

I. CALL TO ORDER

The special meeting of the Matanuska-Susitna Borough Assembly was held on August 28, 2012, at the Mat-Su Borough School District Administration Building, 501 N. Gulkana Street, Palmer, Alaska. The meeting was called to order at 6 p.m. by Deputy Mayor Arvin for the purpose of taking up Resolution Serial No. 12-102 and discussion of the M/V Susitna.

II. ROLL CALL

Assembly members present and establishing a quorum were:

- Mr. Warren Keogh, Assembly District No. 1
- Mr. Noel Woods, Assembly District No. 2
- Mr. Ronald Arvin, Assembly District No. 3 (*Deputy Mayor*)
- Mr. Steve Colligan, Assembly District No. 4
- Mr. Darcie K. Salmon, Assembly District No. 5
- Mr. Vern Halter, Assembly District No. 7

Assemblymembers absent and excused:

- Mr. Jim Colver, Assembly District No. 6

Staff in attendance were:

- Ms. Lonnie R. McKechnie, Borough Clerk
- Mr. John Moosey, Borough Manager (*attended telephonically*)
- Ms. Brenda J. Henry, Executive Assistant to the Borough Clerk
- Mr. Nicholas Spiropoulos, Borough Attorney
- Ms. Tammy Clayton, Finance Director
- Mr. Marc Van Dongen, Port Director
- Mr. Emerson Krueger, Planner II
- Mr. Stefan Hinman, Media Design Specialist
- Mr. Don Dyer, Economic Development Director

III. APPROVAL OF AGENDA

Deputy Mayor Arvin queried if there were any changes to the agenda.

Assemblymember Salmon:

- noted that this meeting was specifically called for the purpose of discussing Resolution Serial No. 12-102;
- stated that the discussion of the ferry was added after the fact; and
- opined that the Manager and Mayor should be present for this discussion.

MOTION: Assemblymember Salmon moved a primary amendment to the agenda to strike Item "B" Discussion of the M/V Susitna (ferry).

Assemblymember Keogh:

- stated that he requested this be added to the agenda;
- noted that his intention is to move to have the Manager list the ferry with the federal registry and through a broker; and
- stated that he objects to the amendment.

Assemblymember Woods:

- noted that he believes that this option was discussed at the last meeting; and
- stated that he is under the impression that the Manager has forwarded a recommendation that this be done.

Deputy Mayor Arvin requested the Manager speak to this issue.

Mr. Moosey:

- noted that the issue was brought before the body at a previous meeting, at which the Assembly requested that the topic be delayed until September;
- stated that it was also brought up again at the last meeting; and
- advised that he is ready to move forward, but is waiting on Assembly support.

Assemblymember Colligan:

- stated that he is in support of having the discussion; and
- spoke to concerns with the monthly expenses of the ferry.

VOTE: The primary amendment failed with Deputy Mayor Arvin and Salmon in support.

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

IV. PLEDGE OF ALLEGIANCE

The pledge of allegiance was led by Mr. Marc Van Dongen, Port Director.

V. ITEMS OF BUSINESS

A. UNFINISHED BUSINESS

1. Resolution Serial No. 12-102: A RESOLUTION APPROVING THE PENDING FINANCIAL RESPONSIBILITY FOR THE M/V SUSITNA FOR SEPTEMBER 2012.
 - a. IM No. 12-190

MOTION PENDING: Assemblymember Keogh moved to adopt Resolution Serial No. 12-102.

MOTION: Assemblymember Keogh moved a primary amendment to Resolution Serial No. 12-102, to move forward with Option No. 2 in the memorandum from Marsh and McLennan, dated August 28, 2012, as follows:

- 4-quarterly installments;
- down payment due in the amount of \$123,740.82;
- AFCO Quarterly installment: \$123,740.82 (first quarterly installment due on November 1, 2012);
- approximate finance charge of \$4,963.28; and
- interest rate indication of 3.30 to 3.40 percent.

Assemblymember Colligan requested that the Finance Director speak to how the policy would be affected should the ferry be sold tomorrow.

Ms. Clayton:

- reported that if the vessel was sold before September 1, then the payment would not need to be made;
- provided the example that should the vessel be sold by September 15, that there would be no refund of the first installment;
- stated that if the vessel were to sell later in the policy that there could be a refund; and
- noted that there would be a short penalty only if the insurance was cancelled to go with another carrier.

Discussion ensued regarding:

- whether or not self insurance was looked into;
- that self insuring is not possible;
- that the London indication numbers could change and be less; and
- insurance options.

VOTE: The primary amendment passed without objection.

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

VOTE: The motion passed without objection.

VOTE: The main motion passed as amended without objection.

B. OPTIONS FOR THE M/V SUSITNA (FERRY)

MOTION: Assemblymember Keogh moved to direct the Manager to place the ferry for sale through a broker and to advertise the vessel with the federal registry.

Assemblymember Salmon queried if that would mean that the possibility of bringing the ferry to the Borough would no longer be considered.

Deputy Mayor Arvin:

- spoke to concerns of time limitations; and
- opined that the body should have as many options as possible.

Assemblymember Keogh advised that it is not his intent to exclude or limit other options for the ferry.

Assemblymember Colligan:

- stated that he wants to ensure that all options are on the table, with all options being evaluated equally; and
- queried if specific language needs to be included in order to ensure that happens.

Mr. Moosey stated that he intends to have more than one option for the Assembly to consider.

Deputy Mayor Arvin queried if it is clear that all options are going to be considered.

There was no objection noted.

VOTE: The motion passed without objection.

VI. AUDIENCE PARTICIPATION

The following person advised that she was expecting more information on the ferry and a longer discussion as the Assembly requested at the last meeting: Ms. Michelle Church.

VII. MAYOR, ASSEMBLY, AND STAFF COMMENTS

Mr. Moosey thanked the body for the opportunity to list the ferry with a broker and the federal registry.


Assemblymember Salmon reminded everyone to vote in the State's Primary Election.

Deputy Mayor Arvin:

- advised that the dry run of the ferry with the Alaska State Department of Transportation went well;
- stated that we are still waiting on technical information as to how the ferry will interact with the Alaska Marine Highway docking system;
- related that as information comes in, it allows the body to keep options open; and
- opined that as difficult as it is to spend this kind of money, the Assembly is doing the best we can with what we have.


VIII. ADJOURNMENT

The meeting adjourned at 6:21 p.m.



LARRY DEVILBISS, Borough Mayor

ATTEST:



LONNIE R. McKECHNIE, CMC, Borough Clerk

Minutes Approved: 09/18/12