

MATANUSKA-SUSITNA BOROUGH

Office of the Borough Manager

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MEMORANDUM

DATE: July 9, 2025

TO: Mayor and Assembly

FROM: Michael Brown, Borough Manager

RE: Manager's Weekly Post

<u>Fuel Excise Tax Update</u>: Four legislative items related to the fuel excise tax proposal (OR 25-076) are currently on the July 15 agenda.

- 1. Amendment #1 to OR 25-076 proposes an expiration date of June 30, 2027. The intent of this amendment is to make sure that in the future, if the Assembly wants to continue this tax, the Assembly must affirmatively vote to continue it.
- 2. Amendment #2 to OR 25-076 proposes exempting fuel for use exclusively on non-roadway equipment, such as heavy equipment.
- 3. OR 25-081 proposes enacting a tax cap and establishing an areawide real property tax cap of 10 mills and a non-areawide tax cap of 0.55 mills.
- 4. RS 25-068 directs the Borough Manager to prepare future budgets utilizing the fuel excise tax revenue to reduce the areawide mill rate and create a proportional increase in the 16 Road Service Area (RSA) mill rates and allocate an amount equal to 70 percent of the excise tax revenues to a capital project for voter approved transportation projects. This would ensure the Assembly has a proposed budget each year, with this new revenue directed to roads.

<u>Central Landfill Leachate Evaporation System</u>: The Leachate Evaporation System, approved last year, is on track for substantial completion on September 30, 2025. This system addresses the increasing volume of leachate, a byproduct of water running through the landfill waste mass. Leachate volumes in FY25 reached approximately 4.5 million gallons, which increases annually based on the volumes of waste.

The system utilizes methane gas generated from the landfill as its primary energy source, eliminating the need for supplemental natural gas. This transforms the site into a waste-to-energy facility, effectively turning a byproduct of waste decomposition into a valuable resource for leachate management.

The system is engineered to evaporate up to 7.5 million gallons of leachate annually, exceeding current needs and providing capacity for future growth. This will reduce hauling leachate to AWWU in Anchorage, eliminate our dependency on their facility, and prevent any future permitting issues.



Photo: Leachate evaporation system under construction (June 2025)

<u>Cellular Tower Valuation</u>: In the FY25 budget, the Assembly appropriated \$286,000 to support a field audit for cell/communications sites. This work led to an increase in the inventory value of these assets of \$33,836,992. This increase in value generates new tax revenue that pays for the audit in its first year.

Public Affairs Media Flyover:

Governor's Office

- Governor schedules special session on education reform, Department of Agriculture
 Frontiersman
- Governor asks some lawmakers to stay away from special session he called
 James Brooks-Alaska Beacon

Schools

Murkowski visits Vet Tech. Program at Mat-Su College
 Frontiersman

Wildland Fire Danger

- Amidst high fire danger, valley firework sales continue
 Alaska News Source
- High fire activity in Alaska interior forces suspension of burn permits across Alaska
 AK Fire Info.com
- Fireworks frenzy: Alaskans stock up despite fire danger Your Alaska Link
- Wildfire restrictions and fireworks bans now in effect across parts of Alaska Your Alaska Link

Fishing

Mat-Su Lakes, Eklutna Tailrace, Fish Creek updates

Frontiersman

• Federal Judge upholds State control in Cook Inlet salmon fishery management dispute

Alaska Native News

• Losers, again (Opinion)

Craig Medred

Independence Day

• Emergency personnel emphasize water safety, especially during the holiday weekend Frontiersman

MSB Facebook

July 4th Fireworks Message #1

Views 147k

• July 4th Fireworks Message #2

Views 40k

• First Responder appreciation message

Views 29k

MSB Facebook metrics this month

- Views up by 430%
- Net gain of 207 followers
- Interactions up 250%

Future Events:

- Assembly Special Meeting on Port MacKenzie, Tuesday, July 15, 2025, at 4 p.m., Assembly Chambers
- Assembly Special Meeting on Public Safety, Saturday, August 2, 2025, at 10 a.m., Station 6-2, 4568 S. Knik-Goose Bay Rd., Wasilla
- Mat-Su Borough presentation to Greater Wasilla Chamber of Commerce, Tuesday, August 5, 2025, at 12:00 p.m., Evangelo's Restaurant, Wasilla