

I. CALL TO ORDER

The special meeting of the Matanuska-Susitna Borough Assembly was held on August 21, 2014, at the Borough Assembly Chambers, 350 E. Dahlia Avenue, Palmer, Alaska. The meeting was called to order at 3 p.m. by Mayor DeVilbiss for the purpose of discussing the M/V Susitna.

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*)
- Mr. Steve Colligan, Assembly District No. 4 (*arrived at 3:15 p.m.*)
- Mr. Darcie K. Salmon, Assembly District No. 5 (*arrived at 3:02 p.m.*)
- Mr. Jim Colver, Assembly District No. 6
- Mr. Vern Halter, Assembly District No. 7

Staff in attendance were:

- Ms. Lonnie R. McKechnie, Borough Clerk
- Mr. Nicholas Spiropoulos, Borough Attorney
- Mr. John Moosey, Borough Manager
- Mr. George Hays, Assistant Borough Manager
- Ms. Tammy Clayton, Finance Director
- Mr. Marc VanDongen, Port Director
- Ms. Patty Sullivan, Public Affairs Director

III. APPROVAL OF AGENDA

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

Assemblymember Sykes:

- stated that he had requested information from the Finance Director concerning the interest rate of what the Federal Government would charge the Borough;
- opined that the information should be provided to the public prior to the executive session; and
- queried if that information was available.

Mayor DeVilbiss stated that the Manager would address that.

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

IV. PLEDGE OF ALLEGIANCE

The pledge of allegiance was led by Mr. Dan Mayfield, a member of the audience.

V. ITEMS OF BUSINESS

A. EXECUTIVE SESSION (*For Matters, Which 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 Kept Confidential; And Discussion Of Matters Subject To The Attorney Client Privilege.*)

1. Legal and Financial Impacts Of Various Administrative Responses To The Letter Received From The Federal Transit Authority Regarding the M/V Susitna

(There was no executive session held.)

B. M/V Susitna Discussion and Provide Direction To The Manager

Mr. Moosey:

- stated that he had an opportunity to speak with Secretary Fox to set up a meeting for negotiations; and
- advised that meeting had not yet be scheduled.

MOTION: Assemblymember Halter moved to direct the Manager and staff to negotiate a settlement including payment or financial obligations to the Federal Government for the M/V Susitna Ferry boat.

VOTE: The motion passed without objection.

VI. AUDIENCE PARTICIPATION

The following person spoke to concerns that the letter from the Federal Transit Authority has not been made public: Mr. Eugene Haberman.

VII. MAYOR, ASSEMBLY, AND STAFF COMMENTS

Mr. Spiropoulos:

- spoke to the law firm of Venable, LLP. being the attorney representing the Borough regarding the rail extension lawsuit;
- spoke to researching for a firm that could assist the Borough with the M/V Susitna issue;
- stated that Venable, LLP. has an office in Washington, D.C. and he intended to hire them to assist with ferry negotiations;
- advised that having an attorney that is located in Washington, D.C. would be beneficial for access to whatever documents they may need; and
- stated that he wanted the body to be aware of how he intended to proceed.

Assemblymember Sykes stated that he would still like the financial information that he requested from the Finance Director.

Ms. Clayton:

- advised that the current interest rate is currently one percent through December 31, 2015;
- stated that it will change every January 1;
- stated that it has been at one percent interest since January 1, 2010;
- noted that for calendar year 2009 it was three percent;
- stated that she is unable to predict what it would be January 1, 2015, as the market will impact that figure;
- advised that she did not pursue looking at penalties; and
- noted that the interest rate will be dependent on what is negotiated.

Assemblymember Sykes:

- spoke to his desire for the ferry negotiations to go well;
- opined that staff has done a good job at starting the conversation; and
- spoke to his attendance at the Talkeetna Library ground breaking ceremony.

Assemblymember Halter:

- spoke to his attendance at the Talkeetna Library ground breaking ceremony;
- thanked Mayor DeVilbiss for attending;
- spoke to the community's excitement for the new facility;
- spoke to the many recent ground breaking ceremonies that have occurred; and
- noted that it is exciting to see so many of the Borough's projects get started.

Assemblymember Beck:

- opined that negotiations regarding the ferry are more appropriate than litigation;
- thanked staff for their work; and
- congratulated Assemblymember Colver for winning the primary race.

Assemblymember Colver:

- spoke to concerns with the mayoral veto of the Crystal Lake Management Plan;
- spoke in support of Assemblymember Halter's amendments to that legislation;
- noted the two year process by which the management plan was arrived at; and
- queried the process by which the legislation could be taken up if the veto is overridden.

Assemblymember Colligan:

- opined that the M/V Susitna ferry is a beautiful boat;
- spoke to financial concerns with the ferry;
- provided a brief history of the development of the ferry;
- stated that he is happy to begin settlement negotiations;
- opined that there is no economic use of the vessel for the Borough; and
- stated that it is time to take action and resolve the issue.


Assemblymember Salmon:

- related that a local tribal council had contacted him regarding taking the ferry at no cost; and
- stated that he wanted the body to be aware of that request.


Mayor DeVilbiss spoke to a gold mining operation in Nome that may be interested in the ferry.

VIII. ADJOURNMENT

The meeting adjourned at 3:32 p.m.


LARRY DeVILBISS, Borough Mayor

ATTEST:


LONNIE R. McKECHNIE, CMC, Borough Clerk

Minutes Approved: 09/02/14