

**MATANUSKA-SUSITNA BOROUGH
ASSEMBLY**

**REGULAR MEETING
SEPTEMBER 19, 2000**

I. CALL TO ORDER

The regular meeting of the Matanuska-Susitna Borough Assembly was held on September 19, 2000, at the Matanuska-Susitna Borough Assembly Chambers, Palmer, Alaska. The meeting was called to order by Mayor Darcie K. Salmon. The meeting was convened at 6 p.m. and recessed for 15 minutes to allow the assembly a break as the work session adjourned at 5:55 p.m.

II. ROLL CALL

Assembly members present and establishing a quorum were:

Mr. Larry DeVilbiss, Assembly District No. 1
Ms. Sara Jansen, Assembly District No. 2
Mr. James Colberg, Assembly District No. 3
Mr. Dan Kelly, Assembly District No. 4
Ms. Jody Simpson, Assembly District No. 5
Mr. Jim Turner, Assembly District No. 6
Mr. Doyle Holmes, Assembly District No. 7 (Deputy Mayor)

Staff in attendance were:

Ms. Sandra Dillon, Borough Clerk
Mr. Michael J. Scott, Borough Manager
Mr. John Duffy, Assistant Manager
Mr. Michael Gatti, Borough Attorney
Ms. Michelle M. McGehee, Borough Clerk's Secretary
Mr. Jim Swing, Public Works Director
Ms. Tammy Clayton, Finance Director
Ms. Cindy Gilder, Planning Director
Mr. Ron Swanson, Community Development Director
Mr. Mark Van Dongen, Port Advisor

III. APPROVAL OF AGENDA

Mayor Salmon noted the following changes to the agenda:

- Michelle Church, representative for the Friends of Mat-Su, requested that she be removed from the agenda under item VII (A)(1) "Persons to Be Heard".

There was no objection to the agenda as amended.

IV. PLEDGE OF ALLEGIANCE

The pledge of allegiance was led by Assemblymember DeVilbiss.

V. MINUTES OF PRECEDING MEETINGS

A. Regular Assembly Meeting: September 5, 2000

MOTION: Assemblymember Kelly moved for approval of the regular assembly meeting minutes of September 5, 2000.

Assemblymember DeVilbiss made the following correction:

- Page sixteen, should show that the pending secondary amendment was made by assemblymember DeVilbiss, not Jansen.

GENERAL CONSENT: The motion passed without objection and the regular assembly meeting minutes for September 5, 2000, were approved with correction.

VI. REPORTS/CORRESPONDENCE

A. AGENCY REPORTS

1. Report from cities

Palmer Mayor Henry Guinotte:

- thanked the borough for allocating funds for the Friends of the Library's efforts to upgrade library computer systems boroughwide;
- reported that the Palmer Municipal Master Plan is nearing completion, that a public hearing will be scheduled, and that the council will then vote to approve the new plan;
- reported that Rick Koch is now the new public works director in Palmer;
- stated that the Palmer librarian will be leaving the city library some time in the middle of January 2001;
- commented that someone has been hired by the City of Palmer to review possible scenarios for annexation plans and emphasized that this is a planning process only;
- remarked that he has heard that the borough administration opposes the widening of the Glenn Highway between Palmer and the Y and stated that this area is just as congested as other sections;
- reported that he had received a complaint from a prospective property owner on Fishhook Road who cannot take ownership of a parcel of land until the fire district has been changed; this person has been trying to accomplish this for six months and is frustrated because the bank will not process the loan to purchase the property;
- stated that the Potato Bowl trophy had been presented to the city of Palmer.

2. Wasilla City Council Member Don Bennett:
 - reported that they are still working with the Department of Transportation/Public Facilities in regard to relocations;
 - commented that the city of Wasilla is advertising for a new city engineer; and
 - stated that the city clerk is putting together a letter to U.S. Congress regarding local land use control.

B. COMMITTEE REPORTS

(The assembly currently has no committees.)

C. MANAGER COMMENTS

Mr. Scott:

- shared the Port MacKenzie update;

Assemblymember Jansen inquired into a pending barge shipment of houses at the port.

Mr. Scott deferred to Mr. Swanson for an update on the shipment.

Mr Swanson:

- reported that loading of the houses ceased due to insurance issues;
- stated that another buyer had been found for the eleven houses; and
- commented that the houses are too big to be shipped on the barge.

Mr. Scott (comments continued):

- noted a letter regarding the Port MacKenzie Ribbon Cutting;
- referred to the meeting packet from the Cook Inlet Pipeline Terminus Group;
- spoke to a letter regarding Oil Well Road Construction;
- spoke to a letter regarding the telephone cooperative tax;
- commented on the widening of the Palmer-Wasilla Highway;
- reported that a letter of thanks was received from the Talkeetna Community Council;
- commented on the installation of guard rails;
- stated that the MEA board has agreed to a three-year contract for electricity in the Palmer Hay Flats area;
- remarked that a letter had been received from the Governor regarding Clean Up 2000;
- noted a letter regarding the Goat Creek Lodge property;
- spoke to a letter from Representative Ogan to Assemblymember Kelly regarding a constitutional amendment to allow school districts to set the mill rates;
- reported that verification had been received from the state regarding the approval of a grant in the amount of \$65,000 for radio communication;
- clarified that the state assessor believes that the previous comments regarding LIDs were misinterpreted and that LIDs will not fall under the tax cap;

- commented on the supplemental manager's report and an amendment to the Friends of the Library ordinance to include others who participated in the process;
- referenced the agenda item regarding the lease to Northwest Pacific Industries;
- commented on a memorandum regarding revenues from the port, the feasibility study, and offsets included in the lease; and
- addressed questions from the assembly members regarding the Permanent Fund Dividend.

Discussion followed on financial figures that had been provided in a letter from Northwest Pacific Industries and continued to the subject of financial statement preparation, specifically in regard to the status report for phase II construction funding.

Discussion then ensued on the placement of guard rails in the borough.

Mr. Scott:

- stated that guard rails were to be installed on Matanuska Road and Trunk Road, and that a final decision on whether or not guard rails would be extended on the Glenn Highway on-ramp had not been made.

Assemblymember Kelly inquired if Mr. Scott had met with the Department of Transportation, or if he had plans to meet with them.

Mr. Scott:

- stated that a meeting was scheduled for the following week regarding the railroad.

Assemblymember Kelly stated his interest in participating in the meeting.

D. ATTORNEY COMMENTS

Mr. Gatti had no comments.

E. CLERK COMMENTS

Ms. Dillon:

- reminded the assembly and mayor that a work session is scheduled for October 17, 2000;
- reported that there is a new version of the agenda for the joint work session with Anchorage and the Borough, and believes this will soon be final;
- remarked that the borough is heavy into elections now and that everything is going smoothly;
- stated that this election is more complex than some because there are three assembly seats open, a mayoral seat, and bond propositions; and
- commented that early voting is available for all precincts at the Cottonwood Creek Mall and at the borough building.

F. CITIZEN AND OTHER CORRESPONDENCE

1. MSB Board/Committee Minutes:
 - a. Local Road Service Area Supervisory Board No. 17, Knik - 08/20/00
 - b. Planning Commission - 08/21/00
 - c. Port Commission - 04/10/00, 06/12/00, 07/31/00
2. Community Council Correspondence:

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

G. INFORMATIONAL MEMORANDUMS

1. IM No. 00-218: ASSEMBLY ACTION OF SEPTEMBER 5, 2000: APPROVAL OF PROPOSED RFPS CONCERNING POINT MACKENZIE.

IX. NEW BUSINESS

A. INTRODUCTION (Suggested public hearing - 10/17/00)

1. Ordinance Serial No. 00-171: AN ORDINANCE CONFIRMING THE ASSESSMENT ROLL FOR THE BUTLER SUBDIVISION NATURAL GAS LOCAL IMPROVEMENT DISTRICT NO. 304 AND ESTABLISHING THE METHOD OF TERMINATING ASSESSMENTS AND MAKING REFUNDS TO PROPERTY OWNERS.
 - a. Ordinance Serial No. 00-172: AN ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE OF NOT TO EXCEED \$84,000 PRINCIPAL AMOUNT OF SPECIAL ASSESSMENT BONDS FOR THE BUTLER SUBDIVISION NATURAL GAS LOCAL IMPROVEMENT DISTRICT NO. 304, AND FIXING DETAILS OF SAID BONDS.
IM No. 00-210
2. Ordinance Serial No. 00-173: AN ORDINANCE CONFIRMING THE ASSESSMENT ROLL FOR THE FLITE SIDE NATURAL GAS LOCAL IMPROVEMENT DISTRICT NO. 309 AND ESTABLISHING THE METHOD OF TERMINATING ASSESSMENTS AND MAKING REFUNDS TO PROPERTY OWNERS.
 - a. Ordinance Serial No. 00-174: AN ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE OF NOT TO EXCEED \$54,000 PRINCIPAL AMOUNT OF SPECIAL ASSESSMENT BONDS FOR THE FLITE SIDE NATURAL GAS LOCAL IMPROVEMENT DISTRICT NO. 309, AND FIXING DETAILS OF SAID BONDS.
IM No. 00-212
3. Ordinance Serial No. 00-175: AN ORDINANCE AMENDING ROAD SERVICE AREAS TO INCLUDE TRAILS. IM No. 00-215

4. Resolution Serial No. 00-068: A RESOLUTION CONTINUING THE HEALTH PLANNING COUNCIL TO SEPTEMBER 1, 2003. IM No. 00-216
5. Resolution Serial No. 00-069: A RESOLUTION PROVIDING FOR THE CONTINUANCE OF THE LOCAL ROAD SERVICE AREA ADVISORY BOARD. IM No. 00-217

Ms. Dillon read the above legislation into the record.

MOTION: Assemblymember Holmes moved for introduction of the above-referenced legislation and set for public hearing on October 17, 2000.

GENERAL CONSENT: The motion for introduction passed without objection.

B. CONSENT AGENDA

(Resolution Serial No. 00-070 was pulled from the consent agenda, see page 7 of 21)

2. ACTION MEMORANDUMS

- a. AM No. 00-104: VACATION OF PUBLIC DEDICATION, WILLIWAU SUBDIVISION NUMBER 2, LOCATED WITHIN SECTION 2, TOWNSHIP 17 NORTH, RANGE 1 WEST, SEWARD MERIDIAN, ALASKA.
- b. AM No. 00-105: VACATION OF PUBLIC DEDICATION, RIVERDELL ESTATES LOTS 14 AND 15, BLOCK 3, LOCATED WITHIN SECTION 30, TOWNSHIP 17 NORTH, RANGE 1 WEST, SEWARD MERIDIAN, ALASKA, KNIK-FAIRVIEW COMMUNITY COUNCIL AREA.
- c. AM No. 00-106: VACATION OF PUBLIC DEDICATION, GALA WOODS SUBDIVISION, LOT 13, BLOCK 1 and LOT 3, BLOCK 2, LOCATED WITHIN SECTION 24, TOWNSHIP 16 NORTH, RANGE 3 WEST, SEWARD MERIDIAN, ALASKA, KNIK-FAIRVIEW COMMUNITY COUNCIL AREA.
- d. AM No. 00-107: VACATION OF PUBLIC DEDICATION, RICHIE SUBDIVISION, LOT 5, LOCATED WITHIN SECTION 24, TOWNSHIP 19 NORTH, RANGE 3 EAST, SEWARD MERIDIAN, ALASKA, ALPINE COMMUNITY COUNCIL AREA.
- e. AM No. 00-108: VACATION OF PUBLIC DEDICATION, LOT 27, SHELL LAKE ALASKA SUBDIVISION, LOCATED WITHIN SECTION 25, TOWNSHIP 22 NORTH, RANGE 13 EAST, SEWARD MERIDIAN, ALASKA, SKWENTNA COMMUNITY COUNCIL AREA.

- f. AM No. 00-111: AWARD OF BID NO. 01-024, TO E & E CONSTRUCTION FOR THE SUNSHINE PUBLIC SAFETY BUILDING CLASSROOM ADDITION PROJECT NO. 10136.
- g. AM No. 00-112: CHANGE ORDER TO WILDER CONSTRUCTION COMPANY TO ADD ROAN DRIVE PAVING LOCAL IMPROVEMENT DISTRICT (LID) TO THE 2000 ROADS PAVING PROJECT PHASE II.
- h. AM No. 00-113: AWARD OF PROPOSAL NO. 01-027, TO HME ALASKA TO PURCHASE A SOLID WASTE TRANSFER TRAILER FOR THE BOROUGH CENTRAL LANDFILL.

Ms. Dillon read the above consent agenda items into the record.

MOTION: Assemblymember Holmes moved for approval of the above-referenced consent agenda items.

GENERAL CONSENT: The motion passed without objection.

- RESOLUTIONS

- a. Resolution Serial No. 00-070: A RESOLUTION ENDORSING THE PROPOSED PROJECTS FOR THE FY 2002 MUNICIPAL CAPITAL PROJECT MATCHING GRANT PROGRAM. IM 00-213

MOTION: Assemblymember Holmes moved to adopt Resolution Serial No. 00-070.

Discussion ensued on whether the \$250,000 noted in Resolution Serial No. 00-070 was included in the management agreement between the Hatcher Pass Development Company and the Mat-Su Borough.

The manager replied that these funds were not included in the management agreement.

Discussion followed regarding the lack of financial figures under proposed land management funds, for sources of funds, in the management agreement between the Hatcher Pass Development Corporation and the Mat-Su Borough.

Mr. Scott:

- stated that reduction in land management would occur.

Discussion continued regarding assembly input to the Capital Project Matching Grant Program application; that they would like an opportunity to address the priority listing before the resolution comes before the assembly.

GENERAL CONSENT: The motion passed without objection.

The regular assembly meeting recessed at 6:55 p.m. and reconvened at 7:05 p.m.

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

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

1. Michelle Church, Friends of the Mat-Su: Request support for a visual preference study. *(pulled from the agenda, see page 1 of 21)*

B. PUBLIC HEARINGS (Three minutes per person.)

1. Ordinance Serial No. 00-151: AN ORDINANCE ACCEPTING A \$38,700 ALASKA COASTAL MANAGEMENT PROGRAM 306 GRANT AND APPROPRIATING THE MONEY TO FUND 480 FOR THIS PROGRAM DURING FY01.
 - a. Resolution Serial No. 00-060: A RESOLUTION ESTABLISHING THE SCOPE OF WORK AND BUDGET FOR THE ALASKA COASTAL MANAGEMENT PROGRAM 306 GRANT FOR FY01. IM No. 00-178

Mayor Salmon opened the public hearing. There being no one wishing to be heard, the public hearing was closed and discussion moved to the assembly.

MOTION: Assemblymember Holmes moved for adoption of Ordinance Serial No. 00-151 and Resolution Serial No. 00-060.

Discussion followed on the number of projects covered by this appropriation and also regarding the adjustment of boundaries of the Coastal Management Program.

VOTE: The motion passed with Assemblymember Holmes opposed.

2. Ordinance Serial No. 00-152: AN ORDINANCE APPROVING A SUPPLEMENTAL APPROPRIATION OF \$18,548 FROM THE LAND MANAGEMENT FUND BALANCE TO PAY ALL DELINQUENT SPECIAL ASSESSMENTS AND ALL DELINQUENT TAXES, PENALTIES, INTEREST, AND FORECLOSURE COSTS UP TO THE CLERK'S DEED ON TAX FORECLOSED PROPERTIES BEING RETAINED FOR PUBLIC PURPOSE IN THE GOAT CREEK, KNIK-GOOSE BAY, CITY OF WASILLA, PALMER HAY FLATS, LAZY MOUNTAIN, AND PALMER-FISHHOOK AREAS.
 - a. Ordinance Serial No. 00-153: AN ORDINANCE CLASSIFYING CERTAIN TAX FORECLOSED PROPERTIES IN THE GOAT CREEK, KNIK-GOOSE BAY, CITY OF WASILLA, PALMER HAY FLATS, LAZY MOUNTAIN, AND PALMER-FISHHOOK

AREAS FOR "RESERVE USE LANDS" AND RETAINING THEM FOR PUBLIC PURPOSE. IM No. 00-191

Mayor Salmon opened the public hearing. There being no one wishing to be heard, the public hearing was closed and discussion moved to the assembly.

MOTION: Assemblymember Holmes moved for adoption of Ordinance Serial Nos. 00-152 and 00-153.

MOTION: Assemblymember Holmes moved to amend Ordinance Serial No. 00-152 to strike parcels 17N01E22A002 and 17N01E27B001 from the list as these outstanding property taxes had been paid.

GENERAL CONSENT: The motion to amend Ordinance Serial No. 00-152 passed without objection.

MOTION: Assemblymember Holmes moved to amend Ordinance Serial No. 00-153 to strike parcels nos. 17N01E22A002 and 17N01E27 B001, listed as items 6 and 8.

GENERAL CONSENT: The motion to amend Ordinance Serial No. 00-153 passed without objection.

GENERAL CONSENT: The main motion to adopt Ordinance Serial Nos. 00-152 and 00-153 as amended passed without objection.

3. Ordinance Serial No. 00-154: AN ORDINANCE ADOPTING MSB 17.23, POINT MACKENZIE PORT SPECIAL LAND USE DISTRICT.
- a. Ordinance Serial No. 00-155: AN ORDINANCE ADOPTING MSB 18.10, POINT MACKENZIE PORT DEVELOPMENT STANDARD DISTRICT.
- b. Ordinance Serial No. 00-156: AN ORDINANCE AMENDING MSB 1.45.100(B), ADDING FINES FOR MSB 17.23.
- c. Ordinance Serial No. 00-157: AN ORDINANCE ADOPTING MSB 15.39.030(A)(6), DELEGATING APPEALS OF POINT MACKENZIE PORT COMMISSION TO THE BOARD OF ADJUSTMENT AND APPEALS.
- d. Ordinance Serial No. 00-158: AN ORDINANCE ADOPTING MSB 16.20.040(C)(1), POINT MACKENZIE PORT SPECIAL LAND USE DISTRICT, DEVELOPMENT STANDARDS DISTRICT.

- e. Ordinance Serial No. 00-159: AN ORDINANCE ADOPTING MSB 18.03.030 (C), PROVIDING FOR VARIANCES FROM THE PROVISIONS OF MSB 17.23, WITHIN THE POINT MACKENZIE PORT SPECIAL LAND USE DISTRICT. IM No. 00-192

Mayor Salmon opened public hearing on Ordinance Serial Nos. 00-154, 00-155, 00-156, 00-157, 00-158, and 00-159.

The following spoke in opposition to the ordinances: Mr. Garven Buccaria and Mr. Tom Pine.

The following spoke in favor of the ordinances: Mr. Al Haynes.

There being no others wishing to be heard, the public hearing was closed and discussion moved to the assembly.

Discussion followed on addressing each ordinance of the package separately.

MOTION: Assemblymember Simpson moved to adopt Ordinance Serial No. 00-154.

Assemblymember Colberg spoke to Ordinance Serial No. 00-159 and to the provisions for variances and road standards.

Discussion ensued regarding the difficulties associated with addressing each ordinance separately.

Mr. Gatti:

- recommended that the ordinances be looked at as a package; and
- suggested an administrative overview of all the ordinances.

WITHDRAW: Assemblymember Simpson withdrew her previous motion and requested a staff report from Mr. Scott.

MOTION: Assemblymember Holmes moved to adopt Ordinance Serial Nos. 00-154, 00-155, 00-156, 00-157, 00-158, and 00-159.

Mr. Scott:

- reported that concern had been expressed over leasing port lands under the existing time-consuming processes;
- commented that rather than trying to simply amend MSB Title 17, Mr. Gatti and Mr. Scott agreed to put all the ordinances together;
- stated that the port commission wanted to zone this area to ensure that the port lands are protected for industrial/commercial activity.
- noted that Mr. Van Dongen and Mr. Swanson have been working together with the planning department in order to strike a balance;
- feels that this is an intermediate step that may result in a port authority in the future;

- spoke to the importance of the port commission and the responsibilities that have been delegated to this commission; and
- suggested joint meetings with the port commission.

Discussion ensued on the appointment of port commissioners, their responsibilities, and the compensation thereof.

Mr. Van Dongen:

- reported that the port commission had approved the Point MacKenzie Port Special Land Use District ordinances;
- commented that the platting board and the planning commission had also recommended approval of the legislation;
- spoke to two concerns of the planning commission primarily in respect to road construction and the approval of variances;
- reported that the planning commission wants to maintain authority for granting variances;
- thinks exceptions might have to be made in order to attract commercial businesses to the area; and
- spoke to the need of businesses to have road access to their property.

Mr. Swanson:

- stated that MSB Title 17 governs the establishment of special land use districts and addresses the basic guidelines for how they should be organized, including provisions for road standards;
- MSB Title 18 will allow provisions for road development to account for traffic;
- reported that MSB Title 17 also sets up the special districts within the port district;
- commented that the issue at hand is who will approve/deny variances; and
- noted that the platting board will still determine plats.

Discussion ensued regarding provisions of the lease agreement, progressive development standards, road upgrades and maintenance, and the responsibility of the lessee.

Assemblymember Colberg stated that the borough should not be required to maintain any substandard roads and that roads should be maintained by the lessee.

Mr. Gatti:

- stated that the package of ordinances implicates a number of authorities;
- spoke to zoning in the port district where development activities are permitted;
- remarked that an applicant for a lease still has to go through the normal platting process and also must receive a permit from the port director;
- commented that in order to accomplish the ability to lease, standards may need to be amended;
- noted the differences between a development permit and a conditional use permit;
- spoke to the issue of variances and who will have the responsibility of determining variance applications;

- noted the need for enhancement of judicial review in regard to the port commission.

Discussion ensued regarding private lands within the port district and administration thereof.

Discussion then turned to the topics of boundary lines for the port district, railroads within the port district, section line rights-of-way, and surveys of the area.

Mr. Gatti:

- stated that a lessee is not required to build roads, but rather is required to design them to the standards outlined in MSB 17.23.190;
- commented that the platting board will state the need for a right-of-way to allow for road construction and the lease will state when a road has to be built;
- opined that the borough should not be responsible for maintenance of roads within the port district and that the lessee should defend and indemnify the borough because they are responsible for the road; and
- stated that road construction has been deferred based upon the lease provisions and the traffic impact analysis.

Discussion followed regarding the traffic impact analysis language, the responsibility of initiating plats, and standard road dimensions within the port district.

Discussion resumed regarding the building of port district roads to standard.

Mr. Van Dongen commented that the provisions for road standards should be included in the ordinance and that modification should occur in the lease agreement.

Discussion then ensued regarding the terms of the standard lease agreement, financial commitments of lessees, and performance bonds.

Mr. Scott stated that there are many provisions within the standard lease that are not included in the package of ordinances.

Mr. Gatti recommended that any additional language should be drafted first and then brought back to the assembly for action.

MOTION: Assemblymember Holmes moved to amend Ordinance Serial No. 00-155, in the proposed MSB 18.10.050 to insert item (D) to read, "The responsibility of road maintenance will be the responsibility of the lessee until such time as roads are upgraded to borough standards and are accepted by the borough."

GENERAL CONSENT: The motion passed without objection.

Mr. Gatti suggested an indemnity clause in the standard lease agreement regarding maintenance and liability of port district roads.

The regular assembly meeting recessed at 8:48 p.m. and reconvened at 9:03 p.m.

Assemblymember Simpson again questioned the process for determining variances as they relate to the port commission.

Mr. Scott stated that the port commission would not be able to take action without public notice.

Mr. Gatti advised against ex parte contact between the port commission and prospective applicants for variances.

Discussion followed on saving time in the process of determining variances.

VOTE: The motion of the assembly to approve Ordinance Serial Nos. 00-154 through 00-159 failed with Assemblymembers Holmes, DeVilbiss, and Turner in support.

MOTION: Assemblymember Colberg moved for reconsideration of Ordinance Serial Nos. 00-154 through 00-159.

VOTE: The motion for reconsideration passed.

MOTION: Assemblymember Colberg moved to amend Ordinance Serial No. 00-159 and to send it back to the planning commission for review before adoption.

Discussion ensued regarding clarification on who would determine variance applications.

WITHDRAW: Assemblymember Colberg withdrew his previous motion to amend Ordinance Serial No. 00-159.

MOTION: Assemblymember Colberg moved to divide the question and pull Ordinance Serial No. 00-159. There was no objection to dividing the question.

GENERAL CONSENT: The motion of the assembly to adopt Ordinance Serial Nos. 00-154 through 00-158 passed without objection.

MOTION: Assemblymember Simpson moved to adopt Ordinance Serial No. 00-159.

VOTE: The motion to adopt Ordinance Serial No. 00-159 failed with Assemblymember Turner in support.

4. Ordinance Serial No. 00-160: AN ORDINANCE ACCEPTING AND APPROPRIATING \$6,000 FROM THE FRIENDS OF PALMER LIBRARY FOR LIBRARY INFORMATION TECHNOLOGY UPGRADES.

- a. Resolution Serial No. 00-061: A RESOLUTION APPROVING THE SCOPE OF WORK AND BUDGET FOR THE PURCHASE OF ON-LINE CATALOG HARDWARE AND SOFTWARE FOR THE BOROUGH-WIDE LIBRARY SYSTEM. IM No. 00-193
- b. AM No. 00-093: APPROVAL OF PURCHASE OF ON-LINE CATALOG HARDWARE AND SOFTWARE FOR LIBRARY SYSTEM.

Mayor Salmon opened the public hearing. There being no one wishing to be heard, the public hearing was closed and discussion moved to the assembly.

MOTION: Assemblymember Jansen moved to adopt Ordinance Serial No. 00-160, Resolution Serial No. 00-061, and AM No. 00-093.

MOTION: Assemblymember Jansen moved to amend the first whereas clause in Ordinance Serial No. 00-160 to state, "Whereas, the Friends of the Palmer Library, Friends of the Wasilla Public Library, the Matanuska-Susitna Library Board, and various local friends and groups of the borough libraries over the last three years have raised \$6,000 from the AT&T Race for Technology for the purpose of upgrading the libraries' computer system; and

GENERAL CONSENT: The motion to amend Ordinance Serial No. 00-160 passed with no objection.

GENERAL CONSENT: The main motion to adopt Ordinance Serial No. 00-160, Resolution Serial No. 00-061, and AM No. 00-093 passed with no objections.

5. Ordinance Serial No. 00-161: AN ORDINANCE TO CLASSIFY OR RECLASSIFY AND AUTHORIZE THE SALE OF CERTAIN BOROUGH-OWNED LANDS LOCATED IN PORTIONS OF SECTIONS 30 AND 31, T22N, R4W, SEWARD MERIDIAN, ALASKA; AND PORTIONS OF SECTIONS 19, 22, 23, AND 27, T24N, R5W, SEWARD MERIDIAN, ALASKA, ALL LOCATED WITHIN THE Y COMMUNITY COUNCIL AREA; AND TRACT A, ALASKA STATE CADASTRAL SURVEY WITHIN SECTION 28, T26N, R5W, SEWARD MERIDIAN, ALASKA, FILED AS PLAT 95-31, TALKEETNA RECORDING DISTRICT, LOCATED WITHIN THE TRAPPER CREEK COMMUNITY COUNCIL AREA. (RE: MSB003304-2000 AGRICULTURAL SALE PROJECT) IM No. 00-196

Mayor Salmon opened the public hearing on Ordinance Serial No. 00-161.

The following spoke in favor of the ordinance: Kelly Lankford Ladere.

There being no others wishing to be heard, the public hearing was closed and discussion moved to the assembly.

MOTION: Assemblymember Holmes moved to adopt Ordinance Serial No. 00-161.

GENERAL CONSENT: The motion passed without objection.

6. Ordinance Serial No. 00-162: AN ORDINANCE APPROPRIATING \$36,000 FROM THE BUTTE FIRE SERVICE AREA FUND BALANCE, FUND 251, TO THE BUTTE FIRE SERVICE AREA CAPITAL PROJECT FUND 405, PROJECT 45068, TO PURCHASE FIRE APPARATUS.
 - a. Resolution Serial No. 00-062: A RESOLUTION REVISING THE SCOPE OF WORK AND BUDGET AS ADOPTED IN THE FISCAL YEAR 2001 BUDGET, CAPITAL PROJECTS FUND 405, FOR THE AMOUNT OF \$24,000, SPECIFICALLY TO PURCHASE A BRUSH TRUCK PUMP UNIT, PROJECT NO. 45045, AND TOOLS AND EQUIPMENT, PROJECT NO. 45067, AND APPROVING THE SCOPE OF WORK AND BUDGET FOR \$36,000 FROM THE BUTTE FIRE SERVICE AREA CAPITAL PROJECT FUND 405, PROJECT 45068 TO PURCHASE FIRE APPARATUS. IM No. 00-201

Mayor Salmon opened the public hearing on Ordinance Serial No. 00-162 and Resolution Serial No. 00-062.

There being no one wishing to be heard, the public hearing was closed and discussion moved to the assembly.

MOTION: Assemblymember DeVilbiss moved to adopt Ordinance Serial No. 00-162 and Resolution Serial No. 00-062.

GENERAL CONSENT: The motion passed without objection.

7. Ordinance Serial No. 00-163: AN ORDINANCE APPROVING A SUPPLEMENTAL APPROPRIATION OF \$15,446 FROM THE LAND MANAGEMENT FUND TO PAY ALL SPECIAL ASSESSMENTS AND ANY PENALTIES, INTEREST, AND FORECLOSURE COSTS ON BOROUGH-OWNED PROPERTIES IN THE BUTTE, WASILLA, SEYMOUR LAKE, AND SCHROCK ROAD AREAS. (MSB003348)
IM No. 00-202

Mayor Salmon opened the public hearing on Ordinance Serial No. 00-163. There being no one wishing to be heard, the public hearing closed and discussion moved to the assembly.

MOTION: Assemblymember Holmes moved to adopt Ordinance Serial No. 00-163.

Objections ensued regarding the borough paying for assessments out of the land management fund, however, the assembly concurred that the appropriation should be made.

VOTE: The motion passed with Assemblymembers Holmes, DeVilbiss, and Kelly opposed.

8. Ordinance Serial No. 00-164: AN ORDINANCE APPROVING A LEASE FOR TWO TRACTS OF LAND NOT TO EXCEED 40 ACRES FOR A PERIOD OF 30 YEARS WITH AN OPTION TO RENEW FOR SIX ADDITIONAL SUCCESSIVE FIVE-YEAR TERMS FOR THE PURPOSE OF PROCESSING AND SHIPPING WOOD PRODUCTS AT PORT MACKENZIE LOCATED WITHIN T14N, R4W, SEWARD MERIDIAN, ALASKA, SECTIONS 24 AND 25. IM No. 00-203

Mayor Salmon opened the public hearing on Ordinance Serial No. 00-164.

The following spoke in favor of Ordinance Serial No. 00-164: Al Haynes and Jim Reynolds.

The following expressed concern regarding Ordinance Serial No. 00-164: Garvin Buccaria and Tom Pine.

There being no others wishing to be heard, the public hearing closed and discussion moved to the assembly.

MOTION: Assemblymember Simpson moved to adopt Ordinance Serial No. 00-164.

Discussion ensued regarding the nature of wood harvesting in Alaska, bond monies to account for any clean-up needed, air quality standards, projected generated jobs and revenue from Northwest Pacific Industries, and their ability to fulfill the lease agreement.

Discussion then turned to the topics of utilities and offsets provided in the lease agreement, the costs associated with traffic on the already existing infrastructure, and wharfage fees.

Assemblymember Jansen expressed concern over adopting the ordinance before wharfage fees have been determined.

MOTION: Assemblymember Simpson moved the previous question (to close debate) to close debate on Ordinance Serial No. 00-164.

VOTE: The motion failed with Assemblymembers Holmes, Kelly, Colberg, and Simpson in support. (*Note: The motion requires a 2/3 vote*)

GENERAL CONSENT: The main motion to adopt Ordinance Serial No. 00-164 passed with no objection.

9. Ordinance Serial No. 00-165: AN ORDINANCE ACCEPTING AND APPROPRIATING \$50,000 FROM THE UNITED STATES DEPARTMENT OF THE INTERIOR, FISH AND WILDLIFE SERVICE, FOR REMOVAL AND REPLACEMENT OF BACK ACRES AVENUE BRIDGE.

- a. Resolution Serial No. 00-063: A RESOLUTION APPROVING THE SCOPE OF WORK AND BUDGET FOR THE REMOVAL AND REPLACEMENT OF BACK ACRES AVENUE BRIDGE. IM No. 00-206

Mayor Salmon opened the public hearing on Ordinance Serial No. 00-165 and Resolution Serial No. 00-063. There being no one wishing to be heard, the public hearing was closed and discussion moved to the assembly.

MOTION: Assemblymember DeVilbiss moved to adopt Ordinance Serial No. 00-165 and Resolution Serial No. 00-063.

GENERAL CONSENT: The motion passed with no objection.

10. Ordinance Serial No. 00-166: AN ORDINANCE ACCEPTING AND APPROPRIATING \$14,500 FROM THE UNITED STATES DEPARTMENT OF THE INTERIOR, FISH AND WILDLIFE SERVICE, FOR THE ORCHID LAKE OUTFLOW CULVERT REPLACEMENT.

- a. Resolution Serial No. 00-064: A RESOLUTION APPROVING THE SCOPE OF WORK AND BUDGET FOR THE ORCHID LAKE OUTFLOW CULVERT REPLACEMENT. IM No. 00-207

Mayor Salmon opened the public hearing on Ordinance Serial No. 00-166 and Resolution Serial No. 00-064.

There being no one wishing to be heard, the public hearing closed and discussion turned to the assembly.

MOTION: Assemblymember Simpson moved to adopt Ordinance Serial No. 00-166 and Resolution Serial No. 00-064.

GENERAL CONSENT: The motion passed with no objection.

C. AUDIENCE PARTICIPATION (Three minutes per person)

Mr. Garven Buccaria:

- thanked Assemblymember Colberg for his service to the borough; and
- stated appreciation for Assemblymember Colberg's comments in the work session regarding land development in Hatcher Pass.

Ms. Kelly Lankford Ladere:

- reiterated her concern for the need of a workshop that focuses on borough forests.

MOTION: Assemblymember DeVilbiss moved for immediate reconsideration of Ordinance Serial No. 00-164.

VOTE: The motion for reconsideration failed unanimously.

VIII. UNFINISHED BUSINESS

A. MAYORAL NOMINATIONS AND APPOINTMENTS

1. VACANCY REPORT

Mayor Salmon made the following recommendations:

Library Board

Caroline McRoberts

Parks, Recreation, and Trails Advisory Board:

Ed Strabel

Lucille McSorley

Phil Markwardt

Mayor Salmon requested the approval of the following confirmations:

Emergency Medical Services Board

Tyan Stanley

Lazy Mountain RSA #19

Hilary H. Leiss

Bogard RSA #25

Carol Christiansen

Greater Talkeetna RSA #29

Ray MacDonald

MOTION: Assemblymember Holmes moved to accept and confirm the above-referenced mayor's recommendations.

GENERAL CONSENT: The motion passed with no objection.

D. OTHER NEW BUSINESS

(There was no other new business.)

X. RECONSIDERATION

(There was no reconsideration pending.)

XI. VETO

(There was no veto pending.)

XII. EXECUTIVE SESSION

(There was no executive session.)

MAYOR AND ASSEMBLY COMMENTS

Assemblymember Turner:

- commented that he was glad to see the Point MacKenzie Port Special Land Use District ordinances passed; and
- thinks it is good for the future of the port to have a chip loading facility.

Assemblymember Jansen:

- remarked that she hoped Assemblymember Turner was correct in his comments.

Assemblymember Kelly:

- wished the best to all those members whose terms expired, and
- expressed his excitement in regard to development at the port

Ms. Dillon:

- reminded the assembly that the next AML conference will be held in November, in Juneau, and that travel arrangement needed to be made for those interested in attending.

Assemblymember DeVilbiss:

- stated that he would save his goodbyes to the assemblymembers leaving until the next time they met.

Assemblymember Colberg:

- wished everyone well and stated that he would be back on October 10, 2000, for certification.

Assemblymember Holmes:

- thanked the assembly and the mayor for the Sunshine fire hall; and
- stated that testing has been undertaken regarding claims of contamination in the water table on certain property and that he will share the results when testing is concluded.

Assemblymember Simpson had no comments.

Assemblymember Turner (comments continued):

- commented that discussion on the Hatcher Pass work session ended abruptly and questioned the need for a continuation of the work session or a special meeting.

Assemblymember Colberg stated that he did not think a special meeting was necessary and that discussion could be postponed until the next regularly scheduled meeting.

MOTION: Assemblymember DeVilbiss moved to accept the Hatcher Pass management agreement.

Mr. Scott:

- stated that a motion is not necessary to pass the management agreement.

WITHDRAW: Assemblymember DeVilbiss withdrew his previous motion and stated that he did not feel another work session was necessary as all of his concerns had been answered.

Discussion ensued regarding the need to have input from the new assembly members and the possibility of scheduling another workshop in order to develop a clear understanding of the issues.

Assemblymember Turner:

- spoke to the phases of the Hatcher Pass agreement; and
- stated that the management agreement does not affect the lease.

Assemblymember Jansen:

- stated her desire to have clarification on the terms of the management agreement and commented that the idea was to have a joint venture agreement, not a management agreement; and
- voiced her concern regarding the need for public comment on the issues.

Mr. Gatti:

- inquired if he had answered the assembly's questions sufficiently regarding the Hatcher Pass management agreement; and
- expressed his desire to check the approval process of the agreement.

MOTION: Assemblymember Turner moved to resume discussion on the Hatcher Pass management agreement during the work session on October 17, 2000.

MOTION: Assemblymember Turner moved to amend his previous motion to specify that the work session shall begin at 2 p.m. and will cover the topics of the Hatcher Pass management agreement and EMS, and to postpone discussion on the community survey.

MOTION: Assemblymember Holmes moved to extend the regular assembly meeting past 11 p.m.

VOTE: The motion to amend passed with Assemblymembers DeVilbiss and Colberg opposed.

Discussion continued on whether or not to resume discussion on this item in the work session scheduled for October 17, 2000.

VOTE: The motion to resume discussion on the Hatcher Pass management agreement during the October 17, 2000, work session failed.

MOTION: Assemblymember Jansen moved to hold a special meeting on the Hatcher Pass management agreement on October 9, 2000, at 6 p.m., with a public hearing to begin at 7 p.m.

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

MOTION: Assemblymember Colberg moved to approve the Hatcher Pass management agreement.

Mr. Gatti again stated the need to review the approval process and advised the assembly to receive all information on the agreement before any decisions were made.

VOTE: The motion to accept the Hatcher Pass management agreement passed with Assemblymembers Simpson, Kelly, and Jansen opposed.

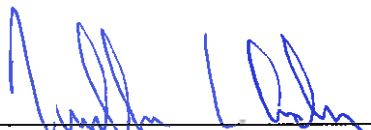
[The motion to set the special meeting for October 9, 2000, at 6 p.m., was negated by the passage of the motion to accept the Hatcher Pass management agreement.]

MOTION: Assemblymember Holmes moved for immediate reconsideration of the motion to accept the Hatcher Pass management agreement.

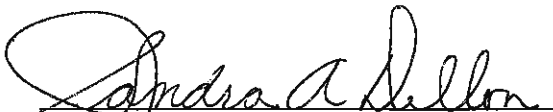
VOTE: The motion for reconsideration failed.

XIV. ADJOURNMENT

The regular meeting was adjourned at 11:05 p.m.


TIMOTHY L. ANDERSON, Borough Mayor

ATTEST:


SANDRA A. DILLON, Borough Clerk