VALLEY HIGH SCHOOL.
 - a. Resolution Serial No. 06-096: A RESOLUTION AMENDING THE BUDGET FOR THE SUPPLY AND PURCHASE OF SIX PORTABLE CLASSROOMS AT SU VALLEY HIGH SCHOOL, PROJECT NO. 40158.
 - (1) IM No. 06-207
13. Ordinance Serial No. 06-144: AN ORDINANCE PLACING ON THE BALLOT OF THE OCTOBER 3, 2006, REGULAR ELECTION, A QUESTION TO ADOPT

LIMITED POLICE POWERS TO REGULATE PAWNBROKERS WITHIN THE MATANUSKA-SUSITNA BOROUGH.

- a. Ordinance Serial No. 06-145: AN ORDINANCE ENACTING MSB 3.39, TITLED “REGULATION OF PAWNBROKERS.” *(Sponsor: Assemblymember Colver)*

(1) IM No. 06-211

- 14. Ordinance Serial No. 06-146: AN ORDINANCE ACCEPTING AND APPROPRIATING GRANT FUNDS IN THE AMOUNT OF \$15,350,800 FROM THE STATE OF ALASKA TO FUND 410, PROJECT NO. 35245, POINT MACKENZIE ROAD – BURMA TO PORT DISTRICT UPGRADES PROJECT.

- a. Resolution Serial No. 06-097: A RESOLUTION APPROVING THE SCOPE OF WORK AND BUDGET FOR THE STATE OF ALASKA GRANT, PROJECT NO. 35245 FOR THE POINT MACKENZIE ROAD – BURMA TO PORT DISTRICT UPGRADES PROJECT.

(1) IM No. 06-215

- 15. Ordinance Serial No. 06-147: AN ORDINANCE REPEALING TITLE 16, SUBDIVISIONS, IN ITS ENTIRETY, ADOPTING TITLE 27, SUBDIVISIONS, AND AMENDING MSB. 15.39.140.

- a. IM No. 06-198

B. INTRODUCTION (For public hearing – 08/15/06, 7 p.m., Borough Assembly Chambers)

- 1. Ordinance Serial No. 06-130: AN ORDINANCE CONFIRMING THE ASSESSMENT ROLL FOR THE HORSESHOE BOTTLE LAKE AREA NATURAL GAS LOCAL IMPROVEMENT DISTRICT NO. 366 AND ESTABLISHING THE METHOD OF TERMINATING ASSESSMENTS AND MAKING REFUNDS TO PROPERTY OWNERS.

- a. Ordinance Serial No. 06-131: AN ORDINANCE APPROVING FOR THE ISSUANCE AND SALE OF NOT TO EXCEED \$807,000 PRINCIPAL AMOUNT OF SPECIAL ASSESSMENT BONDS FOR THE HORSESHOE/BOTTLE LAKE AREA NATURAL GAS LOCAL IMPROVEMENT DISTRICT NO. 366, AND FIXING DETAILS OF SAID BONDS.

(1) IM No. 06-204

Ms. McGehee read the above legislation into the record.

MOTION: Assemblymember Vehrs moved to introduce the legislation as read into the record by the Clerk and set the public hearings for August 1, 2006, and August 15, 2006, respectively.

VOTE: The motion passed without objection.

C. MAYORAL NOMINATIONS AND APPOINTMENTS

1. VACANCY REPORT

Mayor Anderson requested the following confirmations:

Mayor's Blue Ribbons Take Force on Forming a Health and Social Services Board

Bonnie Burgan-Kelly

Jodi Larsen

Parks, Recreation, and Trails Advisory Board

Resignation of Anthony Pippel

Gold Trails RSA No. 28

Daniel Knauss

Mayor Anderson made the following recommendations:

Local Emergency Planning Committee

Dennis Lords

Meadow Lakes Public Safety Building Naming Committee

Beverly Marple

MOTION: Assemblymember Vehrs moved to confirm the Mayor's appointments up for confirmation this evening.

MOTION: Assemblymember Colberg moved to divide the question to take the resignation of Anthony Pippel separately.

VOTE: The motion to divide the question passed without objection.

MOTION: First segment of the motion. To confirm the Mayor's appointments up for confirmation this evening.

VOTE: The first segment to confirm the Mayor's appointments up for confirmation this evening passed without objection.

MOTION: Second segment of the motion. To confirm the resignation of Anthony Pippel from the Parks, Recreation, and Trails Advisory Board.

VOTE: The second segment to confirm the resignation of Anthony Pippel from the Parks, Recreation, and Trails Advisory Board failed with Assemblymember Allen in support.

D. OTHER NEW BUSINESS

X. RECONSIDERATION

(There were no reconsiderations presented.)

XI. VETO

(There were no vetoes presented.)

XII. EXECUTIVE SESSION *(for matters, the immediate public knowledge of which would clearly have an adverse effect upon the finances of the borough and matters which by law, municipal charter, or ordinance are required to be confidential; direction may be given to the Attorney or labor negotiator regarding labor negotiations)*

A. Labor Contract Negotiations Between MSB and MSBEA

MOTION: Assemblymember Vehrs moved for Assembly approval of an independent investigation and opinion of the executive session parameters by independent counsel, as they pertain to Assembly executive sessions and quasi-judicial executive sessions, as to who has the authority to make the decision to release information from those sessions.

Assemblymember Vehrs:

- spoke regarding MSB 1.50.040(A)(3);
- spoke regarding the recent executive session on the award of the bid on the Career Center;
- noted that no Assembly action was taken pertaining to the written documents;
- stated that the Assembly has the obligation to review the information to be released and to consent or contest disclosure;
- spoke regarding administration and the legal department, without Assembly approval, making disclosure of the documents;
- stated that the Assembly's past practice is that executive sessions are confidential; and
- spoke to the need for an independent investigation and an opinion from independent counsel regarding this issue.

MOTION: Assemblymember Allen moved to postpone the motion to a time certain of August 15, 2006.

Assemblymember Allen:

- stated that this issue does need an examination; and
- spoke to the need for time to review the motion.

Assemblymember Vehrs:

- clarified that the motion is to get a second opinion; and
- opined that the postponement will not change the intent of the motion.

Discussion ensued regarding postponement.

VOTE: The motion failed to postpone with Assemblymembers Allen, Colberg, and Bettine in support and Assemblymembers Vehrs, Colver, and Woods opposed.
(Tie vote.)

Assemblymember Bettine queried how the motion would impact past executive sessions.

Mr. Spiropoulos:

- spoke regarding a Supreme Court ruling regarding executive sessions;
- advised that MSB 1.50.040(A)(3) is more restrictive than State Statute; and
- noted that Borough code attempts to protect more records than the statutes provide.

Assemblymember Bettine queried whether the Manager or the Clerk could request independent counsel review without the action of the Assembly.

Mr. Duffy advised that the Manager or the Clerk could request independent review of this issue.

Ms. McGehee:

- advised that she would seek independent review of issues that impacted the Clerk's Office; and
- advised that she would seek a majority vote of the Assembly to approve independent review of issues outside of the Clerk's Office.

VOTE: The motion passed with Assemblymembers Allen and Colberg opposed.

MOTION: Assemblymember Vehrs moved to reconsider.

VOTE: The motion to reconsider failed without objection.

MOTION: Assemblymember Vehrs moved to enter executive session for matters, the immediate public knowledge of which would clearly have an adverse effect upon the finances of the borough and matters which by law, municipal charter, or ordinance are required to be confidential; direction may be given to the Attorney or labor negotiator regarding labor negotiations, specifically to address the labor contract, negotiations between the Matanuska-Susitna Borough and the Matanuska-Susitna Borough Employees Association. Those in present during the executive session were the Assembly, Deputy Mayor, Manager, Attorney, Clerk, and Finance Director.

VOTE: The motion passed without objection and the Assembly entered executive session at 10:05 p.m.

MOTION: Assemblymember Vehrs moved to exit executive session.

VOTE: The motion passed without objection and the Assembly exited executive session at 10:20 p.m.

XIII. MAYOR AND ASSEMBLY COMMENTS

Assemblymember Woods:

- provided a report on her trip to Washington D.C.; and
- invited the Assembly to attend a celebration at Moose Creek for the habitat restoration project on July 21, 2006.

Assemblymember Bettine:

- spoke regarding the new Goose Bay Elementary School;
- spoke regarding concerns with the parking issues at the new Goose Bay Elementary; and
- stated that her concerns regarding the new Goose Bay Elementary School have not been addressed.

Mr. Duffy advised that the Borough will be working with the community and the contractor to get the issues fixed.

Assemblymember Bettine spoke regarding concerns on throwing out conceptual ideas to the public.

Assemblymember Vehrs:

- thanked the Manager for his presentation on the prison to the Meadow Lake Community Council; and
- stated that NANA Corporation has found a way to use the Meadow Lakes School for their meetings next winter.

Deputy Mayor Colver:

- congratulated the Administration for their accomplishment on the gravel sale; and
- stated that it is good to see revenue coming into Port MacKenzie.

XIV. ADJOURNMENT

The regular meeting adjourned at 10:33 p.m.

/ S /

TIMOTHY L. ANDERSON, Borough Mayor

ATTEST:

/ S /

MICHELLE M. MCGEHEE, CMC, Borough Clerk

Minutes approved: 08/15/06