

# MATANUSKA-SUSITNA BOROUGH

350 East Dahlia Avenue, Palmer, Alaska 99645 - 907-861-8683

## **BOROUGH MAYOR**

Larry DeVilbiss

## **BOROUGH CLERK**

Lonnie R. McKechnie, CMC

## **BOROUGH MANAGER**

John Moosey

## **BOROUGH ATTORNEY**

Nicholas Spiropoulos



## **BOROUGH ASSEMBLY**

Jim Sykes, District 1  
Matthew Beck, District 2  
Ronald Arvin, District 3  
Steve Colligan, District 4  
Dan Mayfield, District 5  
Barbara J. Doty, District 6  
Vern Halter, District 7

## **ASSEMBLY AGENDA** **ASSEMBLY CHAMBERS** **350 EAST DAHLIA AVENUE, PALMER**

### **REGULAR MEETING**

**6 P.M.**

**TUESDAY, MARCH 17, 2015**

#### **I. CALL TO ORDER**

#### **II. ROLL CALL**

#### **III. APPROVAL OF AGENDA**

#### **IV. PLEDGE OF ALLEGIANCE**

#### **V. MINUTES OF PRECEDING MEETINGS**

- A. Regular Assembly Meeting: 02/17/15
- B. Special Assembly Meeting: 02/21/15
- C. Regular Assembly Meeting: 03/03/15

#### **VI. REPORTS/CORRESPONDENCE**

##### **A. AGENCY REPORTS (MSB 2.12.082; Seven minutes per person.)**

- 1. Reports From Cities
- 2. Matanuska-Susitna Borough School District

##### **B. COMMITTEE REPORTS**

- 1. Joint Assembly/School Board Committee On School Issues
- 2. Joint MSB Assembly/MOA Assembly Transportation Subcommittee
- 3. Assembly Public Relations

A D O P T E D	A M E N D E D	P O S T P O N E D	D E F E A T E D

C. MANAGER COMMENTS

1. State/Federal Legislation
2. Strategic Planning Issues

D. ATTORNEY COMMENTS

E. CLERK COMMENTS

F. CITIZEN AND OTHER CORRESPONDENCE

1. MSB Board/Committee Minutes:

- a. Central Mat-Su and West Lakes FSA Board of Supervisors: Resolution Serial No. 15-01
- b. Local Road Service Area Advisory Board: Resolution Serial No. 15-01
- c. Planning Commission: 10/06/14
- d. Platting Board: 12/04/14
- e. Transportation Advisory Board: 12/17/14, Resolution Serial No. 15-02
- f. Trapper Creek RSA Board of Supervisors: 05/21/14, 08/13/14, 11/05/14, Resolution Serial No. 14-02
- g. West Lakes FSA Board of Supervisors: 11/10/14, 12/08/14

2. Community Council Minutes:

- a. Sutton Community Council: 02/26/14, 03/26/14, 04/30/14, 05/28/14, 06/25/14, 07/25/14, 08/27/14, 09/25/14, 10/29/14, 11/19/14, 12/17/14

G. INFORMATIONAL MEMORANDUMS

VII. SPECIAL ORDERS

A. PERSONS TO BE HEARD (MSB 2.12.081; Three Minutes Per Person.)  
*(Requires 11 Days Advance Notice And Must Otherwise Be In Compliance With The Necessary Code Requirements. If No Advance Notice Is Given, Persons Wishing To Speak May Do So Under The Audience Participation Section Of The Agenda.)*

B. PUBLIC HEARINGS (Three Minutes Per Person.)

1. **Ordinance Serial No. 15-020:** An Ordinance Creating A Portion Of North Suzanna Street Natural Gas Local Improvement District No. 537, Approving The Improvement Plan For The District, Authorizing The Manager To Proceed With The Improvement,

pp. 9-68

pp. 69-83  
Halter

A D O P T E D	A M E N D E D	P O S T P O N E D	D E F E A T E D

And Assessing Equally Among The Properties Within The District  
The Costs Of The Improvement.

a. IM No 15-030

pp. 84-95  
Sykes

2. **Ordinance Serial No. 15-021:** An Ordinance Creating A Portion Of Wagner Subdivision Natural Gas Local Improvement District No. 556, Approving The Improvement Plan For The District, Authorizing The Manager To Proceed With The Improvement, And Assessing Equally Among The Properties Within The District The Costs Of The Improvement.

a. IM No. 15-031

pp. 96-105  
Arvin

3. **Ordinance Serial No. 15-031:** An Ordinance Amending MSB 4.58, Health And Social Services Board.

a. IM No. 15-051

pp. 106-273  
Arvin

4. **Ordinance Serial No. 15-032:** An Ordinance Authorizing The Issuance Of State Of Alaska Lease Revenue Refunding Bonds, Series 2015 (Goose Creek Correctional Center Project) In An Amount Not To Exceed \$195,000,000; Approving The Form And Substance Of A First Supplement To Trust Indenture, A Second Amendment To Lease Purchase Agreement, A Refunding Trust Agreement And A Bond Purchase Agreement; Authorizing An Offering Document; Making Certain Findings And Determinations; Authorizing The Execution Of Documents And Instruments Necessary Or Convenient To Accomplish The Foregoing; And Containing Other Provisions Relating To The Subject.

a. IM No. 15-059

C. AUDIENCE PARTICIPATION (Three Minutes Per Person.)

D. CONSENT AGENDA

1. RESOLUTIONS

pp. 274-277  
Halter

a. **Resolution Serial No. 15-025:** A Resolution Amending The Scope Of Work For Project No. 45167 To Include The Purchase Of An Enclosed Trailer To Haul And Store Willow Rescue Snow Machines And Equipment.

(1) IM No. 15-052

pp. 278-281  
Arvin

b. **Resolution Serial No. 15-026:** A Resolution Approving The Financial Responsibility For The M/V Susitna For April, May, And June 2015.

(1) IM No. 15-057

A D O P T E D	A M E N D E D	P O S T P O N E D	D E F E A T E D

- pp. 282-286  
Arvin
- c. **Resolution Serial No. 15-027:** A Resolution Supporting House Bill 87 And Senate Bill 32, An Act Relating To The Sale Of Timber On State Land, And Providing For An Effective Date. *(Sponsored by Mayor DeVilbiss)*  
(1) IM No. 15-065
- pp. 287-299  
Arvin
- d. **Resolution Serial No. 15-028:** A Resolution Supporting The Alternate Route Past Point Mackenzie For The Alaska Liquid Natural Gas Pipeline.  
(1) IM No. 15-067
- pp. 300-304  
Halter
- e. **Resolution Serial No. 15-029:** A Resolution Approving A Loan From The Fire Service Area Revolving Loan Fund, Fund 605, In The Amount Of \$200,000 To The Willow Fire Service Area, Fund 258, To Provide The Funds Necessary To Purchase Property For The New Nancy Lake Warm Storage Fire Station.  
(1) IM No. 15-069
- pp. 305-307  
Arvin
- f. **Resolution Serial No. 15-030:** A Resolution Creating Alternate Seats For The Marijuana Advisory Committee. *(Sponsored by Mayor DeVilbiss)*  
(1) IM No. 15-071
- pp. 308-337  
Sykes
- g. **Resolution Serial No. 15-031:** A Resolution In Support Of A Cost Of Community Services Study To Provide Information For Development Of The Fiscal Year 2016 Budget. *(Sponsored By Assemblymember Sykes)*  
(1) IM No. 15-074
- pp. 338-342  
Arvin
- h. **Resolution Serial No. 15-032:** A Resolution To Submit Advisory Questions To The Qualified Non-Areawide Voters Of The Borough At The October 6, 2015, Regular Borough Election To Determine Whether The Public Supports The Prohibition Of Marijuana Cultivation Facilities, Marijuana Product Manufacturing Facilities, Marijuana Testing Facilities, And/Or Retail Marijuana Stores. *(Sponsored By Mayor DeVilbiss)*  
(1) IM No. 15-075

2. ACTION MEMORANDUMS

- pp. 343-351  
Halter
- a. **AM No. 15-013:** Approving An Amendment To The Road Service Area Road Improvements; Road Maintenance And Repair Capital Projects, Summer 2015 List.



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pp. 509-511

- a. **Resolution Serial No. 15-033:** A Resolution Amending The Scope Of Work And Budget For The Alaska State Division Of Homeland Security And Emergency Management Grant, Project No. 45158, Fund 425, To Include Reimbursement For Communications Equipment.
  - (1) IM No. 15-066

pp. 512-517  
Arvin

- 3. **Ordinance Serial No. 15-038:** An Ordinance Appropriating \$404,304 To Fund 400, For Issuance Costs From The Proceeds Of The 2015 Series “A” School Refunding General Obligation Bonds.
  - a. IM No. 15-072

pp. 518-521  
Sykes

- 4. **Ordinance Serial No. 15-039:** An Ordinance Placing A Moratorium On The Acceptance And Processing Of Applications To Dispose Of Fee Simple Interests Of Previously Disposed Agricultural Property. *(Sponsored by Assemblymember Sykes)*
  - a. IM No. 15-073

B. INTRODUCTIONS (For public hearing – 04/21/15, Assembly Chambers)

pp. 522-532  
Doty

- 1. **Ordinance Serial No. 15-023:** An Ordinance Creating North Westfork Drive Road Paving Local Improvement District No. 562, Approving The Improvement Plan For The District, Authorizing The Manager To Proceed With The Improvement, And Assessing Equally Among The Properties Within The District The Costs Of The Improvement.
  - a. IM No. 15-047

pp. 533-543  
Doty

- 2. **Ordinance Serial No. 15-024:** An Ordinance Creating Country Ridge Estates Road Paving Local Improvement District No. 563, Approving The Improvement Plan For The District, Authorizing The Manager To Proceed With The Improvement, And Assessing Equally Among The Properties Within The District The Costs Of The Improvement.
  - a. IM No. 15-048

pp. 544-554  
Doty

- 3. **Ordinance Serial No. 15-025:** An Ordinance Creating East New Field Drive Road Paving Local Improvement District No. 564, Approving The Improvement Plan For The District, Authorizing The Manager To Proceed With The Improvement, And Assessing Equally Among The Properties Within The District The Costs Of The Improvement.
  - a. IM 15-049

pp. 555- 565  
Halter

- 4. **Ordinance Serial No. 15-034:** An Ordinance Creating A Portion Of West Greensward Drive Natural Gas Local Improvement District No. 549, Approving The Improvement Plan For The

A D O P T E D	A M E N D E D	P O S T P O N E D	D E F E A T E D

District, Authorizing The Manager To Proceed With The Improvement, And Assessing Equally Among The Properties Within The District The Costs Of The Improvement.

a. IM No. 15-063

pp. 566-576  
Mayfield

5. **Ordinance Serial No. 15-035:** An Ordinance Creating A Portion Of Stepan Lake Non-Contiguous Natural Gas Local Improvement District No. 554, Approving The Improvement Plan For The District, Authorizing The Manager To Proceed With The Improvement, And Assessing Equally Among The Properties Within The District The Costs Of The Improvement.

a. IM No. 15-064

C. MAYORAL NOMINATIONS AND APPOINTMENTS

pp. 577-685

1. VACANCY REPORT

D. OTHER NEW BUSINESS

E. REFERRALS (For Referral To The Planning Commission For 90 Days Or Other Date Specified By The Assembly)

XI. RECONSIDERATION

XII. MAYOR, ASSEMBLY, AND STAFF COMMENTS

XIII. EXECUTIVE SESSION

XIV. ADJOURNMENT

**Disabled Persons Needing Reasonable Accommodation In Order To Participate At An Assembly Meeting Should Contact The Borough ADA Coordinator At 861-8432 At Least One Week In Advance Of The Meeting.**

**THE MINUTES ARE  
LOCATED AT THE  
BACK OF THE  
PACKET.**

## RESOLUTION #15-01

A RESOLUTION BY THE MATANUSKA-SUSITNA BOROUGH **CENTRAL MAT-SU** FIRE SERVICE AREA BOARD OF SUPERVISORS, FSA #130 AND WEST LAKES FSA BOARD OF SUPERVISORS, FSA #136, TO THE BOROUGH ASSEMBLY SEEKING REVISION OF THE PLATTING REQUIREMENTS FOR SUBDIVISIONS SERVED ONLY BY PIONEER ACCESS ROADS

WHEREAS: The new platting regulations under Title 43.20.055(A)(3)(b) allow for a fourfold increase in residential density served by Pioneer Access roads: and

WHEREAS: Pioneer Access roads are by definition substandard roads and thus not certifiable for Borough maintenance; and

WHEREAS: Given the increase in residential density, a similar increase in traffic density must be anticipated, which will generate a large escalation in requests for emergency services, utility services, schools bus access, and emergency road repairs and/or major road upgrades to provide of restore minimum access; and

WHEREAS: Central Mat-Su FSA #130 and West Lakes FSA #136 have already experienced a few access-problem responses on Pioneer Access roads, with disastrous results because of the road conditions and maintenance; and

WHEREAS: Additional small-lot-size plots have already been filed for subdivisions on Pioneer Access roads within the FSA's; now therefore

BE IT RESOLVED: Both Central Mat-Su FSA Board of Supervisors, FSA #130 and West Lakes FSA Board of Supervisors, FSA #136, request the Borough Assembly to review Title 43.20.055(A)(3)(b) and revise this section to require a 5 (five) acre minimum lot size on Pioneer Access roads within our FSA to prevent unsupportable impact to the FSA operations, equipment, budget and the taxpayers who fund them.

Approved by a unanimous vote of all board members of the Central Mat-Su Fire Service Area Board of Supervisors, FSA #130, and West Lakes FSA Board of Supervisors, FSA #136 on February 9, 2015.

Ken Slauson

Ken Slauson, Chairman  
Central Mat-Su FSA #130

2/9/15

Date

William A. Browne

William Browne, Chairman  
West Lakes FSA #136

2-9-15

Date

RECEIVED

FEB 24 2015

CLERKS OFFICE

LOCAL ROAD SERVICE AREA ADVISORY BOARD  
RESOLUTION 15-01

A RESOLUTION BY THE MATANUSKA-SUSITNA BOROUGH LOCAL ROAD SERVICE AREA ADVISORY BOARD TO THE BOROUGH ASSEMBLY SEEKING REVISION OF THE PLATTING REQUIREMENTS FOR SUBDIVISIONS SERVED ONLY BY PIONEER ACCESS ROADS

WHEREAS: The new platting regulations under Title 43.20.055 (A)(3)(b) allow for a fourfold increase in residential density served by Pioneer Access roads; and

WHEREAS: Pioneer Access roads are by definition substandard roads and thus not certifiable for Borough maintenance; and

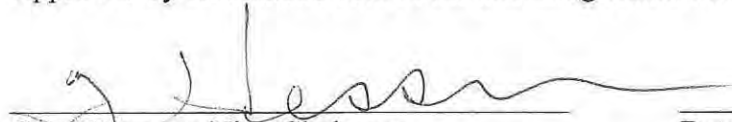
WHEREAS: Given the increase in residential density, a similar increase in traffic density must be anticipated, which will generate a large escalation in requests for emergency services, utility services, school bus access, and emergency road repairs and/or major road upgrades to provide or restore minimum access; and

WHEREAS: The RSA's do not have sufficient funding to adequately deal with the current backlog of substandard roads, let alone such additional requests; and

WHEREAS: Several small-lot-size plats have already been filed for subdivisions on Pioneer Access roads within the RSA's; now therefore

BE IT RESOLVED: The LRSAAB requests that the Borough Assembly review Title 43.20.055 (A)(3)(b) and revise this section to require a 5 acre minimum lot size on Pioneer Access roads within any RSA in order to prevent unsupportable impact to the RSA's and the taxpayers who fund them.

Approved by unanimous vote of the attending Board members on February 19, 2015.

  
\_\_\_\_\_  
Gary Hessmer, Vice-Chairman  
Local Road Service Advisory Board

Date 2/19/15

  
\_\_\_\_\_  
Mike Shields, Secretary  
Local Road Service Advisory Board

Date 2/19/15

The regular meeting of the Matanuska-Susitna Borough Planning Commission was held on October 6, 2014, at the Matanuska-Susitna Borough Assembly Chambers, 350 E. Dahlia Avenue, Palmer, Alaska. The meeting was called to order at 6:00 p.m. by Chair John Klapperich.

**I. CALL TO ORDER, ROLL CALL, AND DETERMINATION OF QUORUM**

Planning Commission members present and establishing a quorum:

- Mr. Brian Endle, Assembly District #1 (*by teleconference*)
- Mr. John Klapperich, Assembly District #3 *Chair*
- Mr. Bruce Walden, Assembly District #4
- Mr. Tomas Adams, Assembly District #6
- Mr. Vern Rauchenstein, District #7

Planning Commission members absent and excused were:

- Mr. Thomas Healy, District #2
- Mr. William Kendig, Assembly District #5

Staff in attendance:

- Mr. Alex Strawn, Development Services Manager
- Ms. Shannon Bodolay, Assistant Borough Attorney
- Mr. Mark Whisenhunt, Planner II
- Ms. Mary Brodigan, Planning Commission Clerk

**II. APPROVAL OF AGENDA**

Chair Klapperich inquired if there were any changes to the agenda.

Chair Klapperich:

- stated that Kim Sollien with Great Land Trust would not be giving her presentation this evening; and
- she will be rescheduled for another meeting.

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

**III. PLEDGE OF ALLEGIANCE**

The pledge of allegiance was led by Mr. Berkley Tilton, a member of the audience.

**IV. CONSENT AGENDA**

A. Minutes

1. September 15, 2014 regular meeting minutes

A. INTRODUCTION FOR PUBLIC HEARING: QUASI-JUDICIAL MATTERS

*(There were no introductions for quasi-judicial matters.)*

**B. INTRODUCTION FOR PUBLIC HEARING: LEGISLATIVE MATTERS**

1. **Resolution 14-32**, a resolution recommending the Assembly amend MSB 15.39.010 to add a definition, amending sections MSB 15.39.270; MSB 15.39.300; MSB 15.39.320; MSB 15.39.340; and MSB 15.39.350 and adopting MSB 15.39.360 relating to the appellate process for personal wireless service facilities, Public Hearing: October 20, 2014. *(Staff: Shannon Bodolay)*

Chair Klapperich read the consent agenda into the record.

Chair Klapperich inquired if there were any changes to the consent agenda.

GENERAL CONSENT: The consent agenda was approved without objection.

**V. COMMITTEE REPORTS**

*(There were no committee reports.)*

**VI. AGENCY/STAFF REPORTS**

- A. Community Asset Mapping - Kim Sollien with Great Land Trust

Chair Klapperich stated that Ms. Sollien requested that her presentation be rescheduled for a later date.

**VII. LAND USE CLASSIFICATIONS**

*(There were no land use classifications.)*

**VIII. AUDIENCE PARTICIPATION (Three minutes per person.)**

The following person spoke regarding Resolution 14-18: Mr. Eugene Haberman

**IX. PUBLIC HEARING: QUASI-JUDICIAL MATTERS** *(Public Hearing not to begin before 6:15 P.M.)*

*Commission members may not receive or engage in ex-parte contact with the applicant, other parties interested in the application, or members of the public concerning the application or issues presented in the application.*

- A. **Resolution 14-28**, a Conditional Use Permit in accordance with MSB 17.30 - Conditional Use Permit (CUP) for Earth Materials Extraction Activities, for the extraction of 150,000 cubic yards of earth material from a 7.67-acre site within a 7.67-acre parcel, located within Township 17 North, Range 2 West, Section 9, Tax ID# 5369B01L004, Seward Meridian. *(Applicant: Chuck Kaucik on behalf of Charles & Marcie Conrad, Staff: Mark Whisenhunt)*

Chair Klapperich read the resolution title into the record.

Chair Klapperich:

- read a memorandum from Ms. Eileen Probasco, Planning & Land Use Director, into the record regarding quasi-judicial actions;
- queried commissioners to determine if any of them have a financial interest in the proposed Conditional Use Permit (CUP);
- have had any ex-parte contact with the applicant, members of the public, or interested parties in the proposed CUP; and
- if all commissioners are able to be impartial in a decision.

Mr. Whisenhunt provided a staff report:

- staff recommended approval of the Conditional Use Permit with conditions.

Mr. Chuck Kaucic, a representative of Applicant, provided an overview of the application.

Commissioners questioned the applicant regarding:

- whether the applicant will be mining near the water table;
- how does the applicant know where the water table is; and
- does the applicant have all the resources he needs to do the job correctly.

Chair Klapperich opened the public hearing.

The following people spoke in favor of Resolution 14-28: Ms. Jeanne Phillips, Mr. James Dault, and Ms. Marcie Conrad.

The following person spoke with concerns regarding Resolution 14-28: Mr. Carry Shorthill.

The following person spoke to the public process regarding Resolution 14-28: Mr. Eugene Haberman.

Chair Klapperich invited the applicant to respond to questions posed by the audience.

Mr. Chuck Kaucic responded to questions and concerns posed by the audience.

Chair Klapperich invited the Mr. Whisenhunt to respond to questions posed by the audience.

Mr. Whisenhunt responded to questions and concerns posed by the audience.

There being no one else to be heard, Chair Klapperich closed the public hearing and discussion moved to the Planning Commission.

**MOTION:** Commissioner Endle moved to approve Resolution 14-28. The motion was seconded.

**VOTE:** The motion passed without objection.

**X. PUBLIC HEARING LEGISLATIVE MATTERS**

- A. **Resolution 14-29**, a resolution recommending Assembly approval of an ordinance repealing MSB 8.32 Electrical Generation Facility or Power Plant, and adopting MSB 17.06 Electrical Generating and Delivery Facility. (*Members of the MSB 8.32 Review Commission may be present at this meeting.*)

Chair Klapperich read the resolution title into the record.

Mr. Strawn provided a staff report:

- staff recommended approval of the resolution with additional changes as documented in a memo dated September 24, 2014.

Commissioners questioned staff regarding:

- the necessity for referencing the comprehensive plan in MSB 17.06.160(A)(1), and would this elevate the comprehensive plan to a higher level; and
- why 17.06.020 (A) will apply to new electrical generating facilities producing 101 megawatts or more, and how it went from 50 megawatts to 101.

Chair Klapperich opened the public hearing.

The following people spoke in favor of Resolution 14-29: Mr. Berkley Tilton, Mr. Mark Masteller, and Mr. Gary Kuhn.

The following person spoke to the public process regarding Resolution 14-29: Mr. Eugene Haberman.

There being no one else to be heard, Chair Klapperich closed the public hearing and discussion moved to the Planning Commission.

**MOTION:** Commissioner Walden moved to approve Resolution 14-29. The motion was seconded.

Discussion ensued regarding:

- if there is any data to support the second whereas statement stating that worldwide supply and demand for energy will affect the price of energy consumed by all Alaskans;
- the need for a study to determine whether coal, gas, oil, or water produces the cheapest energy;
- whether comprehensive plans should be taken into consideration when deciding to approve or deny an application for an electrical generating facility; and
- MSB 17.06.040(B)(1)(c) and whether an applicant should have to justify the need to build a new electrical generating facility.

**MOTION:** Commissioner Endle moved a primary amendment to Resolution 14-29 to strike MSB 17.06.160(A)(1).

VOTE: The primary amendment died due to lack of a second.

MOTION: Commissioner Rauchenstein moved a primary amendment by striking "justifying the proposed generating facility" from MSB 17.06.040(B)(1)(c). The motion was seconded.

VOTE: The primary amendment passed without objection.

Mr. Strawn reviewed the changes that he had suggested in his memo dated September 24, 2014.

Chair Klapperich invited MSB 8.32 Review Commission board member Mr. Berkely Tilton to address the commission with his recommendations.

Mr. Berkely Tilton provided the following recommendations for changes to the changes proposed by Mr. Strawn to MSB 17.06.165(A):

- replacing the words "prior to" with "issuance of the";
- replacing the words "shall provide" with "providing"; and
- opined that these changes will eliminate some of the "catch 22" in the paragraph.

Discussion ensued regarding changing the verbiage in MSB 17.06.165(A):

- striking "prior to final approval of the "and placing a period after the word "law";
- inserting "the" before "permit" and inserting "shall be conditioned upon" after the word "permit";
- replacing "shall provide" with "providing" to read "The permit shall be conditioned upon the applicant or agent providing written documentation of compliance with applicable permits, including but not limited to, permits identified in accordance with 17.06.040(B)(6)";
- approving all of the changes recommended in the memo dated September 24, 2014 including changes made to MSB 17.06.165(A); and
- adding a "be it further resolved" statement to Resolution 14-29 to read "the commission recommends adoption of changes within staff memorandum, as amended, dated September 24, 2014 found within pages 126-128 of the Planning Commission packet".

MOTION: Commissioner Adams moved a primary amendment to accept all of the changes proposed to draft ordinance MSB 17.06, Electrical Generating and Delivery Facility, as presented in a memorandum from Alex Strawn dated September 24, 2014, including changes to MSB 17.06.165(A), and adding a "be it further resolved" statement to Planning Commission Resolution 14-29. The motion was seconded.

VOTE: The primary amendment passed without objection.

VOTE: The motion to approve Resolution 14-29 passed as amended without objection.

## **XI. CORRESPONDENCE AND INFORMATION**

*(There was no correspondence and information.)*

*(The meeting recessed at 8:43 p.m., and reconvened in at 8:49: p.m.)*

**XII. UNFINISHED BUSINESS**

- A. **Resolution 14-18**, a resolution recommending Assembly approval of an ordinance amending MSB 17.125, Definitions and MSB 17.60, Conditional Uses, and adopting MSB 17.67, Tall Structures including telecommunication facilities, wind energy conversion systems, and other tall structures. *(Staff: Alex Strawn)*

Commissioner Endle stated that he is employed by MTA and requested that he be recused from discussion of Resolution 14-18.

*(Commissioner Endle exited the meeting at 8:50 p.m.)*

Chair Klapperich:

- read Resolution 14-18 into the record;
- reminded the commission that the public hearing was closed and discussion moved to the commission on September 15, 2014;
- after some discussion following the public hearing, Commissioner Adams moved to postpone Resolution 14-18 until October 6, 2014, in order to give commissioners time to review and consider new information that was provided as handouts; and
- the motion was seconded by Commissioner Walden and passed without objection.

[Clerk's note: Resolution 14-18 was placed on the October 6, 2014, agenda under unfinished business.]

Mr. Strawn provided a staff report update:

- reminded the commission that they had asked staff to take their recommendations from the September 15, 2014 meeting and incorporate them into MSB 17.67 draft ordinance; and
- recommended individually reviewing the proposed changes starting on page 317 of the packet.

Discussion ensued regarding:

- the proposed changes; and
- whether the commission should consider the three new handouts presented at the current meeting.

Mr. Strawn stated that the information included in the handouts was restating information already provided in the packet.

[Clerks note: commissioners agreed to review each proposed change individually, and then to vote on all changes at the end.]

Discussion ensued regarding:

- inserting "pre" before "existing" in MSB 17.67.040(a)(3);

- replacing "by up to 20 feet outside of special land use districts and up to 10% of the height of the telecommunications tower within special land use districts" with "in accordance with 17.67.010" in MSB 17.67.040(a)(3); and
- inserting "unless the applicant demonstrates that additional height is necessary in order to avoid interference with existing antennas. The additional height allowed under this subsection shall not exceed 20 feet" to the end of MSB 17.67.110(B).

MOTION: Commissioner Rauchenstein moved a primary amendment to incorporate all of the proposed changes as discussed into MSB 17.67 Draft Ordinance. The motion was seconded.

VOTE: The primary amendment passed without objection.

MOTION: Commissioner Adams moved a primary amendment to MSB 17.67.110(A) to strike "with pre-existing legal nonconforming status". The motion was seconded.

VOTE: The motion failed with Chair Klapperich in opposition.

MOTION: Chair Klapperich moved a primary amendment to the second "whereas" statement in Resolution 14-18 to replace "four" with "multiple". The motion was seconded.

VOTE: The primary amendment passed without objection.

VOTE: The motion to approve Resolution 14-18 passed as amended without objection.

### **XIII. NEW BUSINESS**

*(There was no new business.)*

### **XIV. COMMISSION BUSINESS**

#### **A. Upcoming Planning Commission Agenda Items**

Mr. Strawn provided a brief update on projects that will be coming before the Planning Commission.

### **XV. DIRECTOR AND COMMISSIONER COMMENTS**

Ms. Bodolay:

- stated that Assistant Borough Attorney, Lisa Richard, has retired;
- new attorney, Laura Newton, will be starting at the end of the month; and
- both attorneys will be attending meetings for awhile starting in November.

Commissioner Adams:

- stated that he hopes that when the tall towers ordinance goes to the Assembly again, they fully appreciate not only the time that the Planning Commission has put into it, but also the people that have attended these meetings time after time;

- hopes that the ordinance will be approved and acknowledged that there will probably be some tweaks and possibly some challenges to it; and
- opined that it would be nice to see it finalized which will at least satisfy most folks.

**XVI. ADJOURNMENT**

The regular meeting adjourned at 10:40 p.m.



JOHN KLAPPERICH, Planning Commission  
Chair

ATTEST:



MARY BRODIGAN, Planning Commission  
Clerk

*Minutes approved: October 20, 2014*

**REGULAR MEETING**

8:30 AM

December 4, 2014

The regular meeting of the Matanuska-Susitna Borough Platting Board was held on December 4, 2014, at the Matanuska-Susitna Borough Assembly Chambers, 350 E. Dahlia Avenue, Palmer, Alaska. The meeting was called to order at 8:30 A.M. by the Chairman, Ms. Katie Cruthers.

**1. CALL TO ORDER****A. ROLL CALL AND DETERMINATION OF QUORUM (by Secretary)**

Platting Board members present and establishing a quorum:

- Mr. Jay Van Diest, District #1
- Ms. Diana Sorensen, District #2
- Mr. Stan Gillespie, District #3 (Excused Absence)
- Mr. David Robinson, District #4 (Excused Absence)
- Mr. Tait Zimmerman, District #5
- Ms. Katie Cruthers, District #6 (Chairman)
- Mr. Ralph Buzard, District #7 (Vice Chairman) (Excused Absence)
- Mr. Marty Van Diest, Alternate 1
- Dr. Sarah Buck, Alternate 2 (Absent)

Staff in attendance:

- Mr. Paul Hulbert, Platting Officer
- Ms. Sloan Von Gunten, Administrative Secretary
- Ms. Theresa Taranto, Development Secretary (Back up Clerk to Platting Board)
- Ms. Peggy Fowler, Platting Technician
- Ms. Amy Otto-Buchanan, Platting Technician
- Ms. Lisa Gray, Platting Technician

**B. THE PLEDGE OF ALLEGIANCE**

- The pledge of allegiance was led by Mr. Marty Van Diest.

**C. APPROVAL OF THE AGENDA**

The Chairman, Katie Cruthers inquired if there were any changes to the agenda

GENERAL CONSENT: The agenda was approved without objection.

**2. APPROVAL OF MINUTES**

MOTION:

- Mr. Jay Van Diest moved to approve the minutes for November 6, 2014, seconded by Ms. Sorensen.

GENERAL CONSENT: The minutes were approved without objection.

**3. UNFINISHED BUSINESS**

#### 4. PUBLIC HEARINGS

##### A. LAUX

Sloan Von Gunten (Secretary) & Theresa Taranto (Backup clerk)

- Stated that 10 public hearing notices were mailed out on November 13, 2014, to this date there has been 1 return, no objections, no non-objections, and no concerns.

Peggy Fowler (Platting Technician)

- Gave an overview on the case.

Katie Cruthers (Chairman)

- Opened the public hearing and asked any members of the public wishing to speak to come forward. Seeing no members of the public wishing to speak, closed the public hearing.

Jeff Cichosz (Petitioner)

- Agrees with all recommendations.

MOTION:

- Mr. Jay Van Diest moved to approve the preliminary plat and vacation of a 50' access easement recorded as 2002-058754-0 for Laux, seconded by Mr. Zimmerman.

VOTE:

- The motion passed with all in favor. There are 9 findings.

**TIME: 8:41 A.M.**

**CD: 00:11:19**

##### B. GOLDEN COVE

Sloan Von Gunten (Secretary) & Theresa Taranto (Backup clerk)

- Stated that 16 public hearing notices were mailed out on November 13, 2014, to this date there has been no returns, no objections, no non-objections, and no concern.

Lisa Gray (Platting Technician)

- Gave an overview on the case.

Katie Cruthers (Chairman)

- Opened the public hearing and asked any members of the public wishing to speak to come forward. Seeing no members of the public wishing to speak, closed the public hearing.

Gary LoRusso (Petitioner's Representative)

- Agrees with all recommendations.
- The right-of-way will be dedicated to the borough.

MOTION:

- Mr. Jay Van Diest moved to approve the preliminary plat for Golden Cove, seconded by Mr. Marty Van Diest.

VOTE:

- The motion passed with all in favor. There are 6 findings.

**TIME: 8:47 A.M.**

**CD: 00:17:33**

**C. DISCOVERY HILL IV RSB B/1 L/5**

Sloan Von Gunten (Secretary) & Theresa Taranto (Backup clerk)

- Stated that 76 public hearing notices were mailed out on November 13, 2014, to this date there has been 2 returns, no objections, no non-objections, and no concerns.

Amy Otto-Buchanan (Platting Technician)

- Gave an overview on the case.

Katie Cruthers (Chairman)

- Opened the public hearing and asked any members of the public wishing to speak to come forward.

Peter Fendich

- Question on the access to Lot 1 thru the driveway to the north and the flag lot to the south.

Katie Cruthers (Chairman)

- Closed the public hearing.

The Petitioner or the Petitioner's Representative is not present.

MOTION:

- Mr. Zimmerman moved to approve the preliminary plat and variance from MSB 43.20.020(B) (SCM A05.5 Engineering Criteria) and MSB 43.20.140(A)(3) Physical Access for Discovery Hill IV RSB B/1 L/5, seconded by Mr. Jay Van Diest.

DISCUSSION:

- Discussion on the curve radius and what is acceptable according to code.

VOTE:

- The motion passed with all in favor. There are 12 findings.

**TIME: 9:06 A.M.**

**CD: 0:35:45**

**5. MISCELLANEOUS**

**A. Approve the Platting Board Meeting Schedule for 2015**

**MOTION:**

- Ms. Sorensen moved to approve the Platting Board Meeting Schedule for 2015, seconded by Mr. Jay Van Diest.

**VOTE:**

- The motion passed with all in favor.

**6. RECONSIDERATIONS/APPEALS**

**7. PERSONS TO BE HEARD**

**8. PLATTING OFFICER COMMENTS**

- The Platting Board would like to send flowers and a card to Mr. Ralph Buzard as he recently had open heart surgery. The Platting Secretary will follow through on sending out the flowers.
- There is no meeting for December 18, 2014.
- The next platting board hearing is on a Friday, January 2, 2015.
- Updated the board on 2 vacations that were heard by the assembly.
- The Secretary let the board know that there will be two empty seats on the board starting in January and to let others know who would like to serve on the board.
- The board will need to vote on Officers of who will be the Chair and Vice Chair either on 2nd meeting in January or the 1st meeting in February.


**9. BOARD COMMENTS**

- Katie Cruthers let the board know that she will be traveling for the next 3 to 4 months and will let them know if she cannot make a meeting.

**Adjourned 9:18 A.M.**

**CD: 0:48:40**

  
Katie Cruthers, Chairman

  
Sloan Von Gunten, Administrative Secretary

I. CALL TO ORDER

The regular meeting of the Matanuska-Susitna Borough Transportation Advisory Board was held on Wednesday, December 17, 2014, at the Matanuska-Susitna Borough Assembly Chambers, 350 E. Dahlia Avenue, Palmer, Alaska. The meeting was called to order at 1:59 pm.

II. ROLL CALL AND DETERMINATION OF A QUOROM

Transportation Advisory Board members present and establishing a quorum were:

Mr. LaMarr Anderson  
Mr. Rick Besse  
Mr. Don Carney  
Mr. Dan Elliott  
Ms. Beth Fread - arrived at 2:23  
Mr. Jim Rowland  
Ms. Sonya Walden – left at 4:40

Transportation Advisory Board members absent and excused were:

Mr. Kenneth Walch

Staff and Agency Representatives in attendance were:

Ms. Debbie Passmore, Administrative Secretary  
Mr. Terry Dolan, PW Director  
Ms. Eileen Probasco, Planning Director

III. AUDIENCE INTRODUCTION

Eugene Haberman  
Kim Riles  
Sean Baski, ADOT&PF  
Chris Hughes, HDR  
Paul Witt, HDR  
Brian Schumacher, ADOT&PF  
Mike Campfield, MSB  
Steve Kari, Stantec  
Allen Kemplen, ADOT&PF  
Eileen Probasco, MSB Planning Director  
Kim Sullivan, Great Land Trust Mat-Su  
Sara Wilson Doyle, Stantec  
Jim Amundsen, ADOT&PF - by telephone

IV. APPROVAL OF TODAY'S AGENDA

MOTION: Mr. LaMarr Anderson moved to approve today's agenda; Mr. Dan Elliott seconded. Discussion: Lauren Driscoll's presentation will be moved to next month.

VOTE: Motion to approve the agenda as amended passed without objection.

V. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mr. LaMarr Anderson

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JAN 22 2015  
CLERKS OFFICE

VI. APPROVAL OF MINUTES OF PRECEDING MEETINGS

A. September 17, 2014 minutes from ORV Session with memo from George Hays  
MOTION: Mr. Dan Elliott moved to accept the minutes of September 17, 2014; Ms. Sonya Walden seconded. Discussion.  
VOTE: Motion to approve the minutes passed without objection.

B. November 26, 2014  
MOTION: Mr. Dan Elliott moved to accept the minutes of November 26, 2014; Ms. Sonya Walden seconded. Discussion and corrections.  
VOTE: Motion to approve the minutes as amended passed without objection.

VII. AGENCY AND STAFF REPORTS

- A. Cities  
none
- B. State Agencies
  1. Sean Baski, ADOT&PF, and Chris Hughes, HDR – Glenn Hwy: MP 53-56 (Moose Creek) Project Update
  2. Brian Schumacher, ADOT&PF – Glenn Highway: Hiland to Artillery Project Update
  3. Allen Kemplen, ADOT&PF – Parks Highway Alternative Corridor Project
- C. MSB Staff
  1. Eileen Probasco, MSB Planning Director
  2. Mike Campfield, MSB Engineer
    - a. Big Lake Intersections Improvements Update
    - b. Seldon Road Extension Update
    - c. S. Big Lake Road Realignment Access Management Update
- D. Tribal Organizations  
none
- E. Transit Services  
none

VIII. PRESENTATIONS

- A. Steve Kari, P.E., Stantec – Seldon Road Extension Route Selection Status

IX. AUDIENCE PARTICIPATION *(limited to three minutes maximum per meeting)*

Kim Ryals Executive Director of the Mat-Su Trails & Parks Foundation, spoke in support of Resolution 14-12,

Dawn Helm, spoke in support of Resolution 14-12

Kim Solian, spoke in support of Resolution 14-12

Cindy Farns, spoke in support of Resolution 14-12

X. UNFINISHED BUSINESS

- A. TAB Resolution 14-09, Regarding the Formation and Funding for an MSB Regional Transportation Planning Organization.

MOTION: Ms. Beth Fread moved that we pass this resolution; seconded by Ms. Sonya Walden. Discussion.

AMENDMENT: Mr. LaMarr Anderson moved that we remove "in the amount of \$500,000" and add a fiscal explanation as an Attachment A that explains the cost, then bring this resolution back in January; seconded by Ms. Sonya Walden. Discussion about revising the resolution as such and bringing it back in January for consideration.

VOTE: No objection to the amendment

VOTE ON ORIGINAL MOTION: Discussion.

REVISED MOTION: Ms. Beth Fread moved that we table this resolution to time certain at our next meeting in January; seconded by Ms. Sonya Walden.

MOTION WITHDRAWN: Motion was withdrawn to enable more discussion. Discussion.

MOTION: Ms. Beth Fread moved that we table this resolution to our next meeting in January; seconded by Ms. Sonya Walden. At that time we will discuss and revise it together.

VOTE: No objection; the resolution will be revised as amended above, then tabled until the January meeting.

- B. Discussion regarding formation of a task force to update the MSB's Subdivision Criteria Manual regarding advance planning of issues such as roadways and driveways.

MOTION: Mr. LaMarr Anderson moved that we postpone until the next meeting both Items B and C on today's agenda; Ms. Beth Fread objected that we can get this done today. Discussion, then seconded by Ms. Beth Fread.

VOTE: No objection; Items 10, B and C are moved to 1/21/2015 meeting.

MOTION: Ms. Beth Fread moved that we extend our meeting today for 10 minutes; seconded by Mr. Jim Rowland.

VOTE: meeting is extended for 10 minutes.

- C. Discuss Plans to Form a Mayor's Blue Ribbon Task Force on Off Road Vehicle Policies (select two members from the TAB to be on the Task Force). *Postponed to next meeting.*

XI. NEW BUSINESS

- A. Resolution 14-10, in Support of Selection of the "Fishback" Alignment as the Preferred Alignment for Phase II of the Seldon Road Extension.

MOTION: Mr. Jim Rowland moved that this resolution be approved; seconded by Ms. Sonya Walden. Discussion.

VOTE: No objections and this resolution is approved.

- B. Resolution 14-11, in Appreciation of Mr. Jim Rowland.

MOTION: Ms. Beth Fread moved that this resolution be approved; seconded by Mr. Rick Besse. Discussion and comment by Mr. Jim Rowland.

VOTE: No objections and this resolution is approved.

- C. Resolution 14-12, recommending the adoption of a policy that the Matanuska-Susitna Borough and the State Department of Transportation and Public

Facilities include separated pathways when constructing, reconstructing or repaving any collector or arterial roads within the Matanuska-Susitna Borough.

MOTION: Ms. Sonya Walden moved that this resolution be approved; seconded by Mr. Dan Elliott. Discussion.

MOTION: Ms. Beth Fread moved that this resolution be tabled until our next meeting; Mr. Rick Besse seconded.

VOTE: no objections to tabling this resolution until our next meeting.

XII. UPCOMING MEETING REMINDERS

- A. Our next regular TAB meeting will be January 21, 2015 at the Assembly Chambers beginning at 1:30.

XIII. MISC. INFORMATIONAL HANDOUTS AND COMMUNICATIONS

- A. Next Planning Commission Meetings: Memo from Mary Brodigan
- B. TAB Membership Update
- C. TAB 2015 Schedule of Meetings. Discussion.
- D. Anchorage Transportation Fair Flyer – February 4, 2015

XIV. COMMENTS FROM THE BOARD

Mr. Jim Rowland: (microphone off; undecipherable comment)

Ms. Beth Fread: Really enjoyed working with Jim and all of the Board.

Mr. LaMarr Anderson: Hate to see you go, Jim. Thank you very much and best wishes with whatever you're doing besides the TAB.

Mr. Rick Besse: I also want to tell Jim thanks and we're going to miss you.

Mr. Dan Elliott: It's all been said.

Mr. Don Carney: I would just like to second all that, Jim. I've appreciated your input all along and it's been very helpful to the Board. Having you here during some of the things that we were able to accomplish during the last couple of years made them a better project. I appreciate your service very much. Thank you.


XV. ADJOURNMENT

MOTION: Ms. Beth Fread moved to adjourn.

With no further business at hand, the meeting was adjourned at 4:43 p.m.

  
Don Carney, Chair

ATTEST:

  
\_\_\_\_\_  
Debbie Passmore, Admin. Support

MATANUSKA-SUSITNA BOROUGH  
TRANSPORTATION ADVISORY BOARD  
RESOLUTION NO. 15-02

A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH TRANSPORTATION ADVISORY BOARD RECOMMENDING THE ADOPTION OF A POLICY THAT THE MATANUSKA-SUSITNA BOROUGH AND THE STATE DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES INCLUDE CONSTRUCTION OF, OR WHERE NOT PRACTICAL OR FEASIBLE PROVIDE FOR FUTURE CONSTRUCTION OF, SEPARATED PATHWAYS WHEN CONSTRUCTING OR RECONSTRUCTING ANY COLLECTOR OR ARTERIAL ROADS WITHIN THE MATANUSKA-SUSITNA BOROUGH.

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WHEREAS, the State of Alaska and the Matanuska-Susitna Borough construct and reconstruct collector and arterial roads throughout the Borough on a regular basis; and

WHEREAS, numerous collector and arterial roads within the Borough, lacking shoulders or separated pathways, are being utilized by the rapidly increasing population of bicyclists and pedestrians; and

WHEREAS, the increased number of vehicles on these roads, caused by a rapidly growing population in the Borough, is increasing the number of incidents of near-misses or accidents involving vehicles and bicyclists/pedestrians attempting to use the same space inside the white fog lines; and

WHEREAS, separated pathways along collectors and arterials will improve the safety of pedestrians and bicyclists; and

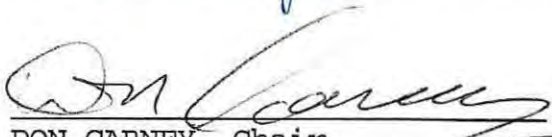
WHEREAS, the Matanuska-Susitna Borough's Long Range Transportation Plan recommends trails along major collectors and arterials within the borough; and

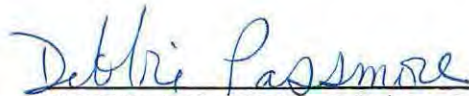
WHEREAS, the Transportation Advisory Board feels where separated pathways are not currently present they should be included during the construction or reconstruction of any collector or arterial within the Matanuska-Susitna Borough;

WHEREAS, the Board recognizes that funding, schedule or other constraints may make pathway construction not practical or feasible.

NOW, THEREFORE BE IT RESOLVED that the Matanuska-Susitna Borough Transportation Advisory Board recommends that the Assembly adopt a policy that the Matanuska-Susitna Borough and the state Department of Transportation and Public Facilities include construction of, or where not practical or feasible provide for future construction of, separated pathways when constructing or reconstructing any collector or arterial roads within the Matanuska-Susitna Borough.

ADOPTED by the Matanuska-Susitna Borough Transportation Advisory Board this 25<sup>th</sup> day of February, 2015.

  
DON CARNEY, Chair

  
DEBBIE PASSMORE, Admin. Support

Matanuska Susitna Borough  
Trapper Creek RSA #30  
Regular Meeting  
Trapper Creek Library  
May 21, 2014

RECEIVED  
AUG 27 2014  
CLERKS OFFICE

The meeting was called to order at 5:32 pm.

Present were:

Joan Medbery                      Donna Massay

Staff Present:

Mike Lachelt

Others Present:

Ray Medbery

A quorum was present and notice had been published.  
The agenda was accepted as presented.

Minutes

Minutes were approved as corrected.

Staff Report

Mike reported on the status of the Gate Creek bridge project, the rock crushing on Chulitna and Wagon<sup>Sr</sup>, and the soft conditions on Trapper Drive. Follow up is needed with Andy Dean regarding the undersized culvert on Chulitna. He will be touring Shulin Lake Trail tomorrow with Bill Stearns to develop a scope of work and cost for the CIP project. After much discussion regarding Trail Ridge, the consensus was to do only the necessary erosion repair at the culvert.

Unfinished Business

**Moose Creek Gravel Pit:** Joan reported that the timber sale is not yet scheduled. Mike reported Ray Nix is working on permitting and access to Petersville Road

**Oilwell Road Grant:** The \$630,000 appropriation is waiting for the Governor's signature.

**Cottonwood Creek Snow Storage:** No reported progress.

**Saunders Road:** Waiting for results of the survey to determine the best way to proceed.

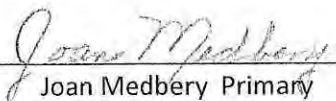
New Business

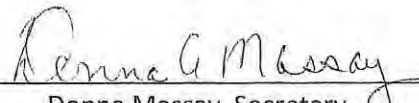
**Mud Mats:** Problems and effectiveness of the current mud mats on Oilwell Road were discussed. Mike is still seeking a solution.

Correspondence and Information:

none

Meeting adjourned at 6:15 pm.

  
Joan Medbery Primary

  
Donna Massay Secretary

Matanuska Susitna Borough  
Trapper Creek RSA #30  
Regular Meeting  
Trapper Creek Library  
August 13, 2014

RECEIVED  
MAR 02 2015  
CLERKS OFFICE

The meeting was called to order by Joan Medbery at 5:30 pm.

Present were:

Joan Medbery                      Donna Massay

Staff Present:

Mike Lachelt

Others Present:

Ray Medbery

A quorum was present and notice had been published. Donna noted that a corrected meeting notice had been posted at the Trapper Creek Library as advised by the Borough Clerk's office.

The agenda was accepted as presented.

Minutes

Minutes of the May 21, 2014 meeting were approved.

Staff Report

Mike reported that the Oilwell Road grant money had been received and that pre-planning was moving forward. The legal description for Saunders road is being written. Resurfacing of Chulitna and Two has been completed. Substantial completion date for the Oilwell Road fish passage project is August 29, 2014.

Joan Medbery reported the average traffic count on Oilwell Road was 103 vehicles per day at Mile 1 and 90 vehicles per day at the Moose Creek Bridge.

Unfinished Business

**Moose Creek Gravel Pit:** Mr. Sanders of Timber Consultants has been awarded the contract for timber assessment. The plan is to clear cut 10 acres. An additional 29 acres would be selective cut and used for erosion control. The harvest is still planned for 2014.

**Cost of Chips:** Mike reported that both sand and chips were out to bid by Purchasing. Donna requested we get the information for preplanning for future budgets.

**Cottonwood Creek Snow Storage:** Surveying is on hold until completion of the fish passage culverts.

**Culvert on Trail Ridge Road:** Grading done. Rock will be placed around the culvert on Friday.

**Chulitna Drainage Project:** Mike to follow up with Andy Dean.

**Saunders Road:** Survey showed 75% of existing road is within the right of way. The last 232' of roadway and the cul de sac that we are maintaining have no right of way. The two property owners affected are co-operating with correcting the right of way easement.

New Business

**CIP 2015:** The preliminary 2015 CIP was discussed. It was moved and seconded to approve the resolution transfer ring \$50,000 from Fund 284 to Capital Improvements Project 300050.6600. Motion passed.

Correspondence and Information:

none

Meeting adjourned at 6:30 pm.

Next meeting to be held on November 5, 2014.

  
Joan Medbery Primary

  
Donna Massay Secretary

Matanuska Susitna Borough  
Trapper Creek RSA #30  
Regular Meeting  
Trapper Creek Library  
November 5, 2014

RECEIVED  
MAR 2 2015  
CLERKS OFFICE

The meeting was called to order by Joan Medbery at 5:30 pm.

Present were:

Joan Medbery Donna Massay (via telephone)

Staff Present:

Mike Lachelt

Others Present:

Ray Medbery Earl Boone

A quorum was present and notice had been published.

The agenda was accepted as presented.

Minutes

Minutes of the August 13, 2014, meeting were postponed until the February 2015 meeting.

Staff Report

Mike reported that the proposal for the Oilwell Road Phase 1 upgrade was out. Tew's and work on the fish passage culverts was shut down for the winter. He had a request to improve the turn around/cul de sac at the end of Hickok Road.

Unfinished Business

**CIP:** Donna moved and Joan seconded that the CIP resolution be accepted. After discussion, the motion passed.

New Business

**Oilwell Road Condition:** Joan expressed concern with the condition of Oilwell Road at the time the road was turned back to D&S after substantial completion of the fish passage culverts. The road had been graded but potholes remained and berms of gravel were left along the road edges. When complaints were made, Tew's swept the berms into the ditches.

Mike said all the material from the gradings was put into the ditches and needed to be reclaimed. Donna commented that in some areas the ditches were completely filled and expressed concern regarding spring drainage problems. Donna moved that the RSA write a letter requesting the withholding of fish passage project funds until Oilwell Road was restored to its pre-construction condition. The work is to be approved by an MSB inspector. Joan seconded. Motion passed.

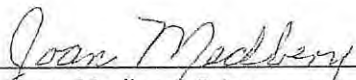
**2015 Meeting Dates:** RSA #30 meeting dates were set. Meetings will be February 11, May 13, August 12, and November 4.

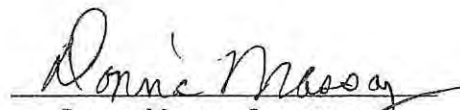
Correspondence and Information:

none

Meeting adjourned at 6:15 pm.

Next meeting will be February 15, 2015.

  
Joan Medbery Primary

  
Donna Massay Secretary

**A RESOLUTION OF THE ROAD SERVICE AREA #30, TRAPPER CREEK BOARD OF SUPERVISORS CONCURRING WITH MOVING \$50,000 FROM THE FUND BALANCE, FUND 284 TO THE CAPITAL IMPROVEMENTS PROGRAM.**

---

WHEREAS, the Road Service Area #30, Trapper Creek Fund Balance has a balance of \$105,273; and

WHEREAS, it is the desire of the Road Service Area #30, Trapper Creek Board of Supervisors to fund additional projects under the capital projects, project 30050; and

WHEREAS, the Road Service Area #30, Trapper Creek Board of Supervisors request \$50,000 be transferred to the Capital Improvement Projects; and

WHEREAS, the excess funds from the RSA #30, Trapper Creek fund balance can be used to fund Capital Improvement Projects;

NOW, THEREFORE, BE IT RESOLVED, that the Road Service Area #30, Trapper Creek Board of Supervisors request that the Matanuska-Susitna Borough Assembly approve the transfer of \$50,000 from the Trapper Creek fund balance, Fund 284 to Capital Improvements Project 30050.6600.

APPROVED by the Road Service Area #30, Trapper Creek Board of Supervisors:

Joan Medberg  
RSA #30 Supervisor

8-13-14  
Date

Donna A Massay  
RSA #30 Supervisor

8-13-14  
Date

\_\_\_\_\_  
RSA #30 Supervisor

\_\_\_\_\_  
Date

# West Lakes Fire Service Area Board of Supervisors

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**Meeting Minutes**  
West Lakes Station 73  
1250 Spring Drive, Meadow Lakes, Alaska  
**November 10, 2014**

RECEIVED  
MAR 05 2015  
CLERKS OFFICE

## CALL TO ORDER:

Chair William Browne called to order the regular meeting of the **West Lakes Fire Service Area Board of Supervisors** at 6:07pm on **November 10, 2014** at Station 73 at 1250 Spring Drive in Meadow Lakes

## ROLL CALL AND DETERMINATION OF QUORUM:

Board members present and establishing a quorum:

Chair William Browne, Cathi Kramer, Steve Simpson

Also present:

District Chief Bill Gamble, Assemblyman Dan Mayfield, and WL Secretary LuJean Fetchenhier

## APPROVAL OF MINUTES – JOINT BOARD OF SUPERVISORS OCTOBER 13, 2014

The minutes were approved as written.

## CHIEF'S REPORT:

- We have the Budget Performance Report and we are pretty much on track right now. it looks like we are ahead of where we should be because they have taken out the Admin & Audit fees that they can't seem to explain to us. We usually slow down on purchasing non-essential items to let Finance sort of catch up, let some of the larger items come in, and work out any glitches.
- I am in the process of preparing next year's budget right now and I don't see a lot of change from the last two years. I have not seen any new line items. We are usually within 5 or 10 percent with our operating budget. We have not received anything from Finance yet and won't until they are finished reconciling last year's budget.
- We talked about the missing \$14,000 from the 2004 project account. We asked the question twice to the Finance Dept. , and still have not received any answer, about what happened to the money left in that project which should have been returned to the Big Lake Area budget at that time. There has been no reply. We don't know if they are looking at it or what. Every question we have ever asked them goes into the void and nothing ever comes back.
- For ISO we had to buy some equipment, about \$18,700 on this list and a \$12,000 portable pump. ISO considers the portable pump to be sort of a "mobile hydrant" . If we get tight in the budget later on, I may ask the Board to go to the assemble to have that money put back into the budget from the Fund balance. It is a possibility, but I don't anticipate needing to do that.
- There is a new Deputy Director of Fire. Ken Barkley was an Assistant Chief with Central and a Chief Officer with JBER.
- *Chair Browne asked if there was any news about when we were going to have physicals for firefighters.* Chief answered that it will be a topic for discussion with the new Deputy Director. Background on the issue was laid out for new Board member Simpson and for Assemblyman Mayfield. Money has been assigned in the budget for firefighter physicals for the past 5 years and it doesn't get used so it goes back into our general fund. So far, the issue just lays in HR and we don't know anything more.

# West Lakes Fire Service Area Board of Supervisors

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- Mr. Mayfield introduced a resolution to the Assembly to put a new Station 73 and the Station 62 Training facility on the Borough's state-wide CIP priority list. Chief talked about the project; that it is not a last-minute thing. We have been working on it for 7 years and had support of the Community Councils for the last 4 years. It falls into the categories of what government should be about: the central services of Public Safety, Education, and Infrastructure.
- We have a Basic Firefighter class currently in session to be finished December 14. The state is offering a Methods of Instruction II class which they haven't before. We have several registered for it. It takes an Instructor to the next level of developing programs. West Lakes FD has been asked to be the host station for a Fire Officer II class which has never been offered in Alaska before. That will be conducted in March. We have a Firefighter I completion course starting in January. Lots of training going on, but it is difficult with the 29.9 hour restriction to manage those training hours in with the maintenance in the stations and the trucks as well as the calls. In the last 15 to 17 days we have had 10 structure fires along with the Rescue calls and EMS first response calls.
- The important thing is that we are now an ISO 4. This was a full team effort. With the work hour restrictions and the changing of ISO grading and how they allocate points, we were hoping to stay at a 5. The result of 4 was great and we were almost half way to a 3, smacking it out of the park! An email was sent to the Borough Manager and to the Assistant Manager, and a couple other people. The only person who responded back was the Manager who said, " Gee, sounds like something to crow about." They just don't understand how difficult it was to pull this together with only two months notice. I thank everyone that participated from our Dispatch office, the Purchasing department, the Secretaries at 65, Central and Houston Fire, and everybody that played a part in this. That's what it is, all the pieces fitting at the right time. I cannot say enough about our responders and how much they stepped up to the challenge. What this means is that property owners' insurance, for the companies that use the ISO rating, will be reduced again. *Chair Browne commented that even though Chief Gamble gives all the credit away, there has to be a leader that will get everyone to that goal, and the Fire Service Area owes him thanks for his work.*
- We are asking for two new full-time positions. We need a new Fire Service Area Assistant to help do all of the pre-fire plans because it is one of the areas we fell short in our ISO audit. Every year we are supposed to go through our pre-fire plans, which we have about 250. They have to be re-done and updated with any changes. The fire department is supposed to be briefed to our responders. The other position is a Deputy Chief of Operations. They would also be doing our IT stuff like radio and pager programming, the iPad or mobile data terminal updates, and be working on things that are operationally focused. These two positions would also take on preparing us to take on some of the state plan review process. *Chair Browne asked if the Chief had all the figures to show that these positions will fit within the budget. These will be shown at the December meeting.*

The next meeting will be the extended budget meeting December 8, 2014 at 6:00 pm  
The meeting adjourned at 6:58 PM

# West Lakes Fire Service Area Board of Supervisors



WILLIAM BROWNE, Chair, West Lakes FSA B.O.S.

ATTEST:



LUJEAN FETCHENHIER, Secretary, West Lakes FSA F.D.

Minutes approved: 2/9/15 (WL FSA B.O.S.)

# West Lakes Fire Service Area Board of Supervisors

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**Meeting Minutes**  
West Lakes Station 73  
1250 Spring Drive, Meadow Lakes, Alaska  
**December 8, 2014**

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## CALL TO ORDER:

Chair William Browne called to order the regular meeting of the **West Lakes Fire Service Area Board of Supervisors** at 6:05 pm on **December 8, 2014** at Station 73 at 1250 Spring Drive in Meadow Lakes

## ROLL CALL AND DETERMINATION OF QUORUM:

Board members present and establishing a quorum:

Chair William Browne, Vice Chair Rae Arno, Cathi Kramer, Steve Simpson, Gerard Billinger

Also present:

District Chief Bill Gamble, Assistant Chief Steve Barenburg, Assemblyman Dan Mayfield, and WL Secretary LuJean Fetchenhier

## APPROVAL OF MINUTES

The minutes for the previous meeting were not available for approval.

## CHIEF'S REPORT:

- In regards to the budget, as we are going through our budget performance reports from the previous year and planning for the next year, we will look at what we spent last year and try to stay within 5 to 10% of that for the next fiscal year.
- Chief Gamble and Asst, Chief Barenburg presented the budget by going over every line item and giving an explanation of what each was used for and why the amount in that item was set where it was.
- Chief also explained the figures and justification for the mid-term hiring of two full-time employees.
- The Board discussed the budget process and the proposed budget as presented.

**MOTION:** Chair Browne moved to approve the budget as presented, Ms. Kramer seconded.

**VOTE:** The budget was approved unanimously.

- The timeline was discussed for the two full-time positions which will have to go to the Assembly for approval. By the time everything gets done, it will be March or April before those people are on board. The Board thinks it should be pursued now and not wait for the new fiscal year.

The next meeting will be **January 12, 2015 at 6:00 pm at Station 73**

The meeting adjourned at 8:36 PM

# West Lakes Fire Service Area Board of Supervisors

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WILLIAM BROWNE, Chair, West Lakes FSA B.O.S.

ATTEST:



LUJEAN FETCHENHIER, Secretary, West Lakes FSA F.D.

Minutes approved: 2/9/15 (WL FSA B.O.S.)

**Sutton Community Council Regular Monthly Meeting**  
**Wednesday, February 26, 2014, 7:00 pm @ Sutton Public Library**  
**Minutes**

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**Board Members Present:** Mark Bertels, Roberta Mason, Claudia Dolfi, Sierra Alcantra Hansen, Jim Tapley, Jack Niggemyer, Sandra Myers

**Board Members Absent:** George Rauscher

**Community Members Present:** Gwen Black, Jim Sykes, Jessica Winnestaffer, Joshua Rockey, Julie Buzby

1. **Establish Quorum** - Yes

2. **Call to Order** - 7:09 PM

3. **Pledge** – Led by Joshua Rockey

4. **Additions or Changes to Agenda** - None

5. **Guests:**

a. **Joshua Rockey, Sutton Elementary Principal**

1. Winter Wellness activities are in full swing. Skiing through January. The ice rink is functional and open to the public.
2. After Spring Break Sutton Elementary will have a Lego program.
3. The activity bus funding will run out in April and hope that students will be able to find rides
4. School has 34 kids currently
5. Math and Reading scores went up and language has stayed the same since last year
6. PTA is active, will be trying to raise funds and help with 5<sup>th</sup> grade trip.
7. Looking at a Bingo night for the Community
8. Handout available for the official hiring process of the school Principal
9. Mr. Rockey was acting as an interim principal
10. Handout to be posted on the SCC website
11. Principal Lytle from PJMS came to talk to PTA about changing Sutton Elementary to K-6
12. K-7 grade the following year, K-8 the third year
13. Another meeting planned to get a plan in motion
14. Principal Rockey will keep the SCC posted on updates.

6. **Presentations:**

a. None

7. **Announcements:**

a. **Jessica Winestaffer – Parenting Classes**

1. SCC funded Parenting Classes
2. The name was changed to Early Childhood Development
3. The counselor is available for parents to call and ask questions if they cannot attend the classes
4. Everyone is welcome grandparents, aunts, uncles and babysitters
5. The groups discuss issues important to dealing with children of any age
6. The classes are held the first Tuesday of the month from 6 - 7:15PM

b. **Jessica Winestaffer - Sutton Playground Update**

1. Picket fence sales end this Saturday, \$50 a picket for up to 20 characters
2. Nancy or other librarians can take money and the forms for the pickets

3. The project begins May 21<sup>st</sup> - 25<sup>th</sup> and needs 60 volunteers, 12 hour day, 5 days in a row to help build the playground
  4. Volunteers also needed to assist with food/childcare which will be provided
- c. **Jack Niggemyer - Voter Polling Location**
1. The official polling place for Sutton will be moved from the school to the library after the final paperwork and documents are complete

8. **Correspondence** -- at [http://suttoncommunitycouncil.org/?page\\_id=1629](http://suttoncommunitycouncil.org/?page_id=1629)

a. Mail

1. Questions about an envelope addressed to Alpine Civic Club and Sutton Community Council. Letter inside is headed "Dear Tribal Members". Jack will call the phone number on the top of the letter to get more information.
2. Letter about community Emergency response plan. Jim Sykes was asked if he thought this is overlap from the Borough Risk managements, he does not believe it is overlap. Jessica stated that Chickaloon Village Traditional Council is working with the Borough on Risk Plan. Mark with contact Borough to get more information. Sierra will speak to FEMA employee, Ramona Van Cleve for contact information.
3. Residential owners must have a permit for Railroad right- a-way use. Permits are due by August 15<sup>th</sup>. Cost for permit is \$250 per year.
4. Notice of gas sales between MEA and Hill Corp about natural gas supply to the new Kelowna station.

b. Public and Board Correspondence can be found on the SCC website by clicking on the link below

1. [http://suttoncommunitycouncil.org/?page\\_id=1629](http://suttoncommunitycouncil.org/?page_id=1629)

9. **Borough and State Reports:**

a. **Jim Sykes; District 1**

1. Borough Approved the Digital Play Box for the Library.
2. Race Track ordinance to be reviewed and possibly rewritten at Andy Anderson's request.
3. LiDar survey to be run from the mouth of Matanuska River to King River for flood maps that are approved by Core of Engineers for flood insurance.

10. **Officer Reports**

a. **Chair – Mark Bertels**

1. Request for a letter of support from the Friends of the Sutton Library for the teen Summer activities program with an estimated expense of \$19,000. The Friends of the Sutton Library are looking for other support. Copy of the letter of support will be posted on the SCC website under "Letters of Support". Jack moved to have the Sutton Community Council write a letter of support for the Friends of the Sutton Library Teens Summer Program, Sierra seconded. Due to this request being time sensitive the council will vote under new business.

b. **Secretary – Claudia Dolfi**

1. Vote on approving the past months minutes was tabled until the March meeting to give the council members additional time to review.

c. **Treasurer – Jim Tapley**

Full report is posted on the SCC website at [http://suttoncommunitycouncil.org/?page\\_id=1629](http://suttoncommunitycouncil.org/?page_id=1629)  
On hand 2/26/14

1. Checking - \$438.63
2. Savings - \$25.22

3. Money Market - \$12,450.90
4. 2010 Revenue Sharing - \$3,208.15
5. 2011 Revenue Sharing - \$3,494.19-
6. 2012 Revenue Sharing - \$4753.01

**11. Committee Reports:**

- a. *Revenue Sharing* – Application will be posted on the council website
- b. *Comp Plan Review - Mark Bertels*
  1. Scheduled meetings are contingent on last month’s motion to use the ABCD model.
  2. The committee is not waiting on the ABCD plan.
  3. Mark with try to schedule a meeting
- c. *501c (3) Committee - Jim Tapley*
  1. No word on our 501(c3) application

**12. Old Business:**

- a. None

**13. General Orders From January Meeting**

- a. Roberta moves to have the Council support developing the ABCD program and meet the second Thursday of each month George seconded; this will be posted on the council website for review and a vote at the next meeting. *Roberta withdrew her motion due to the lack of community involvement at this time.*
- b. Robert moved to invite the EMS members to come to the next council meeting and update us, Sandra seconded. Motion passed unanimously. Mark will invite Sherry Day to attend the next council meeting.

**14. New Business:**

1. Jack moved to have the Sutton Community Council write a letter of support for the Friends of the Sutton Library Teen Summer Program, Sierra seconded. Motion Passes unanimously.
2. Jim Tapley would like to the council to think about planning early for the Community Clean-up.

**15. Restate motions and voting results**

**16. Meeting Adjourned - 9:02 PM**

*Mark Bertels*

\_\_\_\_\_  
President's Signature

*Claudia Hojzi*

\_\_\_\_\_  
Secretary's Signature

*March 26, 2014*

\_\_\_\_\_  
Date

*3/26/2014*

\_\_\_\_\_  
Date

## Sutton Community Council

Wednesday, March 26, 2014, 7:00 pm @ Sutton Public Library

### Minutes

**Council Members Present:** Mark Bertels, Roberta Mason, Jim Tapley, Claudia Dolfi, Sierra Alcantra-Hansen, Jack Niggemyer, Sandra Myers, George Rauscher

**Council Members Absent:** None

**Community Members Present:** Jesse Boger, Caleb Harrison, Jessica Winnestaffer, Gwen Black, Sherry Day, Norman

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1. **Establish Quorum** – Yes
2. **Call to Order** – 7:08
3. **Pledge** – Led by Jesse Boger
4. **Additions or Changes to Agenda**
  - a. *Jesse Boger & Caleb Harrison,*
5. **Guests:**
  - a. *Sherry Day, Sutton EMS Services*
    1. The old Sutton Library is now called Station 12 for EMS use
    2. There is a \$150K in the 2015-2016 fiscal budget for upgrades to the facility, like new heater
    3. There will need to be a bathroom modification because a shower has to be available
    4. There is another \$150K from fiscal budget 2016-2017 to get the new ambulance bay.
    5. Eric Feige mentioned that SCC might be able to help get the new station moved up on the capital improvement list for funding
  - b. *Jesse Boger & Caleb Harrison,*
    1. Jesse and Caleb are asking for letter of support for local based transportation service called Sutton Taxi and Support Services
    2. The letter of support would assist in getting the required permits needed and for any possible future funding
    3. The goal is to provide transportation services within the Sutton and Chickaloon area
    4. This service would provide assistance to elders, people under the influence that do not want to risk driving, someone stuck in the ditches who needs help and welfare checks, etc.
    5. *George moves that the Council write a letter of support for the Sutton Taxi and Support Services, Jack seconded. This motion will be put on April's agenda under Old Business to be voted on at the Council meeting.*
6. **Presentations:**
  - a. *Donna Corolla, Sutton Community Playground Update*
    1. Project started out looking for \$125K and raised \$138K
    2. The project has come into some higher shipping costs than anticipated, so still looking for some more funds
    3. Building dates are scheduled for May 21<sup>st</sup> - May 25<sup>th</sup>
    4. Donna is asking the Council to consider funding a Project Manager position
    5. There is concern that the council would not have enough time to approve funds for build
    6. Volunteers are still needed for all types of tasks during the build
    7. Volunteer Applications will be available at the library and on the Council website
    8. Still need additional adults to help with providing child care during the building of the playground
    9. A job description for Project Manager will be drafted and posted on the Council website

**Sutton Community Council**  
*Wednesday, March 26, 2014, 7:00 pm @ Sutton Public Library*  
**Minutes**

10. Interested persons in the position can notify Donna

**7. Announcements:**

a. *Nancy Bertels, Sutton Public Librarian*

1. Emma Hill with the Overby Family band will be hosting a concert at the Library April 14<sup>th</sup> @ 7PM
2. \$15 a ticket, an adult night out.

**8. Correspondence:**

- a. All correspondence can be found on the Sutton Community Council Website at [http://suttoncommunitycouncil.org/?page\\_id=1629](http://suttoncommunitycouncil.org/?page_id=1629)

**9. Borough and State Reports:**

a. *Jim Sykes, MSB District 1 Representative*

1. Jim was unavailable to attend the meeting but emailed Borough updates and information to Mark

**10. Officer Reports**

a. *Chair - Mark Bertels*

1. Received an email reminder from Jim Sykes that April 1<sup>st</sup> is the deadline for the Contractor bids for the river mediation project
2. Jim mentioned that the Borough was going to use tax payer money to represent the Borough to the State
3. Jessica Winnestaffer has received about 7 letters from the Borough about Clean-up
4. CVTC is not interested in hosting a Community dumpster this year
5. Preference is to clean-up and drop the yellow bags at the Sutton Transfer station over the weekend
6. SCC will plan clean-up for the weekend of May 16-18<sup>th</sup>

b. *Secretary - Claudia Dolfi*

1. Minutes from October, October Annual, December, January, and February need approval
2. Claudia moves to approve all the minutes with corrections, Sandra seconded. Motion passed with Sierra abstaining from voting on October-January as she was absent
3. February minutes passed unanimously

c. *Treasurer - Jim Tapley*

On hand 2/26/14

1. Checking -
2. Savings -
3. Money Market -
4. 2010 Revenue Sharing -
5. 2011 Revenue Sharing -
6. 2012 Revenue Sharing -
7. Complete report at [http://suttoncommunitycouncil.org/?page\\_id=1629](http://suttoncommunitycouncil.org/?page_id=1629)

**11. Committee Reports:**

a. *Revenue Sharing - Claudia Dolfi and Jack Niggemyer*

1. Gwen Black and Jessica Winnestaffer volunteered to be on the committee
2. Jessica proposed that the committee meet as soon as possible to recommend which projects the council should approve
3. After discussion it is decided that May 3<sup>rd</sup> the committee will review the submitted applications

**Sutton Community Council**  
*Wednesday, March 26, 2014, 7:00 pm @ Sutton Public Library*  
**Minutes**

4. Jack moves that the Council schedule a special meeting on May 14<sup>th</sup>, 7:00 pm at the Library to vote on the recommendations from the Revenue Sharing Committee, George seconded. Motion passed unanimously

b. **Comp Plan Review** - Mark Bertels

1. Meetings will be scheduled in the near future to begin the revision process

c. **501c (3) Committee** - Jim Tapley

1. Application has been sent and no response or approval has been received

12. **Old Business:** None

13. **General Orders:** None

14. **New Business**

a. **Letter of support for Usibelli Air Quality Permit – Time sensitive issue**

1. Claudia moves that the SCC write a letter of support for Usibelli's Minor Air Quality Permit. Jack seconded. Motion passes 6 in favor Jack opposing

b. **2010 Revenue Sharing Fund Transfer**

1. Jim moves to take the remaining unused funds from the following Revenue Sharing Projects

- \$1500.00 from the Callison's Wayside Sign


- \$524.88 from the 17 Mile Lake Signs

- \$975.87 from the Welcome to Sutton Signs

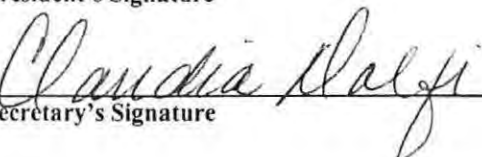
And transfer to the Playground funds to pay for the Project Manager Position, Jack seconded George abstained from voting. Motion passed unanimously

15. **Restate motions and voting results** – Sierra reads all motions and voting results

16. **Meeting Adjourned @ 9:13 pm**

  
\_\_\_\_\_  
President's Signature

5-28-14  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Secretary's Signature

5-28-14  
\_\_\_\_\_  
Date

**Sutton Community Council Regular Monthly Meeting**  
**Wednesday, April 30, 2014, 7:00 pm @ Sutton Public Library**  
**Minutes**

**Council Members Present:** Mark Bertels, Roberta Mason, Claudia Dolfi, James Tapley, George Rauscher, Sandra Myers  
**Council Members Absent:** Sierra Alcantra, Jack Niggemyer  
**Community Members Present:** Gwen Black, Marci Hawkins, Nancy Bertels  
**Guests:** Michelle Johnson, Mark Lackey, Donna Johnson, Paul Cason, Jim Sykes,

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**MAR 02 2015**  
**CLERKS OFFICE**

1. **Establish Quorum:** Yes
2. **Call to Order:** 7:15 pm
3. **Pledge:** Led by Joshua Rockey, Sutton Elementary Principal
4. **Additions or Changes to Agenda:**
5. **Guests:**
  - a. *Joshua Rockey, Sutton Elementary Principal*
  - b. *Mark Lackey and Donna Johnson - Chugiak Children Services*
  - c. *Michelle Johnson, Alaska Earth Science, Riversdale Alaska Project Update*
  - d. *Paul Cason of the Republican National Committee - Wasilla Office*
6. **Presentations:**
  - a. *Joshua Rockey, Sutton Elementary Principal*
    1. Good testing session at Sutton in April
    2. Mr. Rockey was officially hired as Sutton Elementary School Principal
    3. Spring Concert will be this month
    4. 5<sup>th</sup> Graders visiting PJMS
    5. Track Meet will be this month
    6. 5<sup>th</sup> Grade students will take year end trip to Seward
    7. District testing above average
    8. CCS Head Start will be housed at Sutton Elementary
  - b. *Mark Lackey and Donna Johnson, of Chugiak Children Services*
    1. Chugiak Children Services early learning since 1971
    2. Moved to the MSB in the 1980
    3. 40 children will be enrolled in the Sutton Program this fall
    4. Transportation will be provided in part by the MSB School District
    5. Two bus routes are scheduled to run at this present time AM and PM
    6. Four days a week, half days 9:00 – 1:00 pm
    7. Home visits are a part of this program
    8. Food Service will be provided
    9. There are some job positions available and applications can be found on the SCC website
  - c. *Michelle Johnson, Alaska Earth Science, Riversdale Alaska Project Update*
    1. See attached update overview
  - d. *Paul Cason of the Republican National Committee –Wasilla Office*
    1. Office now open in Wasilla in the Regan Building
    2. Office can be used by all republican candidates
    3. Paul will be in charge of all of the grass roots efforts in the Mat Su
    4. The office is looking for volunteers as often as they like to show up and work the phones
    5. Paul is also looking for volunteers interns to help with this election
    6. You can email Paul at [pcason@gop.com](mailto:pcason@gop.com)

Sutton Community Council  
Regular Meeting  
April 30, 2014  
1

**Sutton Community Council Regular Monthly Meeting**  
**Wednesday, April 30, 2014, 7:00 pm @ Sutton Public Library**  
**Minutes**

**Announcements:**

*Nancy Bertels, Sutton Public Library and Resource Center*

- c. Teens will travel to Palmer
- d. Afterschool program will begin Wednesday, May 7<sup>th</sup> at 4:00 pm
- e. Friends of the Library meeting is scheduled for Wednesday, May 7<sup>th</sup> 5:15 pm at the Library
- f. For additional information visit the SCC website and Library Facebook page

**7. Correspondence:** at [http://suttoncommunitycouncil.org/?page\\_id=1629](http://suttoncommunitycouncil.org/?page_id=1629)

- a. Mail –
  - 1. Council received letter from MY HOUSE challenging them to match \$5,000 donation made by another Council.
    - o *George moves that we send the funding letter request from MY House to the Revenue Sharing Committee. Sandra seconded. Motion falls 2 in favor and 4 opposed*
- b. Public and Board Correspondence: [http://suttoncommunitycouncil.org/?page\\_id=1629](http://suttoncommunitycouncil.org/?page_id=1629)

**8. Borough and State Reports:**

- a. *Jim Sykes, District 1 Representative Mat Su Borough*
  - 1. No bids for the river mediation project in the Sutton Area yet
  - 2. Budget hearings are beginning Monday night May 5<sup>th</sup>
    - o The schedule is posted on the Sutton website
  - 3. This will be the first time testimony will be taken by conference call
  - 4. Sutton is a special use district
  - 5. The cell tower issue will be addressed again with adjustments to the regulations
  - 6. The planning commission will be in charge of the tower review
  - 7. If Sutton has needs now is the time to speak up

**9. Officer Reports:**

- a. **Chair** – Mark Bertels
  - 1. Assisting with the coordination on the Playground Project
- b. **Secretary** – *Claudia moves to approve the minutes for the month of March Sandra seconded. Motion passes unanimously.*
- c. **Treasurer** – at [http://suttoncommunitycouncil.org/?page\\_id=1629](http://suttoncommunitycouncil.org/?page_id=1629)
  - On hand 4/30/14
  - 1. Checking - \$443.75
  - 2. Savings - \$25.23
  - 3. Money Market - \$12,181.55
  - 4. 2010 Revenue Sharing - \$3,208.15
  - 5. 2011 Revenue Sharing - \$3,410.19
  - 6. 2012 Revenue Sharing - \$4,753.01

**10. Committee Reports:**

- a. **Revenue Sharing** – Claudia Dolfi
  - 1. Committee is scheduled to meet on Thursday, May 15<sup>th</sup> 7:00 pm at the Sutton Library
- b. **Comp Plan Review** - Mark Bertels
  - 1. No meeting scheduled at this time
- c. **501c (3) Committee** - Jim Tapley
  - 1. Council is still waiting on word from the IRS regarding our 501c(3) application

Sutton Community Council  
Regular Meeting  
April 30, 2014

**Sutton Community Council Regular Monthly Meeting**  
**Wednesday, April 30, 2014, 7:00 pm @ Sutton Public Library**  
**Minutes**

**11. Old Business:**

- a. *Letter of Support for Sutton Taxi and Support Services*
  - 1. Motion passed
  - 2. Mark will write the letter of support
- b. *Sutton Clean Up Day*
  - 1. Clean up is scheduled for the week of May 12<sup>th</sup> – 18<sup>th</sup>
  - 2. Sunday, May 18<sup>th</sup> will be the BBQ
  - 3. *Roberta moves to have Claudia call Usibelli for donation and use the funds for prizes for the children*  
*George seconded. Motion passed unanimously*

**12. General Orders:**

- a. *George moves the Council write a letter of support for the Sutton Taxi and Support Services, Jack seconded.*  
*Motion passed unanimously.*

**13. New Business**

- a. *Claudia moves to have the Council host a candidate's forum at the Sutton Elementary on June 18<sup>th</sup>. Sandra seconded. Motion passes unanimously.*

**Restate motions and voting results:** Claudia reads and restates the motions and voting results

- 14. Meeting Adjourned** – Mark moves to adjourn the meeting, Claudia seconded, meeting adjourned at 9:02 pm

*Mark Butts*

\_\_\_\_\_  
President's Signature

*9-24-14*

\_\_\_\_\_  
Date

*Claudia Holzi*

\_\_\_\_\_  
Secretary's Signature

*9-27-14*

\_\_\_\_\_  
Date

Sutton Community Council  
Regular Meeting  
April 30, 2014

**Sutton Community Council Regular Monthly Meeting**  
*Wednesday, May 28, 2014, 7:00 pm @ Sutton Public Library*  
**Minutes**

**Council Members Present:** Mark Bertels, Roberta Mason, Sandra Myers, Claudia Dolfi, Sierra Alcantra, Jim Tapley, Jack Niggemyer

**Council Members Absent:** George Rauscher

**Community Members Present:** Roxanne Dolfi, Kimarie Henderson, Jessica Winnestaffer,

**Guests:** Jim Sykes, Mat Su Borough Assembly Representative

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1. **Establish Quorum:** Yes
2. **Call to Order:** 7:06 PM
3. **Pledge:** Led by Roxanne Dolfi
4. **Additions or Changes to Agenda:** No additions
5. **Presentations:** None
6. **Announcements:**
  - a. **Nancy Dryden:**
    1. June 22<sup>ND</sup> is the community picnic from 1:00 - 4:00 PM at the Alpine Historical Park. Look for Flyers.
  - b. **Nancy Bertels:**
    1. All three of the summer programs start the first week of June at the Library. Schedule is posted on the SCC website.
7. **Correspondence:** at [http://suttoncommunitycouncil.org/?page\\_id=1629](http://suttoncommunitycouncil.org/?page_id=1629)
  - a. **Mail:**
    1. Public Notice that the Alpine Historical Society (AHS - 501c3) would like to purchase the Alpine Historical property from the Borough. AHS has been paying liability insurance all along. *Bobbie moves that the council write a letter of support to the Borough for Alpine Historical Society purchase of the Alpine Historical Property before the comment deadline of June 9 2014. Sandra seconded. This will be discussed under new business due to time sensitivity.*
  - b. Public and Board Correspondence: [http://suttoncommunitycouncil.org/?page\\_id=1629](http://suttoncommunitycouncil.org/?page_id=1629)
8. **Borough and State Reports:**
  - a. **Jim Sykes:**
    1. Update on the EMS.
    2. Jim requested additional funds in this year's Borough budget for refrigeration of medicines and the Sutton Station (old Library building).
    3. The request was not approved, but hoping to still get some unspent funds closer to July 1, 2014.
    4. Bike and walk path across Eska Creek Bridge to be done this year.
    5. Some money (about \$15,000) was put into the 2015 budget for the motorized trail to Eska Falls and Puritan Creek.
    6. Met with Ed Musial about his situation on the river bank erosion. Ed received a large quote that is not in the Borough's budget.
    7. Jim commented on the work done at the Sutton playground.

Sutton Community Council  
Regular May Meeting

1

Minutes

9. Officer Reports:

a. **Chair – Mark Bertels**

1. Great job done on the Sutton Playground
2. The community came together to get the playground project done.

b. **Secretary – Claudia Dolfi**

1. Claudia moves to approve minutes for April. Jim seconded.
2. Jessica requests the council read the minutes at the beginning of each meeting.
  - a. *Bobbie moves that we read minutes at the beginning of each meeting before we vote to pass or not. Jack seconded. Motion passes 5 to 1.*
  - b. Nancy Bertels volunteers to read the minutes out loud.

c. **Treasurer – at [http://suttoncommunitycouncil.org/?page\\_id=1629](http://suttoncommunitycouncil.org/?page_id=1629)**

On hand 5/28/14:

Jack asked how much money was transferred from different projects to the playground. Funds were transferred from four projects totaling \$5000.00.

1. Checking - \$443.75
2. Savings – \$25.23
3. Money Market - \$6,279.09

10. Committee Reports:

a. **Revenue Sharing – Claudia Dolfi**

1. **Revenue Sharing Community Comments:**

- Community emails and Facebook comments were combined into one document, printed and distributed.

2. **Revenue Sharing Community Survey Results:**

- The ranking results were printed and distributed.

3. **Revenue Sharing Projects Funding Recommendations:**

- *Mark amended his original motion to have the Sutton Community Council hold a special meeting at the library on June 11, 2014 at 7:00 PM to review all the revenue sharing projects. Jack seconded. Motion passes unanimously.*
- *Bobbie moves that the Revenue Sharing Committee work with the applications as they were submitted on the original due date. Jim seconded. Motion passes unanimously.*

b. **Comp Plan Review - Mark Bertels**

1. Everyone is so busy Mark has not had time to schedule a meeting

c. **501c (3) Committee - Jim Tapley**

1. Still no word from IRS on our 501c(3) application

11. Old Business:

a. *Letter of Support for Sutton Taxi and Support Services- update*

1. Mark will write the letter

12. General Orders:

- a. None at this time

**Sutton Community Council Regular Monthly Meeting**  
**Wednesday, May 28, 2014, 7:00 pm @ Sutton Public Library**  
**Minutes**

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**13. New Business:**

- a. *Bobbie moved that the Council write a letter of support to the Mat Su Borough for Alpine Historical Society purchase of the Alpine Historical Property before the comment deadline of June 9 2014. Sandra seconded.*
- b. *It was agreed that this topic would be discussed under new business due to time sensitivity.*
- c. *Discussion on writing a letter of support for the Alpine Historical Society purchase of the Alpine Historical Property before the end of the comment period.*
- d. *Motion moves forward. Motion passes unanimously.*

**14. Restate motions and voting results:** *Claudia restates all motions and votes*

**15. Meeting Adjourned:** *Sierra moves to adjourn the meeting. Jim seconded. Motion passes unanimously. Meeting adjourned at 9:07 pm*

*Mark Butts*

\_\_\_\_\_  
President's Signature

*9-24-14*

\_\_\_\_\_  
Date

*Claudia Dolji*

\_\_\_\_\_  
Secretary's Signature

*9-24-14*

\_\_\_\_\_  
Date

Sutton Community Council  
Regular May Meeting

**Sutton Community Council Regular Monthly Meeting**  
**Wednesday, June 25, 2014, 7:00 pm @ Sutton Public Library**  
**Minutes**

**Council Members Present:** Mark Bertels, Roberta Mason, Jim Tapley, Claudia Dolfi, Sierra Alcantra – Hansen, Jack Niggemyer, Sandra Myers

**Council Members Absent:** George Rauscher

**Community Members/Guests Present:** Warren Keogh, Michelle Johnson

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1. **Establish Quorum:** Yes
2. **Call to Order:** 7:15 pm
3. **Pledge:** Lead by Michelle Johnson, of Alaska Earth Sciences
4. **Additions or Changes to Agenda:**
  - a. None at this time
5. **Guests:**
  - a. Michelle Johnson of Alaska Earth Sciences
  - b. Warren Keogh, Candidate for State Senate Seat E
6. **Presentations:**
  - a. *Michelle Johnson* of Alaska Earth Sciences working with Riversdale Alaska. Riversdale has submitted an exploration permit application to DNR. Should hear back in about 30 days and then the permit will be open for public comment. The current permit expired in August 2014, but they have no current exploration plans at this time.
  - b. *Warren Keogh* announcing he is running as an Independent for State Senate Seat E against Mike Dunleavy (R). House district 9 -10, includes 22 precincts.
7. **Announcements:**
  - a. *Claudia Dolfi* - Mat-Su Business Alliance luncheon was attended by Governor Parnell. Governor Parnell signed three bills into law at the luncheon. The Knik Arm Bridge, Permanent vehicle registration and new law regarding posting of "No Trespassing Signs" on private property.
  - b. *Nancy Bertels:* See posting on SCC website.
8. **Correspondence:** at [http://suttoncommunitycouncil.org/?page\\_id=1629](http://suttoncommunitycouncil.org/?page_id=1629)
  - a. **Mail:**
    1. Thank you card from Paul Johnson to the people who put together the Veterans Day dinner.
    2. State of Alaska notice for Oil and Gas leases.
  - b. **Public and Board Correspondence**
9. **Borough and State Reports:**
  - a. None at this time
10. **Officer Reports:**
  - a. **Chair** - Roberta hosted a group of about eight community members to review the options available for starting on the Community Hall renovations. Roberta made an appointment with the State of Alaska Preservation Society to ask for input on the three options.
  - b. **Secretary** – Minutes are ready for posting but missing the Treasurer report for April and May. *Jack moves to wave reading the minutes aloud and approve April and May as submitted. Sandra seconded. Motion passes unanimously.*

**Sutton Community Council Regular Monthly Meeting**  
**Wednesday, June 25, 2014, 7:00 pm @ Sutton Public Library**  
**Minutes**

**c. Treasurer** – at [http://suttoncommunitycouncil.org/?page\\_id=1629](http://suttoncommunitycouncil.org/?page_id=1629)

On hand 6/25/14

1. Checking - \$443.75
2. Savings - \$25.23
3. Money Market - \$5,537.28
4. 2010 Revenue Sharing - \$222.57
5. 2011 Revenue Sharing - \$791.72
6. 2012 Revenue Sharing - \$3,525.90

**11. Committee Reports:**

- a. **Revenue Sharing** – Claudia Dolfi
  1. *No report at this time*
- b. **Comp Plan Review** - Mark Bertels
  1. **Mark Bertels** asked Warren Keogh, Candidate from the State Senate Seat E, what could be done to help manage the 200-300 weekend visitors to the Coal Hills in the Sutton Jonesville area.
  2. **Warren Keogh** recommends that we start with DNR and work through the process with the State and Borough
- c. **501c (3) Committee** - Jim Tapley
  1. *No update on our 501c(3) application at this time*

**12. Old Business:**

- a. **Letter of Support for Alpine Historical Society** – update
  1. Mark wrote the support letter and it has been emailed to the Mat-Su Borough.

**13. General Orders:**

- a. *None at this time*

**14. New Business:**

- a. Mark Begich's office sent a representative to Wasilla Area Seniors, Inc. to talk to the Veterans. The representative mentioned coming to the Sutton community to talk to local Veterans about how they are being treated. Veterans are allowed to attend the new Native Clinic in Wasilla and the South Central Clinic here in Sutton.

**15. Restate motions and voting results;**

- a. **Sierra Alcantra-Hansen** reads all motions and voting results

**16. Meeting Adjourned:**

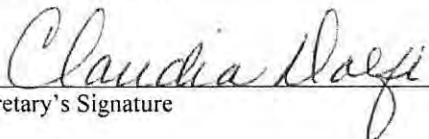
- a. **Robert Mason** moved to adjourn the meeting, Sierra seconded, meeting adjourned at 8:29 PM



\_\_\_\_\_  
President's Signature

9-24-14

\_\_\_\_\_  
Date



\_\_\_\_\_  
Secretary's Signature

9-24-14

\_\_\_\_\_  
Date

**Sutton Community Council Regular Monthly Meeting**  
**Wednesday, July 25, 2014, 7:00 pm @ Sutton Public Library**  
**Minutes**

1. **Community Council Members Present:** Mark Bertels, Roberta Mason, Claudia Dolfi, Jim Tapley, Jack Niggemyer, Sierra Alcantra-Hanson, Sandra Myers, George Rauscher
2. **Community Council Members Absent:**
3. **Guests Present:** Eric Feige, Lori Hobbs, Mike DunLeavy, Michelle Johnson, Pete Menau, Jim Psenak, Jim Colver, Eugene Holberman
  
4. **Establish Quorum:** Yes
  
5. **Call to Order:** 7:05 pm
  
6. **Pledge:** Led by Mike Dunleavy
  
7. **Additions or Changes to Agenda:**  
**Candidate Introductions/Forum**
  - a. *Mike Dunleavy*
  - b. *Eric Feige*
  - c. *Jim Colver*
  - d. *George Rauscher*
  
8. **Guests:**
  - a. *Mat Su Tactical – Pete Menau*
    1. Shop is located in the Pinnacle Mtn. area
    2. Website and Facebook page Mat Su Tactical
    3. Everyone invited to visit the site
    4. See handout
  - b. *Michele Johnson of Alaska Earth Science for Riversdale Alaska*
    1. See attached update
  
9. **Presentations: Candidate Forum**
  - a. *Mike Dunleavy- R*
    1. Running for Senate Seat District D
    2. Presently serving and is running for re-election
    3. Lives in Wasilla and Alaska the past 28 years
    4. Mat-Su Borough School District Board Member,
    5. Past two years School Board President.
    6. Chair of Governor Parnell’s Education Transition Team 2010
  - b. *Eric Feige- R*
    1. Representative in our District for the past 4 years
    2. Lives in Chickaloon
    3. West Point Graduate
    4. Pilot most of his live
    5. Owns a B&B
    6. Wants to go back to Juneau to finish all of the projects that have been started
  - c. *Jim Colver - R*
    1. Jim Colver is a lifelong Alaskan
    2. A small businessman
    3. Worked as a Legislative Aide
    4. Mat-Su Borough Assembly member 2000-06 and 2009-current
    5. School Board 2006-09
    6. School Board President 2008-09

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**Sutton Community Council Regular Monthly Meeting**  
**Wednesday, July 25, 2014, 7:00 pm @ Sutton Public Library**  
**Minutes**

7. Deputy Borough Mayor 2002-06
8. Currently Vice-Chairman of the Mat-Su Borough Fish & Wildlife Commission
9. Chairman of the Borough School Site Selection Committee.

**d. George Rauscher – R**

1. Republican candidate for District 9 of the Alaska House of Representatives
2. Lives in Sutton
3. Indorsed by Right to Life
4. Director Sutton Community Council - 7 years - Chairman from 2007 - 2012
5. Director Alpine Civic Club Inc.
6. Director EagleCrest Ministries
7. Chair - MSB Alpine RSA 31

**10. Announcements:**

- a. See SCC website for all announcements

**11. Correspondence:** at [http://suttoncommunitycouncil.org/?page\\_id=1629](http://suttoncommunitycouncil.org/?page_id=1629)

- a. Mail – see SCC website for all correspondence
- b. Public and Board Correspondence

**12. Borough and State Reports:**

- a. Jim Sykes was not present at this meeting
- b. No reports at this time

**13. Officer Reports:**

**a. Chair – Mark Bertels**

1. No updates at this time

**b. Secretary – Claudia Dolfi**

1. *Roberta moves to set aside the minutes for reading until the changes are made*

**c. Treasurer – at [http://suttoncommunitycouncil.org/?page\\_id=1629](http://suttoncommunitycouncil.org/?page_id=1629)**

On hand 7/30/14

1. Checking - \$443.75
2. Savings - \$25.23
3. Money Market - \$5,537.28
4. 2010 Revenue Sharing - \$222.57
5. 2011 Revenue Sharing - \$791.72
6. 2012 Revenue Sharing - \$3,525.90

*Roberta moves to accept the Treasures report, Jack seconded*

**14. Committee Reports:**

**a. Comp Plan Review - Mark Bertels**

1. No meeting have been scheduled at this time

**b. 501c (3) Committee - Jim Tapley**

1. No update on the application for the 501c(3)

**15. Old Business:**

**a. Welcome to Sutton Signs**

1. The signs are done and will be picked up for installation

**16. General Orders:**

- a. No general orders at this time

Sutton Community Council  
Regular Meeting  
July 25, 2014  
2

**Sutton Community Council Regular Monthly Meeting**  
*Wednesday, July 25, 2014, 7:00 pm @ Sutton Public Library*  
**Minutes**


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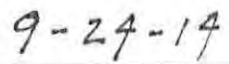
**17. New Business:**

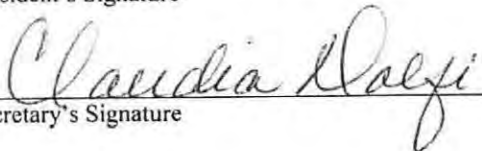
- a. *October Community Council Annual Meeting and Elections*
  - 1. See election calendar schedule posted on SCC website
  - 2. Make announcements requesting nominations

**18. Restate motions and voting results**

**19. Meeting Adjourned:** Jack moved to adjourned. Meeting adjourned at 9:10 pm

  
\_\_\_\_\_  
President's Signature

  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Secretary's Signature

  
\_\_\_\_\_  
Date

**Sutton Community Council Regular Monthly Meeting**  
**Wednesday, August 27, 2014, 7:00 pm @ Sutton Public Library**  
**Minutes**

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**CLERKS OFFICE**

1. **Community Council Members Present:** Mark Bertels, Roberta Mason, Claudia Dolfi, Jack Niggemyer, George Rauscher, Sandra Meyers
2. **Community Council Members Absent:** Sierra Alcantra-Hansen, James Tapley
3. **Guests Present:** Joshua Rockey, Jim Sykes, Larry Devilbiss, Michelle Johnson
4. **Establish Quorum:** Yes
5. **Call to Order:** 7:05 pm
6. **Pledge:** Led by Mark Clark
7. **Additions or Changes to Agenda:**
  - a. *Chickaloon Moose Creek Native Association* – Hunting permits and land use
  - b. *Little Granit Creek Road* – Mark Clark, Grant Creek Home Owners Association
8. **Guest/Presentations:**
  - a. *Jousha Rockey, Principal of Sutton*
    1. Test scores came in high
      - Hosted party for the students to celebrate
      - ASPI scores will be posted in the newspaper
    2. 46 students presently enrolled at this time
    3. New teacher has been hired for gym and music
      - Misty Circle was hired for as the 4/5 grade teacher
    4. Physical upgrades and work is being done to the school
    5. Bike path opening celebration held at Sutton Library.
    6. Changes coming to school that may be contentious at times
      - Capture the students hearts so that they can and want to learn
      - Allow students to make choices and if not the right choice then move on to the ramifications
        - This model will be used throughout the district
      - District adopted a new Go Math program
      - ALICE – Alert - Locate – Inform - Counter - Engage
        - This is the new security procedure that will be used to keep students and staff safe
  - b. *Mark Clark, Granit Creek Home Owners Association*
    1. Little Granit Creek Road Issues
      - Safety concerns with school buses stopping and turning around
      - Homeowners on the road can't afford to maintain the road
      - Requesting the section right off the Glenn highway be maintained by the MSB
      - History of the subdivision road development shows that the MSB dropped the ball
      - Road has been added to the Sutton CIP list
      - Road service areas don't have the funds to maintain the roads at the present level
  - c. *Michelle Johnson, Alaska Earth Sciences Riversdale Alaska Chickaloon Project*
    1. An update on Riversdale activity:
      - Storm Water Pollution Prevention Plan has been closed out with State of Alaska Department of Environmental Conservation concurrence.
      - State of Alaska Department of Natural Resources Exploration Permit application was withdrawn due to delays in processing unrelated to Riversdale application and no immediate activity on the ground planned. We will seek the input of any incoming partner on proposed program and associated permit application.

**Sutton Community Council Regular Monthly Meeting**  
**Wednesday, August 27, 2014, 7:00 pm @ Sutton Public Library**  
**Minutes**

- No near term on-the-ground exploration activity planned at this time.
- Riversdale is still in conversations with potential partners and is still very optimistic about the potential of the Chickaloon property.

If anyone has any other questions or would like to discuss anything further, please don't hesitate to call or email me.

*Michelle Johnson*, Projects Coordinator and Community Engagement  
Alaska Earth Sciences 11401 Olive Lane Anchorage, AK 99515  
907-522-4664 (office) 907-244-2617 (cell)

**9. Announcements:**

- a. All other announcements can be found on the website
- b. MSB Elections will be held at the Public Library Tuesday, October 7<sup>th</sup>
- c. Sutton Community Council Annual Meeting and Elections are Sunday, October 5, 4:00 - 6:00 pm
  1. Nominations are now open

**10. Correspondence:** at [http://suttoncommunitycouncil.org/?page\\_id=1629](http://suttoncommunitycouncil.org/?page_id=1629)

- a. Mail – see website
- b. Public and Board Correspondence – see website

**11. Borough and State Reports:**

- a. *Jim Sykes, MSB District 1 Representative*
  1. Old Library now the EMT office/training center is in the process of a makeover
  2. MSB RFP for Flood Mediation is now out
  3. Bike Path opening celebration held at the library/school
  4. Assembly meetings will focus on the Governor budget and then MSB capital projects
    - Grants are being submitted to help with erosion and flooding
    - MSB working on Federal buy-outs of at risk property located in flood planes
    - MSB Ferry payment due and extension requested

**12. Officer Reports:**

- a. **Chair** – Mark had no update at this time
- b. **Secretary** – Waiting on Treasurer's report for the month of May to add to minutes. June and July are ready for approval and signature
- c. **Treasurer** – at [http://suttoncommunitycouncil.org/?page\\_id=1629](http://suttoncommunitycouncil.org/?page_id=1629)  
On hand 8/27/14 Jim was not present to give report
  1. Checking - \$443.785
  2. Savings - \$25.23
  3. Money Market - \$5,544.41
  4. 2010 Revenue Sharing - \$222.57
  5. 2011 Revenue Sharing - \$791.72
  6. 2012 Revenue Sharing - \$3,525.90

**13. Committee Reports:**

- a. *Comp Plan Review* - Mark Bertels
  1. Mark had no committee update at this time
- b. *501c (3) Committee* - Jim Tapley
  1. Jim was not present to give update

**Sutton Community Council Regular Monthly Meeting**  
**Wednesday, August 27, 2014, 7:00 pm @ Sutton Public Library**  
**Minutes**

**14. Old Business:**

- a. Nominations Open for SCC Annual October Election
- b. Welcome to Sutton Sign will be installed this weekend

**15. General Orders:** None at this time

**16. New Business:**

- a. *Nominations for SCC Annual Meeting/Elections from the floor*
  - 1. Claudia Dolfi nominates George Rauscher
  - 2. George Rauscher nominates Claudia Dolfi
  - 3. Roberta Mason nominates Jack Niggemyer
  - 4. Jack Niggemyer nominates Roberta Mason

**17. Restate motions and voting results:** No motions or vote to restate

**18. Meeting Adjourned** – Jack motions to adjourn the meeting, Claudia seconded, meeting adjourned at 9:10 pm

*Mark Butts*

\_\_\_\_\_  
President's Signature

*9-24-14*

\_\_\_\_\_  
Date

*Claudia Dolfi*

\_\_\_\_\_  
Secretary's Signature

*9-24-14*

\_\_\_\_\_  
Date

**Sutton Community Council Regular Monthly Meeting**  
**Wednesday, September 25, 2014, 7:00 pm @ Sutton Public Library**  
**Minutes**

**Board Members Present:** Mark Bertels, Roberta Mason, Claudia Dolfi, James Tapley, Sandra Myers, George Rauscher  
**Board Members Absent:** Sierra Alcantra  
**Community Members Present:** Jim Sykes, Gwen Black, Nancy Bertels, Tom Brauny, Pamala Goode, James Squares, Mike Dunleavy

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1. **Establish Quorum:** Yes
2. **Call to Order:** 7:18 pm
3. **Pledge:** Led by Gwen Black
4. **Additions or Changes to Agenda:**
5. **Guests/Public Comment**
  - a. *Pam Goode, Candidate Constitutional Party*
    1. Running in House District 9
    2. Strong supporter of Resources Development
    3. How do you feel about Common Core?
      - Common Core is here in Alaska and it is not good for our students
  - b. *Mike Dunleavy, Candidate for Senate*
    1. Common Core is to dedicated to standardizing all student testing
    2. From the moment your child enters into public school they will be tracked and all data will be gathered and shared
    3. This has concerned many parents
    4. Legislation is being introduced to protect you and your children's information
6. **Presentations:**
  1. None at this time
7. **Announcements:**
  - a. *Nancy Bertels, Librarian*
    - 1.
8. **Correspondence:** can be read at [http://suttoncommunitycouncil.org/?page\\_id=1629](http://suttoncommunitycouncil.org/?page_id=1629)
  - a. Mail -
  - b. Public and Board Correspondence -
9. **Borough and State Reports:**
  - a. *Jim Sykes – MSB Representative*
    1. There is a new bus stop in front of the library
    2. Remodel of the old fire hall to be used as at EMT training center is coming along nicely
    3. RFP has gone out for the required river dikes at mile 65
    4. Comment period is still open on the project
    5. Sign removed on Little Creek Road but will be replaced as soon as the name is corrected
    6. Highway can be protected at any time it is at risk
    7. DOT is working on a plan to protect roads and Highways before risk
    8. Mike Dunleavy is working with the agencies to try to secure funding
    9. Road way preventative work to keep to from losing the highway
    10. Two resolution on the ballot
      - a. Increase in the property tax exemption to \$170,000
      - b. Marijuana decriminalization

Sutton Community Council  
Regular Meeting

**Sutton Community Council Regular Monthly Meeting**  
*Wednesday, September 25, 2014, 7:00 pm @ Sutton Public Library*

**Minutes**

**10. Officer Reports:**

- a. **Chair - Mark Bertels**
  - 1. Sutton Community Council elections will be Sunday, October 5, 2014
  - 2. Nominations for council members are now open
- b. **Secretary - Claudia Dolfi**
  - 1. August minutes are ready for approval.
  - 2. Roberta moves to approve the minutes, Jack seconded. Motion passes
- c. **Treasurer - at [http://suttoncommunitycouncil.org/?page\\_id=1629](http://suttoncommunitycouncil.org/?page_id=1629)**
  - On hand 9/25/14
  - 1. Checking - \$447.02
  - 2. Savings - \$25.24
  - 3. Money Market - \$5,317.16
  - 4. 2010 Revenue Sharing - \$222.57
  - 5. 2011 Revenue Sharing - \$572.82
  - 6. 2012 Revenue Sharing - \$3,525.90

George moves that if the welcome to Sutton signs are not up in 2 week we ask for the money back. Sandra seconded. This motion will be put on the October agenda

**11. Committee Reports:**

- a. **Comp Plan Review - Mark Bertels**
  - 1. Mark has no scheduled meeting at this time
- b. **501c (3) Committee - Jim Tapley**
  - 1. Jim has not received any information from IRS on our application

**12. Old Business:**

- a. Nominations Open for SCC October Election
  - 1. Mark asked that Marla Mayson and Davida Carroll or Shirley Novak be the election officials
  - 2. Roberta will contact them to see if they will be the election officials

**13. General Orders:**

- a. None at this time

**14. New Business:**

- a. Roberta has received a request to change our bylaws so people don't walking in and nominating from the floor the day of the election. It is important that the community members have a chance to get to know the candidates before the election. Roberta will propose a new bylaw rewrite and present it to the council at the next meeting

**15. Restate motions and voting results:**

- a. None at this time

**16. Meeting Adjourned: 8:45 pm**

Mark Bertels 2/25/15

President's Signature    Date

Claudia Dolfi 2-25-15

Secretary's Signature    Date

Sutton Community Council  
Regular Meeting

**Sutton Community Council Regular Monthly Meeting**  
**Wednesday, October 29, 2014, 7:00 pm @ Sutton Public Library**  
**Minutes**

**Council Members Present:** Mark Bertels, Robert Mason, George Rauscher, Claudia Dolfi, Sandra Myers, Jim Tapley

**Council Members Absent:** Sierra Alcantra- Hansen, Jack Niggemyer

**Community Members Present:** Jim Sykes, Gretchen O'Barr, Cara brown, Joshua Rockey, Gary Hansen, Melody Jordon, Cherie Varah, Jim Psenak, Vicki Kindseth, Roxanne Dolfi, Gary Hay, Lisa Wade, Dier Mauhl, Nancy Bertels, Mike Carney, Barb Leppanen, Laura Carney, and Marla Mason

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1. **Establish Quorum:** Yes
2. **Call to Order:** 7:09 pm
3. **Pledge:** Led by Joshua Rockey, Principal of Sutton Elementary
4. **Additions or Changes to Agenda:**
  - a. **Mark proposed additions to the agenda**
    - a. Chair Report regarding the new clinic to be built in the Sutton.
    - b. Letter from Southcentral regarding the proposed clinic to be built in Sutton
5. **Guests:**
  - a. **Joshua Rockey, Principal of Sutton Elementary**
    1. Test scores are in and available on the Sutton Elementary School Website
    2. CCS is now located at Sutton Elementary School
    3. See attached October Sutton Elementary Newsletter
  - b. **Gary Hay, Executive Director of Chickaloon Village Traditional Council**
    1. Attended meeting to address concerns about the proposed health clinic and wellness center in Sutton
    2. Happy to answer any questions the Council or community might have regarding this clinic
  - c. **Lisa Wade, Health and Social Services Director, CVTC**
    1. Attended to answer questions and introduce staff from the clinic
    2. Time for community question and answers
      - o **Where is the funding coming from?** – South Central Foundation
      - o **Who will support this clinic in the future?** – Medicare, Medicaid, Indian health Services and private insurance
      - o **Who can go to the clinic?** - Clinic is open to everyone
      - o **Are tax payer dollars used to support this clinic?** - No
6. **Presentations:**
  - a. *None at this time*
7. **Announcements:**
  - a. **Nancy Bertels, Librarian, Sutton Public Library**
    1. *Thank you letter from the 2014 Sutton Library Teen Arts and Wellness Program*
    2. *Better Choices, Better Health, Living Well Alaska*
    3. *Creative Forces hosted by the Valley Arts Alliance*
8. **Correspondence:**
  - a. Mail – See correspondence at <http://www.suttoncommunitycouncil.org>
  - b. Public and Board Correspondence
9. **Borough and State Reports:**
  - a. **Jim Sykes, District 1 Representative for MSB**
    1. RFP River Mitigation information is out and available
    2. Nothing decisions have been decided at this time
    3. Contractor and Engineers are encouraged to submit ideas and plans

**10. Officer Reports:**

- a. **Chair** - Mark Bertels – See attached letter to and from South Central
  - 1. Mark has been in touch with the South Central Foundation, and the Mat Su Borough about the proposed Clinic to be located on Chickaloon Village Traditional Council land at mile 59.8 of the Glenn Hwy.
  - 2. Letter was written on October 20, 2014 to Mat Su Borough Assembly regarding the Resolution Serial No. 14-099 approving \$9,500,000 worth of bonds for a “Primary Care and Wellness Facility in Sutton.
  - 3. Concerns that if Providence Medical is closing their Valley Clinic the end of December how could a clinic in Sutton survive
- b. **Secretary** – Minutes from October General Membership meeting are ready for signature
  - 1. Roberta motions to accept the minutes as written. Motion passes unanimously.
- c. **Treasurer** –  
On hand 10/29/14
  - 1. Checking - \$447.02
  - 2. Savings - \$25.24
  - 3. Money Market - \$5,317.16
  - 4. 2010 Revenue Sharing - \$222.57
  - 5. 2011 Revenue Sharing - \$572.82
  - 6. 2012 Revenue Sharing – \$3525.90

**11. Committee Reports:**

- a. **Comp Plan Review** - Mark Bertels
- b. **501c (3) Committee** - Jim Tapley
- c. **Bylaws Committee** – Roberta Mason
  - 1. See General Orders below

**12. Old Business:**

- a. **Welcome to Sutton Signs**
  - 1. The signs have not been picked up or delivered to the council at this time

**13. General Orders:**

- a. *Roberta request a change to our bylaws so people aren't walking in and nominating from the floor the day of the election. Roberta will propose the new bylaw rewrite and contact the bylaws committee. The rewrite will be posted to the SCC website for 30 days and open for public comment.*
- b. *Roberta moves to make the changes to the Bylaw as posted on the webiste*
- c. *George moves that if the welcome to Sutton signs are not up in two weeks we ask for the money back. Sandra seconded. Motion passes unanimously.*

**14. New Business:**

- a. **Request for letter of Support for the Mat-Su Trails Council regarding Eska Falls Trail**
  - 1. Mat-Su Trails is requesting letter of support for Phase 2 of the Eska West ATV Trail
  - 2. Concerns about being able to contain 4-wheelers in the higher up Alpine area.
  - 3. *Mark moves to write a letter of support for the Mat-Su Trails Council. George seconded. Motion to be voted on at this time because of November 10, 2014 deadline. Motion passes unanimously.*

**15. Restate motions and voting results**

**16. Meeting Adjourned: 9:20**

Mark Bertels 2/25/15

President's Signature    Date

Claudia Koeji 2-25-15

Secretary's Signature    Date

**Sutton Community Council Regular Monthly Meeting**  
**Wednesday, November 19, 2014, 7:00 pm @ Sutton Public Library**  
**Minutes**

**Council Members Present:** Mark Bertels, Roberta Mason, Claudia Dolfi, James Tapley, George Rauscher, Sandra Myers

**Council Members Absent:** Jack Niggemyer

**Community Members Present:** Lorali Simon, Jim Psenak, Nancy Bertels, Gary Hay, and Gerhard Jakiti Jr.

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- a. **Establish Quorum:** Yes
- b. **Call to Order:** 7:02
- c. **Pledge:** Led by Sierra Alcantra
- d. **Additions or Changes to Agenda:**
  - a. *No additions or changes at this time*
- e. **Guests:**
  - a. **Lorali Simon of Usibelli Coal Mine – Update on Wishbone Hill project**
    - 1. See attached update
  - b. **Allison Biastock of Dot – Update on Glenn Hwy project mile 53 – 56 Moose Creek Bridge project**
    - 1. Allison was unable to attend. DOT staff presented. See attached handouts
  - c. **Gary Hay – Executive Director of Chickaloon Village Tradition Council**
    - 1. RFP for Community Health Clinic has gone out.
    - 2. The clinic will be 8,000 square feet
    - 3. 35% drawings are available at the Chickaloon Village Traditional Council office
    - 4. A drawing of the health clinic will be emailed to the SCC so that we can post it on the website.
    - 5. The SCC was invited to attend the Chickaloon Village Traditional Council meeting
- f. **Presentations:**
  - a. *DOT staff presented the Glenn Hwy Mile 53-56 Moose Creek Bridge*
  - b. *See attached handouts*
- g. **Announcements:**
  - a. **Sutton Library- Nancy Bertels**
    - 1. Veterans Administration will be at the library November 18<sup>th</sup> at 1:00 pm
- h. **Correspondence:** All correspondence can be found at <http://www.suttoncommunitycouncil.org/>
  - a. Mail –
  - b. Email – **Lorali Simo, Vice President of External Affairs**
    - 1. Update on the Wishbone Hill Project – see attached letter
  - c. Public and Board Correspondence –
    - 1. None at this time
- i. **Borough and State Reports:**
  - a. **Jim Sykes – MSB Assembly District 1 Representative** – Jim did not attend the meeting
  - b. **George Rauscher – RSA Representative** – *Update river dikes along the Matanuska River*
    - 1. *There is \$550,000 worth of funding for the project in this area*
    - 2. *The project is in limbo right now*
    - 3. *A letter from the Community Council in support of the Sutton project might help keep the funding from being moved to the project in Talkeetna*
- j. **Officer Reports:**
  - a. **Chair** – Mark
    - 1. Letter written in support to the Mat Su ATV Trail Committee
  - b. **Secretary** – Roberta moves to accept the October Minutes as written. Minutes are approved

**Sutton Community Council Regular Monthly Meeting**  
**Wednesday, November 19, 2014, 7:00 pm @ Sutton Public Library**  
**Minutes**

- c. **Treasurer** – Jim asks to move \$25 dollars from the parenting classes to the Sutton Public Library. There was a consensus from the board to move the money. The board by consensus will have Mark write a letter to Jack Niggemyer requesting the return of the funding for the Welcome to Sutton or have the signs delivered to the Council

On hand 11/19/14

1. Checking - \$447.02
2. Savings - \$25.24
3. Money Market - \$5,317.16
4. 2010 Revenue Sharing - \$222.57
5. 2011 Revenue Sharing - \$572.82
6. 2012 Revenue Sharing - \$3,452.04

k. **Committee Reports:**

- a. **Comp Plan Review** - Mark Bertels
  1. *No scheduled meeting at this time*
- b. **501c (3) Committee** - Jim Tapley
  1. *No update from IRS on the Council's application*
- c. **Bylaws Committee** – Roberta Mason
  1. *See general order below*

l. **Old Business:**

- a. *Mark has written and emailed the letter of support for the Mat-Su Trails Council regarding Eska Falls Trail*
- b. *Roberta gave an update on the Veteran's Day Dinner. There was a large turnout and everyone had a great time. Plenty of food and good friends*

m. **General Orders:**

- a. *SCC received a request for an election bylaw change. This was posted for 30 days on the council website. No comments were received. Robert moves to make the following change to the bylaws. Claudia seconded motion passes unanimously.*

*Current Bylaws state:*

**Section 6.02 Election of Directors shall be held at Annual Meeting**

1. Appoint Election Clerk in August,
2. Clerk will name two (2) helpers.
3. Candidates may register any time prior to the annual meeting at Sutton Community Council website.
4. Candidates who register by August 31 will have their names printed on ballot.
5. Nominations will be open from the floor at the annual meeting.
6. In order to vote for Directors, General Members must be qualified to register to vote in Matanuska Susitna Borough.
7. General Members may vote by mail for Directors.

*Suggested change to bylaw being voted on is:*

Replace 3, 4, and 5 with:

1. Candidates for Board of Directors must register by submitting a request to be included on the ballot.
2. The request must include a biography and a statement explaining what you hope to accomplish as a Director if elected.
3. The request must be received 16 days before the annual meeting which is two days before absentee ballots are distributed,

**Sutton Community Council Regular Monthly Meeting**  
*Wednesday, November 19, 2014, 7:00 pm @ Sutton Public Library*  
**Minutes**

- n. **New Business:**
  - a. *No new business at this time*
- o. **Restate motions and voting results**
- p. **Meeting Adjourned: 9:00 pm**

Mark Butts 2/25/15

President's Signature

Date

Claudia Lopez 2-25-15

Secretary's Signature

Date

**Sutton Community Council Regular Monthly Meeting**  
**Wednesday, December 17, 2014, 7:00 pm @ Sutton Public Library**  
**Minutes**

**Council Members Present:** Mark Bertels, Roberta Mason, Jim Tapley, Sandra Myers, George Rauscher, Jack Niggemyer

**Council Members Absent:** Sierra Alcantra,

**Community Members Present:** Gary Hay, Liz Allard, George Pietnikoff

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1. **Establish Quorum:** Yes
2. **Call to Order:** 7:10 pm
3. **Pledge:** Led by Jim Tapley
4. **Additions or Changes to Agenda:**
  - a. Addition - Revenue Sharing funds for the "Welcome to Sutton" signs
5. **Guests:**
  - a. *Gary Hay, Executive Director of Chickaloon Village Traditional Council*
    1. RFP for the clinic went out the end of October
    2. After the review of all nine of the bids the contract was awarded to F&E contractors.
    3. An open house will be scheduled after the first of the year to take public comment and showcase the drawing design.
    4. Press announcement will come out in the Frontiersman soon
  - b. *Joshua Rockey, Principal at Sutton Elementary*
    1. Joshua was unable to attend
    2. See attached written a report
6. **Presentations:**
  - a. *None at this time*
7. **Announcements:**
8. **Correspondence:**
  - a. Mail – *is posted at <http://suttoncommunitycouncil.org>*
  - b. Public and Board Correspondence
    1. Received 2013 & 2014 revenue sharing money
9. **Borough and State Reports:**
  - a. *Jim Sykes – MSB Assembly District 1 Representative*
    1. George Rauscher was re-elected to RSA Board
    2. \$267,000 for Building upgrade for the old Sutton Library as the new EMT training facility
    3. River Erosion Dikes project is still being discussed. Mark questioning is Sutton at risk of losing the original funding for the dikes
10. **Officer Reports:**
  - a. **Chair – Mark Bertels**
    1. Mark gave an update on the revenue sharing funding for 2013 & 2014
    2. Mark attended the Chickaloon Village Traditional Council Board meeting in November
    3. Joshua Rockey, Principal of Sutton Elementary sent a complete update on events at School
  - b. **Secretary – Claudia Dolfi**
    1. November minutes are ready for approval. I move to approve the minutes as written. Motion passes.

**Sutton Community Council Regular Monthly Meeting**  
**Wednesday, December 17, 2014, 7:00 pm @ Sutton Public Library**  
**Minutes**

**c. Treasurer – Jim Tapley**

1. SCC has received 2013 & 2014 revenue sharing money
  - o Money has been deposited
- On hand 12/17/14
2. Checking - \$375.14
3. Savings - \$25.24
4. Money Market - \$5317.16
5. 2010 Revenue Sharing - \$00.00
6. 2011 Revenue Sharing - \$222.57
7. 2012 Revenue Sharing - \$3454.02
8. 2013 Revenue Sharing - \$24,600.00
9. 2014 Revenue Sharing - \$20,200.00

**11. Committee Reports:**

- a. Comp Plan Review - Mark Bertels**
  1. No meeting scheduled at this time
- b. 501c (3) Committee - Jim Tapley**
  1. No update from IRS on our application
- c. Bylaws Committee – Roberta Mason**
  1. No bylaw changes or meeting scheduled at this time
- d. RSA Committee – George Rauscher**
  1. George was re-elected as the representative for our RSA area
  2. Effective January 1, 2015 the one time registration of vehicles will cost each of the RSA, libraries, and fire/EMT some money

**12. Old Business:**

- a. Revenue Sharing**
  1. George wants to have the Welcome to Sutton signs done and delivered
  2. Jack will travel to Anchorage to pick up the signs
  3. The signs will be delivered to George so that the signs can be stored until they can be installed in the spring at the chosen locations on either end of town

**13. General Orders: - none at this time**

**14. New Business:**

Jim Sykes texted George during the meeting to let us know the roads list was voted and will be sent to the State of Alaska.

**15. Restate motions and voting results**

**16. Meeting Adjourned – 9:05 pm**

Mark Bertels 2/25/15

President's Signature

Date

Claudia Rauscher 2-25-15

Secretary's Signature

Date

**SUBJECT:** Administrative report relating to the creation of and improvements to Portion of North Suzanna St. Natural Gas Local Improvement District No. 537; and consideration of said creation.

**AGENDA OF:** February 3, 2015

**ASSEMBLY ACTION:**

**MANAGER RECOMMENDATION:** Introduce and set for public hearing on March 17, 2015.

**APPROVED BY JOHN M. MOOSEY, BOROUGH MANAGER:**

Route To:	Department/Individual	Initials	Remarks
	Originator/Marcia vonEhr	ME	1-15-2015
1	Finance Director	JCC	1/20/15
2	Borough Attorney (Also reviewed by Bond Counsel)	AB	
3	Borough Clerk	JMM	1/20/15

**ATTACHMENT (S):** Ordinance Serial No. 15-020 (5 pp)  
 Exhibit A (4 pp)  
 Map (1 p)  
 Ballot Tally (1 p)  
 Fiscal Note: Yes \_\_\_\_\_ No X

**SUMMARY STATEMENT:**

A petition has been filed by the record owners of 87 percent in value of the property and signatures of 66 percent of property owners within the proposed Portion of North Suzanna St. Natural Gas Local Improvement District. The petition has been certified by the borough clerk. The proposed Portion of North Suzanna St. Natural Gas Local Improvement District is located in Assembly District #7.

As addressed in Section 8 of the manager's administrative report, (listed below) there are 0 properties that do not conform to MSB 3.28.080(B).

**MANAGER'S ADMINISTRATIVE REPORT**

(MSB 3.28.040)

1. Description of properties to be benefited by the improvement:  
SEE ORDINANCE SERIAL NO. 15-020

2. Evaluation of need and benefit of improvement and proposed allocation of special assessments:

The installation of natural gas distribution lines makes available to the property owners within the natural gas improvement district a clean energy source that is substantially lower in cost than any other source available. Properties, including vacant properties, served by natural gas have a tendency to sell more rapidly when placed on the market than similar properties in areas not served by natural gas. It is believed that the benefits will accrue about equally to each property in the improvement district. Therefore, it is proposed that the entire cost of the improvement to be allocated equally to each property within the district, without regard to the front footage, the size of the property, the value of the property or other measures.

3. Estimated total cost of improvement:

The estimated cost of the installation by ENSTAR is \$63,394.00 if done during the 2015 construction season. It is estimated that administrative costs will amount to approximately \$3,397.00 and the delinquency reserve will be \$3,550.00. The estimated total cost of the improvement as of this date is \$70,341.00. It is recommended that the project be financed by a special assessment bond or bank loan, which will be reimbursed from the special assessments on the properties to be benefited. It is anticipated that interest on the loan will be recovered through the interest that will be paid on special assessment installments.

4. Current mill rate: The Fiscal Year 2015 mill rate for the improvement district is 15.442 mills consisting of 9.662 mills (areawide) plus .520 mills (non-areawide) plus 1.78 mills (FSA# 136) plus 3.48 mills (RSA#27).

Taxable Property Values:	Real Property:	<u>\$1,243,000.00</u>
	Personal Property:	<u>0</u>
	Total:	<u>\$1,243,000.00</u>

5. Ownership of distribution lines: Enstar Natural Gas Co. is a division of Semco Energy Inc. It will own and be wholly responsible for the service and maintenance of the natural gas lines.

6. Profile of proposed properties in local improvement district:

	Total Number of Lots:	<u>9</u>
Ownership type of properties:	Private:	<u>9</u>
	Bank:	<u>0</u>
	Public:	<u>0</u>
	MSB:	<u>0</u>
"Tax" status of properties:	Number Current:	<u>7</u>
	Number Delinquent:	<u>2</u>
	Number in Foreclosure:	<u>0</u>
	Number in Bankruptcy:	<u>0</u>
	Population Estimate:	<u>13</u>
	Estimated Area (Acres):	<u>49.11</u>

\* This estimate is based on information collected during the 2010 census and current assessment records.

7. Other special assessments effecting this local improvement district: NONE.

8. Properties not conforming to MSB 3.28.080(B) "...An assessment may not exceed 25 percent of the assessed value for real property taxation of the property assessed": 0

9. Method of collecting assessments: Semi-annual due dates will be established, with billings sent to each property owner 30-45 days before each due date. Delinquent accounts will be acted upon in the same manner as delinquent tax accounts, including annual foreclosure action.

**IMPROVEMENT PLAN (MSB 3.28.050B)**

The improvement is the installation of approximately 2,810 linear feet of natural gas distribution lines by ENSTAR to serve and benefit 9 properties within the Portion of North Suzanna St. Natural Gas Local Improvement District as described in Ordinance Serial No. 15-020. The current ENSTAR tariff sets the cost of gas lines at \$22.56 per foot for a total cost of \$63,394.00.

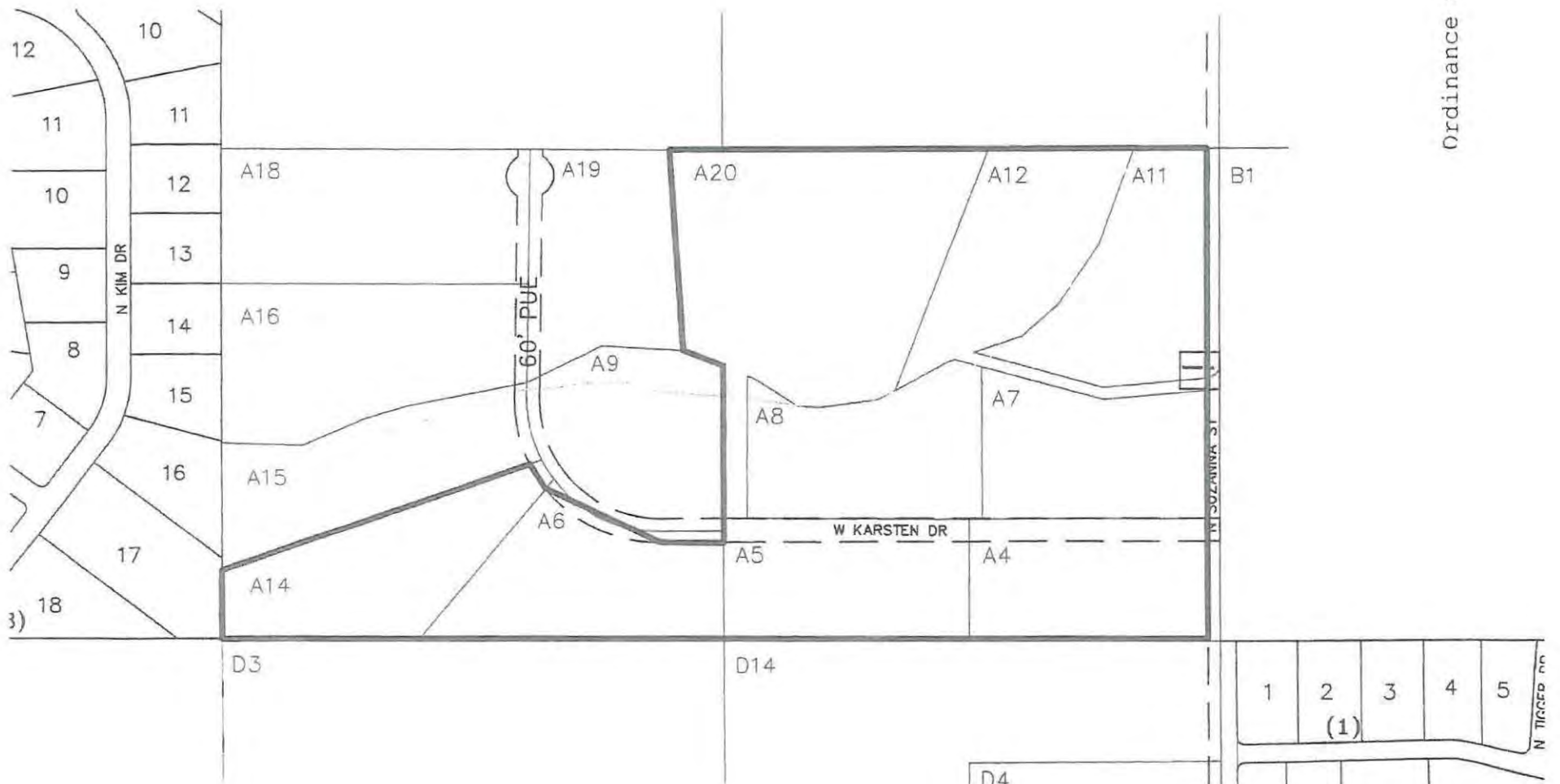
The improvement funding will be obtained by selling a special assessment bond to a bank. Only the proceeds of the special assessments and interest will be pledged as security for payment. The special assessments may be paid by the property owners in semi-annual installments over a ten-year period.

ENSTAR will engineer, own, install, and maintain the line under an agreement with the borough.

The estimated total cost is \$70,341.00. The estimated cost elements are installation costs of \$63,394.00, delinquency reserve of \$3,550.00, and administrative costs of \$3,397.00.

The estimated total cost is to be equally assessed against the properties within the improvement district, including those properties not meeting to MSB 3.28.080(B) criteria.

The estimated special assessment against the 9 lots is \$7,815.67 per lot.



IM No. 15-030  
 Ordinance Serial No. 15-020

# BALLOT TALLY

LID NUMBER	537
LOCAL IMPROVEMENT NAME	Portion of North Suzanna St.
LOAN AMOUNT	71,000.00
CONSTRUCTION COSTS	63,394.00
NUMBER OF LOTS	9
PER LOT COST (FULL AMOUNT)	7,815.67
ESTIMATED SEMI-ANNUAL PAYMENT	390.78
REFUNDABLE OR CONTRIBUTION IN AID	CIA

NUMBER OF BALLOTS MAILED	<u>9</u>	
NUMBER AND PERCENTAGE OF BALLOTS RETURNED MARKED "YES"	<u>3</u>	<u>(33%)</u>
NUMBER OF BALLOTS RETURNED MARKED "NO"	<u>2</u>	(22%)
NUMBER OF BALLOTS RETURNED UNMARKED, INCORRECT PAPERWORK AND/OR SIGNATURE OR NOT RETURNED	<u>4</u>	(45%)
TOTAL NUMBER AND PERCENTAGE OF BALLOTS RETURNED MARKED "NO", UNMARKED OR NOT RETURNED	<u>6</u>	<u>(67%)</u>

NUMBER OF BOROUGH OWNED LOTS	<u>0</u>	
NUMBER OF STATE OWNED LOTS	<u>0</u>	
NUMBER OF LOTS LESS THAN 4X1	<u>0</u>	
LETTERS NOT RECEIVED	<u>1</u>	(0 unclaimed)

COMMENTS:

As provided in MSB 3.28.062(B), the assembly may not proceed with the improvement unless ballots approving the local improvement district are timely filed by owners of property bearing more than one-half of the estimated cost of the improvement.

Administration recommends denial of Ordinance Serial No. 15-020.

Im 15-030

Non-Code Ordinance

By: Borough Manager  
Introduced:  
Public Hearing:  
Action:

**MATANUSKA-SUSITNA BOROUGH  
ORDINANCE SERIAL NO. 15-020**

AN ORDINANCE OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY CREATING PORTION OF NORTH SUZANNA ST NATURAL GAS LOCAL IMPROVEMENT DISTRICT NO. 537, APPROVING THE IMPROVEMENT PLAN FOR THE DISTRICT, AUTHORIZING THE MANAGER TO PROCEED WITH THE IMPROVEMENT, AND ASSESSING EQUALLY AMONG THE PROPERTIES WITHIN THE DISTRICT THE COSTS OF THE IMPROVEMENT.

---

WHEREAS, a petition has been filed by the owners of at least one-half in value of the property within Portion of North Suzanna St. Natural Gas Local Improvement District for the installation of natural gas distribution lines; and

WHEREAS, the borough clerk has certified the petition; and

WHEREAS, the manager's administrative report, including the improvement plan is incorporated in IM No. 15-030; and

WHEREAS, notice of the public hearing was published for two consecutive weeks in a newspaper of general circulation distributed within the borough; and

WHEREAS, notice was mailed CERTIFIED RETURN RECEIPT REQUESTED to each record owner of property within the local improvement district; and

WHEREAS, a public hearing on the creation of the local improvement district and the improvement plan has been held; and

WHEREAS, ballots approving or disapproving the local improvement district were permitted to be filed in writing for 30 calendar days after mailing of notice of the public hearing; and

WHEREAS, ballots marked "yes" from owners of property bearing more than one-half of the estimated cost of the improvements were received; and

WHEREAS, the proposed improvement is not a power exercised through a service area and there is not a board of supervisors.

BE IT ENACTED:

Section 1. This is a non-code ordinance.

Section 2. The Portion of North Suzanna St. Natural Gas Local Improvement Plan will increase safety, improve health, increase property values, is necessary, is in the public interest and the improvement should be made.

Section 3. The petition has sufficient and proper petitioners.

Section 4. Ballots approving the local improvement district were filed timely by the record owners of property within the natural gas local improvement district bearing more than one-half of the estimated cost of the improvement and the Assembly can proceed with the improvement.

Section 5. Notwithstanding MSB 3.28.080(B) there are no

properties that do not conform that will be assessed for the improvement.

Section 6. There is hereby created the Portion of North Suzanna St. Natural Gas Local Improvement District No. 537 as described in the attached legal description marked Exhibit A.

Section 7. The manager is hereby authorized to proceed with the improvement, negotiate for sale of a special assessment bond or similar loan for assembly approval, and such other necessary and proper work as appropriate to accomplish the purpose of the improvement plan upon financing approval by the assembly.

Section 8. Upon completion of the work the total cost of the improvement shall be assessed equally against each property within the natural gas local improvement district. The finance director shall prepare a special assessment roll assessing to each property within the natural gas local improvement district an amount equal to the actual total improvement cost divided by the number of properties within the local improvement district. The proposed special assessment roll shall be prepared and presented in accordance with the provisions of the Matanuska-Susitna Borough Code in effect at the time the special assessment roll is prepared.

Section 9. The special assessments against the properties

described in Section 6 above are liens upon the property and are prior and paramount to all liens except municipal tax liens and may be enforced as provided for the enforcement of real property tax liens.

Section 10. Special assessments may be paid in 20 semi-annual installments with due dates established by the assembly upon approval of the natural gas local improvement district special assessment roll, provided, the assembly may authorize payment terms greater than or less than a ten-year period of time. If no time for payment is established, semi-annual installments are due and payable when property taxes are due and payable. Special assessment installments not paid when due shall have a penalty added equal to the penalty for delinquent second-half real property taxes in effect at the time of the special assessment installment delinquency. Upon full payment of the special assessment, the manager shall issue a release of the lien to the record owner of the property.

Section 11. Notwithstanding the approval of the natural gas local improvement district based upon the financing of the cost through the sale of a special assessment bond or loan, if the assembly determines that the sale of a special assessment bond or loan is not feasible or is not available, the assembly may provide

for other means of financing the project cost at its sole discretion.

Section 12. Ordinance Serial Number 15-020 shall take effect upon adoption by the Matanuska-Susitna Borough Assembly.

ADOPTED by the Matanuska-Susitna Borough Assembly this - day of -, 2015.

LARRY DEVILBISS, Borough Mayor

ATTEST:

LONNIE R. McKECHNIE, CMC, Borough Clerk

(SEAL)

LEGAL DESCRIPTION FOR  
PORTION OF NORTH SUZANNA ST #537

**17N02W02A004**

This property lies within the S 1/2 NE 1/4, Section 2, T17N, R2W, Seward Meridian, Alaska.

Beginning at the 1/4 corner common to sections 1 and 2, point of beginning; Thence proceed S 89 51'45"W, 660.00' to a point; Thence proceed N 00 09'54"W, 329.75' to a point; Thence proceed N 89 50'27"E, 660.00' to a point on the section line common to sections 1 and 2; Thence proceed S 00 09'54"E, 330.00 along said section line to the point of beginning; and

**17N02W02A005**

This property lies within the S 1/2 NE 1/4, Section 2, T17N, R2W, Seward Meridian, Alaska.

Beginning at the 1/4 corner common to sections 1 and 2, proceed S 89 51'45"W, 660.00' to the point of beginning; Thence proceed S 89 51'45"W, 660.00' to a point; Thence proceed N 00 09'54"W, 329.50' to a point; Thence proceed N 89 50'27"E, 660.00' to a point; Thence proceed S 00 09'54"E, 330.00 to the point of beginning; and

**17N02W02A006**

This property lies within the S 1/2 NE 1/4, Section 2, T17N, R2W, Seward Meridian, Alaska.

Beginning at the 1/4 corner common to sections 1 and 2, proceed S 89 51'45"W, 1320.00' to the point of beginning; Thence proceed S 89 51'45"W, 804.60' to a point; Thence proceed N 39 22'19"E, 562.83' to a point; Thence proceed along a curve to the left of radius 350.00', whose delta angle is 52 04'45" an arc distance of 318.13' to a point of tangency; Thence proceed N 89 50'27"E, 170.23' to a point; Thence proceed S 00 09'54"E, 299.50 to the point of beginning; and

**17N02W02A007**

This property lies within the S 1/2 NE 1/4, Section 2, T17N, R2W, Seward Meridian, Alaska.

Beginning at the 1/4 corner common to sections 1 and 2, proceed N 0°09'54"W, 330.00' to the point of beginning; Thence proceed S 89°50'27"W, 627.10' to a point; Thence proceed N 00°09'54"W, 406.40' to a point; Thence proceed S 75°00'00"E, 335.52' to a point; Thence proceed N 84°21'12"E, 304.66' to a point on the N-S section line of sections 1 and 2; Thence proceed S 00°09'54"E, 347.80' along said section line to the point of beginning; and

**17N02W02A008**

This property lies within the S 1/2 NE 1/4, Section 2, T17N, R2W, Seward Meridian, Alaska.

Beginning at the 1/4 corner common to sections 1 and 2, proceed N 00°09'54"W, 330.00' to a point; Thence proceed S 89°50'27"W, 627.10' to the point of beginning; Thence proceed S 89°50'27"W, 627.90' to a point; Thence proceed N 00°09'54"W, 383.47' to the centerline of an unnamed creek; Thence proceed along said centerline S 66°53'17"E, 27.63' to a point; Thence proceed along said centerline S 57°31'44"E, 130.38' to a point; Thence proceed along said centerline S 87°05'21"E, 59.08' to a point; Thence proceed along said centerline N 82°04'57"E, 152.45' to a point; Thence proceed along said centerline N 62°29'17"E, 216.48' to a point; Thence proceed along said centerline N 70°35'57"E, 20.10' to a point; Thence proceed S 75°00'00"E, 73.97' to a point; Thence proceed S 00°09'54"E, 406.40' to the point of beginning; and

**17N02W02A011**

Commencing at the 1/4 corner common to sections 1 and 2, T17N, R2W, Seward Meridian, Alaska; Proceed N 00°09'54"W, 737.80' to the point of beginning; Thence proceed southwesterly along a curve to the right of radius 30.00 feet, whose delta angle is 84°31'06", an arc distance of 40.35 feet to the point of tangency; Thence proceed S 84°21'12"W, 277.40 feet to a point; Thence proceed N 75°00'00"W, approximately 354.91 feet to the centerline of an unnamed creek; Thence proceed along said centerline N 70°31'20"E, 134.08 feet; Thence proceed along said centerline N 48°10'48"E, 127.48 feet; Thence proceed along said centerline N 33°31'39"E, 195.53 feet; Thence proceed partially along said centerline N 19°13'05"E, 269.87 feet to a point on the E-W 1/16<sup>th</sup> section line of section 2; Thence proceed N 89°52'40"E, 226.00 feet along said 1/16<sup>th</sup> line

to the N 1/16<sup>th</sup> corner; Thence proceed S 00°09'54"E, 582.65 feet along the section line common to sections 1 and 2, to the point of beginning; and

**17N02W02A012**

Commencing at the 1/4 corner common to sections 1 and 2, T17N, R2W, Seward Meridian, Alaska; Proceed N 00°09'54"W, 677.80 feet to the point of beginning; Thence proceed S 84°21'12"W, 304.66 feet to a point; Thence proceed N 75°00'00"W, approximately 409.49 feet to the centerline of an unnamed creek; Thence proceed along said centerline S 70°35'57"W, 20.10 feet; Thence proceed along said centerline S 62°29'17"W, 165.00 feet; Thence proceed N 20°39'55"E, 692.79 feet to a point on the E-W 1/16<sup>th</sup> section line of section 2; Thence proceed N 89°52'40"E, 391.68 feet along said 1/16<sup>th</sup> line to a point; Thence proceed partially along, the centerline of an unnamed creek; S 19°13'05"W, 269.87 feet to a point; Thence proceed along said centerline S 33°31'39"W, 195.53 feet; Thence proceed along said centerline S 48°10'48"W, 127.48 feet; Thence proceed along said centerline S 70°31'20"W, approximately 134.08 feet to a point; Thence proceed S 75°00'00"E, 354.91 feet to a point; Thence proceed N 84°21'12"E, 277.40 feet to a point of curvature of a curve to the left of radius 30.00 feet, whose delta angle is 84°31'06", and arc distance of 40.35 feet to the point of tangency; Thence proceed S 00°09'54"E, 60.00 feet along the section line common to sections 1 and 2, to the point of beginning; and

**17N02W02A014**

Commencing at the 1/4 corner common to sections 1 and 2, T17N, R2W, Seward Meridian, Alaska; Proceed along the E-W center section line of section 2, S 89°51'45"W, 2124.60 feet to the SW corner of parcel #3, 1999-12-PWM, point of beginning; Thence proceed S 89°51'45"W, 519.94 feet along said center section line to the C 1/4 corner; Thence proceed along the N-S center section line N 00°03'31"W, 184.00 feet to a point; Thence proceed N 70°17'07"E, 896.91 feet to a point on the centerline of the W. Karsten Rd. P.U.E; Thence proceed southeasterly along said centerline, along a curve to the left of radius 350.00 feet, whose delta angle is 9°50'03", whose chord bears S 33°09'47"E, an arc distance of 60.07 feet; Thence proceed S 39°22'19"W, 562.83 feet to the point of beginning; and

**17N02W02A020**

Commencing at the 1/4 corner common to sections 1 and 2, T17N, R2W, Seward Meridian, Alaska; Proceed along the E-W center section line of section 2, S 89°51'45"W, 2644.54 feet to the C 1/4 corner; Thence proceed along the N-S center section line N 00°03'31"W, 1321.15 feet to the C-N 1/16<sup>th</sup> corner; Thence proceed along the E-W 1/16<sup>th</sup> section line N 89°52'40"E, 1180.28 feet to the point of beginning; Thence proceed along the E-W 1/16<sup>th</sup> section line N 89°52'40"E, 844.13 feet to a point; Thence proceed S 20°39'55"W, approximately 692.79 feet to a point on the centerline of an unnamed creek; Thence proceed along said creek centerline S 62°29'17"W, 51.48 feet to a point; Thence proceed along said creek centerline S 82°04'57"W, 152.45 feet to a point; Thence proceed along said centerline N 87°05'21"W, 59.08 feet to a point; Thence proceed along said centerline N 57°31'44"W, 130.38 feet to a point; Thence proceed along said centerline N 66°53'17"W, 27.63 feet to a point; Thence proceed S 00°09'54"E, 383.47 feet to a point on the north boundary of the Karsten Rd, P.U.E.; Thence proceed along said P.U.E. S 89°50'27"W, 60.00 feet to a point; Thence proceed N 00°09'54"W, 409.27 feet to the aforementioned centerline of an unnamed creek; Thence proceed along said centerline N 69°14'17"W, 117.11 feet to a point; Thence N 4°07'37"W, 541.60 feet to the point of beginning.

THE ABOVE ARE RECORDED IN THE PALMER RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA.

**SUBJECT:** Administrative report relating to the creation of and improvements to Portion of Wagner Subd Natural Gas Local Improvement District No. 556; and consideration of said creation.

**AGENDA OF:** February 3, 2015

**ASSEMBLY ACTION:**

**MANAGER RECOMMENDATION:** Introduce and set for public hearing on March 17, 2015.

**APPROVED BY JOHN M. MOOSEY, BOROUGH MANAGER:**

Route To:	Department/Individual	Initials	Remarks
	Originator/Marcia vonEhr	ME	1-15-15
1	Finance Director	JAL	1/20/15
2	Borough Attorney (Also reviewed by Bond Counsel)	NS	Form Only
3	Borough Clerk	JAM	1/26/15

**ATTACHMENT(S):** Ordinance Serial No. 15-021 (5 pp)  
 Exhibit A (1 p)  
 Map (1 p)  
 Ballot Tally (1 p)  
 Fiscal Note: Yes \_\_\_\_\_ No  X

**SUMMARY STATEMENT:**

A petition has been filed by the record owners of 100 percent in value of the property and signatures of 100 percent of property owners within the proposed Portion of Wagner Subd Natural Gas Local Improvement District. The petition has been certified by the borough clerk. The proposed Portion of Wagner Subd Natural Gas Local Improvement District is located in Assembly District #1.

As addressed in Section 8 of the manager's administrative report, (listed below) there are 0 properties that do not conform to MSB 3.28.080(B).

MANAGER'S ADMINISTRATIVE REPORT

(MSB 3.28.040)

1. Description of properties to be benefited by the improvement:  
SEE ORDINANCE SERIAL NO. 15-021

2. Evaluation of need and benefit of improvement and proposed allocation of special assessments:

The installation of natural gas distribution lines makes available to the property owners within the natural gas improvement district a clean energy source that is substantially lower in cost than any other source available. Properties, including vacant properties, served by natural gas have a tendency to sell more rapidly when placed on the market than similar properties in areas not served by natural gas. It is believed that the benefits will accrue about equally to each property in the improvement district. Therefore, it is proposed that the entire cost of the improvement to be allocated equally to each property within the district, without regard to the front footage, the size of the property, the value of the property or other measures.

3. Estimated total cost of improvement:

The estimated cost of the installation by ENSTAR is \$8,122.00 if done during the 2015 construction season. It is estimated that administrative costs will amount to approximately \$1,195.00 and the delinquency reserve will be \$500.00. The estimated total cost of the improvement as of this date is \$9,817.00. It is recommended that the project be financed by a special assessment bond or bank loan, which will be reimbursed from the special assessments on the properties to be benefited. It is anticipated that interest on the loan will be recovered through the interest that will be paid on special assessment installments.

4. Current mill rate: The Fiscal Year 2015 mill rate for the improvement district is 13.592 mills consisting of 9.662 mills (areawide) plus .520 mills (non-areawide) plus .90 mills (FSA# 132) plus 2.51 mills (RSA#19).

Taxable Property Values:	Real Property:	\$67,600.00
	Personal Property:	0
	Total:	<u>\$67,600.00</u>

5. Ownership of distribution lines: Enstar Natural Gas Co. is a division of Semco Energy Inc. It will own and be wholly responsible for the service and maintenance of the natural gas lines.

6. Profile of proposed properties in local improvement district:

	Total Number of Lots:	<u>1</u>
Ownership type of properties:	Private:	<u>1</u>
	Bank:	<u>0</u>
	Public:	<u>0</u>
	MSB:	<u>0</u>
"Tax" status of properties:	Number Current:	<u>1</u>
	Number Delinquent:	<u>0</u>
	Number in Foreclosure:	<u>0</u>
	Number in Bankruptcy:	<u>0</u>
	Population Estimate:	<u>3</u>
	Estimated Area (Acres):	<u>2.47</u>

\* This estimate is based on information collected during the 2010 census and current assessment records.

7. Other special assessments effecting this local improvement district: NONE.

8. Properties not conforming to MSB 3.28.080(B) "...An assessment may not exceed 25 percent of the assessed value for real property taxation of the property assessed": 0

9. Method of collecting assessments: Semi-annual due dates will be established, with billings sent to each property owner 30-45 days before each due date. Delinquent accounts will be acted upon in the same manner as delinquent tax accounts, including annual foreclosure action.

IMPROVEMENT PLAN (MSB 3.28.050B)

The improvement is the installation of approximately 360 linear feet of natural gas distribution lines by ENSTAR to serve and benefits 1 property within the Portion of Wagner Subd Natural Gas Local Improvement District as described in Ordinance Serial No. 15-021. The current ENSTAR tariff sets the cost of gas lines at \$22.56 per foot for a total cost of \$8,122.00.

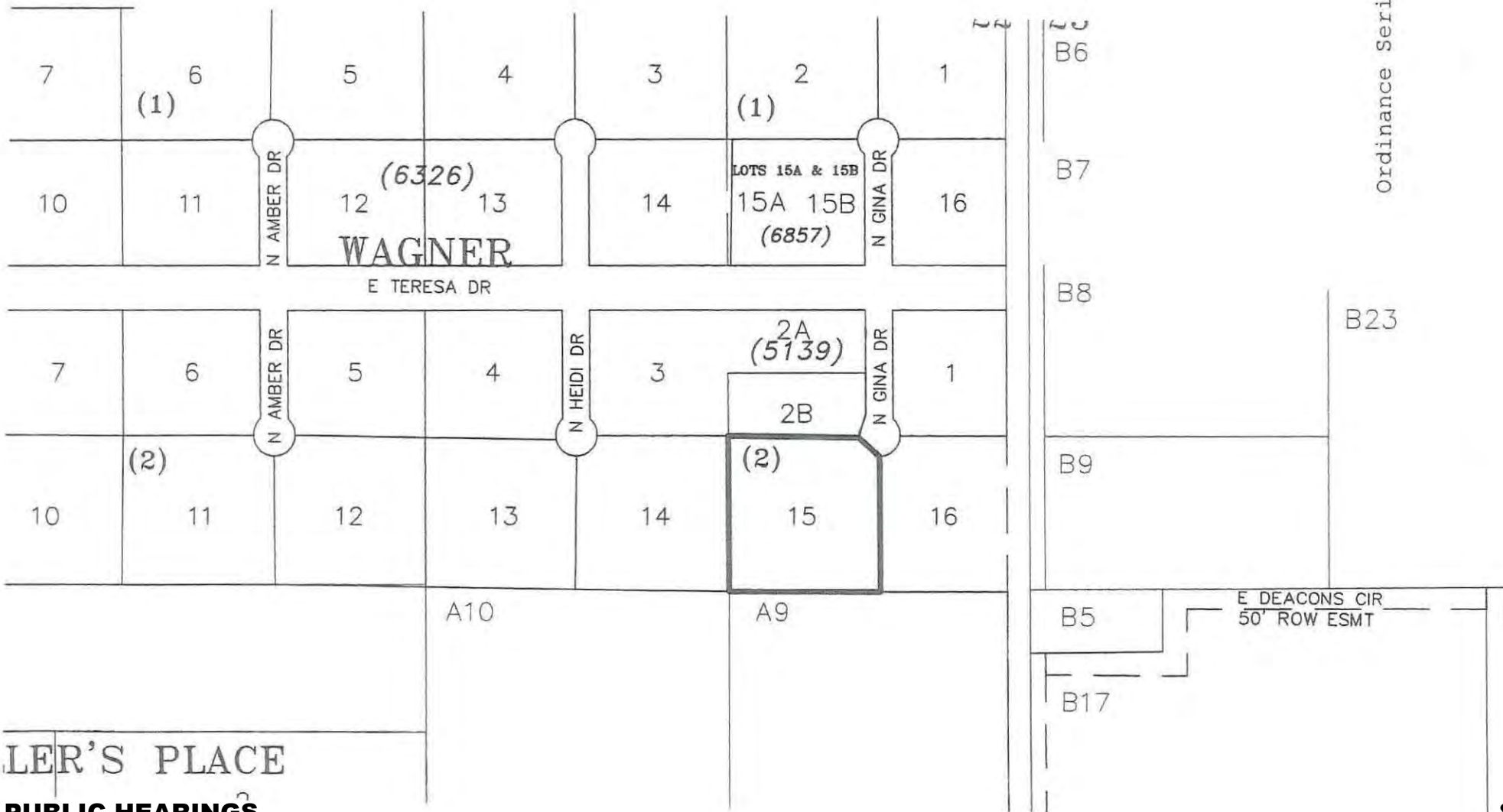
The improvement funding will be obtained by selling a special assessment bond to a bank. Only the proceeds of the special assessments and interest will be pledged as security for payment. The special assessments may be paid by the property owner in semi-annual installments over a ten-year period.

ENSTAR will engineer, own, install, and maintain the line under an agreement with the borough.

The estimated total cost is \$9,817.00. The estimated cost elements are installation costs of \$8,122.00, delinquency reserve of \$500.00, and administrative costs of \$1,195.00.

The estimated total cost is to be equally assessed against the property within the improvement district, including those properties not meeting to MSB 3.28.080(B) criteria.

The estimated special assessment against the 1 lot is \$9,817.00 per lot.



IM No. 15-031  
 Ordinance Serial No. 15-021

LER'S PLACE

PUBLIC HEARINGS

# BALLOT TALLY

LID NUMBER	556
LOCAL IMPROVEMENT NAME	Portion of Wagner Subd
LOAN AMOUNT	10,000.00
CONSTRUCTION COSTS	8,122.00
NUMBER OF LOTS	1
PER LOT COST (FULL AMOUNT)	9,817.00
ESTIMATED SEMI-ANNUAL PAYMENT	490.85
REFUNDABLE OR CONTRIBUTION IN AID	CIA

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NUMBER OF BALLOTS MAILED	<u>1</u>	
NUMBER AND PERCENTAGE OF BALLOTS RETURNED MARKED "YES"	1	<u>(100%)</u>
NUMBER OF BALLOTS RETURNED MARKED "NO"	0	(0%)
NUMBER OF BALLOTS RETURNED UNMARKED, INCORRECT PAPERWORK AND/OR SIGNATURE OR NOT RETURNED	0	(0%)
TOTAL NUMBER AND PERCENTAGE OF BALLOTS RETURNED MARKED "NO", UNMARKED OR NOT RETURNED	0	<u>(0%)</u>

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NUMBER OF BOROUGH OWNED LOTS	<u>0</u>	
NUMBER OF STATE OWNED LOTS	<u>0</u>	
NUMBER OF LOTS LESS THAN 4X1	<u>0</u>	
LETTERS NOT RECEIVED	<u>0</u>	(0 unclaimed)

COMMENTS:

As provided in MSB 3.28.062(B), the assembly may not proceed with the improvement unless ballots approving the local improvement district are timely filed by owners of property bearing more than one-half of the estimated cost of the improvement.

Administration recommends adopting Ordinance Serial No. 15-021.

JM 15-031

Non-Code Ordinance

By: Borough Manager  
Introduced:  
Public Hearing:  
Action:

**MATANUSKA-SUSITNA BOROUGH  
ORDINANCE SERIAL NO. 15-021**

AN ORDINANCE OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY CREATING PORTION OF WAGNER SUBD NATURAL GAS LOCAL IMPROVEMENT DISTRICT NO. 556, APPROVING THE IMPROVEMENT PLAN FOR THE DISTRICT, AUTHORIZING THE MANAGER TO PROCEED WITH THE IMPROVEMENT, AND ASSESSING EQUALLY AMONG THE PROPERTIES WITHIN THE DISTRICT THE COSTS OF THE IMPROVEMENT.

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WHEREAS, a petition has been filed by the owners of at least one-half in value of the property within Portion of Wagner Subd Natural Gas Local Improvement District for the installation of natural gas distribution lines; and

WHEREAS, the borough clerk has certified the petition; and

WHEREAS, the manager's administrative report, including the improvement plan is incorporated in IM No. 15-031; and

WHEREAS, notice of the public hearing was published for two consecutive weeks in a newspaper of general circulation distributed within the borough; and

WHEREAS, notice was mailed CERTIFIED RETURN RECEIPT REQUESTED to each record owner of property within the local improvement district; and

WHEREAS, a public hearing on the creation of the local improvement district and the improvement plan has been held; and

WHEREAS, ballots approving or disapproving the local improvement district were permitted to be filed in writing for 30 calendar days after mailing of notice of the public hearing; and

WHEREAS, ballots marked "yes" from owners of property bearing more than one-half of the estimated cost of the improvements were received; and

WHEREAS, the proposed improvement is not a power exercised through a service area and there is not a board of supervisors.

BE IT ENACTED:

Section 1. This is a non-code ordinance.

Section 2. The Portion of Wagner Subd Natural Gas Local Improvement Plan will increase safety, improve health, increase property values, is necessary, is in the public interest and the improvement should be made.

Section 3. The petition has sufficient and proper petitioners.

Section 4. Ballots approving the local improvement district were filed timely by the record owners of property within the natural gas local improvement district bearing more than one-half of the estimated cost of the improvement and the Assembly can proceed with the improvement.

Section 5. Notwithstanding MSB 3.28.080(B) there are no

properties that do not conform that will be assessed for the improvement.

Section 6. There is hereby created the Portion of Wagner Subd Natural Gas Local Improvement District No. 556 as described in the attached legal description marked Exhibit A.

Section 7. The manager is hereby authorized to proceed with the improvement, negotiate for sale of a special assessment bond or similar loan for assembly approval, and such other necessary and proper work as appropriate to accomplish the purpose of the improvement plan upon financing approval by the assembly.

Section 8. Upon completion of the work the total cost of the improvement shall be assessed equally against each property within the natural gas local improvement district. The finance director shall prepare a special assessment roll assessing to each property within the natural gas local improvement district an amount equal to the actual total improvement cost divided by the number of properties within the local improvement district. The proposed special assessment roll shall be prepared and presented in accordance with the provisions of the Matanuska-Susitna Borough Code in effect at the time the special assessment roll is prepared.

Section 9. The special assessments against the properties

described in Section 6 above are liens upon the property and are prior and paramount to all liens except municipal tax liens and may be enforced as provided for the enforcement of real property tax liens.

Section 10. Special assessments may be paid in 20 semi-annual installments with due dates established by the assembly upon approval of the natural gas local improvement district special assessment roll, provided, the assembly may authorize payment terms greater than or less than a ten-year period of time. If no time for payment is established, semi-annual installments are due and payable when property taxes are due and payable. Special assessment installments not paid when due shall have a penalty added equal to the penalty for delinquent second-half real property taxes in effect at the time of the special assessment installment delinquency. Upon full payment of the special assessment, the manager shall issue a release of the lien to the record owner of the property.

Section 11. Notwithstanding the approval of the natural gas local improvement district based upon the financing of the cost through the sale of a special assessment bond or loan, if the assembly determines that the sale of a special assessment bond or loan is not feasible or is not available, the assembly may provide

for other means of financing the project cost at its sole discretion.

Section 12. Ordinance Serial Number 15-021 shall take effect upon adoption by the Matanuska-Susitna Borough Assembly.

ADOPTED by the Matanuska-Susitna Borough Assembly this - day of -, 2015.

LARRY DEVILBISS, Borough Mayor

ATTEST:

LONNIE R. McKECHNIE, CMC, Borough Clerk

(SEAL)

LEGAL DESCRIPTION FOR  
Portion of Wagner Subd LID#556

**56326**

Lot Fifteen (15), Block Two (2), WAGNER, according to Plat  
#71-65.

THE ABOVE IS RECORDED IN THE PALMER RECORDING DISTRICT, THIRD  
JUDICIAL DISTRICT, STATE OF ALASKA.

**SUBJECT:** AN ORDINANCE OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY AMENDING MSB 4.58, HEALTH AND SOCIAL SERVICES BOARD

**AGENDA OF:** March 3, 2015

**ASSEMBLY ACTION:**

**MANAGER RECOMMENDATION:** Introduce and set for public hearing.

**APPROVED BY** *[Signature]* **JOHN MOOSEY, BOROUGH MANAGER:** *[Signature]*

Route To:	Department/Individual	Initials	Remarks
	Originator	<i>[Signature]</i>	
1	Planning and Land Use Director	EP	
2	Finance Director	<i>[Signature]</i>	
3	Borough Attorney	NS	
4	Borough Clerk	<i>[Signature]</i>	2/23/15 <i>[Signature]</i>

**ATTACHMENT(S):** Fiscal Note: NO  YES   
 Ordinance Serial No. 15-031 (5 pages)  
 Health & Social Services Board  
 Resolution Serial #14-001 (2 pages)

**SUMMARY STATEMENT:**

The Health and Social Services Board was formed in 2008. The Health and Social Services Board is established for the purpose of providing advice to the assembly and the administration on issues of health and social services including issues relating to the senior citizens of our borough, and participation in the human services community matching grant program.

The Health and Social Services Board has conducted a review of MSB 4.58 and is suggesting several minor amendments and the inclusion of a compensation section. MSB 4.58 requires several members of the board to be from varying geographies within the borough; therefore, travel is required for participation in this board. The board has discussed their concerns with the Planning Department and department has budgeted for the expected cost in FY2016.

**RECOMMENDATION OF ADMINISTRATION:** Staff respectfully recommends adoption of the ordinance amending MSB 4.58.

MATANUSKA-SUSITNA BOROUGH - FISCAL NOTE

Agenda Date March 3, 2015

ORIGINATOR: Pamela Graham, Grant Coordinator

SUBJECT: AN ORDINANCE OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY AMENDING MSB 4.58, HEALTH AND SOCIAL SERVICES BOARD

FISCAL ACTION (TO BE COMPLETED BY FINANCE)	FISCAL IMPACT? <u>(YES)</u> NO
AMOUNT REQUESTED \$ *	FUNDING SOURCE <u>Oper Funds Planning</u>
FROM ACCOUNT # <u>100.130.133.4XX.XXX</u>	PROJECT #
TO ACCOUNT #	PROJECT #
VERIFIED BY: <u>Barbara Baumgardt</u>	CERTIFIED BY:
DATE: <u>2/20/15</u>	DATE:

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
Personnel Services						
Travel	*					
Contractual						
Supplies						
Equipment						
Land/Structures						
Grants, Claims						
Miscellaneous						
TOTAL OPERATING	*					
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

General Fund	*					
Federal Funds						
Other						
TOTAL	*					

POSITIONS:

Full-Time						
Part-Time						
Temporary						

ANALYSIS: (Attach a separate page if necessary) \* Cost is dependant upon mileage reimbursement requests

PREPARED BY: [Signature]  
 DEPARTMENT: TEL  
 APPROVED BY: [Signature]

Phone: \_\_\_\_\_  
 Date: 2/20/15  
 Date: \_\_\_\_\_

Action:

**MATANUSKA-SUSITNA BOROUGH  
RESOLUTION SERIAL NO. 14-001**

A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH HEALTH AND SOCIAL SERVICES BOARD RECOMMENDING THE BOROUGH ASSEMBLY AMEND MSB 4.58, HEALTH AND SOCIAL SERVICES BOARD.

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WHEREAS, the Health and Social Services Board has reviewed MSB 4.58, Health and Social Services Board, and developed a list of recommended amendments; and

WHEREAS, the current code specifies the composition of the board at 15 members, and historically there has not been a full board for any length of time, which makes establishing a quorum difficult; and

WHEREAS, the current code does not include mileage reimbursement for the members as the other borough boards do; and

WHEREAS, the current code requires that the seniors representative be members of a senior center board, and this requirement causes problems with securing members; and

WHEREAS, the health board is proposing a reduction in membership, by eliminating two of the at-large positions; thereby reducing the board to 13 members and the quorum to seven; and

WHEREAS, the board is recommending an amendment adding language to allow the board to request mileage reimbursement for attending meetings; and

WHEREAS, the board is recommending minor amendments relating to the makeup of the membership, by eliminating the requirements for the senior representative serve on a senior center board; and

WHEREAS, the board believes these amendments are in the best interest of the Matanuska-Susitna Borough.

NOW, THEREFORE, BE IT RESOLVED, that the Matanuska-Susitna Borough Health and Social Services Board respectfully recommends that the Matanuska-Susitna Borough Assembly adopt the legislation amending MSB 4.58. Health and Social Services Board.

ADOPTED by the Matanuska-Susitna Borough Assembly this 21st day of April, 2014.

  
STEPHANIE ALLEN, Chair

ATTEST:

  
PAMELA GRAHAM, Board Staff Representative

CODE ORDINANCE

Sponsored by:  
Introduced:  
Public Hearing:  
Action:

**MATANUSKA-SUSITNA BOROUGH  
ORDINANCE SERIAL NO. 15-031**

AN ORDINANCE OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY AMENDING  
MSB 4.58, HEALTH AND SOCIAL SERVICES BOARD.

---

BE IT ENACTED:

Section 1. Classification. This ordinance is of a general and permanent nature and shall become a part of the Borough Code.

Section 2. Amendment of Section. MSB 4.58.020 Duties is amended to read as follows:

**4.58.020. DUTIES**

(A) The board shall make recommendations to the administration and the assembly on borough policy with respect to:

(1) a boroughwide [NEEDS] health assessment report;

(2) methods of funding health and social service activities;

(3) other matters relating to borough health and social service policy as the assembly by ordinance or resolution may direct, or the manager by written request may direct; and

(4) compiling and disseminating information on programs that concern the welfare of senior citizens.

(B) The board shall communicate and represent the borough in respect to:

(1) the Substance Abuse Council of the Mat-Su United Way; and

(2) a boroughwide [NEEDS] health assessment report committee.

(C) The board shall [OVERSEE THE CREATION OF AN ANNUAL] provide a periodic report reflecting the [YEARLY] activities, recommendations, and finding of the health and social services board.

(D) The board shall:

(1) act as a liaison between Matanuska-Susitna Borough and community health and social service organizations;

(2) Seek funds for health and social service projects;

(3) make recommendations to the manager and the assembly on the writing and administration of pass through grant funds;

(4) [BE THE CENTRAL POINT OF CONTACT] Serve as a resource and reference for issues regarding

health and social services in the Matanuska-Susitna Borough;

(5) partner with other community health and social service organizations;

(6) provide a liaison between the older community in the borough, Alaska State Commission on Aging, and the Division of Senior Services; and

(7) participate in the human services community matching grant program by:

(a) working with other community and agency partners on human services community matching grant funding advocacy;

(b) request proposals from nonprofit organizations for the provision of essential human services;

(c) score proposals received based on established criteria; and

(d) recommend to the assembly the distribution of funds in accordance with the priorities described in the most recent version of the Mat-Su Community Needs Assessment.

(E) The board shall meet in session with a planning department staff member to assist the board in its work.

**Section 3. Amendment of Section.** MSB 4.58.030 Composition is amended to read as follows:

**4.58.030. COMPOSITION**

(A) The board shall consist of 13 [15] members.

(B) As feasible, the board should be composed of representation from:

(1) all seven assembly districts;

(2) the majority of the board should be comprised of licensed health care or human services professionals; [AND]

(3) at least one member shall represent the senior citizen residents of assembly districts 1, 5, or 7 [AND SHALL BE AN ACTIVE MEMBER OF A SENIOR CENTER BOARD]; and

(4) at least one member shall represent the senior citizen residents of assembly districts 2, 3, 4, or 6 [AND SHALL BE AN ACTIVE MEMBER OF A SENIOR CENTER BOARD].

(C) The term of each member shall be three years;

(1) up to two [CONSECUTIVE] full terms may be held consecutively.

**Section 4. Adoption of Section.** MSB 4.58.050, Compensation, is hereby adopted to read as follows:

4.58.050 COMPENSATION.

(A) Board members shall be reimbursed for mileage incurred in connection with meetings of the board in the same manner as borough employees are compensated for mileage expenses upon presentation of supporting documentation satisfactory to the appropriate director.

Section 5. Effective date. This ordinance shall take effect upon adoption by the Matanuska-Susitna Borough Assembly.

ADOPTED by the Matanuska-Susitna Borough Assembly this - day of -, 2015.

\_\_\_\_\_  
LARRY DeVILBISS, Borough Mayor

ATTEST:

\_\_\_\_\_  
LONNIE R. McKECHNIE, CMC, Borough Clerk

(SEAL)

**SUBJECT:** Issuance of Matanuska-Susitna Borough, State of Alaska Lease Revenue Refunding Bonds, Series 2015 (Goose Creek Correctional Center Project), in one or more series in an amount not to exceed \$195,000,000.

**AGENDA OF: March 3, 2015**

**ASSEMBLY ACTION:**

**MANAGER RECOMMENDATION:** Introduce and set for public hearing.

**APPROVED BY JOHN MOOSEY, BOROUGH MANAGER:** *[Signature]*

Route To:	Department/Individual	Initials	Remarks
1	Originator - Fin. Dir.		
2	Finance Director	<i>ag JOTTEC</i>	
3	Attorney	<i>NS</i>	Reviewed by bond counsel
4	Borough Clerk	<i>Jmm</i>	<i>2/23/15</i> <span style="border: 1px solid black; border-radius: 50%; padding: 2px;">JU</span>

**ATTACHMENT(S):** Fiscal Note: Yes X No         
 Ordinance Serial No. 15-032 (10 pp)  
 Draft Continuing Disclosure Agreement (3 pp)  
 Draft Preliminary Official Statement (93 pp)  
 Draft Bond Purchase Agreement (23 pp)  
 Draft Refunding Trust Agreement (11 pp)  
 Draft Second Amendment to Lease Purchase Agreement (9 pp)  
 Draft First Supplement to Trust Indenture (14 pp)

**SUMMARY STATEMENT:**

Before you is an ordinance authorizing the issuance of Matanuska-Susitna Borough, State of Alaska Lease Revenue Refunding Bonds in the principal amount not to exceed \$195,000,000. This will be utilized for the refunding of bonds that were issued in 2008 to finance the design and construction of the Goose Creek Correctional Center.

As a reminder, Senate Bill 65 provided for construction of a prison facility with a minimum of 1,200 beds up to 2,251 beds at a cost of \$135,000 per bed. The bill stipulated the Borough would issue the Lease Revenue Bonds to finance the costs of constructing the facility. The Borough will initially own the

facility and currently leases it back to the State of Alaska, who operates the facility under a lease purchase agreement.

On May 16, 2006, Resolution 06-067 was approved by the Assembly which stipulated the official intent to issue the Lease Revenue Bonds for the prison project. On January 15, 2008, the Assembly approved Resolution 08-007 which authorized the Manager to enter into a Memorandum of Understanding with the Department of Corrections for planning for the design, construction and financing of the Mat-Su Prison. The facility contains 1,536 beds. It is located on Point MacKenzie Road at the intersection with Alsop Road. Goose Creek Correctional Center became fully operational September 2013. It created 345 new jobs.

As stated above, the facility is leased to the State. The State pays a semi-annual lease payment to the Borough's trustee who in turn pays the debt service payment. The lease payment is equal to the debt service payment. This debt is considered a credit of the State.

Assembly approval is being requested to authorize up to \$195,000,000 for the possible refunding of the 2008 Matanuska-Susitna Borough, State of Alaska Lease Revenue Bonds (Goose Creek Correctional Center Project). AS 29.47.300 states that if a municipality has outstanding general obligation bonds and the governing body determines that it would be financially advantageous, the municipality may provide by ordinance or resolution for the issuance of negotiable or nonnegotiable Lease Revenue Refunding Bonds. In simple terms, the borough, in conjunction with the State of Alaska, would attempt to sell new lower interest bonds which would pay off the older higher interest bonds. After careful analysis and in accordance with the ordinance, the refunding would only occur if a debt service savings of at least 3.0 percent of the principal amount of the refunded bonds, net of all issuance costs, is realized on a present value basis.

The refunding of these bonds is subject to market conditions. If market conditions remain the same throughout February and March, the issuance of the bonds is anticipated to be early April 2015.

Currently, the projected savings is just under \$16,400,000 on a net present value basis. This is net of issuance costs which will be paid from the premium. The issuance costs include amounts estimated to be paid for the preparation of the official statements, trustee fees, underwriter's discount, bond counsel and financial advisor fees and other miscellaneous costs.

In order to proceed, approval of the Assembly is necessary to

authorize the issuance of the Matanuska-Susitna Borough, State of Alaska Lease Revenue Refunding Bonds, Series 2015 (Goose Creek Correctional Center Project) in one or more series in an amount not to exceed \$195,000,000. Drafts of the Continuing Disclosure agreement, Preliminary Official Statement, Bond Purchase Agreement, Refunding Trust Agreement, Second Amendment to the Lease-Purchase Agreement and the First Supplement to the Trust Indenture will be distributed for the public hearing on March 17, 2015.

**RECOMMENDATION OF ADMINISTRATION:** Authorize issuance of Matanuska-Susitna Borough, State of Alaska Lease Revenue Refunding Bonds, Series 2015 (Goose Creek Correctional Center Project) in one or more series in an amount not to exceed \$195,000,000.

To be distributed at the March 17, 2015  
Assembly Meeting

Draft Continuing Disclosure Agreement  
Draft Preliminary Official Statement  
Draft Bond Purchase Agreement  
Draft Refunding Trust Agreement  
Draft Second Amendment to Lease Purchase  
Agreement  
Draft First Supplement to Trust Indenture

MATANUSKA-SUSITNA BOROUGH  
FISCAL NOTE

Agenda Date: March 3, 2015

SUBJECT: Issuance of Matanuska-Susitna Borough, State of Alaska Lease Revenue Refunding Bonds, Series 2015.

ORIGINATOR: Tammy E. Clayton, Director of Finance

FISCAL ACTION (TO BE COMPLETED BY FINANCE)	FISCAL IMPACT YES NO **
AMOUNT REQUESTED *	FUNDING SOURCE
FROM ACCOUNT #	PROJECT #
TO ACCOUNT :	PROJECT #
VERIFIED BY:	CERTIFIED BY:
DATE:	DATE:

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019
Personnel Services						
Travel						
Contractual						
Supplies						
Equipment						
Land/Structures						
Grants, Claims						
Miscellaneous						
TOTAL OPERATING						

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

General Fund						
State/Federal Funds						
Other						
TOTAL						

POSITIONS:

Full-Time						
Part-Time						
Temporary						

ANALYSIS: (Attach a separate page if necessary) \*The State pays a semi-annual lease payment to the Borough's Trustee who in turn pays the debt service payment.  
\*\* No fiscal impact to the Borough. The State will in essence pay less in Debt Service Payments once refunded..

PREPARED BY: Chrysanne Hessel for TEC PHONE: \_\_\_\_\_  
 DEPARTMENT: \_\_\_\_\_ DATE: 2/20/15  
 APPROVED BY: \_\_\_\_\_ DATE: \_\_\_\_\_

IM No. 15-059  
Ordinance Serial No. 15-032

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FP DRAFT 3/6/2015

CONTINUING DISCLOSURE CERTIFICATE

MATANUSKA-SUSITNA BOROUGH, ALASKA

§ \_\_\_\_\_

State of Alaska Lease Revenue Refunding Bonds, Series 2015  
(Goose Creek Correctional Center Project)

Section 1. Undertaking to Provide Annual Financial Information and Notice of Certain Events. Solely for purposes of complying with paragraph (b)(5)(i) of Rule 15c2-12 promulgated by the United States Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (17 CFR Part 240 § 240.15c2-12) (“Rule 15c2-12”), for the benefit of the holders of the above-referenced bonds (the “Series 2015 Bonds”), the Matanuska-Susitna Borough (the “Borough”) hereby undertakes to provide or cause to be provided, either directly or through a designated agent, to the Municipal Securities Rulemaking Board (the “MSRB”), in electronic format as prescribed by the MSRB, accompanied by identifying information as prescribed by the MSRB:

(a) Annual financial information and operating data of the type included in the final official statement for the Series 2015 Bonds and described in Section 2 (the “Annual Financial Information”);

(b) Timely notice of the occurrence of any of the following events with respect to the Series 2015 Bonds, not in excess of ten business days after the occurrence of the event:

- (i) principal and interest payment delinquencies;
- (ii) non-payment related defaults, if material;
- (iii) unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) substitution of credit or liquidity providers, or their failure to perform;
- (vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Series 2015 Bonds, or other material events affecting the tax status of the Series 2015 Bonds;

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material;

- (vii) modifications to rights of holders of the Series 2015 Bonds, if

- (viii) Series 2015 Bond calls, if material, and tender offers;

- (ix) defeasances;

- (x) release, substitution, or sale of property securing repayment of the Series 2015 Bonds, if material;

- (xi) rating changes;

- (xii) bankruptcy, insolvency, receivership, or similar event of the Borough;

- (xiii) the consummation of a merger, consolidation or acquisition involving the Borough or the sale of all or substantially all of the assets of the Borough, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and

- (xiv) appointment of a successor or additional trustee or the change of name of a trustee, if material; and

(c) Timely notice of a failure by the Borough to provide required Annual Financial Information on or before the date specified in Section 2.

Section 2. Description of Annual Financial Information. The Annual Financial Information that the Borough undertakes to provide in Section 1:

(a) Shall consist of:

- (i) annual financial statements prepared (except as noted in the financial statements) in accordance with generally accepted accounting principles applicable to Alaska municipalities, as such principles may be changed from time to time, which statements shall not be audited, except, however, that if and when audited financial statements are otherwise prepared and available to the Borough they will be provided; and

- (ii) the comprehensive annual financial report of the Borough;

(b) Shall be provided not later than the last day of the seventh month after the end of each fiscal year of the Borough (currently, not later than January 31 for a fiscal year ending June 30), as such fiscal year may be changed as required or permitted by State law, commencing with the Borough's fiscal year ending June 30, 2015; and

(c) May be provided in a single or multiple documents, and may be incorporated by specific reference to documents available to the public on the Internet website of the MSRB or filed with the United States Securities and Exchange Commission.

Section 3. Amendment of Undertaking. This undertaking is subject to amendment after the primary offering of the Series 2015 Bonds without the consent of any holder of any Series 2015 Bond, or of any broker, dealer, municipal securities dealer, participating underwriter, rating agency or the MSRB, under the circumstances and in the manner permitted by Rule 15c2-12. The Borough will give notice to the MSRB of the substance (or provide a copy) of any amendment to this undertaking and a brief statement of the reasons for the amendment. If the amendment changes the type of Annual Financial Information to be provided, the Annual Financial Information containing the amended Annual Financial Information will include a narrative explanation of the effect of that change on the type of information to be provided.

Section 4. Beneficiaries. This undertaking shall inure to the benefit of the Borough, each participating underwriter of the Series 2015 Bonds and each holder of the Series 2015 Bonds, and shall not inure to the benefit of or create any rights in any other person.

Section 5. Termination of Undertaking. The Borough's obligations under this undertaking shall terminate upon the legal defeasance of all of the Series 2015 Bonds. In addition, the Borough's obligations under this undertaking shall terminate if the provisions of Rule 15c2-12 that require the Borough to comply with this undertaking become legally inapplicable in respect of the Series 2015 Bonds for any reason, as confirmed by an opinion of nationally recognized bond counsel or other counsel familiar with federal securities laws delivered to the Borough, and the Borough provides timely notice of such termination to the MSRB.

Section 6. Remedy for Failure to Comply with Undertaking. As soon as practicable after the Borough learns of any failure to comply with the undertaking, the Borough will proceed with due diligence to cause such noncompliance to be corrected. No failure by the Borough to comply with this undertaking shall constitute a default in respect of the Series 2015 Bonds. The sole remedy of any holder of a Series 2015 Bond shall be to take such actions as that holder deems necessary, including seeking an order of specific performance from an appropriate court, to compel the Borough to comply with this undertaking.

Section 7. Definitions. Terms used and not defined in this undertaking shall have the meaning ascribed to such terms in Rule 15c2-12.

Dated: April \_\_, 2015.

MATANUSKA-SUSITNA BOROUGH, ALASKA

By: \_\_\_\_\_  
John Moosey, Borough Manager

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OR 15-032

**DRAFT**

NEW ISSUE  
BOOK-ENTRY ONLY

FITCH: \_\_\_\_\_  
MOODY'S: \_\_\_\_\_  
S&P: \_\_\_\_\_  
(See "RATINGS" herein)

In the opinion of Foster Pepper PLLC, Bond Counsel, under existing federal law and assuming compliance with applicable requirements of the Internal Revenue Code of 1986, as amended (the "Code"), that must be satisfied subsequent to the issue date of the Series 2015 Bonds, interest on the Series 2015 Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the alternative minimum tax applicable to individuals. However, while interest on the Series 2015 Bonds also is not an item of tax preference for purposes of the alternative minimum tax applicable to corporations, interest on the Series 2015 Bonds received by corporations is taken into account in the computation of adjusted current earnings for purposes of the alternative minimum tax applicable to corporations, interest on the Series 2015 Bonds received by certain S corporations may be subject to tax, and interest on the Series 2015 Bonds received by foreign corporations with United States branches may be subject to a foreign branch profits tax. Receipt of interest on the Series 2015 Bonds may have other federal tax consequences for certain taxpayers. Interest on the Series 2015 Bonds is free from taxation by the State of Alaska, except for transfer, estate and inheritance taxes. See "TAX EXEMPTION" and "CERTAIN OTHER FEDERAL TAX CONSEQUENCES."



§  
**MATANUSKA-SUSITNA BOROUGH**  
**State of Alaska Lease Revenue Refunding Bonds, Series 2015**  
**(Goose Creek Correctional Center Project)**

**Dated: Date of Delivery**

**Due: [September] 1, shown on the inside cover**

The State of Alaska Lease Revenue Refunding Bonds, Series 2015 (Goose Creek Correctional Center Project) (the "Series 2015 Bonds") will be issued by the Matanuska-Susitna Borough, Alaska as fully registered bonds under a book-entry system, registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), the securities depository for the Series 2015 Bonds. Individual purchases of interests in the Series 2015 Bonds will be made in book-entry form only, in the principal amount of \$5,000 or any integral multiple thereof. Purchasers of such interests will not receive certificates representing their interest in the Series 2015 Bonds. Principal and interest are payable directly to DTC by The Bank of New York Mellon Trust Company, N.A., Seattle, Washington as trustee for the Series 2015 Bonds (the "Trustee"). The Bank of New York Mellon Trust Company, N.A., of Seattle, Washington, is the Paying Agent and Bond Registrar. Principal is payable on the dates set forth in the inside cover. Interest is payable on September 1, 2015 and on each March 1 and September 1 thereafter. Upon receipt of payments of principal and interest, DTC will, in turn, remit such principal and interest to the DTC Participants (as such term is defined herein) for subsequent disbursement to the purchasers of beneficial interests in the Series 2015 Bonds, as described herein.

The Series 2015 Bonds are being issued to (i) advance refund \$161,190,000 aggregate principal amount of the Borough's State of Alaska Lease Revenue Bonds, Series 2008 (Goose Creek Correctional Center Project) (the "Prior Bonds") and (ii) pay certain costs of issuance of the Series 2015 Bonds and the refunding of the Prior Bonds. The Prior Bonds were issued for the purpose of financing the Goose Creek Correctional Center Project (the "Facility").

The Series 2015 Bonds are subject to optional and mandatory sinking fund redemption prior to scheduled maturity as more fully described herein.

The Series 2015 Bonds, the Series 2008 Bonds that are not Prior Bonds, and any Additional Bonds (collectively, the "Bonds") are limited obligations of the Matanuska-Susitna Borough, Alaska (the "Borough") issued pursuant to the Trust Indenture dated December 1, 2008 (the "Original Indenture") as supplemented by the First Supplement to Trust Indenture dated as of April 1, 2015 (the "First Supplement to Indenture" and together with the Original Indenture, the "Indenture"), each between the Borough and the Trustee and secured by a pledge of the Trust Estate held under the Indenture including the Lease Payments to be derived by the Borough pursuant to the terms of the Lease Purchase Agreement dated as of December 1, 2008 (the "Original Lease Purchase Agreement") as previously amended by the First Amendment to Lease Purchase Agreement dated October 26, 2010 (the "First Amendment to Lease Purchase Agreement") each among the Borough, as lessor, the State of Alaska Department of Administration (the "DOA"), as lessee and the State of Alaska Department of Corrections (the "DOC"), as tenant agency, and as further amended by the Second Amendment to Lease Purchase Agreement dated as of April 1, 2015 (the "Second Amended to Lease Purchase Agreement" and collectively with the Original Lease Purchase Agreement and the First Amendment to Lease Purchase Agreement, the "Lease Purchase Agreement"), among the Borough, the DOA, the DOC and the Trustee. The Lease Purchase Agreement requires the DOA to make payments sufficient to pay the principal of and interest on the Bonds in exchange for the right to use the Facility. The DOA has pledged in the Lease Purchase Agreement to take such action as may be necessary to include all Lease Payments in its annual budget and to seek the necessary annual appropriations by the Alaska State Legislature for all such Lease Payments. PAYMENTS BY THE DOA ARE SUBJECT TO ANNUAL APPROPRIATION BY THE ALASKA STATE LEGISLATURE.

THE BONDS DO NOT REPRESENT A GENERAL OBLIGATION OF THE BOROUGH OR THE STATE OF ALASKA OR ANY DEPARTMENT, AGENCY OR INSTRUMENTALITY THEREOF. LEASE PAYMENTS SHALL BE PAYABLE SOLELY FROM THE PAYMENTS RECEIVED UNDER THE LEASE PURCHASE AGREEMENT AS PROVIDED THEREIN AND PLEDGED THEREFOR. NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE BOROUGH, THE STATE OF ALASKA OR ANY DEPARTMENT, AGENCY OR INSTRUMENTALITY THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE BONDS.

The Lease Purchase Agreement provides that the DOA's obligation to make Lease Payments is absolute and unconditional, subject to an Event of Nonappropriation (as defined herein), and that Lease Payments are payable without any right to set-off or counterclaim regardless of any contingencies and whether or not the DOA possesses or uses the Facility.

See the Inside Cover for Maturity Schedule.

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This Preliminary Official Statement and the information contained herein are subject to completion and amendment. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy these securities nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

This Preliminary Official Statement and the information contained herein are subject to completion and amendment. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy these securities nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

The Series 2015 Bonds are offered when, as and if issued and received by the Underwriters and subject to the approving legal opinion of Foster Pepper PLLC, of Seattle, Washington, Bond Counsel, and certain other conditions. Certain legal matters will be passed on for the State of Alaska by the Attorney General of Alaska and for the Underwriters by their counsel, Katten Muchin Rosenman LLP of Chicago, Illinois. It is expected that the Series 2015 Bonds will be available for delivery through the facilities of DTC on or about April \_\_, 2015.

### RBC Capital Markets

[ ]  
Dated: March \_\_, 2015

[ ]

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**MATURITY SCHEDULE**

<u>Maturity</u> <u>([September] 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest Rate</u>	<u>Reoffering Yield</u>	<u>Reoffering Price</u>
	\$	%	%	

\$ \_\_\_\_\_ % Term Bonds Due September 1, 20\_\_ ; Priced to Yield \_\_\_\_\_ %  
\$ \_\_\_\_\_ % Term Bonds Due September 1, 20\_\_ ; Priced to Yield \_\_\_\_\_ %  
\$ \_\_\_\_\_ % Term Bonds Due September 1, 20\_\_ ; Priced to Yield \_\_\_\_\_ %

# MATANUSKA-SUSITNA BOROUGH

350 East Dahlia Avenue  
Palmer, Alaska 99645  
(907-745-4801)

## MAYOR

Larry DeVilbiss

## BOROUGH ASSEMBLY

Ronald Arvin (Deputy Mayor)  
Matthew Beck

Jim Sykes  
Steve Colligan  
Barbara Doty

Vern Halter  
Dan Mayfield

## APPOINTED OFFICIALS

Borough Manager  
Director of Finance  
Clerk  
Assessor  
Attorney  
Assistant Manager  
Director of Public Works  
Director of Emergency Services  
Director of Information Technology  
Director of Community Development  
Director of Planning  
Director of Capital Projects

John Moosey  
Tammy E. Clayton  
Lonnie R. McKechnie  
David Dunivan  
Nicholas Spiropoulos  
George Hays  
Terry Dolan  
Dennis Brodigan  
Eric Wyatt  
Eric Phillips  
Eileen Probasco  
Michael Brown

## BOND COUNSEL

Foster Pepper PLLC  
Seattle, Washington

## FINANCIAL ADVISOR

Blicht Associates, Inc.  
St. Marks, Florida

## TRUSTEE, PAYING AGENT AND BOND REGISTRAR

The Bank of New York Mellon Trust Company, N.A.  
Seattle, Washington

NO DEALER, BROKER, SALESPERSON OR ANY OTHER PERSON HAS BEEN AUTHORIZED BY THE BOROUGH, THE STATE OF ALASKA OR THE UNDERWRITERS TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS WITH RESPECT TO THE SERIES 2015 BONDS, OTHER THAN AS CONTAINED IN THIS OFFICIAL STATEMENT, AND IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE BOROUGH, THE STATE OR THE UNDERWRITERS.

THIS OFFICIAL STATEMENT DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY, NOR SHALL THERE BE ANY SALE OF THE SERIES 2015 BONDS BY ANY PERSON IN ANY JURISDICTION IN WHICH IT IS UNLAWFUL FOR SUCH PERSON TO MAKE SUCH OFFER, SOLICITATION OR SALE. THE INFORMATION SET FORTH HEREIN CONCERNING THE DEPOSITORY TRUST COMPANY ("DTC") HAS BEEN FURNISHED BY DTC AND NO REPRESENTATION IS MADE BY THE MATANUSKA-SUSITNA BOROUGH, THE STATE OF ALASKA OR THE UNDERWRITERS AS TO THE COMPLETENESS OR ACCURACY OF SUCH INFORMATION. THE INFORMATION AND EXPRESSIONS OF OPINION CONTAINED HEREIN ARE SUBJECT TO CHANGE WITHOUT NOTICE, AND NEITHER THE DELIVERY OF THIS OFFICIAL STATEMENT NOR ANY SALE MADE HEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE BOROUGH, THE STATE OR DTC SINCE THE DATE HEREOF. THIS OFFICIAL STATEMENT DOES NOT CONSTITUTE A CONTRACT BETWEEN THE BOROUGH OR THE STATE AND ANY ONE OR MORE OF THE PURCHASERS OR REGISTERED OWNERS OF THE SERIES 2015 BONDS. ALL SUMMARIES OF BOND ORDINANCES, RESOLUTIONS, INDENTURES, AGREEMENTS OR OTHER DOCUMENTS ARE MADE SUBJECT TO THE PROVISIONS OF SUCH DOCUMENTS, RESPECTIVELY, AND DO NOT PURPORT TO BE COMPLETE OR DEFINITIVE STATEMENTS OF ANY OR ALL OF SUCH PROVISIONS.

THE UNDERWRITERS HAVE PROVIDED THE FOLLOWING SENTENCE FOR INCLUSION IN THIS OFFICIAL STATEMENT. THE UNDERWRITERS HAVE REVIEWED THE INFORMATION IN THIS OFFICIAL STATEMENT IN ACCORDANCE WITH, AND AS PART OF, THEIR RESPECTIVE RESPONSIBILITIES TO INVESTORS UNDER THE FEDERAL SECURITIES LAWS AS APPLIED TO THE FACTS AND CIRCUMSTANCES OF THIS TRANSACTION, BUT THE UNDERWRITERS DO NOT GUARANTEE THE ACCURACY AND COMPLETENESS OF SUCH INFORMATION.

UPON ISSUANCE, THE SERIES 2015 BONDS WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND WILL NOT BE LISTED ON ANY STOCK OR OTHER SECURITIES EXCHANGE. NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY OTHER FEDERAL, STATE, OR OTHER GOVERNMENTAL ENTITY OR AGENCY WILL HAVE PASSED ON THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS OFFICIAL STATEMENT OR APPROVED THE BONDS FOR SALE. THE BOND ORDINANCE AND TRUST INDENTURE WILL NOT BE QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2015 BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED, AND IF DISCONTINUED THEN RECOMMENCED, AT ANY TIME.

(i)

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This Official Statement is submitted by the Borough in connection with the sale of the Series 2015 Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose.

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## OFFICIAL STATEMENT

Relating to

§ \_\_\_\_\_  
**MATANUSKA-SUSITNA BOROUGH**  
**State of Alaska Lease Revenue Refunding Bonds, Series 2015**  
**(Goose Creek Correctional Center Project)**

### INTRODUCTORY STATEMENT

The purpose of this Official Statement, which includes the cover page, inside cover page, and Appendices attached hereto, is to provide certain information concerning the Matanuska-Susitna Borough, a municipal corporation of the State of Alaska (the "Borough"), the State of Alaska (the "State") and the issuance of \$ \_\_\_\_\_ aggregate principal amount of the Borough's State of Alaska Lease Revenue Refunding Bonds, Series 2015 (Goose Creek Correctional Center Project) (the "Series 2015 Bonds" and together with the Series 2008 Bonds that are not Prior Bonds (as defined herein) and any Additional Bonds, the "Bonds"). The Series 2015 Bonds are authorized to be issued pursuant to Bond Ordinance Serial No. 15-\_\_\_\_ (the "Bond Ordinance"), adopted by the Borough Assembly (the "Assembly") on March 17, 2015, and are issued pursuant to and secured under the provisions of the Trust Indenture dated as of December 1, 2008 (the "Original Indenture") as supplemented by the First Supplement to Trust Indenture dated as of April 1, 2015 (the "First Supplement to Indenture" and together with the Original Indenture, the "Indenture"), each between the Borough and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee").

The Series 2015 Bonds are being issued to (i) advance refund \$ \_\_\_\_\_ aggregate principal amount of the Borough's State of Alaska Lease Revenue Bonds, Series 2008 (Goose Creek Correctional Center Project) (the "Prior Bonds") and (ii) pay certain costs of issuance of the Series 2015 Bonds and the refunding of the Prior Bonds. The Prior Bonds were issued for the purpose of financing the Goose Creek Correctional Center Project (the "Facility").

The Facility is owned by the Borough and leased for use by the Alaska State Department of Corrections (the "DOC") acting by and through the Alaska State Department of Administration (the "DOA") pursuant to the Lease Purchase Agreement dated as of December 1, 2008 (the "Original Lease Purchase Agreement") as previously amended by the First Amendment to Lease Purchase Agreement dated October 26, 2010 (the "First Amendment to Lease Purchase Agreement") each by and between the Borough, as lessor, DOA, as lessee and DOC, as tenant agency. Concurrently with the issuance of the Series 2015 Bonds, the Borough, the DOA, the DOC and the Trustee will enter into a Second Amendment to Lease Purchase Agreement dated as of April 1, 2015 (the "Second Amended to Lease Purchase Agreement" and collectively with the Original Lease Purchase Agreement and the First Amendment to Lease Purchase Agreement, the "Lease Purchase Agreement") pursuant to which the DOA and the DOC will agree to make payments sufficient to pay the principal of and interest on the Series 2015 Bonds.

The issuance of the Series 2015 Bonds has been approved by Resolution No. 2015-\_\_\_\_, adopted by the Alaska State Bond Committee (the "Committee") on February 25, 2015.

The Bonds are not general obligations of the Borough or the State or any departments, agencies, or instruments thereof and neither the faith and credit nor the taxing power of the Borough, the State or any political subdivision thereof is pledged to the payment of the principal of and interest on the Bonds. The source of payment for the Bonds is limited strictly to Lease Payments, as further identified herein.

THE OBLIGATION OF THE DOA TO MAKE LEASE PAYMENTS IS SUBJECT TO ANNUAL APPROPRIATIONS AS FURTHER DESCRIBED IN THE LEASE PURCHASE AGREEMENT.

The Lease Purchase Agreement provides that the DOA's obligation to make Lease Payments is absolute and unconditional, subject to an Event of Nonappropriation (as defined herein), and that Lease Payments are payable without any right to set-off or counterclaim regardless of any contingencies and whether or not the DOC or the DOA possesses or uses the Facility.

The information within this Official Statement has been compiled from official and other sources considered reliable and, while not guaranteed as to accuracy, is believed to be correct. Any statements herein involving estimates, projections or forecasts are to be construed as such rather than as statements of fact or representations that such estimates, projections or forecasts will be realized.

All of the summaries of, or references to, provisions of statutes of the State, the Bond Ordinance, the Indenture, or other ordinances, resolutions and agreements of the Borough and other documents contained herein are made subject to the complete provisions thereof and do not purport to be complete statements of such provisions, copies of which are available for inspection at the offices of the Borough upon request. The most recent general purpose financial statements for the State are included in this Official Statement as APPENDIX A. The form of opinion of Bond Counsel is included as APPENDIX B hereto. Certain general and economic information relating to the Borough is included as APPENDIX C hereto. The Original Indenture and the form of First Supplement to Indenture is included as APPENDIX G hereto.

In this Official Statement, the terms "Facility" or "Facilities" refers to the buildings and structures constituting the Goose Creek Correctional Center. All capitalized terms which are not otherwise defined herein shall have the meaning set forth in APPENDIX F in this Official Statement.

Summaries of, or references to, provisions of the Internal Revenue Code of 1986 (the "Code"), contained herein are made subject to the complete provisions thereof and do not purport to be complete statements thereof.

### REFUNDING PLAN

The Prior Bonds to be refunded consist of the Borough's State of Alaska Lease Revenue Bonds, Series 2008 (Goose Creek Correctional Center Project) maturing in 2023, 2028 and 2032, in the aggregate principal amount of \$161,190,000. The Borough will redeem the Prior Bonds on September 1, 2019 (the "Redemption Date") at par. On the date of issuance of the Series 2015 Bonds, a portion of the proceeds of sale of the Series 2015 Bonds will be deposited in an irrevocable escrow fund established to refund the Prior Bonds. The escrow fund will be held by \_\_\_\_\_, of \_\_\_\_\_, as escrow agent (the "Escrow Agent") under the Escrow Agreement dated as of April 1, 2015, by and between the Borough and the Escrow Agent. The moneys held in the escrow fund will be invested in direct and general obligations of the United States of America (the "Government Obligations") that will mature at such times and in such amounts, and will bear interest payable at such times and in such amounts so that sufficient moneys will be available, together with an initial cash deposit, to make full and timely payment of the redemption price of the Prior Bonds on the applicable redemption dates, and the interest due on the Prior Bonds on each interest payment date to and including the applicable redemption dates. The sufficiency of the deposit made to the escrow fund will be verified by \_\_\_\_\_. See "CERTAIN VERIFICATIONS."

[The Prior Bonds financed the Goose Creek Correctional Center which is a 1,536 bed medium security prison for male felony offenders constructed on a 330 acre tract located at the intersection of Pt.

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MacKenzie Road and Alsop Road. The location is approximately 25 miles from the City of Wasilla. This prison facility more than doubled the available beds in the DOC in-state system and facilitates in-state housing of Alaska prisoners. The prison includes approximately 450,000 square feet of buildings on a 150 acre cleared site.]

**SOURCES AND USES OF FUNDS**

The following table shows the estimated sources and uses of funds in connection with the issuance of the Series 2015 Bonds:

**Sources of Funds**

Principal Amount of Series 2015 Bonds .....	\$
[Net] Original Issue [Premium].....	_____
Total Sources of Funds .....	\$ =====

**Uses of Funds**

Refund Prior Bonds.....	\$
Cost of Issuance (1).....	_____
Total Uses of Funds.....	\$ =====

(1) Includes Underwriters' discount, legal, financial advisory, escrow agent, printing and other expenses associated with the issuance of the Series 2015 Bonds.

**SECURITY FOR THE BONDS**

**General**

The Bonds are limited obligations of the Borough payable solely from Lease Payments to be received from the State under the Lease Purchase Agreement. Lease Payments are to be made from appropriated and legally available funds of the DOA. The principal of and interest on the Bonds will be paid from funds appropriated by the State and paid to the Trustee (pursuant to an assignment from the Borough) as Lease Payments under the Lease Purchase Agreement. The Land on which the Facility is constructed is owned by the Borough.

**Trust Estate**

Pursuant to the Indenture, the Borough has assigned and pledged the Trust Estate as security for the payment of the principal of and interest on the bonds issued under the Indenture including any Additional Bonds. Upon issuance of the Series 2015 Bonds and the refunding of the Prior Bonds, bonds issued under the Indenture will include (i) the Series 2015 Bonds and (ii) the Series 2008 Bonds that are not Prior Bonds which will remain outstanding Bonds in the aggregate principal amount of \$36,690,000 (the "Outstanding Series 2008 Bonds"). The Trust Estate includes (1) all right, title and interest of the Borough in the Lease Purchase Agreement (including the Lease Payments and Incidental Payments but not including the Borough's rights to indemnification and reimbursement of expenses); (2) a first lien on and pledge of the Lease Payments and Incidental Payments to be received by the Borough under the Lease Purchase Agreement; (3) a first lien on and pledge of (a) the moneys and investments in the Bond Fund and (b) the moneys and investments in the Construction Fund not paid out to meet Project Costs.

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## **No Mortgage**

The Bonds are not secured by the Land or any interest in real or personal property including the Facility.

## **Bond Fund**

The Bond Fund is maintained by the Trustee as a special fund to be drawn upon for the sole purpose of paying the principal of and interest and premium, if any, on the Bonds. Under the Lease Purchase Agreement, the DOA is obligated to make Lease Payments directly to the Trustee (for deposit into the Bond Fund) five Business Days prior to each principal or interest payment date with respect to the Bonds (each a "Lease Payment Due Date").

## **State Obligations Under Lease Purchase Agreement**

THE BONDS ARE NOT PAYABLE FROM ANY FUNDS OF THE BOROUGH, OTHER THAN THE PAYMENTS TO BE RECEIVED AS LEASE PAYMENTS FROM THE DOA UNDER THE LEASE PURCHASE AGREEMENT. THE PAYMENT OF LEASE PAYMENTS IS SUBJECT TO ANNUAL APPROPRIATION BY THE ALASKA STATE LEGISLATURE.

THE BONDS DO NOT REPRESENT A GENERAL OBLIGATION OF THE BOROUGH, THE STATE OR ANY DEPARTMENT, AGENCY OR INSTRUMENTALITY THEREOF, AND NEITHER IS THE FULL FAITH AND CREDIT OF THE BOROUGH OR THE STATE PLEDGED TO THE REPAYMENT OF THE BONDS. LEASE PAYMENTS SHALL BE PAYABLE SOLELY FROM THE LEASE PAYMENTS PROVIDED UNDER THE LEASE PURCHASE AGREEMENT, WHICH LEASE PAYMENTS ARE IN ALL EVENTS SUBJECT TO ANNUAL APPROPRIATION, AND THE PROCEEDS THEREOF AS PROVIDED THEREIN AND PLEDGED THEREFOR. NEITHER THE BOROUGH NOR THE STATE SHALL BE OBLIGATED TO PAY FOR THE SAME NOR INTEREST THEREON EXCEPT FROM SUCH PAYMENTS AND PROCEEDS PLEDGED THEREFOR, AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE BOROUGH, THE STATE OR ANY DEPARTMENT, AGENCY OR INSTRUMENTALITY THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE BONDS.

**The Lease Purchase Agreement provides that the DOA's obligation to make Lease Payments is absolute and unconditional, subject to an Event of Nonappropriation (as defined herein), and that Lease Payments are payable without any right to set-off or counterclaim regardless of any contingencies and whether or not the DOA possesses or uses the Facility.**

Pursuant to the Lease Purchase Agreement, the DOA has pledged to include in its budget all Lease Payments and to use its best efforts to obtain appropriations in amounts sufficient to pay all Lease Payments required by the Lease Purchase Agreement.

## **Payment History**

The State has never failed to appropriate funds for any outstanding lease obligation.

## **Event of Nonappropriation**

The obligation of the DOA to make Lease Payments is subject to legislative appropriation by the State in its regular fiscal budgets and does not constitute a debt of the Borough, the State or the DOA within the meaning of any constitutional or statutory debt limit or restriction and does not constitute an obligation for which the Borough, the State or the DOA has levied or pledged any form of taxation. See "INFORMATION CONCERNING THE STATE OF ALASKA" herein. As defined in the Lease Purchase

Agreement, the term "Event of Nonappropriation" means the failure of the Legislature to appropriate for any fiscal period of the State sufficient funds that are lawfully available to pay all Lease Payments and Incidental Payments that are to come due (or estimated to come due) during such fiscal period. An Event of Nonappropriation shall be determined to have occurred on the earlier to occur of (a) the date on which a Lease Payment is not made on a Lease Payment Due Date as a result of the failure of appropriation or (b) last day of such fiscal period.

In the event the State Legislature fails to appropriate funds to make Lease Payments, the Lease Purchase Agreement will automatically terminate as of the date of the Event of Nonappropriation and the DOA must vacate the Facility and thereupon be released of its obligations to make all further payments to the Trustee or the Borough due thereafter with respect to the Lease Purchase Agreement; *provided* (a) the DOA delivers the vacated Facility to the Trustee free and clear of all encumbrances created or suffered by the DOA and (b) written notice is provided to the Borough and the Trustee as provided in the Lease Purchase Agreement. If the DOA returns the Facility pursuant to the terms of this provision, the Registered Owners of the Bonds shall retain all sums paid by the State. **THE FAILURE TO MAKE LEASE PAYMENTS UNDER SUCH CIRCUMSTANCES WOULD NOT CONSTITUTE A DEFAULT UNDER THE LEASE PURCHASE AGREEMENT OR THE BONDS.**

### **Operating Covenants**

*Triple Net Lease.* The Lease Purchase Agreement is a "triple net lease" pursuant to which the Borough shall not, under any circumstances or conditions, whether presently existing or arising after the issuance of the Bonds, be expected or required to make any payment of any kind whatsoever or be under any obligation or liability under the Lease Purchase Agreement. The DOA is required to make all payments under the Lease Purchase Agreement. The DOA's obligations to make Lease Payments and to perform and observe all other covenants and agreements of the DOA shall be absolute and unconditional except as expressly provided in the Lease Purchase Agreement.

*Lease Purchase Agreement Nonterminable.* Except as otherwise expressly provided in the Lease Purchase Agreement, the Lease Purchase Agreement shall not terminate, nor shall the DOA have any right to terminate the Lease Purchase Agreement or to be released or discharged from any obligations or liabilities thereunder for any reason, including, without limitation, damage or destruction of the Facility.

*Compliance With Laws.* The DOC shall, at the DOC's own cost and expense, perform and comply with all laws, rules, orders, ordinances, regulations and requirements now or hereafter enacted or promulgated (including, without limitation, all zoning, pollution and environmental requirements, hereinafter referred to as "Environmental Requirements") of every government and municipality having jurisdiction over the Facility and of any agency thereof, relating to the Facility, or the facilities or equipment thereon, or the streets, sidewalks, curbs and gutters adjoining the Facility, or the use or operation of the Facility, whether or not such laws, rules, orders, ordinances, regulations or requirements so involved shall necessitate structural changes, improvements, interference with use and enjoyment of the Facility, replacements or repairs, and the DOC shall so perform and comply, whether or not such laws, rules, orders, ordinances, regulations or requirements shall now exist or shall hereafter be enacted or promulgate, and whether or not such laws, rules, orders, ordinances, regulations or requirements can be said to be with the present contemplation of the parties to the Lease Purchase Agreement.

*Liability Insurance.* The DOA shall maintain, comprehensive general liability insurance on an occurrence basis insuring the DOA against claims for personal injury covering the Facility in such amounts as may be established by the DOA from time to time but in no event having a coverage less than \$10 million per occurrence. The DOA may provide all or a portion of any insurance by self insurance. Such insurance may be carried under a blanket policy with umbrella coverage. The insurance covers any and all liability of the DOA and DOC and its officials, officers, employees and agents, but such coverage

does not constitute a waiver of the defense of governmental immunity. Such insurance (a) will include coverage for any accident resulting in personal injury to or death of any person and consequential damages arising therefrom; (b) will include comprehensive property damage insurance; (c) if purchased, will be issued by a financially responsible insurance company authorized to do business in the State and approved by the DOA; (d) will provide that the same may not be canceled or given notice of non-renewal nor shall the terms of conditions thereof be altered, amended or modified without at least 45 days prior written notice being given by the insurer to the Borough; and (e) includes contractual liability coverage. Each such policy will name the Trustee and the Borough as additional insureds. The DOA must furnish to the Borough, annually, certificates of insurance or letters confirming self insurance evidencing that the same is in full force and effect and that the premiums therefor have been paid.

*Property Insurance.* DOA will carry or cause to be carried all risk property insurance coverage covering the Facility in such amounts and covering such risks as DOA and the Borough may determine from time to time. Such insurance shall be carried with financially responsible insurance companies authorized to do business in the State of Alaska and approved by DOA, and may be carried under a policy or policies covering other property owned or controlled by DOA or may be accomplished through a program of self-insurance as provided for similarly situated facilities of the State. DOA shall furnish to the Trustee, on or before the effective date of any such policy, certificates of insurance or self insurance evidencing that the insurance is in force and effect on the specified date and that the premiums therefor have been paid. DOA agrees that such policies shall contain a provision that the same may not be cancelled or given notice of non-renewal nor shall the terms of conditions thereof be altered, amended or modified without at least 45 days prior written notice being given by the insurer to the Borough. The Trustee shall not be responsible for the sufficiency of any insurance herein required, including any self insurance.

### **Eminent Domain Proceedings**

The following provisions shall apply with respect to eminent domain proceedings or loss of title relating to the Facility:

A. *Total Taking.* If all of the Facility is taken by eminent domain or there is a total loss of title to the Facility, the Lease Purchase Agreement shall terminate as of the date the DOC or the DOA, as applicable, is required to vacate the Facility.

B. *Partial Taking.* If a taking of any part of the Facility by eminent domain or loss of title to any part of the Facility renders the Facility unsuitable, in the judgment of the DOA, for the construction of the Facility or for the use and occupancy of same, the Lease Purchase Agreement may, at the option of the DOA, be terminated as of the date when the DOA is required to vacate the portion of the Facility so taken or lost, by written notice given to the Borough not more than 180 days after the DOA receives notice of the taking.

C. *Awards.* In any proceeding whereby all or part of the Facility is taken by eminent domain or there is a loss of title to all or part of the Facility, whether or not the DOA elects to terminate the Lease Purchase Agreement, all of the condemnation award or insurance payment shall be paid to the DOA who shall, after deducting all costs and expenses incurred by the DOA and/or the Borough in connection with the negotiation, adjustment and collection of the award or payment, apply the award or payment as follows:

(1) In the event there is a complete failure of title to the Facility or all of the Facility is taken by eminent domain, or in the event of a partial loss of title or taking wherein DOA has elected to terminate the Lease Purchase Agreement, DOA shall pay the Trustee such portion of the condemnation award or awards as is necessary to defease the Bonds then outstanding in

accordance with the defeasance provisions set forth in the Indenture. The balance of the award or awards, if any shall be retained by DOA.

(2) In the event of a partial loss of title or taking wherein DOA has not elected to terminate the Lease Purchase Agreement, the award or awards shall be retained by DOA.

### **Continuation of the Lease Purchase Agreement Following Less than Substantial Condemnation of the Facility**

If there is a partial taking of the Facility by eminent domain and the DOA elects not to terminate the Lease Purchase Agreement as to the Facility, the Lease Purchase Agreement shall not terminate as to the Facility and there shall be no abatement of Lease Payments and the DOA shall proceed immediately to repair, rebuild or restore all or any portion of the Facility that may have been taken as nearly as practicable in full compliance with all legal requirements and to the same condition, character and at least equal value and utility to that existing prior to such condemnation.

### **Insufficiency of Condemnation Award**

If the condemnation award is insufficient to pay in full the cost of any repair, restoration, modification or improvement of any component of the Facility, the DOA may, subject to appropriation of sufficient funds, complete the work and pay any cost in excess of the amount of the condemnation award. The DOA shall not be entitled to any reimbursement therefor nor shall the DOA be entitled to any diminution of any Lease Payments.

### **Destruction of Facility**

In the event the Facility is damaged or destroyed by fire or other casualty, the Lease Purchase Agreement shall not terminate and there shall be no abatement of the Lease Payments otherwise payable by DOA under the Lease Purchase Agreement. Within 180 days following such damage or destruction, DOA will notify the Borough and Trustee of its election to either prepay the Lease Payments or to rebuild the Facility. In the event DOA elects to prepay the Lease Payments, DOA will, after deducting all costs and expenses incurred by DOA and/or the Borough in connection with the negotiation, adjustment and collection of the insurance proceeds, pay the Trustee such portion of the insurance proceeds as is necessary to defease the Bonds then outstanding under the Indenture in accordance with the defeasance provisions set forth in the Indenture. The balance of the insurance proceeds shall be retained by DOA. In the event DOA elects to rebuild the Facility, there shall be no abatement of Lease Payments otherwise payable by DOA under the Lease Purchase Agreement and DOA shall use such portion of the insurance proceeds as may be necessary to repair, rebuild or restore all or any portion of the Facility that may have been damaged or destroyed as nearly as practicable in full compliance with all legal requirements and to the same condition, character and at least equal value and utility to that existing prior to such damage or destruction. If the insurance proceeds are insufficient to pay in full the cost of any repair, restoration, modification, or improvements of any component of the Facility, DOA may, subject to appropriation of sufficient funds, complete the work and pay any costs in excess of the amount of the insurance proceeds. DOA shall not be entitled to any reimbursement therefor from the Borough nor shall DOA be entitled to any diminution of any Lease Payments otherwise payable under the Lease Purchase Agreement.

### **Lease Default Event**

An Event of Nonappropriation is not a Lease Default Event.

The occurrence and continuation of any of the following shall constitute a Lease Default Event under the Lease Purchase Agreement:

(a) Lease Payments or any other sum of money that DOA is obligated to pay under the Lease Purchase Agreement is not paid on the date when due; or

(b) Default by the DOA or DOC in the performance or observance of any of the other terms, covenants, conditions or agreements of the Lease Purchase Agreement for 30 days after written notice and demand by the Borough or the Trustee, or if such default shall be of such a nature that the same cannot practicably be cured within said 30-day period and the DOA or DOC shall not within said 30-day period commence with due diligence and dispatch the curing and performance of such defaulted term, covenant, condition or agreement or if the DOA or DOC shall with said 30-day period commence with due diligence and dispatch to cure and perform such defaulted term, covenant, condition or agreement and shall thereafter fail or neglect to prosecute and complete with due diligence and dispatch the curing and performance of such defaulted term covenant, condition or agreement.

If by reason of *force majeure* the DOA or DOC is unable in whole or in part to carry out its obligations under the Lease Purchase Agreement with respect to the Facility, *other than its obligation to pay Lease Payments and Incidental Payments*, the DOA or DOC shall not be deemed in default during the continuance of such inability provided notice thereof is given to the Borough. The term "*force majeure*" means, without limitation, the following: acts of God; strikes, lockouts or other industrial disturbances; acts of public enemies; orders or restraints of any kind of the government of the United States of America or the State or their respective departments, agencies, or officials, or any civil or military authority; insurrections; riots; landslides; volcanoes; earthquakes; fires; storms; droughts; flood; explosions; breakage or accident to machinery, transmission pipes or canals or any other cause or event not reasonably within the control of the DOA or DOC and not resulting from its negligence. The DOA or DOC has agreed, however, to remedy with all reasonable dispatch the cause or causes preventing the DOA or DOC from carrying out its agreements thereunder; provided that the settlement of strikes, lockouts and other industrial disturbances shall be entirely within the discretion of the DOA or DOC and the DOA or DOC shall not be required to make settlement of strikes, lockouts and other industrial disturbances by acceding to the demands of the opposing party or parties when such course is in the judgment of the DOA or DOC unfavorable to the DOA or DOC.

### **Remedies**

If a Lease Default Event occurs, the Trustee pursuant to its assignment from the Borough may elect, in addition to any rights or remedies it may have:

(a) To continue the Lease Purchase Agreement in effect until the Borough elects to terminate the DOA's and DOC's right to possession and the DOA and DOC shall remain liable to perform all of their obligations under the Lease Purchase Agreement and the Borough may enforce all of the Borough's rights and remedies, including the right to recover Lease Payments, and any other sum payable under the Lease Purchase Agreement as and when the same become due;

(b) To terminate the DOA's and DOC's possession of the Facility, whereupon the Lease Purchase Agreement and all of the DOA's and DOC's obligations under the Lease Purchase Agreement, including the obligation to make Lease Payments, shall terminate; or

(c) In the event the Borough elects to continue the Lease Purchase Agreement in effect, the Borough shall use its best efforts to relet the Facility.

Upon the occurrence of an Event of Nonappropriation, the DOA and DOC shall, at the DOA's and DOC's expense, promptly vacate the Facility and return possession to the Borough free of all liens and encumbrances.

In the event there has been a Lease Default Event under the Lease Purchase Agreement or if an Event of Nonappropriation has occurred, the Borough (and the Trustee by assignment) shall have the right to sublease all or any portion of the Facility. If a Lease Default Event occurs and the Lease Purchase Agreement has not been cancelled, then the Trustee also may take such other actions and pursue such other remedies as are permitted by law to recover from the DOA the difference between Lease Payments and rental amounts, if any, received from other lessees/users. However, if an Event of Nonappropriation occurs under the Lease Purchase Agreement or if the Lease Purchase Agreement has been terminated by the Trustee, the DOA will have no liability for any Lease Payments after the termination date.

**IF A LEASE DEFAULT EVENT OR AN EVENT OF NONAPPROPRIATION OCCURS UNDER THE LEASE PURCHASE AGREEMENT, THERE CAN BE NO ASSURANCE THAT THE FACILITY CAN BE RE-LET OR, IF RE-LET, THAT THERE WILL BE SUFFICIENT FUNDS TO PAY THE OUTSTANDING PRINCIPAL OF AN ACCRUED INTEREST ON THE BONDS AND NO ASSURANCE THAT ANY AMOUNTS RECEIVED FROM OTHER SUBLEASES ALLOCABLE TO INTEREST ON THE BONDS WILL BE EXCLUDED FROM GROSS INCOME FOR FEDERAL INCOME TAX PURPOSES.**

### **Options to Prepay and Purchase Property**

*Option to Purchase and Prepay Lease Payments.* Provided DOA and DOC are not in default under the Lease Purchase Agreement and no Event of Nonappropriation has occurred, DOA shall have the option to prepay the Lease Payments in full plus accrued interest and premium to the date of prepayment and thereby be relieved of any obligation to make any further payment of Lease Payments and Incidental Payments on any Lease Payment Date pursuant to and subject to the limitations set forth in the Lease Purchase Agreement. The amount of any prepayment shall be an amount sufficient to prepay the Bonds on the next date on which Bonds may be called for redemption in whole or in part or to defease the Bonds to maturity in accordance with the terms of the Indenture and to discharge the Indenture in accordance with its terms, and any prepayment of Lease Payments shall discharge obligations under the Lease Purchase Agreement only to the extent that a corresponding principal amount of Bonds may be paid, redeemed or defeased.

### **Additional Bonds**

The Borough may issue Additional Bonds to (i) provide funds to complete the Facility, (ii) provide funds for additions to or further improvements of the Facility and (iii) to refund Outstanding Bonds (including Outstanding Additional Bonds). Any Additional Bonds, when issued, will be secured by the Indenture and the Trust Estate on a parity with the Bonds then Outstanding. The issuance of Additional Bonds is subject to satisfaction of certain conditions precedent described in Section 2.11 of the Indenture. See, APPENDIX G – ORIGINAL INDENTURE AND FORM OF FIRST SUPPLEMENT TO INDENTURE.” Under existing State law the annual amount of Lease Payments may not exceed \$11,600 per bed. It is likely that any issuance of Additional Bonds for completion or expansion of the Facility will require the enactment of new legislation to increase or remove this limitation.

## **BOND TERMS**

### **General Description of the Series 2015 Bonds**

The Series 2015 Bonds will be dated April \_\_, 2015, the Date of Delivery, and will bear interest from the dated date of the Series 2015 Bonds payable on September 1, 2015 and semiannually thereafter on March 1 and September 1 of each year. The Series 2015 Bonds will mature on the maturity dates and in the principal amounts, and will bear interest at the rates, as set forth on the inside cover of this Official

Statement. Interest shall be calculated on the basis of a year consisting of 360 days and twelve 30-day months.

The Series 2015 Bonds initially will be issued as fully registered bonds under a book-entry system, registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”), acting as depository for the Series 2015 Bonds. Individual purchases of the Series 2015 Bonds will be made in the principal amount of \$5,000, or integral multiples thereof within a single maturity, and will be in book-entry form only. So long as DTC, or its nominee, Cede & Co., is the registered owner of all Series 2015 Bonds, all payments on the Series 2015 Bonds will be made directly to DTC, and disbursement of such payments to the hereafter described DTC Participants will be the responsibility of DTC, and disbursement of such payments to the hereafter described Beneficial Owners of the Bonds will be the responsibility of the DTC Participants as more fully described hereafter. See “APPENDIX E – INFORMATION REGARDING THE DEPOSITORY TRUST COMPANY – Book-Entry System.”

The Series 2015 Bonds are not general obligations of the Borough or the State and neither the faith and credit nor the taxing power of the Borough, the State or any political subdivision thereof is pledged to the payment of the principal of and interest on the Series 2015 Bonds.

**Redemption of the Series 2015 Bonds**

*Optional Redemption*

The Series 2015 Bonds maturing on and after \_\_\_\_\_ 1, 20\_\_ are subject to redemption at the option of the Borough on any date on or after \_\_\_\_\_ 1, 20\_\_, in whole or in part, and if in part, from such maturities as determined by the Borough, from any monies made available for such purpose, at 100% of principal amount of the Series 2015 Bonds to be redeemed, plus interest, if any, accrued to the date of redemption.

*Mandatory Sinking Fund Redemption*

The Series 2015 Bonds maturing on \_\_\_\_\_ 1, 20\_\_, 20\_\_ and 20\_\_ (the “Term Bonds”), are subject to mandatory redemption prior to maturity, on \_\_\_\_\_ 1 of the years shown in the following tables, by the application of sinking fund installments, at a redemption price equal to the principal amount thereof to be redeemed, and in the following amounts, each constituting a sinking fund installment:

<u>20__ Term Bonds</u>		<u>20__ Term Bonds</u>		<u>20__ Term Bonds</u>	
<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
	\$		\$		\$
		*			*

\*Final Maturity

If Term Bonds subject to mandatory sinking fund redemption are either redeemed at the option of the Borough, or purchased by or on behalf of the Borough at a price not exceeding the redemption price which would be payable on the next ensuing optional redemption date for such Term Bonds, the amount of principal of the Term Bonds so redeemed or purchased shall be credited to one or more future sinking fund installments (including the payment due at final maturity) with respect to such Term Bonds that the

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Borough designates in written instructions delivered to the Trustee before the date of the optional redemption or purchase; provided that if the Borough does not deliver such written instructions to the Trustee, there shall be credited to each such sinking fund installment (including the payment due at final maturity) a *pro rata* portion of the principal amount of the Term Bonds so redeemed or purchased.

### **Selection of Bonds to be Redeemed**

If fewer than all of the Series 2015 Bonds of like series and maturity are called for prior redemption, the particular Series 2015 Bonds or portions of the Series 2015 Bonds within a maturity to be redeemed will be selected by the Trustee, or its successor, by lot or in such other manner as is determined by the Trustee; provided that for so long as the book-entry system is being used, the particular Series 2015 Bonds or portions thereof to be redeemed within a maturity will be selected by DTC in accordance with DTC's Operational Arrangements Memorandum and, in turn, the DTC Participants in such manner as DTC and the DTC Participants may determine; provided further, however, that the portion of the Series 2015 Bonds of a denomination of more than \$5,000 to be redeemed will be in the principal amount of \$5,000 or a multiple thereof, and that, in selecting portions of such Series 2015 Bonds for redemption, the Trustee, DTC and the DTC Participants will treat each such Series 2015 Bond as representing that number of Series 2015 Bonds of a \$5,000 denomination which is obtained by dividing the principal amount of the Series 2015 Bonds to be redeemed in part by \$5,000.

### **Notice of Redemption**

For so long as the Series 2015 Bonds are registered in the name of DTC or its nominee, notice of intended redemption shall be given only as provided in the DTC Operational Arrangements Memorandum. The Borough will not provide notice to any Beneficial Owners.

When the Trustee receives notice from the Borough of its election or direction to redeem Series 2015 Bonds and when redemption of Series 2015 Bonds is authorized or required, the Trustee will give notice of such redemption (i) to DTC in accordance with DTC's Operational Arrangements; or (ii) in the event the book-entry system is discontinued, by first class mail, postage prepaid, to the registered owners of Series 2015 Bonds to be redeemed not less than 30 nor more than 60 days prior to the redemption date and may give notice at least thirty days before the redemption date to each registered securities depository and nationally recognized information service that disseminates redemption information.

Any failure on the part of DTC or failure on the part of a nominee of a Beneficial Owner (having received notice from a DTC Participant or otherwise) to notify the Beneficial Owner so affected will not affect the validity of the redemption.

Unless the book-entry system has been discontinued, the Borough and the Trustee will recognize DTC or its nominee as the registered owner of the Series 2015 Bonds. Conveyance of notices and other communications by DTC to DTC Participants and by DTC Participants to Beneficial Owners will be governed by arrangements between them, subject to any statutory and regulatory requirements as may be in effect from time to time.

If the Series 2015 Bonds are no longer held in immobilized form by DTC, notice shall be given by the Trustee as provided by the Indenture, but no defect in said notice nor failure to give all or any portion of such notice shall in any manner defeat the effectiveness of a call for redemption if notice is given as prescribed above.

Interest on the Series 2015 Bonds so called for redemption will cease to accrue on the date fixed for redemption unless the same are not redeemed upon presentation and pursuant to such call.



## **Population**

The estimated population for 2014 for the Borough is 98,063, with an estimated population of 1,965 in the City of Houston, 6,053 in the City of Palmer and 8,275 in the City of Wasilla. The Borough has been Alaska's fastest growing region for the last two decades and is the third most populous municipality in the State, after Anchorage and Fairbanks. The 2014 estimated population represents an increase of 10% over the 2010 U.S. Census population of 88,995.

## **Government**

The Borough was incorporated as a second class borough on January 1, 1964. The Borough is governed by a seven-member Borough Assembly, elected from single-member districts, and a Mayor, elected at large. The Borough Assembly appoints the Borough Manager, who serves as chief administrator, and an Attorney and Clerk. There is an appointed Planning Commission, Platting Board, Transportation Advisory Board, and several other advisory committees.

## **Powers**

There are three categories of Borough powers: areawide powers (exercised throughout the Borough), non-areawide powers (not exercised within cities), and powers exercised through a service area (a district in which a tax is levied to finance special services provided within the district). The Borough's areawide powers include: assessment and collection of taxes; education; planning and zoning; parks and recreation; ports, harbors and wharves; ambulance service; transportation; air pollution control; day care facilities; historic preservation; and transient accommodations taxation.

## **School District**

The Matanuska-Susitna Borough School District is a dependent unit of the Borough, governed by an elected school board. The Borough issues bonds and levies taxes on behalf of the School District. The school system consists of seven high schools; five middle schools; two combined junior/senior high schools; four primary/secondary schools (K-12) and 20 elementary schools and six charter schools and is the second largest school district in the State, after Anchorage.

## **Borough Administration**

The administration of the Borough government is directed by the Borough Manager. The Director of Finance is responsible for financial matters. Biographical information with respect to the Borough Manager and the Director of Finance is set forth below:

*John Moosey* was appointed the Borough Manager in May 2011. He began his career in local government management within the Borough of Clarion, Pennsylvania in 1985. Including Clarion, Mr. Moosey has served 28 years as Chief Executive/Administrative Officer in the communities of Middlefield, Ohio, Defiance, Ohio, Brewster, Ohio, North Branch, Minnesota and Chisago County, Minnesota. Mr. Moosey holds a Master's Degree of Public Administration from Kent State University. He also holds a membership in the International City County Management Association.

*Tammy E. Clayton* was appointed as the Director of Finance of the Borough in September 1998. From February 1991 until September 1998, she was the Borough Comptroller. Ms. Clayton is a former member of the Executive Board of the Government Finance Officers Association of the United States and Canada. She has also served as the President of the Alaska Government Finance Officers Association. She is on the Board of Directors of the Alaska Municipal League Investment Pool. Ms. Clayton is a Certified Public Accountant in the State of Alaska and previously worked with Coopers & Lybrand for a period of six years. Prior employment experience included several years with a financial institution as

comptroller. Ms. Clayton has a bachelor's degree in business administration from the University of Alaska.

## INFORMATION CONCERNING THE STATE OF ALASKA

### General

Alaska is a sovereign state of the United States of America and is located in the far northwest corner of North America, to the west of Canada and approximately 500 miles north of the state of Washington. Most of the State's revenue is derived from resources owned by the State itself, including petroleum and minerals extracted from State-owned lands and securities in funds owned by the State.

### State Ownership of Land and Natural Resources

Alaska includes approximately 586,412 square miles (approximately 365 million acres) of land and is the largest state in the United States, roughly equivalent in size to one-fifth of all of the other 49 states combined. Unlike the other 49 states, where significant portions of the land may be owned by individuals or entities in the private sector, less than one percent of the land in Alaska is owned by private, non-Alaska Native owners.

In 1959, when Alaska became a state, 99.8 percent of the land was owned by the federal government. The Statehood Act, as modified by the Alaska Land Transfer Acceleration Act of 2004, gave the State the right to select and acquire approximately 105.5 million of the nearly 365 million acres of federal lands in Alaska. As of December 31, 2014, close to 95 percent, or approximately 100 million acres, of this grant has been conveyed to the State. In addition, the State owns approximately 65 million acres of submerged and tide lands, some of which overlie areas with the potential for natural resource production.

Land ownership in Alaska is also shaped by the Alaska Native Claims Settlement Act ("ANCSA") enacted by Congress in 1971. Under ANCSA, 13 regional corporations and more than 200 village corporations were established with Alaska Natives as their shareholders and beneficiaries. These corporations were authorized to select approximately 44 million acres of federal lands and the associated subsurface and surface rights for transfer into their ownership.

In summary, Alaska Natives and ANCSA corporations own approximately 13 percent of Alaska lands, the State owns approximately 26 percent, and the federal government owns approximately 60 percent, with less than one percent of Alaska lands owned by private, non-Native owners. As described below, the State obtains significant revenues from companies that lease State-owned lands for extraction of oil, natural gas, coal, gold, silver, zinc, copper and other minerals and shares with the federal government revenues from oil, natural gas and other assets extracted from federal lands leased by private companies. Additionally, the State receives indirect benefits and tax revenues from development and activity on ANCSA corporation-owned lands.

For State land, Article 8, Section 1 of the State Constitution provides that, "it is the policy of the State to encourage the settlement of its land and the development of its resources by making them available for maximum use consistent with the public interest." The Department of Natural Resources ("DNR") is the State entity entrusted with executing this objective on the approximately 165 million acre upland and tideland portfolio. Consequently DNR has a stewardship and public trust responsibility for all State-owned land, water and resources in addition to regulatory responsibilities on private lands.

As part of this work, DNR manages the State's mineral, coal, oil and gas, geothermal, timber, material and water resources, provides land use authorizations for surface activities on State land, receives title from the federal government in accordance with the Statehood Act and the Alaska Land Transfer Acceleration Act and conveys land to private purchasers. DNR manages and distributes a large volume of technical data, public records, land records and geospatial information.

**Oil and Gas Reserves.** The State's finances have been supported by oil exploration and production since 1968, when the first large oil and gas reservoir on the Arctic Coast was discovered. To enable the production of this resource, the Trans-Alaska Pipeline System ("TAPS"), an 800-mile, 48-inch crude oil pipeline from the State's Arctic Coast to Valdez in south-central Alaska was constructed in the 1970s and came online in 1977. This nationally important piece of infrastructure has transmitted approximately 17.2 billion barrels of crude oil from the North Slope of Alaska to market between 1978 and 2014.

At peak production levels in 1988, over 2 million barrels per day were flowing through TAPS from the Prudhoe Bay field, the Kuparuk field, the State's second largest oil-producing area, as well as from the Endicott and Lisburne satellite fields.

The Alaska North Slope continues to see new oil being produced from reworking existing fields, as well as new developments that will bring future production. This new production on the North Slope has helped to offset some of the volume decline since the 1988 peak. The Department of Revenue ("DOR") Fall 2014 forecast for North Slope crude oil production in fiscal year ("FY") 2015 is 509,500 barrels per day, trending to a peak in FY 2017 of 534,100 barrels per day. FY 2016 and FY 2017 are forecast to be the first fiscal year-to-year production increases in over a decade.

In the DOR Fall 2014 Revenue Sources Book, the State forecasted that crude oil production on the North Slope would return to a decline after FY 2017 and continue to decline over the 10 year forecast period to 314,700 barrels per day by FY 2024.

In 2012, the DOR began reporting future production as a risk-weighted value in order to account for the risk involved in bringing new projects online as an appropriate measure to prepare the State's budget. In 2013, the DOR further reduced forecast production due to the increase in natural gas liquids re-injection, more extensive maintenance projections, and reduced oil well performance and recovery response expectation. While this ensures conservative financial planning further into the future, the DOR projected high production case indicates that production could be as high as 500,000 barrels of oil per day by 2023 under the right economic conditions. Production could also be higher with technological breakthroughs or major changes in current conditions. The State does not include any potential production from the Arctic National Wildlife Refuge (ANWR) or new discoveries in the National Petroleum Reserve Alaska in its forecasts. In January 2015, the Obama Administration proposed designating 12 million acres of the ANWR as a protected wilderness area, thereby permanently precluding oil extraction. Only Congress can authorize such designation. No statement is made as to the outcome of this proposal.

Capital expenditure on the North Slope is forecast to increase in both FY 2015 and FY 2016 from prior forecasts. Over the next decade there is little change to the aggregate value of investment expected on the North Slope, compared to the forecasts of the Spring 2014. Spending is focused on both existing legacy fields as well as the development of new fields. Development of Point Thomson, CD-5 (Alpine West), Mustang, and Moose's Tooth, as well as the Oooguruk and Nikaitchuq units is progressing. Additionally, there are recently added rigs and new drilling areas being implemented in legacy fields designed to increase production.

Oil production from the smaller fields within the Cook Inlet Basin, in south-central Alaska, has increased for the last four years as new participants enter the Alaska market. Some of these fields have

now been in production for over 60 years, but new discoveries in the basin continue to be made. Cook Inlet production has grown from 8,900 barrels per day in 2010 to 15,800 barrels in 2014 and may continue to increase to an estimated 16,600 barrels per day in 2015. A risk adjusted decline may begin in 2016, trending back to 7,000 barrels per day in 2024.

Alaska also features immense potential for future production from known (discovered but undeveloped) and unknown (undiscovered) hydrocarbon resources on the North Slope. To highlight the potential of Alaska's North Slope it is often compared to the State of Wyoming. The North Slope is approximately the same size as the State of Wyoming, but while Wyoming has had approximately 19,000 exploratory wells drilled, the North Slope has had fewer than 600. In August 2007, the U.S. Department of Energy ("DOE") released "Alaska North Slope Oil and Gas: A Promising Future or an Area in Decline?" – a report that assessed the potential for Alaska to remain a major producer of oil and gas under various development scenarios. The report examined near-term potential (2007-2015) and long-term potential (2015-2050). According to the report, the North Slope is a relatively underexplored petroleum province that may provide oil and increasingly, natural gas, for years to come.

The 2007 U.S. DOE report evaluated geologic and commercial viability of future oil and gas production from five areas or provinces: 1) the State-owned area between the Colville and Canning Rivers (and adjacent State waters), 2) the "1002" area of the Arctic National Wildlife Refuge, 3) the National Petroleum Reserve in Alaska ("NPR-A"), 4) the Beaufort Sea Outer Continental Shelf ("OCS"), and 5) the Chukchi Sea OCS.

Under the most optimistic scenario, DOE reported mean technically recoverable oil resources of 38.2 billion barrels and mean technically recoverable gas resources of 186.5 trillion cubic feet ("TCF") from these five areas. The State benefits from the production of federal oil within the State (especially in the NPR-A, where the State is entitled to 50 percent of all royalties, bonuses and rents) and benefits to some extent from the production of federal oil from non-State lands shipped through TAPS. These estimates are not included in the DOR's projections of oil production from the North Slope.

In the next ten years, the State anticipates new developments on State and federal lands, both of which benefit the State. Many of the opportunities to add production from State lands are from expanded heavy and viscous oil development, shale oil, continued satellite development at Alpine, and continued developments at Oooguruk and Nikaitchuq.

The Point Thomson field, 20 miles east of the existing Badami development, together with three known satellite fields, is estimated to hold more than eight TCF of gas reserves and more than 500 million barrels of liquid hydrocarbons. Production at Point Thomson is currently forecast based on a gas cycling production profile consistent with recent publicly available statements on the project. Another new field that may begin production is Umiat, first discovered in 1946 by the U.S. Navy. It is estimated to have one billion barrels of oil in place with approximately 200 million recoverable barrels. It has not been developed due to its remoteness, but production at the Umiat field could provide significant production volumes going forward.

The State continues to see very strong interest in bidding on leases of State land for oil and gas exploration and production on the North Slope and Cook Inlet. On November 19, 2014, the State received 297 valid bids from 9 different bidding groups, resulting in 254 tracts sold encompassing 524,387 acres. Bidders included major international producers and established independent companies. Winning bids totaled more than \$54.5 million. The 2014 North Slope area lease sale was the largest by dollar amount since area-wide lease sales began in 1998, surpassing the \$51.8 million received when the program began.

The Beaufort Sea-area sale netted the State approximately \$5.8 million, making it the third largest by dollar amount in that area. The North Slope Foothills area continued to show limited interest with 2

tracts sold for \$147,000. In May 2014, the State received 39 bids and sold 34 tracts comprising 108,443 acres in Cook Inlet for \$5.2 million. This continues to show the increased interest in developing the Cook Inlet's basin that has resulted in \$23.8 million of bonus bids received in Cook Inlet over the last 4 years.

**Natural Gas Pipeline Developments.** Natural gas development on the Alaska North Slope has been limited because a pipeline to transport recovered natural gas to market outside Alaska has never been constructed. As a result, natural gas produced in conjunction with oil production on the North Slope is not yet sold commercially in significant volumes. Most of the produced gas is re-injected into the North Slope oil fields for use in enhanced oil recovery projects at the Prudhoe Bay field or at the Kuparuk field while some is used on site or is sold to the TAPS and used to heat field camps, run electrical generators or power the TAPS pump stations. Although there are currently an estimated 35 TCF of known contingent gas resources on the North Slope, mostly in the Prudhoe Bay and Point Thomson fields, geologic estimates for the greater Alaska region by the U.S. Geological Survey (onshore and state waters) and the Bureau of Ocean Energy Management (Outer Continental Shelf waters) place the amount of undiscovered technically recoverable resources at more than 200 TCF.

The State's tax and royalty provisions apply to natural gas products as well as to oil, and the State's long-term planning is based in part on efforts to develop natural gas resources as oil production declines. See "State Revenues — Oil and Gas Revenues" herein. To spur commercialization of Alaska natural gas, the Legislature enacted the Alaska Gasline Inducement Act ("AGIA") in 2007. In August 2008, following an extensive application and evaluation process, the Legislature authorized the State to award an AGIA license to TransCanada Alaska, a wholly-owned subsidiary of the TransCanada Corporation ("TransCanada"). TransCanada partnered with ExxonMobil, one of the three major North Slope producers.

Pursuant to the AGIA license, TransCanada committed to initiate pre-development activities and to obtain necessary permits to build a 1,715-mile natural gas pipeline from a natural gas treatment plant at Prudhoe Bay to the Alberta Hub in Canada. Under AGIA, the State had agreed to provide matching funds of up to \$500 million to reimburse TransCanada for a portion of the development costs of the proposed pipeline. The AGIA license obligated TransCanada to complete certain predevelopment and regulator steps but did not require them to proceed with construction. The project conducted its initial open season in 2010, receiving multiple bids from potential shippers. In 2012, TransCanada, ExxonMobil, ConocoPhillips and BP formally agreed on a work plan under the AGIA framework and pertinent milestones to explore and develop a concept for a liquefied natural gas project and associated pipeline to Southcentral Alaska.

In January of 2014, a Heads of Agreement ("HOA") was signed by the Commissioners of the DNR and DOR with ExxonMobil, BP, ConocoPhillips, and TransCanada, expressing an agreement to advance a proposed Alaska LNG ("AKLNG") project, which would provide gas to Alaskans and be one of the largest export projects of its kind in the world. In addition to the HOA, the Commissioners of DOR and DNR have also signed a Memorandum of Understanding ("MOU") with TransCanada charting a transition from the exclusive license granted to TransCanada under the AGIA to a more traditional commercial relationship. Under the HOA, the State would assume a 20%-25% equity share in the Alaska LNG Project commensurate with its royalty and production tax interest in North Slope natural gas production from the Prudhoe Bay and Point Thomson fields. Under the MOU, the State would assign its equity share in the treatment and pipeline components of the Alaska LNG project to TransCanada while retaining an option to reclaim a portion of that equity interest at a future date. The HOA and MOU served as guidance documents to the Legislature during its review of legislation proposed during the 2014 Legislative session. The HOA provided that if acceptable enabling legislation was passed the Alaska LNG Project would ramp up the Pre-Front End Engineering Design (Pre-FEED) stage and established a framework for negotiating multiple project-enabling agreements. Those agreements include, but are not limited to contracts for the disposition of the State gas share, individually developed joint marketing

agreements for the State's share of LNG, a proposed tailored regulatory framework for the project, and expansion terms that will allow third-party access to all of the project components, including possible construction of a new LNG train at the liquefaction plant.

The approved legislation, Senate Bill ("SB") 138, provides the authorization for DNR to modify leases, allows the State to enter into certain commercial agreements, revises the production tax for natural gas from leases that are contributing to a North Slope gas commercialization project to allow the State to have a 25% equity share in the project, authorizes a subsidiary of the Alaska Gasline Development Corporation (AGDC) to participate in liquefaction, and makes other changes to enable progress on a large-scale, integrated LNG project. Considered enabling legislation by the HOA parties, SB 138 allowed the parties to align commercially in a Joint Venture Agreement ("JVA") signed in July 2014 and ramp up the Pre-FEED stage for the Alaska LNG project. Activities to date have included the formal filing of an application with the U.S. Department of Energy to export LNG to both free trade and non-free trade countries, key summer field season activities, additional engineering and design work, and filing of initial resource reports to the Federal Energy Regulatory Commission ("FERC"). Concurrently with the development of the AKLNG project, AGDC has progressed an alternative, smaller scale project designed to meet domestic gas demand should the larger project falter. AGDC has aligned its schedule to match the AKLNG project and new spending on the AKLNG project has been curtailed until a front end engineering and design decision is made on AKLNG.

**Mineral Resources.** According to USGS the State of Alaska contains large amounts of the world's mineral resources including 17% of the coal, 8% of the gold, 5% of the Zinc, 4% of the copper, 3% of the lead, & 2% of the silver. Six large mines that produce zinc, gold, lead, silver, and coal are currently in operation and several other large mines are under development or exploration. There are also more than 400 smaller scale placer gold, and sand and gravel mining operations.

The six major Alaska mines are:

- Red Dog Mine, a surface mine and mill that produces zinc, lead and silver in concentrates in the Northwest Arctic Borough. It is a joint venture between Teck and an Alaska Native Corporation ("NANA Regional Corporation"). Red Dog is one of the largest zinc mines in the world, both in terms of production and reserves.
- Fort Knox Mine, owned by Kinross, has been the largest gold producer in Alaska since production began in 1996 and is located 25 miles northeast of Fairbanks.
- Pogo Mine is an underground gold mining operation that began producing gold in 2006, operated by Sumitomo Metal Mining.
- Usibelli Coal Mine, located outside Healy, in the interior of the State, is the only operating coal mine in Alaska and was established in 1943.
- Greens Creek Mine, located on Admiralty Island, in southeast Alaska near Juneau, is an underground polymetallic mine producing silver, gold, zinc and lead since 1989. It is owned by Hecla and is one of the world's top 10 silver producers.
- Kensington Gold Mine, located on the east side of Lynn Canal about 45 miles north-northwest of Juneau, is owned by Coeur Alaska. It began production in 2010.

Of the approximately 100 million acres of land transferred to the State by the federal government, nearly 35 million acres were selected for transfer because of anticipated mineral value. As of the end of calendar year 2013, 3.8 million acres of state land were subject to mining claims.

In calendar year 2014, preliminary estimates place the value of Alaska's large mine gross mineral production at \$3.28 billion, compared with \$3.4 billion in 2013 and \$3.0 billion in 2012. Preliminary estimates indicate exploration expenditures in 2014 totaled \$92.3 million, compared with \$176 million in 2013 and \$275 million in 2012. Total value spent on exploration since 1981 is estimated at \$2.7 billion.

The industry spent \$359 million on mine construction and other capital investment in 2013, compared to \$342 million in 2012, and \$272 million in 2011. Alaska's mining industry also provided an estimated 4,051 direct mining industry jobs in Alaska in 2013.

Mining companies are among the largest taxpayers in the City and Borough of Juneau, the Fairbanks North Star Borough, the Denali Borough and the Northwest Arctic Borough. In 2012, the estimated value of gold production in Alaska for both domestic and international markets (more than \$1.5 billion) overtook the zinc production value for the first time since 1989 (when Red Dog Mine began commercial production of zinc). Even so, zinc and lead produced by Red Dog Mine accounted for approximately 41 percent of the entire value of Alaska's mineral production in 2013. Minerals are the State's second largest non-oil export commodity, behind seafood, and accounted for export value of \$1.54 billion, or 34 percent of the State's non-oil export total in 2013.

Advanced exploration or development stage mineral projects in Alaska include:

- The Donlin Gold Project in southwest Alaska, a large open-pit gold deposit.
- The Chuitna Coal Project, located in the Beluga Coal Field of south-central Alaska.
- Bornite, Ambler and Lik projects in northwest Alaska, all base-metal sulfide deposits.
- The Pebble Project, an initiative to develop a copper, gold and molybdenum deposit in the Bristol Bay region of southwest Alaska.
- The Livengood gold project north of Fairbanks, which completed a feasibility study in 2013.
- The Niblack and Palmer projects in southeast Alaska, for the production of gold, silver, copper, lead and zinc.
- The Bokan Mountain project, a rare earth minerals deposit in southeast Alaska, on Price of Wales Island.
- The Graphite Creek graphite project on the Seward Peninsula north of Nome.
- The high-grade gold veins at the Terra project in the western Alaska Range.

As described below, the State's revenues from mining are derived primarily from mining license taxes, corporate income taxes, annual rentals and production royalties. Production may end over the next decade at several of the mines that currently contribute most of the State's mining-related revenue. In most cases, as is common in the industry, new resource areas are being explored for expansions and extensions of the mine life. In addition, several projects are in advanced exploration or the permitting phase. Overall, mining-related revenues to the State were \$113.1 million in 2013, with additional revenues to the Mental Health Trust, municipalities and native corporations.

Alaska has a number of deposits of rare earth elements, which are used in magnets, batteries, refining and other metallurgical applications. Finished products in which they are critical include smart phones, hybrid cars, military hardware, advanced consumer electronics, fiber optics and windmills. Bokan Mountain, which is located in Southeast Alaska, on Prince of Wales Island near Ketchikan, has inferred resources of between 1.0 and 6.7 million metric tons. There are three other known deposits of rare earth elements located on Prince of Wales Island, as well as near Nome and Fairbanks that are currently under evaluation. The Alaska Division of Geological & Geophysical Surveys is currently engaged in a major project to detail Alaska's potential to develop rare earth elements and other strategic and critical minerals.

In 2014, SB 99 was approved providing authorization for the Alaska Industrial Development and Export Authority (AIDEA) to issue bonds to finance the infrastructure and construction costs of the Bokan-Dotson Ridge rare earth element project, and the Niblack project. The principal amount of the bonds provided by AIDEA for the Bokan-Dotson Ridge rare earth element project may not exceed \$145

million. The principal amount of the bonds provided by the authority by AIDEA for the Niblack project may not exceed \$125 million

**Other Major Resources.** Fish and game have long been important resources in Alaska, and taxes on fish landings and processing represent a share of the State's non-petroleum revenues. With increased air and cruise services to Alaska in the last 10 years, tourism is now another important source of revenue for the State. Although passenger fee revenues are restricted revenue and not available for general appropriations, the large commercial passenger cruise vessels are subject to the State corporate income tax, the proceeds of which are unrestricted.

## State Revenues

The State does not currently impose personal income taxes and has never imposed general sales taxes. The State does, however, impose a number of business-related taxes that, together with rents and royalties and fines and fees, represented nearly 100 percent of unrestricted non-investment General Fund revenue in FY 2014. Grants, contributions and other revenue from the federal government and interest and investment income represent the remaining portions of State revenue.

The State has forecasted in the Fall 2014 Revenue Sources Book that general purpose unrestricted revenues in FY 2015 will be \$2,551.5 million, compared to \$5,394.0 million of actual general purpose unrestricted revenue in FY 2014, primarily driven by a projected \$41.54 decrease in the price of oil per barrel for FY 2015.

**Oil and Gas Revenues.** The State's unrestricted General Fund revenues are generated primarily from petroleum production activities. The State receives petroleum revenues (some of which are restricted) from five sources: oil and gas property taxes, corporate income taxes, oil and gas production taxes, bonuses and rents, and oil and gas royalties.

**Oil and Gas Property Tax.** The State levies an oil and gas property tax on the value of taxable oil and gas exploration, production and pipeline transportation property in the State at a rate of 20 mills (two percent) of the assessed value of the property. This is the only centrally assessed Statewide property tax program in Alaska. Oil and gas reserves, oil or gas leases, the rights to explore or produce oil or gas, and intangible drilling expenses are not considered taxable property under the statute. The most notable properties that are subject to this tax are the TAPS (including the terminal at Valdez) and the field production systems at Prudhoe Bay. The assessed value of all existing properties subject to this tax as was \$27.4 billion of January 1, 2014, \$28.6 billion as of January 1, 2013, \$24.5 billion as of January 1, 2012, \$23.8 billion as of January 1, 2011 and \$24.0 billion as of January 1, 2010. See "LITIGATION AND REGULATORY PROCEEDINGS – State – Oil and Gas Tax Litigation."

Property taxes on exploration property are based upon estimated market value of the property. For property taxes on production property, values are based upon replacement cost, less depreciation based on the economic life of the proven reserves (or the economic limit in the case of taxes on offshore platforms or onshore facilities). The amount collected from property taxes on existing production property is expected to decrease in the future. For property taxes on pipeline transportation property (95 percent of which is TAPS property), values are determined based upon the economic value, taking into account the estimated life of the proven reserves of gas or unrefined oil expected to be transported by the pipeline and replacement cost, less depreciation based on the economic life of the reserves.

Local governments also may levy a property tax on oil and gas properties at individual mill rates up to 20 mills using the assessed values determined by the State. Taxpayers receive a credit against the State oil and gas property tax for property taxes paid to municipalities on such property up to the amount of State tax that would otherwise be due. Of the \$547.8 million of property taxes collected in FY 2014 on oil and gas property in the State, the State's share was approximately \$128.1 million. Effective July 1,

2014, the State increased one of the limits on the total amount of taxes that may be levied by local governments if the mill rate is less than 20 mills.

Revenue from oil and gas property taxes is deposited into the General Fund; settlement payments received by the State after a property tax assessment dispute, however, are deposited into the Constitutional Budget Reserve Fund. For additional information see “Government Funds — The Constitutional Budget Reserve Fund.”

Corporate Income Tax. Alaska levies a corporate income tax on Alaska taxable net income of companies doing business in Alaska (other than insurance companies that pay premium tax and other than S corporations and limited liability companies). Corporate income tax rates are graduated and range from one percent to 9.4 percent of income earned in Alaska. Taxable income is generally calculated using the provisions of the federal Internal Revenue Code, and the calculation of Alaska taxable income varies, depending on whether the corporation does business solely in Alaska, does business both inside and outside Alaska or is part of a group of corporations that operate as a unit in the conduct of a single business (a “unitary” or “combined” group). Oil and gas companies are combined on a world-wide basis, although for other industries only the companies doing business in the United States are combined. Taxpayers may claim all federal incentive credits, but federal credits that refund other federal taxes are not allowed. In addition to the federal incentive credits, the State provides additional incentives, including an education credit for contributions made to accredited State universities or colleges for education purposes, a minerals exploration incentive, an oil and gas exploration incentive and a gas exploration and development tax credit.

Most corporate net income tax collections are deposited into the General Fund, although collections from corporate income tax audit assessments of oil and gas corporations are deposited into the Constitutional Budget Reserve Fund.

Oil and Gas Production Taxes. The State levies a tax on oil and gas production income generated from production activities in the State. The tax on production is levied on all onshore oil and gas production, except for the federal and State royalty shares and on offshore developments within three miles of shore.

The oil and gas production tax, the State’s largest source of revenue, was substantially changed by the Legislature in 2006, with the Petroleum Profits Tax (“PPT”). This tax fundamentally changed Alaska’s petroleum tax system from a tax on gross value to a tax on net profit. The gross value tax system was in place since the early 1970s and was in place during the development of Prudhoe Bay, the largest oil-field in North America. PPT introduced the concept of “Production Tax Value” (“PTV”) which was gross value at the point of production minus lease expenditures. The key difference from the gross tax was subtraction of lease expenditures (capital and operating costs) in calculating the tax base. PTV is similar in concept to net profit, but different in that all lease expenditures can be deducted in the year incurred; that is, capital expenditures are not subject to depreciation. The tax under PPT was 22.5% tax of taxable value minus lease expenditures. There was a progressive surcharge of 0.25% added for every dollar of PTV per barrel that exceeded \$40. The maximum tax rate was set at 47.5%. In 2007, the tax was substantially altered under a bill known as the “Alaska’s Clear and Equitable Share” (“ACES”). The resulting ACES legislation maintained the general structure of PPT, but increased the production tax rate from 22.5% to 25% of PTV. The progressive surcharge changed to 0.4% added for every dollar of net income per barrel that exceeded \$30 and was less than \$92.50. Above \$92.50, the progressive surcharge decreased to 0.1% for every additional dollar in net value. The maximum tax rate was set at 75% of PTV, but that rate applied only at production tax value over \$342.50 per barrel, a level not seen while ACES was in place. ACES retained the 20% credit for all qualified capital expenditures and the small producer credit of up to \$12 million per year for qualified companies.

This legislation was reformed during the 2013 legislative session under Senate Bill 21 (“SB 21”) that was signed into law on May 21, 2013. SB 21 retains the basic framework of PPT and ACES, with the primary change being the removal of a progressive surcharge tied to the value of oil. The base tax rate was increased from 25% to 35% of the net value of oil and gas production. Other major factors include the replacement of credits (the 20% credit for all qualified capital expenditures was eliminated for the North Slope) tied to capital spending with one tied to production on the North Slope, and the creation of an incentive for the development of areas north of 68 degrees North latitude that are not currently in production. SB21 went into effect on January 1, 2014.

During the creation of SB 21, the Legislature stated its intent to provide a direct incentive for companies to produce additional oil. As a result, a mechanism was created in the form of a per-taxable-barrel credit. The per-taxable-barrel credit is reduced from \$8 per barrel to \$0 at wellhead values between \$80 per barrel and \$150 per barrel, thus retaining a progressive element in the tax system. As this new production credit was introduced, the credit on qualified capital expenditures was eliminated for the North Slope. The new credit is targeted directly to oil production rather than indirectly by providing an incentive for spending. The new credit also protects State revenue at lower prices, as it cannot be applied against the statutory minimum tax, which is generally 4% of gross value. This protection results in a flattening of the production tax revenue decline at prices lower than \$80 per barrel.

The final major component of SB 21 was the introduction of an incentive to bring new production areas on the North Slope into development. This incentive reduces the tax liability in new production areas by excluding 20% of the gross value for that production from the tax calculation. Qualifying production includes areas surrounding a currently producing area that may not be commercial to develop, as well as new oil pools that have not been discovered or developed. Oil that qualifies for this Gross Value Reduction (“GVR”) receives a flat \$5 per taxable barrel credit rather than the sliding-scale credit available for most other North Slope production. As a further incentive, this \$5 per taxable barrel credit can be applied against the minimum tax.

Taxpayers were required under the ACES legislation, and this continues under SB 21 legislation, to make monthly estimated payments, based upon activities of the preceding month, due on the last day of the following month and to file an annual tax return to “true up” any tax liabilities or overpayments made during the year. As an incentive for new exploration, companies without tax liability against which to apply credits available under the ACES and the SB 21 tax may apply for a refund of the value of most of the credits. In FY 2013, the State paid \$369 million to companies claiming such credits. SB 21 will reduce the State’s exposure for such credits for the North Slope, as the new per-taxable-barrel credits are not eligible for refund.

A State-wide referendum to repeal SB 21 failed in August 2014.

All unrestricted revenue generated by the oil and gas production taxes (\$2.9 billion in FY 2010, \$4.6 billion in FY 2011, \$6.1 billion in FY 2012, \$4.1 billion in FY 2013 and \$2.6 billion in FY 2014) is deposited into the General Fund, except that any payments received as a result of an audit assessment under the oil and gas production tax or as a result of litigation with respect to the tax are deposited into the Constitutional Budget Reserve Fund.

Oil and Gas Royalties, Rents and Bonuses. Approximately 99 percent of all current oil production in the State, including the reserves at Prudhoe Bay, is from State land leased for exploration and development. As the land owner, through the DNR, the State earns revenue from leasing as (i) upfront bonuses, (ii) annual rent charges and (iii) retained royalty interests in the oil and gas production. State land has historically been leased largely based on a competitive bonus bid system. Under this system the State retains a statutorily prescribed minimum royalty interest of at least 12.5 percent on oil and gas production from land leased from the State, although some leases contain royalty rates of up to 20

percent and some also include a net profit-share production agreement. While other leasing alternatives are available under statute, they have not been used in the past. Under all lease contracts the State has ever written, it reserves the right to switch between taking its royalty in-kind or in cash (in cash royalty is valued according to a formula based upon the higher-of contract prices received by the producers, net of transportation charges). If the State takes its royalty share in-kind it becomes responsible for selling and transporting that royalty share. This means establishing complex contracts to accomplish these tasks.

In addition to royalties from production on State land, the State receives 50 percent of royalties and lease bonuses and rents received by the federal government from leases of federal lands in the NPR A. The State also receives revenues from federal royalties and bonuses on all other federal lands located within State borders and federal royalties and lease bonuses and rents from certain federal waters at rates negotiated on a field by field basis.

As shown in Tables 1 and 2 below, a portion of the State's oil-related revenue, including oil and other royalty and bonus payments, is restricted revenue and is not available for general appropriations. See "Government Funds." The State Constitution requires that a minimum of 25 percent (and State statutes currently require 50 percent for certain leases) of all mineral and oil and gas lease rentals, royalties, royalty sale proceeds, federal mineral revenue sharing payments and bonuses received by the State be deposited to the Permanent Fund. Alaska statutes also require that at least 0.5 percent of all royalties and bonuses be contributed to the Public School Fund Trust and that most settlements with or judgments involving tax and royalty disputes be deposited to the Constitutional Budget Reserve Fund. See "Government Funds." In addition, the State is required to deposit its entire share of lease bonuses, rents and royalties from oil activity in the NPR-A to the NPR-A Special Revenue Fund, from which a portion is used to make grants to municipalities that demonstrate present or future impact from oil development in the NPR A. Of the revenue in the NPR-A Special Revenue Fund that is not appropriated to municipalities, 50 percent is to be deposited to the Permanent Fund, with up to 0.5 percent to the Public School Trust Fund and then to the Power Cost Equalization Fund. Any remaining amount is then available for General Fund appropriations.

Table 1 summarizes the sources and uses of oil and other petroleum-related revenue for FYs 2005 through 2014.

**Table 1**

**Sources and Initial Applications of Oil and Other Petroleum-Related Revenue  
FYs Ended June 30, -2005 - 2014  
(\$ millions)**

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Oil Revenue to the General Fund</b>										
Property Tax .....	\$42.5	\$54.5	\$65.6	\$81.5	\$111.2	\$118.8	\$110.6	\$111.2	\$99.3	\$128.1
Corporate Income Tax .....	524.0	661.1	594.4	605.8	492.2	446.1	542.1	568.8	434.6	316.6
Production Tax (1) .....	863.2	1,199.5	2,208.4	6,822.6	3,112.0	2,871.0	4,552.9	6,146.1	4,050.3	2,598.2
Royalties (including bonuses, rents and interest) (2) .....	1,419.9	1,784.1	1,613.0	2,446.1	1,465.6	1,477.0	1,843.3	2,031.7	1,767.8	1,712.4
Subtotal .....	\$2,849.6	\$3,699.2	\$4,481.4	\$9,956.0	\$5,181.0	\$4,912.9	\$7,048.9	\$8,857.8	\$6,352.0	\$4,755.3
<b>Oil Revenue to Other Funds</b>										
Royalties to the Permanent Fund and School Fund (3) .....	\$486.5	\$611.5	\$545.6	850.5	\$670.8	\$707.2	\$870.9	\$919.6	\$855.9	\$786.2
Tax settlements to CBRF .....	27.4	43.7	101.9	476.4	202.6	552.7	167.3	102.1	176.6	141.4
NPR-A royalties, rents and bonuses (4) .....	31.6	4.5	12.8	5.2	14.8	21.3	3.0	4.8	3.6	6.8
Subtotal .....	545.5	659.7	660.3	1,332.1	888.2	1,281.2	1,041.2	1,026.5	1,036.1	934.4
<b>Total Oil Revenue</b> .....	<b>\$3,395.1</b>	<b>\$4,358.9</b>	<b>\$5,141.7</b>	<b>\$11,288.1</b>	<b>\$6,069.2</b>	<b>\$6,194.1</b>	<b>\$8,090.1</b>	<b>\$9,884.3</b>	<b>\$7,388.1</b>	<b>\$5,689.7</b>

- (1) The standard deduction provided under ACES for production in the Prudhoe Bay and Kuparuk fields expired on December 31, 2009.
- (2) Net of deposits to the Permanent Fund and the Constitutional Budget Reserve Fund. The State Constitution requires the State to deposit at least 25 percent to the Permanent Fund, and between 1980 and 2003 Alaska statutes required the State to deposit at least 50 percent to the Permanent Fund. The statutory minimum was changed to 25 percent beginning July 1, 2003, and changed back to 50 percent as of October 1, 2008. See "Government Funds – The Alaska Permanent Fund."
- (3) Includes proceeds of royalties taken in-kind.
- (4) By federal statute, the State receives 50 percent of federal revenues from oil and gas lease sales located in the NPR-A.

Source: State of Alaska Department of Revenue.

**Non-Oil Revenues.** The State also receives unrestricted and restricted General Fund revenues from activities unrelated to petroleum. The State receives revenues from corporate income taxes paid by corporations other than petroleum producers, cigarette/tobacco excise taxes, motor fuel taxes, alcoholic beverage taxes, fishery business taxes, electric and telephone cooperative taxes, insurance premium taxes, commercial passenger vessel excise taxes and service charges, permit fees, fines and forfeitures, and miscellaneous revenues. In FY 2014, unrestricted revenue unrelated to petroleum production was \$638.7 million. Contained in the non-oil figures is the minerals industry, which contributes State revenue in the form of corporate income tax, mining license tax, and mining rents and royalties.

**Mining License Tax.** The State's severance tax on mining, the mining license tax, is based on the net income of individual mines for all mining property in the State, whether or not mining occurs on State-owned land. New mining operations are exempt from the tax for the three and a half years after production begins. Tax rates are scaled from 0 percent to 7 percent depending upon net income, with the 7 percent rate applying to all net income over \$100,000. Revenue from this tax was \$41 million in FY 2012, \$46.7 million in FY 2013 and \$23.6 million in FY 2014. Revenue from the mining license tax is deposited into the General Fund; settlement payments received by the State after a tax assessment dispute,

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however, are deposited into the Constitutional Budget Reserve Fund. See “Government Funds — The Constitutional Budget Reserve Fund.” Beginning in calendar year 2012, sand and gravel, quarry rock and marketable earth mining operations are exempt from the mining license tax.

Production Royalties and Annual Rentals. The State charges a production royalty on mining operations conducted on State-owned lands in the amount of three percent of net income. The State is required by statute to deposit 50 percent of total minerals royalties to the Permanent Fund and 0.5 percent to the Public School Trust Fund, although deposits of 25 percent, the constitutionally-mandated minimum, were required to be made between July 1, 2003 and October 1, 2008. The Pogo mine and proposed Pebble mine are on State land but most of the existing mines are not. In FY 2014, the State received \$22.1 million in total mining royalty and rental income. See “Government Funds — The Alaska Permanent Fund.”

Corporate Income Tax and Insurance Premium Tax. In addition to corporate income taxes paid by mining companies and by oil and gas producers, the State collected approximately \$104.1 million of other corporate income taxes in FY 2014. Insurance companies doing business in Alaska pay a premium tax instead of paying corporate income tax. Unrestricted revenues from insurance premium taxes totaled approximately \$55.4 million in FY 2014.

Cigarette/Tobacco Excise Tax. The State levies a tax on cigarettes imported into the State for sale or personal consumption. The cigarette tax is paid through the purchase of cigarette tax stamps, which must be affixed to every pack of cigarettes imported into the State for sale or personal consumption. The tax rate on cigarettes was increased from \$1.60/pack to \$1.80/pack on July 1, 2006 and to \$2.00/pack on July 1, 2007. \$0.76/pack from the cigarette tax is deposited to the Public School Trust Fund, together with cigarette and other tobacco products license fees. The remaining \$1.24/pack is deposited into the General Fund, with 8.9 percent of that amount going to the Tobacco Use Education and Cessation Fund, a subfund of the General Fund. In addition, the State levies a tax on other tobacco products imported into the State for sale, at a rate of 75 percent of the wholesale price, which is the established price at which a manufacturer sells other tobacco products to a distributor. All proceeds from the other tobacco products tax go to the General Fund.

Approximately \$21.0 million of revenue from cigarette taxes and from the tobacco products taxes was deposited into the Public School Trust Fund in FY 2014 to be used for the rehabilitation, construction, repair and associated insurance costs of State school facilities. Cigarette tax revenue deposited in the Tobacco Education and Cessation Fund in FY 2014 was \$3.1 million, and remaining General Fund cigarette tax revenue was \$30.0 million. In addition, the General Fund received \$12.8 million in other tobacco products tax revenue in FY 2014.

Motor Fuel Taxes. The State generally levies a motor fuel tax at rates that vary from 3.2 cents per gallon for jet fuel to 8 cents per gallon for highway use, on almost all motor fuel sold, transferred or used within Alaska. Aviation-related fuel is restricted to airport-related uses, and 60 percent of aviation fuel taxes attributed to aviation fuel sales at municipal airports is shared with the municipalities (slightly over \$150,000 in FY 2014) and is considered restricted revenue. The motor fuel tax generated approximately \$39.3 million in unrestricted revenue in FY 2014.

Fishery Business Taxes. The State imposes a number of fishery-related taxes and fees, including a fisheries business tax charged to fish processors (one percent to five percent of the value of raw fish) and a fishery resource landing tax of from one percent to three percent on the value of fish landed in Alaska but processed outside State boundaries. Proceeds from these fishery taxes are shared with qualified municipalities. The State’s share of these fishery taxes was \$32.7 million, in FY 2012, \$24.7 million in FY 2013, and \$32.2 million in FY 2014.

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**Federal Revenue.** The federal government is a significant employer in Alaska, directly and indirectly, as a result of procurement contracts, grants and other spending. In addition to expenditures in connection with federal military bases and other activities in Alaska, the State receives funding from the federal government, approximately \$2.5 billion in FY 2012, \$2.4 billion in FY 2013 and \$2.5 billion in FY 2014. It is primarily used for road and airport improvements, aid to schools and Medicaid payments, all of which are restricted by legislative appropriation to specific use. Federal funds are most often transferred to the State on a reimbursement basis and all transfers are subject to audit.

**Investment Income.** The State earns unrestricted and restricted investment earnings from a number of internal funds. Two primary sources of investment income for the State are two Constitutionally-mandated funds, the Permanent Fund and the Constitutional Budget Reserve Fund. The Permanent Fund had a fund balance (principal and the earnings reserve) of approximately \$51.2 billion as of June 30, 2014, \$44.8 billion as of June 30, 2013, \$40.3 billion as of June 30, 2012, and \$40.1 billion as of June 30, 2011. The Constitutional Budget Reserve Fund had a fund balance of approximately \$12.8 billion as of June 30, 2014, \$11.6 billion as of June 30, 2013, \$10.6 billion as of June 30, 2012, and \$10.3 billion as of June 30, 2011. The Earnings Reserve Account balance in the Permanent Fund is available for appropriation with a majority vote of the Legislature, while appropriation of the Fund's principal balance requires amendment of the State Constitution. The balance of the Constitutional Budget Reserve Fund is available for appropriation with a three-fourths vote of each house of the Legislature, and as described below, the State borrows from the Constitutional Budget Reserve Fund when needed to address mismatches between revenue receipts and expenditures in the General Fund and/or to balance the budget at the end of the FY. See "Government Funds – The Constitutional Budget Reserve Fund" and "— The Alaska Permanent Fund."

Although not as significant, the State also receives the earnings on the Statutory Budget Reserve Fund, with a balance of \$2.8 billion as of June 30, 2014, \$4.7 billion as of June 30, 2013, and \$4.4 billion as of June 30, 2012, and these earnings are considered General Fund unrestricted revenue. See "Government Funds – The Statutory Budget Reserve Fund."

In addition to investment income from the above-described funds, the State receives investment income (including interest paid) from investment of other, unrestricted funds (\$130.2 million in FY 2014, \$28.1 million in FY 2013, \$107.8 million in FY 2012, and \$96.3 million in FY 2011). See "Government Funds."

**Major Components of State Revenues.** Table 2 summarizes the sources of unrestricted and restricted revenues available to the State in FYs 2005 through 2014.

**Table 2**

**Total State Government Revenue by Major Component  
FYs Ended June 30, 2005 – 2014  
(\$ millions)**

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Revenue Source</b>										
<u>Unrestricted</u>										
Oil Revenue.....	\$2,849.6	\$3,699.2	\$4,481.4	\$9,956.0	\$5,181.0	\$4,912.9	\$7,048.9	\$8,857.8	\$6,352.0	\$4,755.3
Non-Oil Revenue.....	314.5	447.9	537.1	544.4	402.6	414.0	527.7	519.6	548.4	508.5
Investment Earnings.....	24.7	53.3	140.1	248.8	247.6	184.0	96.3	107.8	28.1	130.2
Subtotal.....	\$3,188.8	\$4,200.4	\$5,158.6	\$10,749.1	\$5,831.2	\$5,513.3	\$7,672.9	\$9,485.2	\$6,928.5	\$5,394.0
<u>Restricted</u>										
Oil Revenue.....	\$545.5	\$659.7	\$660.3	\$1,332.1	\$888.2	\$1,281.2	\$1,041.2	\$1,062.5	\$1,036.1	\$934.4
Non-Oil Revenue.....	514.7	536.5	684.9	604.4	545.8	467.1	473.6	452.7	485.0	473.5
Investment Earnings.....	2,773.6	3,173.3	3,737.8	(1,483.5)	(6,894.5)	4,291.9	7,928.5	144.3	4,977.8	7,927.7
Federal Revenue.....	1,924.9	1,966.2	1,971.9	1,902.5	2,088.4	2,387.9	2,407.9	2,455.5	2,383.2	2,511.9
Subtotal.....	\$5,758.7	\$6,335.7	\$7,054.9	\$2,355.5	(\$3,372.1)	\$8,428.2	\$11,851.2	\$4,079.0	\$8,882.1	\$11,847.5
Total .....	\$8,947.5	\$10,536.1	\$12,213.5	\$13,083.7	\$2,459.1	\$13,940.9	\$19,524.2	\$13,564.2	\$15,810.6	\$17,241.5

Note: "Restricted Oil Revenue" includes oil revenue for NPR-A Rents, Royalties, and Bonuses shared by the Federal government. In FY 2014 this constituted \$6.8 million.

Source: State of Alaska Department of Revenue.

**Government Budgets and Appropriations**

The State is limited by its Constitution and statutes and by policy in how it manages its funds and as in other states, no funds, regardless of source, may be spent without an appropriation from the Legislature.

**Budgets.** The State's FY begins on July 1 and ends on the following June 30. The State Constitution requires the Governor to submit to the Legislature by December 15 a budget for the next FY, setting forth all proposed expenditures and anticipated income of all departments, offices and agencies of the State, and to submit bills covering recommendations in the budget for new or additional revenues. The State Constitution prohibits the withdrawal from the treasury of any funds, regardless of source, without an appropriation, and so the Governor's proposed budget and the Legislature's appropriation bills include federal and other funds as well as funds generated by the State. In addition to the annual budgets described below, the Governor is required by statute to prepare a six-year capital budget covering the succeeding six FYs and beginning in FY 2010, is required by statute to prepare a 10-year fiscal plan with estimates of significant sources and uses of funds, including among other requirements, operating expenditures, capital expenditures and debt service expenditures. To assist the Governor in preparing budgets and fiscal plans, the Tax Division of the DOR prepares forecasts of all anticipated revenues. See "—Government Funds" and "—General Fund Forecasts."

**General Appropriations.** The Governor is required to submit three budgets — an operating budget, a mental health budget and a capital budget — by December 15 and to introduce the budgets and appropriation bills formally to the Legislature in January by the fourth day of the regular Legislative session. The appropriation bills, with any changes made by the House Finance Committee, are voted

upon first by the House of Representatives, which can amend the bills. The bills approved by the House of Representatives are then voted upon and may be amended by the Senate. Often a conference committee of three members from each house is required to work out differences between the House-approved bills and the Senate-approved bills. The new versions are then submitted to both houses for final votes. Once enacted by both houses, the appropriations bills are delivered to the Governor for signature. The Governor may veto one or more of the appropriations made by the Legislature in an appropriations bill (a “line-item veto”). The Legislature may override a veto by the Governor, and either the Governor or the Legislature may initiate supplemental appropriations during the FY to deal with new or changed revenue receipts, to correct errors or for any other reason.

The Governor has the ability to prioritize or restrict expenditures, redirect funds within an operating appropriation to fund core services, and expend unanticipated federal funds or program receipts. Historically, Alaskan Governors have placed restrictions on authorized expenditures during years when actual revenues were less than forecast and budgeted. Expenditure restrictions have included deferring capital expenditures, State employment hiring freezes, and restrictions on allowed non-core operating expenses.

Governor Walker was elected in November 2014 and took office in December 2014. In response to diminished State revenue forecasts he has proposed a reduction in unrestricted General Fund State spending of 9 percent for FY 2016. He has additionally issued an Administrative Order to limit or stop State spending on State “Mega Projects” including the Juneau Access road, the Knik Arm Crossing, the Susitna Hydroelectric project, a small diameter in-State gas pipeline project, and a proposed State road to the Ambler Mining District. These projects will be reviewed to determine if they warrant continued support over the next 12 months.

The Legislature must appropriate to create the authority to expend General Fund revenue. If an expenditure of General Fund revenue is required mid-budget cycle, a special session of the Legislature would be required to provide the authority to expend.

**Debt-Related Appropriations.** The Governor’s proposed appropriations bills include separate subsections for appropriations for State debt and other subject-to-appropriation obligations and specify the sources of funds to pay such obligations. The amounts required annually to pay the principal of and interest and redemption premium on all issued and outstanding general obligation bonds of the State are appropriated each FY to the Committee to make all required payments of principal, interest and redemption premium. Pursuant to AS 37.15.012, if such appropriation is insufficient to fully pay these amounts, the necessary additional amounts are appropriated from the General Fund or Permanent Fund to the Committee to make all required payments of principal, interest and redemption premium.

**Appropriation Limits.** The State Constitution does not limit expenditures but does provide for an appropriation limit and reserves one-third of the amount within the limit for capital projects and loan appropriations. Because State appropriations have never approached the limit, the reservation for capital projects and loan appropriations has not been a constraint. The appropriation limit does not include appropriations for Permanent Fund dividends described below, appropriations of revenue bond proceeds, appropriations to pay general obligation bonds or appropriations of funds received in trust from a non-State source for a specific purpose. In general, under the State Constitution, appropriations that do not qualify for an exception may not exceed \$2.5 billion by more than the cumulative change, derived from federal indices, in population and inflation since July 1, 1981. For FY 2015, the appropriations limit was approximately \$10.6 billion.

## **Government Funds**

Because the State is dependent upon taxes, royalties, fees and other revenues that can be volatile, the State has developed a framework of constitutionally and statutorily restricted revenue that is held in a

variety of reserve funds to provide long-term and short-term options to address cash flow mismatches and budgetary deficits. For FY 2014 restricted revenue for deposit in reserves exceeded unrestricted revenue by more than \$1.5 billion. The State Constitution provides that with three exceptions, the proceeds of State taxes or licenses “shall not be dedicated to any special purpose.” The three exceptions are when required by the federal government for State participation in federal programs, any dedication existing before statehood and when restricted for savings in the Permanent Fund or Constitutional Budget Reserve Fund as required by constitutional amendment. State revenue restricted for deposit into the Permanent Fund and Constitutional Budget Reserve Fund is then only available for appropriation as prescribed by the constitutional provisions described below.

Current State funding options available on a statutory basis include unrestricted revenue of the General Fund, use of the earnings or the principal balance of the Statutory Budget Reserve Fund, borrowing restricted earnings revenue or principal balance from the Constitutional Budget Reserve Fund, use of the statutorily restricted oil revenue currently flowing to the Permanent Fund, and use of the unrestricted earnings revenue of the Permanent Fund. To balance revenues and expenditures in a time of financial stress, each of these funds can be drawn upon, either immediately, in the case of the Constitutional Budget Reserve Fund following a year-over-year revenue decline, or by a vote of the Legislature and with the approval of the Governor (by a three-fourths vote of each house in the case of appropriations from the Constitutional Budget Reserve Fund and by a simple majority vote in the case of appropriations from the Statutory Budget Reserve Fund and from the Permanent Fund Earnings Reserve).

Additional options for the State to manage budget funding include reducing State expenditures, transferring spending authority among line items, providing additional incentives to develop petroleum or mining resources, reinstating a State personal income tax or imposing other broad based statewide taxes. Most of these options, including the imposition of personal income taxes or other taxes, would require action by the Legislature.

One method that the State deploys to provide fiscal stability is forward funding or endowing programs. One particularly notable example is the method that been used to fund K-12 education. Since FY 2009, more than \$1 billion of the State’s current year revenue has been set aside annually in the Public Education Fund to pre-fund the State’s projected contribution to K-12 education for the succeeding FY. The State’s constitutionally based obligation for K-12 education is one of the largest single recurring budget line items in the State’s budget.

**The General Fund.** Unrestricted State revenue is annually deposited to the General Fund, which serves as the State’s primary operating fund and accounts for most of the State’s unrestricted financial resources. The State has, however, created more than 55 subfunds and “cash pools” within the General Fund to account for funds allocated to particular purposes or reserves, including the Constitutional Budget Reserve Fund; the Statutory Budget Reserve Fund, an Alaska Capital Income Fund, and a debt retirement fund. In terms of long-term and short-term financial flexibility, the Constitutional Budget Reserve Fund and the Statutory Budget Reserve Fund (subfunds within the General Fund) are of particular importance to the State.

**The Constitutional Budget Reserve Fund.** The State Constitution requires that oil and gas dispute-related revenue be deposited to the Constitutional Budget Reserve Fund. The State Constitution provides that other than money required to be deposited to the Permanent Fund, all money received by the State after July 1, 1990 as a result of the termination, through settlement or otherwise, of an administrative proceeding or of litigation involving mineral lease bonuses, rentals, royalties, royalty sale proceeds, federal mineral revenue sharing payments or bonuses or involving taxes imposed on mineral income, production or property, are required to be deposited in the Constitutional Budget Reserve Fund. Money in the Constitutional Budget Reserve Fund may be appropriated (i) for any public purpose, upon the affirmative vote of three-fourths of the members of each house of the Legislature; or (ii) if the amount

available to the State for appropriation for a FY is less than the amount appropriated for the previous FY; however, the amount appropriated may not exceed the amount necessary, when added to other funds available for appropriation, to provide for total appropriations equal to the amount of appropriations made in the previous calendar year for the previous FY. The State Constitution also provides that until the amount appropriated from the Constitutional Budget Reserve Fund is repaid, excess money in the General Fund at the end of each FY must be deposited in the Constitutional Budget Reserve Fund.

The Legislatively approved FY 2015 capital budget includes a \$3 billion transfer from the Constitutional Budget Reserve Fund to the Public Employees Retirement System (“PERS”) and Teachers Retirement System (“TRS”). The PERS will receive \$1 billion and the TRS will receive \$2 billion. See “STATE PENSION AND OTHER POST-EMPLOYMENT BENEFIT RESPONSIBILITIES.”

The State historically has borrowed from the Constitutional Budget Reserve Fund as part of its cash management plan to address timing mismatches between revenues and disbursements within a FY and also to balance the budget when necessary at the end of the FY. Prior to FY 2015, the Legislature last appropriated funds from the Constitutional Budget Reserve Fund in FY 2005. As of June 30, 2009, the balance owed by the General Fund to the Constitutional Budget Reserve Fund for draws prior to 2005 was completely repaid.

The balance in the Constitutional Budget Reserve Fund as of June 30, 2013 was \$11.6 billion. The balance in the Constitutional Budget Reserve Fund as of June 30, 2014 was \$12.8 billion, with earnings of \$1.0 billion. The balance in the Constitutional Budget Reserve Fund as of December 31, 2014 was \$10.9 billion. \$2 billion has been transferred in FY 2015 to date to PERS and TRS out of the legislatively approved \$3 billion. \$1 billion is expected to transfer in March of 2015. Current FY market values and stated returns are unaudited, preliminary, and include some estimates.

**The Statutory Budget Reserve Fund.** The Statutory Budget Reserve Fund has existed in the State’s accounting structure since 1986. The Statutory Budget Reserve Fund is available for use for legal purposes with a simple majority vote of the Legislature and with approval by the Governor. In FY 2008, the Legislature authorized an initial transfer to the Statutory Budget Reserve Fund of \$1.0 billion. Additional deposits have been made to the fund in FYs 2010, 2011, 2012, and 2013. If the unrestricted amount available for appropriation in the FY is insufficient to cover General Fund appropriations, the amount necessary to balance revenue and General Fund appropriations or to prevent a cash deficiency in the General Fund is appropriated from the Statutory Budget Reserve Fund to the General Fund. For FY 2014, this resulted in a year-end transfer from the Statutory Budget Reserve Fund to the General Fund of \$1.9 billion. As of June 30, 2014, the market value of the Statutory Budget Reserve Fund was \$4.8 billion, but this balance does not reflect the year-end transfer to balance the General Fund due to timing of the State’s release of the CAFR in December 2014. The market value of the Statutory Budget Reserve Fund as of December 31, 2014 was \$3.1 billion. Any earnings on the Statutory Budget Reserve Fund are considered unrestricted investment revenue and flow to the General Fund. Current FY market values and stated returns are unaudited, preliminary, and include some estimates.

**The Alaska Permanent Fund.** The Permanent Fund was established by a voter-approved Constitutional amendment that took effect February 21, 1977. The amendment provides that “at least twenty-five percent of all mineral lease rentals, royalties, royalty sale proceeds, federal mineral revenue sharing payments and bonuses received by the State shall be placed in a permanent fund, the principal of which shall be used only for those income-producing investments specifically designated by law as eligible for permanent fund investments” and that “all income from the permanent fund shall be deposited in the General Fund unless otherwise provided by law.”

In 1980, legislation was enacted that provided for the management of the Alaska Permanent Fund by the Alaska Permanent Fund Corporation, a public corporation and government instrumentality within

the DOR, managed by a board of trustees. The same legislation modified the contribution rate to the Permanent Fund from 25 percent (the minimum constitutionally mandated contribution) to 50 percent of all mineral lease rentals, royalties, royalty sale proceeds, net profit shares, federal mineral revenue sharing payments and bonuses received by the State from mineral leases issued after December 1, 1979 or, in the case of bonuses, after May 1, 1980. The statutory contribution rate was changed back to 25 percent by legislation as of July 1, 2003 but then returned to 50 percent as of October 1, 2008. For FY 2014, State oil and mineral revenues deposited into the Permanent Fund were \$779.0 million compared to \$840.1 million in FY 2013. In addition to these constitutionally and statutorily mandated transfers to the Permanent Fund prior to FY 2006, the Legislature has made special appropriations from the State's General Fund to the Permanent Fund several times, totaling approximately \$2.7 billion as of June 30, 2014.

The Permanent Fund tracks earnings on a GASB compliant basis in the compilation of the financial statements of the Fund. However earnings available for appropriation from the fund are established by statute and include only realized earnings less various adjustments, but no unrealized earnings. This statutory framework results in both an understatement of income on a mark to market basis for the fund, as well as a lower balance in the Permanent Fund Earnings Reserve as currently calculated relative to a GASB compliant calculation of earnings.

Pursuant to legislation enacted in 1982, annual appropriations are made from the earnings reserve of the Permanent Fund, first for dividends and then for inflation-proofing. Between 1982 and 2014, \$21.6 billion of dividends (\$1.884 per person in FY 2014) were paid to Alaska residents and \$15.0 billion of Permanent Fund income has been added to principal for inflation proofing purposes (for FY 2014 the inflation proofing transfer was \$546 million, down from the fiscal year 2013 amount of \$743 million). In addition to the statutorily directed inflation proofing transfers, the Legislature has made special appropriations from the earnings reserve account of the Permanent Fund to the principal balance of the Permanent Fund, totaling approximately \$4.2 billion as of June 30, 2014.

If any income remains after these transfers (except the portion transferred to the Alaska Capital Income Fund as described below), it remains in the Permanent Fund's earnings reserve as undistributed income. The Legislature may appropriate funds from the earnings reserve at any time for any other lawful purpose. The principal portion of the Permanent Fund (\$45.0 billion as of June 30, 2014, up from \$40.8 billion as of June 30, 2013) may not be spent without amending the State Constitution. The earnings reserve portion of the Permanent Fund (\$6.2 billion as of June 30, 2014, up from \$4.1 billion as of June 30, 2013) may be spent with a simple majority vote of the Legislature. The Permanent Fund was valued at approximately \$51.2 billion as of June 30, 2014. Current FY market values are unaudited, preliminary, and include some estimates.

During FYs 1990 through 1999, the Permanent Fund received dedicated State revenues from settlements of a number of North Slope royalty cases (known collectively as State v. Amerada Hess, et al.). The total of the settlements and retained income thereon, as of June 30, 2014, is approximately \$424 million. Earnings on the settlements are excluded from the dividend calculation in accordance with State law and beginning in 2005, the settlement earnings have been appropriated to the Alaska Capital Income Fund, a subfund within the General Fund. Funds in the Alaska Capital Income Fund and interest thereon (approximately \$31.9 million in FY 2014) are unrestricted and have been appropriated for capital expenditures.

**Table 3**

**State of Alaska**  
**Available Funds and Recurring and Discretionary General Fund Expenditures**  
**FYs Ended June 30, 2004-2014**  
(\$ millions)

FY	General Purpose Unrestricted Revenue (1)	Recurring & Discretionary General Fund Expenditures (2)	Surplus/ (Deficit)	Net Draw on CBRF (3)	CBRF Available Balance (4)	Perm. Fund Earnings Reserve
2004	\$ 2,346	\$ 2,319	\$ 26	\$ 0	\$ 2,064.2	\$ 859.3
2005	3,189	2,646	543	0	2,235.7	1,439.9
2006	4,200	3,247	953	0	2,267.1	2,584.8
2007	5,159	4,272	886	0	2,549.0	4,132.0
2008	10,749	5,473	5,256	0	5,601.0	4,969.0
2009	5,831	6,000	(169)	0	7,114.4	440.6
2010	5,515	4,995	520	0	8,664.0	1,209.8
2011	7,673	6,355	1,318	0	10,330.0	2,307.8
2012	9,485	7,252	2,233	0	10,642.4	2,080.6
2013	6,929	7,455	(526)	0	11,564.4	4,053.8
2014	5,394	7,314	(1,920)	0	12,779.7	6,211.3

- (1) State of Alaska Department of Revenue, Tax Division.  
(2) Excludes amounts set-aside to fund programs and reserve deposits. State of Alaska Office of Management & Budget  
(3) Net draws differ from borrowing reported in the State's financial statements due to restricted revenue and cash accounting impact.  
(4) CBRF available balance represents the market value of the Constitutional Budget Reserve Fund.  
Source: State of Alaska Department of Revenue.

**Restricted Revenue Forecast**

The State regularly prepares forecasts of restricted revenue generation. Table 4 provides a summary of the State's most recent restricted revenue forecasts from FY 2015 through 2024. Of necessity, the forecasts include assumptions about events that are not within the State's control.

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Table 4

**State of Alaska Restricted Revenue For Savings  
Actuals through 2014 and Forecast Summary  
FYs 2015 through 2024<sup>(1)</sup>  
(millions)**

FY	CBRF Investment Earnings	Tax & Royalty Settlements to CBRF	Alaska Permanent Fund Investment Revenue <sup>(2)</sup>	Alaska Permanent Fund Dedicated Oil Revenue <sup>(4)</sup>	Total State Revenue Restricted for Reserves
2010	\$ 691.1	\$ 552.7	\$ 3,517.0	\$ 696.1	\$ 5,456.9
2011	1,026.9	167.3	6,812.0	857.3	8,863.5
2012	191.1	102.1	(100.0)	904.9	1,098.1
2013	618.2	176.6	4,314.0	842.1	5,950.9
2014	1,006.1	141.4	6,848.0	773.7	8,769.2
Projected					
2015	270.5 <sup>(3)</sup>	20.0	3,345.0	484.8	4,120.3
2016	357.0	20.0	3,523.0	438.3	4,338.3
2017	255.3	20.0	3,710.0	646.5	4,631.8
2018	184.6	20.0	3,900.0	670.2	4,774.8
2019	148.5	20.0	4,101.0	691.4	4,960.9
2020	61.2	20.0	4,315.0	659.2	5,055.4
2021	48.0	20.0	4,535.0	614.2	5,217.2
2022	24.8	20.0	4,762.0	570.4	5,377.2
2023	1.5	20.0	4,997.0	550.6	5,569.1
2024	0.0	20.0	5,238.0	531.1	5,789.1

- (1) This table displays actual results for FY 2010 through 2014, and forecasted amounts for FYs 2015 through 2024. Forecasts are derived from the Fall 2014 Revenue Sources Book for the CBRF and APFC dedicated oil revenue. APFC investment revenue is derived from Alaska Permanent Fund Corporation's June 30, 2014 Fund Financial History and Projections. The table reflects the State's statutory requirement to restrict a significant portion of FY revenues and investment earnings.
- (2) Both realized and unrealized gains and losses are included per GASB 34 as interpreted by the Finance Division of the Department of Administration in its *Comprehensive Annual Financial Report*. The value for Alaska Permanent Fund Corporation's (APFC) Investment Revenue (GASB) for FY 2014 uses the accounting (GAAP) net income as of June 30, 2014. APFC mid case projections are used for FY 2015 through 2024.
- (3) The forecasted earnings on the CBRF accounts for the PERS / TRS transfer in the amount of \$3 billion occurring throughout FY 2015. This includes a contribution of \$1.0 billion to PERS and \$2.0 billion to TRS.
- (4) Comprised of 50% of all mineral lease rentals, royalties, royalty sale proceeds, federal mineral revenue sharing payments, and bonuses received by the State. 50% of this amount is restricted by the Constitution and 50% is restricted by Statute.

Sources: State of Alaska Department of Revenue, Tax Division and State of Alaska Office of Management and Budget Forecasts from the Fall 2014 Revenue Sources Book for this CBRF. Alaska Permanent Fund Corporation forecasts are based on the Monthly Financial Report for June 30, 2014.

**General Fund Forecasts**

The State regularly prepares General Fund financial forecasts for planning and budgetary purposes. Table 5 provides a summary of the State's most recent General Fund revenue and expenditure forecasts, including forecast beginning and ending balances of available funds in the Constitutional Budget Reserve Fund and in the Statutory Budget Reserve Fund through 2024 and forecast oil prices and production levels during the same time period.

Of necessity, such forecasts include assumptions about events that are not within the State's control. The forecast oil production volumes include only production on State land and only current production and production expected from projects currently under development or evaluation on State land. The forecast does not include any revenues that could be received if a natural gas pipeline is constructed. In making its forecasts, the State makes assumptions about, among other things, the demand for oil and national and international economic factors and assumes that the Legislature will not amend current laws to change materially the sources and uses of State revenue and that no major calamities such

as earthquakes or catastrophic damage to TAPS will occur. Portions of TAPS are located in areas that have experienced and may in the future again experience major earthquakes. Actual revenues and expenditures will vary, perhaps materially, from year to year, particularly if any one or more of the assumptions upon which the State's forecasts are based proves to be incorrect or if other unexpected events occur. See "Government Funds" for a description of some of the actions the State can take when revenues prove to be lower than expected.

**Table 5**  
**State of Alaska Unrestricted General Fund and Budget Reserve Scenario**  
**FYs 2015 through 2024<sup>(1)</sup>**

FY	General Purpose Unrestricted Revenues (\$mil)	Recurring & Discretionary General Fund Expenditures (\$mil) (1)	Unrestricted Revenue Surplus/ (Deficit) (\$mil)	Ending CBRF Reserves Available Balance (\$mil)	Permanent Fund Earnings Reserve Balance (\$mil) <sup>(4)</sup>	Oil Price Forecasts (\$/barrel)	ANS Oil Production Forecasts (thousand barrels per day)
2015	\$2,573.0 <sup>(2)</sup>	\$6,105.7	\$ (3,532.7)	\$9,589.9 <sup>(3)</sup>	\$6,597.0	\$76.31	509.5
2016	2,196.7	5,834.5	(3,637.8)	6,042.4	7,023.0	66.03	524.1
2017	3,657.3	5,600.0	(1,942.7)	4,370.9	7,420.0	93.18	534.1
2018	4,292.1	5,600.0	(1,307.9)	3,262.5	7,918.0	102.81	503.5
2019	4,808.1	5,600.0	(791.9)	2,632.9	8,574.0	112.00	473.2
2020	4,852.9	5,600.0	(747.1)	1,959.7	9,285.0	117.36	435.8
2021	4,627.6	5,600.0	(972.4)	1,046.8	10,052.0	121.14	400.4
2022	4,555.7	5,600.0	(1,044.3)	37.6	10,878.0	123.87	368.5
2023	4,547.8	5,600.0	(1,052.2)	0.0	10,768.4	129.04	342.9
2024	4,473.2	5,600.0	(1,126.8)	0.0	10,608.6	134.39	314.7

- (1) This table represents one possible scenario taken from the revenue and expenditure projections as of the Fall 2014 Revenue Sources Book release. Projections in the plan do not represent a commitment by the Administration to propose spending or generate revenue at a particular level in FY2015, FY2016 or any future year. The 10-year forecast shows that unanticipated budget shortfalls during the 10-year period could be filled primarily through use of reserve funds; however, other fiscal tools including spending reductions would likely be used in addition to, or in lieu of, reserve funds.
- (2) FY 2015 number includes \$2,551.5 General Fund Unrestricted Revenue forecast plus \$21.5 of funds reappropriated and/or carried forward from FY 2014 for total of \$2,573.0.
- (3) The ending CBRF balance includes a transfer in the amount of \$3 billion occurring in FY 2015 from the CBRF to PERS/TRS. This includes a contribution of \$1.0 billion to PERS and \$2.0 billion to TRS.
- (4) Fiscal year 2015 through 2024 Permanent Fund Earnings Reserve Balance uses mid-case projections as of Alaska Permanent Fund Corporation June 30, 2014 Monthly Financial Report, and forecasts available at that time. The anticipated deficit for FYs 2023 and 2024 reflect a projected appropriation from the Permanent Fund Earnings Reserve to balance the State budget.

Sources: State of Alaska Department of Revenue, Tax Division and State of Alaska Office of Management and Budget. Forecasts from the Fall 2014 Revenue Sources Book for the CBRF. Alaska Permanent Fund Corporation forecasts are based on the Monthly Financial Report for June 30, 2014.

### General Fund Expenditure Trends

From FY 2003 through FY 2014, recurring Unrestricted General Fund expenditures have grown by an average of nearly 12 percent annually. Although General Fund expenditures have increased by a greater percentage since FY 2005, a significant portion of the increase in expenditures was for savings, to forward-fund future FY obligations and to make targeted investments.

The Governor's proposed FY 2016 Unrestricted General Fund expenditure authorizations presented to the Legislature authorizes \$5.556 billion of spending comprised of \$5.406 billion of operating costs and \$150.3 million of capital items. The Alaska Legislature will approve the FY 2016 budget by April 19, 2015. The Governor will then have the ability to exercise his line item veto on that budget. The Legislature can choose to challenge those vetoes or accept the post veto budget as final.

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## Other Funds Maintained by the State

The State maintains other types of funds, such as Enterprise Funds, Trust and Agency Funds, Capital Projects Funds and Special Revenue Funds.

Enterprise Funds are operated by the State for “self-supported” activities that provide goods and/or services to the public on a charged payment basis. The International Airports Revenue Fund and a number of State loan program funds are Enterprise Funds.

Trust and Agency Funds are maintained to account for assets held by the State acting in the capacity of custodian or fiduciary agent. In addition to the Permanent Fund and the retirement systems funds, major funds in this category include the Public School Trust Fund, the Mental Health Trust Fund, the Alaska Children’s Trust Fund, the Power Cost Equalization Endowment and the University of Alaska Endowment.

Capital Projects Funds account for the use of the proceeds of general obligation bond issues and matching federal funds for capital outlays. In general, all capital outlay projects are accounted for through Capital Projects Funds except capital projects being financed by the General Fund through direct appropriations and capital projects financed with moneys in the International Airports Revenue Fund.

Special Revenue Funds are maintained in connection with the State’s issuance of revenue bonds, such as revenue bonds issued by the Alaska International Airports System and the Sport Fishing Revenue Bonds.

## Public Debt and Other Obligations of the State

State debt includes general obligation bonds and revenue anticipation notes, and State-supported debt includes lease-purchase financings and revenue bonds. The State also provides guarantees and other support for certain debt and operates a school debt and capital project debt reimbursement program. These programs do not constitute indebtedness of the State but do provide, annually on a subject-to-appropriation basis, financial support for general obligation bonds of State agencies and political subdivisions.

Outstanding State Debt. State debt includes general obligation bonds and revenue anticipation notes. The State Constitution provides that general obligation bonds must be authorized by law and be ratified by the voters and permits authorization of general obligation bonds only for capital improvements. The amount and timing of a bond sale must be approved by the State Bond Committee. For both general obligation bonds and revenue anticipation notes, the full faith, credit and resources of the State are pledged to the payment of principal and interest. If future State revenues are insufficient to make the required principal and interest payments, the State is legally required to raise taxes to provide sufficient funds for this purpose. \$803.8 million of general obligation bonds were outstanding as of June 30, 2014. See “—Summary of Outstanding Debt” and Tables 6 – 8 below.

On November 6, 2012, voters approved \$453,499,200 in general obligation bonds for the purpose of design and construction of State transportation projects. The State used \$149,645,000 of this authority in FY 2013 to issue bond anticipation notes. The State issued bond anticipation notes in March 2014 to refinance \$142,645,000 of the bond anticipation notes issued in March 2013 and to finance an additional \$27,355,000 in costs of design and construction of State transportation projects pursuant to the State Transportation Bond Act for an estimated total of \$170,000,000. The State has appropriated \$10,000,000 to apply to the outstanding 2014 bond anticipation notes of which \$7,300,000 is expected to be applied to the repayment of principal on the outstanding bond anticipation notes and the remainder to pay interest due on the bond anticipation notes at maturity. The State anticipates refinancing \$162,700,000 of the

2014 bond anticipation notes through the issuance of [\$162,700,000 of General Obligation Notes, Series 2015A that were sold on March 10, 2015 and are anticipated to settle on March 19, 2015].

House Bill 23 was approved in the 2014 Legislative Session authorizing the issuance of up to \$300 million of State-supported toll revenue bonds for the purpose of partially funding a bridge from Anchorage to the Matanuska-Susitna Borough across Knik Arm. Additional funding was expected to be provided by the State entering into a TIFIA loan and use of Federal Highway Administration funds. Toll collections were to be pledged to the TIFIA Loan first and the State toll revenue bonds second. Based on projected cash flows the State was expecting to pay debt service on the State toll revenue bonds using annual State appropriations. Pursuant to Administrative Order 271, the Governor has directed the cessation to the maximum extent possible discretionary expenditures to the Knik Arm Crossing Project.

The following other debt and debt programs of the State were outstanding as of June 30, 2014, except as otherwise noted.

State Guaranteed Debt. The only purpose for which State guaranteed debt may be issued is for payment of principal and interest on revenue bonds issued for the Veterans Mortgage Program by the Alaska Housing Finance Corporation for the purpose of purchasing mortgage loans made for residences of qualifying veterans. These bonds are general obligation bonds of the State, and they must be authorized by law, ratified by the voters and approved by the State Bond Committee. These bonds are known as “double-barrel bonds” because there are two distinct forms of security behind the bonds. The principal source of payment is the revenue stream generated by payments on the mortgage loans made from bond proceeds. Additional security to bondholders is provided by the general obligation pledge of the State to make the required debt service payments in the event that pledged revenues from mortgage repayments are insufficient. Approximately \$73.5 million of State guaranteed debt was outstanding as of June 30, 2014. On November 7, 2010 the voters approved an additional \$600 million of State guaranteed veteran’s mortgage bonds, and the total current unissued authorization is \$694.6 million.

State Supported Debt. State supported debt is debt for which the ultimate source of payment is, or may include, appropriations from the General Fund. The State does not pledge its full faith and credit to State-supported debt, but another public issuer may have pledged its full faith and credit to it. State supported debt is not considered “debt” under the State Constitution, because the State’s payments on this debt are subject to annual appropriation by the Legislature. Voter approval of such debt is not required. State supported debt includes lease-purchase financing obligations (including lease revenue capital lease bonds and certificates of participation issued by lessors of facilities used by the State) and the share of municipal general obligation bonds issued for school construction and other capital projects that is reimbursable by the State on a subject to appropriation basis. Approximately \$1,140.1 million of State supported debt was outstanding as of June 30, 2014. As of June 30, 2014, the State was obligated on \$3.3 million of lease purchase financing obligations, \$254.8 million of capital lease bonds and \$22.4 million of capital project reimbursements. As of June 30, 2014, the State was reimbursing local municipalities on the debt service of \$859.6 million of bonds under the School Reimbursement Program.

State Moral Obligation Debt. State moral obligation debt consists of bonds issued by certain State agencies or authorities that are secured, in part, by a debt service reserve fund benefited by a discretionary replenishment provision that permits, but does not legally obligate, the Legislature to appropriate to the particular State agency or authority the amount necessary to replenish the debt service reserve fund up to its funding requirement (generally the maximum amount of debt service required in any year). State moral obligation debt is payable in the first instance by revenues generated from loan repayments or by the respective projects financed from bond proceeds. Among those State agencies that have the ability to issue State moral obligation debt are: Alaska Aerospace Development Corporation (“AADC”) which has not issued any debt; Alaska Energy Authority (“AEA”); Alaska Housing Finance Corporation (“AHFC”); Alaska Industrial Development and Export Authority (“AIDEA”); Alaska

Municipal Bond Bank (“AMBB”); and Alaska Student Loan Corporation (“ASLC”). Approximately \$1,245.0 million of State moral obligation debt was outstanding as of June 30, 2014.

State and University Revenue Debt. This type of debt is issued by the State or by the University of Alaska but is secured only by revenues derived from projects financed from bond proceeds. Revenue debt is not a general obligation of the State or of the University and does not require voter approval. Such debt is authorized by law and issued by the State Bond Committee or the University of Alaska for projects approved by the Commissioner of Transportation and Public Facilities or the University of Alaska. This type of debt includes Sportfish Revenue Bonds, International Airports Revenue Bonds, various University Revenue Bonds and Notes and Toll Facilities Revenue Bonds. A total of \$720.0 million of revenue bonds, including \$181.6 million of University of Alaska Revenue Bonds, Notes and Contracts, \$35.3 million of Sportfish Revenue Bonds and \$503.1 million of Airport Revenue Bonds were outstanding as of June 30, 2014.

State Agency Debt. State agency debt is secured by revenues generated from the use of bond proceeds or the assets of the agency issuing the bonds. This debt is not a general obligation of the State nor does the State provide security for the debt in any other manner, i.e., by appropriations, guarantees, or moral obligation pledges. As of June 30, 2014, there was \$571.2 million principal amount of State agency debt outstanding comprised of \$65.0 million AHFC obligations; \$10.6 million AMBB Coastal Energy Bonds payable to the National Oceanic and Atmospheric Administration; \$142.4 million Alaska Railroad Notes; and \$353.2 million of obligations of the Northern Tobacco Securitization Corporation.

State Agency Collateralized or Insured Debt. As security for State agency collateralized or insured debt, the particular State agency pledges mortgage loans or other securities as primary security which, in turn, may be 100 percent insured or guaranteed by another party with a superior credit standing. This upgrades the credit rating on the debt and lowers the interest cost and makes it less likely that the State will assume responsibility for the debt. At June 30, 2014, the total principal amount outstanding of State agency collateralized or insured debt was approximately \$2,350.3 million comprised of approximately \$2,205.0 million issued by AHFC and \$145.3 million issued by AIDEA.

Through the Alaska Pension Obligation Bond Corporation, the State is authorized to issue up to \$5,000 million of bonds and/or enter into contracts to finance the payment by governmental employers of their share of the unfunded accrued actuarial liabilities (“UAALs”) of the retirement systems. The State has no present plan of issuing such bonds. See also “STATE PENSION AND OTHER POST-EMPLOYMENT BENEFIT RESPONSIBILITIES” below.

Summary of Outstanding Debt. Table 6 lists, by type, the outstanding State-related debt as of June 30, 2014. There have been no general obligation bonds issued by the State since June 30, 2014. Other categories of debt have not been compiled beyond June 30, 2014.

**Table 6**  
**State of Alaska Debt and State-Related Debt by Type**  
**as of June 30, 2014**  
(\$ in millions)

	Principal Outstanding	Interest to Maturity	Total Debt Service to Maturity
<b>State Debt</b>			
State of Alaska General Obligation Bonds	\$ 803.8	\$ 300.2	\$ 1,104.0
<b>State Supported Debt</b>			
Lease-Purchase Financings	3.3	0.4	3.5
State Reimbursement of Municipal School Debt Service	859.6	269.6	1,129.2
State Reimbursement of Capital Projects	22.4	7.5	29.9
Capital Leases	254.8	149.7	404.5
<b>Total State Supported Debt</b>	<u>1,140.1</u>	<u>427.0</u>	<u>1,567.1</u>
<b>State Guaranteed Debt</b>			
Alaska Housing Finance Corporation State Guaranteed Bonds (Veterans' Mortgage Program)	73.5	50.9	124.4
<b>State Moral Obligation Debt</b>			
Alaska Municipal Bond Bank:			
1976, 2005 & 2010 General Resolution General Obligation Bonds	919.0	464.9	1,383.9
2004 Revenue Bonds	4.4	2.6	7.0
Alaska Energy Authority:			
Power Revenue Bonds #1 through #5	78.9	18.2	97.1
Alaska Student Loan Corporation			
Student Loan Revenue Bonds	116.6	7.8	124.4
Education Loan Backed Notes	123.1	3.0	126.1
Student Capital Project Revenue Bonds	3.0	0.0	3.0
<b>Total State Moral Obligation Debt</b>	<u>1,245.0</u>	<u>496.5</u>	<u>1,741.5</u>
<b>State Revenue Debt</b>			
Sportfish Revenue Bonds	35.3	11.7	47.0
International Airports Revenue Bonds	503.1	239.9	743.0
<b>University of Alaska Debt</b>			
University of Alaska Revenue Bonds	140.6	46.8	187.4
University Lease Liability and Notes Payable	39.5	17.5	57.0
Installment Contracts	1.6	0.1	1.7
<b>Total University of Alaska Debt</b>	<u>181.6</u>	<u>64.4</u>	<u>246.0</u>
<b>Total State Revenue and University Debt</b>	<u>720.0</u>	<u>304.3</u>	<u>1,024.3</u>
<b>State Agency Debt</b>			
Alaska Housing Finance Corporation			
Commercial Paper	65.0	N/A	65.0
Alaska Municipal Bond Bank Coastal Energy Loan Bonds	10.6	2.9	13.5
Alaska Railroad	142.4	31.7	174.1
Northern Tobacco Securitization Corporation			
2006 Tobacco Settlement Asset-Backed Bonds	353.2	468.8	822.0
<b>Total State Agency Debt</b>	<u>571.2</u>	<u>503.4</u>	<u>1,074.6</u>
<b>State Agency Collateralized or Insured Debt</b>			
Alaska Housing Finance Corporation			
Collateralized Home Mortgage Bonds & Mortgage Revenue Bonds:			
2002 Through 2011 (First Time Homebuyer Program)	928.4	545.7	1,474.1
General Mortgage Revenue Bonds 2012	186.5	76.4	262.9
Housing Development Bonds 2004	0.1	0.1	0.2
General Housing Purpose Bonds 2005	257.9	173.7	431.6
Government Purpose Bonds 1997 & 2001	133.4	37.9	171.3
State Capital Project Bonds, 2002-2011	296.3	140.5	436.8
State Capital Project Bonds, II 2012-2014	402.4	180.4	582.8
Alaska Industrial Development and Export Authority			
Revolving Fund and Refunding Revolving Fund Bonds	73.2	25.5	98.7
Power Revenue Bonds, First Series (Snettisham Hydro Project)	72.1	46.3	118.4
<b>Total State Agency Collateralized or Insured Debt</b>	<u>2,350.3</u>	<u>1,226.5</u>	<u>3,576.8</u>
<b>Total State and State Agency Debt</b>	<u>6,903.9</u>		
<b>Municipal Debt</b>			
School G.O. Debt	1,273.3	\$ N/A	\$ N/A
Other G.O. Debt	1,144.4	N/A	N/A
Revenue Debt	887.6	N/A	N/A
<b>Total Municipal Debt</b>	<u>3,305.3</u>		
Less: State Reimbursable School Debt Reported by Municipalities	-1,136.8		
Less: Alaska Municipal Bond Bank Debt included in Municipal Debt	-934.0		
	<u>1,234.6</u>		
<b>Total Alaska Public Debt (2)</b>	<u>\$ 8,138.5</u>		

(1) University debt owed to AHFC is double counted in detail, but eliminated from Total Alaska Public Debt.  
(2) Reimbursable school G.O. debt is included in "State Supported Debt"; Capital Leases are included in "State Agency Collateralized or Insured Debt and Municipal Debt"; State Reimbursement of Capital Projects is included in "University and Municipal Debt."

Sources: Annual reports and financial statements of AHFC, AMBB, AIDEA, AEA, University of Alaska, Alaska Railroad, and directly from agencies.

**General Fund Supported Obligations.** General Fund support is pledged and required for only a portion of the total outstanding Alaska Public Debt. General Obligation Bonds are unconditionally supported, and Certificates of Participation and Capital Leases are subject-to-appropriation commitments with associated obligations. The School Debt and Capital Project Reimbursement Programs provide discretionary annual payments to municipal issuers for qualified general obligation bonds that are eligible by statute to participate in the programs. Over the last 20 years, the State has fully funded these programs. Tables 7 and 8 show the historical level of support the State has provided from the General Fund for these outstanding obligations and the forecast support required to retire the outstanding obligations.

**Table 7**  
**State of Alaska**  
**Debt Service on State Supported Debt**  
**FYs Ended June 30, 1985 – 2014**  
(\$ millions)

FY	State G.O.	University Revenue Debt	Lease / Purchase	Capital Leases (1)	School Debt Reimbursement	Capital Project Reimbursements	Total Debt Service (2)
1985	\$169.5	\$ 2.0	\$ 10.7	—	\$ 93.2	—	\$275.4
1986	163.2	1.8	10.4	—	106.3	—	281.7
1987	154.9	1.8	11.2	—	115.8	—	283.7
1988	147.9	1.5	11.2	—	109.5	—	270.1
1989	135.5	2.2	11.7	—	109.5	—	258.9
1990	120.3	2.2	12.0	—	107.8	—	242.3
1991	95.5	2.7	12.0	—	116.7	—	226.9
1992	68.2	2.7	11.8	—	129.0	—	211.7
1993	59.7	3.7	11.2	—	127.6	—	202.2
1994	33.8	0.2	8.5	—	99.1	—	141.6
1995	22.9	0.2	10.2	—	103.3	—	136.6
1996	21.3	0.2	9.6	—	79.7	—	110.8
1997	16.5	0.2	9.5	—	62.5	—	88.7
1998	14.2	0.2	10.3	—	61.6	—	86.3
1999	8.8	0.2	15.5	—	62.0	—	86.5
2000	2.4	—	15.0	3.5	64.4	—	85.3
2001	—	—	12.8	3.5	52.1	—	68.4
2002	—	—	12.4	8.8	54.1	—	75.3
2003	—	—	11.9	8.8	52.0	—	72.7
2004	19.4	—	12.1	8.8	60.6	0.3	101.2
2005	46.4	—	13.8	8.8	71.4	0.2	140.6
2006	45.7	—	13.2	8.6	81.1	2.2	150.8
2007	45.0	—	13.2	9.1	86.9	3.6	157.8
2008	44.4	—	11.1	11.8	91.1	4.2	162.7
2009	43.9	—	8.0	20.4	93.3	3.9	169.5
2010	48.9	—	8.0	29.6	95.8	5.2	187.5
2011	53.8	—	8.0	29.7	99.6	5.3	196.4
2012	78.8	—	7.5	29.1	100.9	5.3	221.6
2013	76.3	—	7.0	28.7	112.3	5.2	229.4
2014	86.0	—	1.8	28.7	109.8	5.1	231.4

(1) Three facilities are financed with capital leases.

(2) Totals may not add due to rounding.

Source: State of Alaska.

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**Table 8**  
**State of Alaska**  
**Debt Service on Outstanding State Supported Debt**  
**Forecast for FYs Ended June 30, 2015 - 2039**  
 \$ (millions)

FY	State G.O. (1)	University Revenue Debt	Lease / Purchase (2)	Capital Leases (3)	School Debt Reimbursement (4)	Capital Project Reimbursements	Total Debt Service (5)
2015	\$73.5	-	\$1.8	\$28.7	\$109.0	\$5.0	\$218.0
2016	63.4	-	1.8	26.4	104.4	4.2	200.2
2017	63.2	-	0.0	25.5	98.5	4.2	191.4
2018	63.1	-	-	21.8	94.3	4.1	183.3
2019	63.0	-	-	21.1	87.5	4.1	175.7
2020	51.9	-	-	21.3	81.2	2.8	157.2
2021	51.9	-	-	21.1	78.2	2.8	154.0
2022	41.7	-	-	21.1	66.4	2.8	132.0
2023	41.8	-	-	21.1	62.4	2.8	128.1
2024	44.7	-	-	21.1	51.0	2.8	119.7
2025	37.3	-	-	21.1	42.4	2.8	103.5
2026	17.8	-	-	21.1	31.2	2.6	72.7
2027	36.3	-	-	21.1	27.0	-	84.4
2028	36.3	-	-	17.8	24.1	-	78.2
2029	36.2	-	-	17.8	18.8	-	72.8
2030	36.1	-	-	17.8	15.6	-	69.5
2031	23.6	-	-	17.8	13.1	-	54.5
2032	23.5	-	-	17.8	9.7	-	51.0
2033	23.5	-	-	17.8	2.7	-	44.0
2034	23.5	-	-	-	-	-	23.5
2035	0.1	-	-	-	-	-	0.1
2036	0.1	-	-	-	-	-	0.1
2037	0.1	-	-	-	-	-	0.1
2038	12.0	-	-	-	-	-	12.0
2039	-	-	-	-	-	-	0.0

- (1) State G.O. debt service is net of federal subsidies for interest expenses from 2015 through 2039.
  - (2) A prison, a building and a parking garage have been financed with capital leases.
  - (3) Information as of January 23, 2015, provided by the Department of Education & Early Development.
  - (4) FY 2015 – 2039 payments are estimated. Totals may not add due to rounding.
  - (5) Does not include issuance of the Notes or refunding of the 2009A General Obligation Bonds.
- Source: State of Alaska.

**Payment History.** The State has never defaulted on its bond obligations nor has it ever failed to appropriate funds for any outstanding lease obligations.

**State Debt Capacity.** The State has historically used the ratio of debt service to revenue as a guideline for determining debt capacity of the State. This policy was established due to the State's relatively small population and high per capita revenue due to oil resource-generated revenue. Historically the State's policy has been that debt service should not exceed five percent of unrestricted revenue when considering only general obligation bonds, certificates of participation and the University of Alaska bonds that are State supported. More recently, the State has included more discretionary General Fund supported obligations and programs, including the School Debt Reimbursement Program, the Capital Project Reimbursement Program and certain capital leases. With the more inclusive funding, the State's policy was amended to allow the annual payments on these items to range up to eight percent of unrestricted revenue. The historical and projected ratio of debt service on outstanding obligations to unrestricted revenue using the official Fall 2014 State revenue forecast is shown in Table 9.

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**Table 9**  
**State of Alaska**  
**Debt Service on Outstanding Obligations to Unrestricted Revenues\***  
**FYs Ended June 30, 1985 – 2024**

FY	Unrestricted Revenues	State G.O. Debt Service	State Supported Debt Service	Total State Debt Service	School Debt Reimbursement	Total Debt Service to Revenues
	(\$Millions)	%	%	%	%	%
1985	\$ 3,260.0	5.2	0.4	5.6	2.9	8.4
1986	3,075.5	5.3	0.4	5.7	3.5	9.2
1987	1,799.4	8.6	0.7	9.3	6.4	15.8
1988	2,305.8	6.4	0.6	7.0	4.7	11.7
1989	2,186.2	6.2	0.6	6.8	5.0	11.8
1990	2,507.2	4.8	0.6	5.4	4.3	9.7
1991	2,986.6	3.2	0.5	3.7	3.9	7.6
1992	2,462.6	2.8	0.6	3.4	5.2	8.6
1993	2,352.0	2.5	0.6	3.2	5.4	8.6
1994	1,652.5	2.0	0.5	2.6	6.0	8.6
1995	2,082.9	1.1	0.5	1.6	5.0	6.6
1996	2,133.3	1.0	0.5	1.5	3.7	5.2
1997	2,494.9	0.7	0.4	1.1	2.5	3.6
1998	1,825.5	0.8	0.6	1.4	3.4	4.7
1999	1,348.4	0.7	1.2	1.8	4.6	6.3
2000	2,081.7	0.1	0.9	1.0	3.1	4.1
2001	2,281.9	0.0	0.7	0.7	2.3	3.0
2002	1,660.3	0.0	1.3	1.3	3.3	4.5
2003	1,947.6	0.0	1.1	1.1	2.7	3.7
2004	2,345.6	0.8	0.9	1.7	2.6	4.3
2005	3,188.8	1.5	0.7	2.2	2.2	4.4
2006	4,200.4	1.1	0.6	1.7	1.9	3.6
2007	5,158.6	0.9	0.5	1.4	1.7	3.1
2008	10,749.1	0.4	0.3	0.6	0.8	1.4
2009	5,831.2	0.8	0.6	1.3	1.6	2.9
2010	5,513.3	0.9	0.8	1.7	1.7	3.4
2011	7,673.0	0.7	0.6	1.3	1.3	2.6
2012	9,485.2	0.8	0.4	1.3	1.1	2.3
2013	6,928.5	1.1	0.6	1.7	1.6	3.3
2014	5,394.0	1.6	0.7	2.3	2.0	4.3
<b>Projected</b>						
2015	2,551.5	2.9	1.4	4.3	4.3	8.5
2016	2,196.7	2.9	1.5	4.4	4.8	9.1
2017	3,657.3	1.7	0.8	2.5	2.7	5.2
2018	4,292.1	1.5	0.6	2.1	2.2	4.3
2019	4,808.1	1.3	0.5	1.8	1.8	3.7
2020	4,852.9	1.1	0.5	1.6	1.7	3.2
2021	4,627.6	1.1	0.5	1.6	1.7	3.3
2022	4,555.7	0.9	0.5	1.4	1.5	2.9
2023	4,547.8	0.9	0.5	1.4	1.4	2.8
2024	4,473.2	1.0	0.5	1.5	1.1	2.7

\* Unrestricted revenue projection for FY 2015-2024 is based on Fall 2014 Revenue Source Book. Debt Service is based on June 30, 2014 balances, not adjusted for cash defeasances.  
Source: State of Alaska.

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## STATE PENSION AND OTHER POST-EMPLOYMENT BENEFIT RESPONSIBILITIES

### General

The State, through the Department of Administration (“DOA”), administers five retirement systems, a healthcare trust, a deferred compensation plan and a supplemental annuity plan. The two largest retirement systems are the Public Employees’ Retirement System (“PERS”) and the Teachers’ Retirement System (“TRS”). Smaller systems are the Alaska National Guard and Naval Militia Retirement System (“NGNMRS”) and the Judicial Retirement System (“JRS”). The fifth system, the smallest, is the Elected Public Officers Retirement System (“EPORS”), which provides benefits to elected officials who served in 1976.

PERS and TRS each had funding ratios in excess of 100 percent (i.e., were “overfunded”) as recently as 2001. Since that time, as a result of investment losses, recalibration of other post-employment benefit (“OPEB”) liabilities and changes in actuarial assumptions and valuation methods, PERS and TRS each has had an unfunded accrued actuarial liability (a “UAAL”) and increasing actuarially required employer contribution rates. The NGNMRS and JRS, although much smaller systems, also had UAALs until June 30, 2008, when the Legislature made additional contributions in amounts calculated to eliminate the entire UAAL of both the NGNMRS and JRS as of June 30, 2006. The NGNMRS has been fully funded since June 30, 2010. Despite the additional funding in 2008 the JRS system has continued to have a UAAL through June 30, 2012. The State maintains EPORS as a cash-funded, pay-as-you go arrangement and pays benefits each year as they arise. No assets are set aside to pay EPORS benefit costs.

### The ARM Board

The Alaska Retirement Management (“ARM”) Board is the fiduciary for funds of three of the retirement systems: TRS, PERS and the NGNMRS and oversees investments of all of the systems. The ARM Board’s mission is to serve as the trustee of the assets of the State’s retirement systems, the State Supplemental Annuity Plan, the deferred compensation program for State employees and the Retiree Healthcare Trusts (for the PERS, TRS, JRS, and the Retiree Health Fund).

### Administration of the Systems

The Commissioner of the DOA or the Commissioner’s designee is the administrator, and the Attorney General is the legal counsel, for each of the State’s retirement systems. The Treasury Division of the DOR provides investment and cash management services, together with 55 external money managers and consultants, for the ARM Board and for each of the retirement systems and healthcare trusts.

### Valuation Reports

PERS and TRS are funded by a combination of mandatory employee contributions at rates that are determined by statute, investment income and employer contributions at rates determined by the ARM Board based upon recommendations of the consulting actuary in its valuation reports. State law requires that actuarial valuation reports be prepared annually for TRS and PERS and that the work of the actuary be reviewed by a second, independent actuary. State law requires in addition that every four years a different independent actuary be retained to conduct a separate, complete valuation for comparison purposes.

**Employer Contribution Rates.** Employer contribution rates are adopted by the ARM Board and are based upon State law, administrative regulations and the actuary’s recommended employer

contribution rates based upon results of the actuary's valuations. Individual employer rates represent a percentage of payroll based upon (i) the consolidated normal cost (a uniform rate for all employers within a specific pension program (e.g., PERS and TRS) calculated to reflect the cost of benefits accruing in the applicable FY, less the value of the employees' contributions during that year, plus (ii) the individual employer's share of the program's UAAL. The PERS employer rate is set by law at 22 percent; the TRS employer rate is set by law at 12.56 percent. If the rate determined by the actuary and adopted by the ARM Board to fund the plans exceeds these established rates, the State is obligated to annually consider appropriating an amount, when combined with the total employer contributions, sufficient to pay the plans' past service liability for that FY.

**Employee Contributions.** Employee contributions are established by statute and vary for each program and for tiers within a program. Employees may also make additional, voluntary contributions, which are accounted for separately.

### **The Public Employees Retirement System**

**General.** PERS, formed in 1961, is the largest of the State's retirement systems with 160 employers comprising three State entities, 77 municipalities, 53 school districts and 27 other public entities. The three State entities represent approximately 50 percent of active PERS members. PERS is a cost-sharing, multiple employer plan composed of both a defined benefit ("DB") plan and a defined contribution ("DC") plan. Membership in either plan is dependent upon the participant date of hire. The PERS DB plan was closed to all new members effective July 1, 2006.

At June 30, 2012, the PERS DB membership consisted of 19,474 active members and 30,376 retirees and beneficiaries and the PERS DC membership consisted of 16,210 active members. PERS provides pension and other post-employment benefits, death and disability benefits prior to retirement and death benefits and survivor benefits after retirement, in a combination of defined benefit (Tiers 1, 2 and 3) and defined contribution (Tier 4) plans. PERS also provides a voluntary savings plan for the DB tiers and beginning in FY 2007 is funding costs of healthcare benefits through the separate Retiree Healthcare Trust within PERS. Membership in PERS is mandatory for all full- and part-time (15-30 hours per week) employees of the State and of the other participating governmental employers (other than employees exempted by statute or employer participation agreements or who belong to another of the State's retirement systems).

Participants first hired before July 1, 1986 are Tier 1 participants of PERS and are eligible for retirement and for health insurance premiums paid by PERS earlier than members hired after June 30, 1986 (Tier 2). Members first hired after June 30, 1996 (Tier 3) have a 10-year requirement for system-paid premiums, and members who are not peace officer/firefighter members have a different final average earnings calculation than members from Tiers 1 and 2.

**Shift to Defined Contribution Plan.** In 2005 the Legislature closed the PERS DB plan to members first hired on or after July 1, 2006 and created for Tier 4 employees a DC retirement plan which is composed of a participant-directed investment account, medical benefits, a health reimbursement arrangement and occupational disability and death benefits.

The PERS DC participant account is funded with employee contributions of 8 percent and an employer match of 5 percent. Each participant designates how both employee and employer contributions (regardless of vesting status) are to be allocated among various investment options. Participants are 100 percent vested in their employee contribution and related earnings. Employer contributions to the participant account, plus any earnings they generate are vested as shown in the following Table 10:

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**TABLE 10**

**PERS DC Vesting Schedule**

<u>Years of Service</u>	<u>Vested Percentage of Employer Contributions</u>
1 year	0%
2 years	25%
3 years	50%
4 years	75%
5 years	100%

Source is State of Alaska, Division of Retirement & Benefits

**Employee Contributions.** The PERS DB member contribution rates are 7.5 percent for peace officers and firefighters, 9.6 percent for certain school district employees, and 6.75 percent for general members, as required by statute. The DB member contributions earn interest at the rate of 4.5 percent per annum, compounded semiannually.

The PERS DC Plan member contribution rate is 8.0 percent, as required by statute.

**Employer Contributions.** The employer contribution rate is determined by the consulting actuary and adopted by the ARM Board annually. AS 39.35.255(a) sets the employer contribution rate at 22.0 percent. The employer contribution rate is paid based on all eligible salaries of the employer without regard to the participant's tier status. The difference between the actuarially determined rate and the statutory employer effective rate is paid by the State as a direct appropriation.

Employer contributions made on behalf of DC members also include funding of the DC Retiree Medical Plan, Occupational Death and Disability Plan, and the Health Reimbursement Arrangement. DC employer contribution rates are determined by the ARM Board and are based upon State law, administrative regulations and the actuary's recommended employer contribution rates based upon results of the actuary's valuations. Table 11 provides a seven year history of the employer contribution rates.

**Table 11**

**PERS Employer Contribution Rates**

<u>FY</u>	<u>ARM Board Adopted Rate</u>	<u>DB Employer Effective Rate</u>	<u>DC Employer Match</u>	<u>DC Retiree Medical Plan</u>	<u>DC Occupational</u>		<u>DC Health Reimbursement Arrangement <sup>(1)</sup></u>
					<u>Death and Disability - Police/Fire</u>	<u>Death and Disability - All Others</u>	
2009	35.22%	22.00%	5.00%	0.99%	1.33%	0.58%	\$ 1,616.81
2010	27.65	22.00	5.00	0.83	1.33	0.30	1,699.71
2011	27.96	22.00	5.00	0.55	1.18	0.31	1,720.70
2012	33.49	22.00	5.00	0.51	0.97	0.20	1,778.09
2013	35.84	22.00	5.00	0.48	0.99	0.14	1,848.43
2014	35.68	22.00	5.00	0.48	1.14	0.22	1,896.60
2015 <sup>(2)</sup>	44.03	22.00	5.00	1.66	1.06	0.22	1,960.53

(1) The employer contribution to the Health Reimbursement Arrangement is expressed as a dollar amount that must be paid in full on an annual basis for each year of service.

(2) Table 11 shows the ARMB adopted rate for FY2015 based on a level dollar amortization. The actual contribution for FY2015 was the one-time transfer of \$3 billion from the Constitutional Budget Reserve Fund (\$1 billion to PERS and \$2 billion to TRS) discussed in "Recent Pension Reforms."

Source: State of Alaska Division of Retirement and Benefits.

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**Contributions from the State of Alaska.** AS 39.35.280 provides that the State is obligated to annually consider appropriating to contribute each July 1 or, as soon after July 1 as funds become available, an amount for the ensuing FY that, when combined with the total employer contribution rate of 22 percent, is sufficient to pay the PERS DB past service liability at the consolidated actuarially determined contribution (“ADC”) adopted by the ARM Board for the FY. Table 12 provides a seven year history of the PERS contributions from the State under AS 39.35.280. For FY 2015 the State total contribution to PERS was a one-time payment of \$1 billion. For FY 2016 the Alaska Retirement Management Board has adopted a PRS contribution rate attributable to participating employers at 27.19%. This results in employer contributions of \$535,998,000 and an additional State contribution under AS 39.35.280 of \$126,521,000.

**Table 13**

**PERS Contribution from the State (under AS 39.35.280)**

<u>FY</u>	<u>Legislative Bill</u>	<u>Amount Provided by State under AS 39.35.280 (\$000s)</u>	<u>Total Employer Contributions to PERS DB (\$000s)</u>	<u>% of Contributions made by State (1)</u>
2008	Senate Bill 53	\$185,000	\$549,078	33.69%
2009	House Bill 310	241,600	649,052	37.22
2010	House Bill 81	107,953	500,300	21.58
2011	House Bill 300	165,841	566,450	29.28
2012	House Bill 108	242,609	648,548	37.41
2013	House Bill 284	307,302	717,268	42.84
2014	House Bill 65	312,473	723,456	43.19

(1) Percent of Contributions made by State under AS 39.35.280.  
Source: State of Alaska Division of Retirement and Benefits.

**Pension Benefits.** PERS DB members are eligible for normal retirement at age 55 or early retirement at age 50 (Tier 1) or (for Tiers 2 and 3) retirement at age 60 and early retirement at 55, in each case with at least five years of paid-up PERS service or other qualifying service. Members may retire at any age when they have at least 30 years of paid-up service.

PERS DC members are immediately and fully vested in member contributions and related earnings (losses). A member shall be fully vested in the employer contributions made on that member’s behalf, and related earnings (losses), after five years of service.

**Other Post-Employment Benefits.** PERS pays the premium for healthcare benefits for all Tier 1 retirees, for Tier 2 retirees who are at least 60, and for Tier 3 retirees with ten years of credited service. Retirees in Tiers 1, 2 and 3 with 30 years of service (20 years for Tier 1 peace officers and firefighters and 25 years for other peace officers and firefighters) receive benefits with premiums paid by PERS regardless of their age or Tier. For Tier 4 retirees who are eligible for Medicare, PERS pays a portion (70-90 percent of the cost, depending upon length of service) of health insurance premiums.

PERS DC members are eligible for major medical benefits through the retiree medical plan after certain requirements have been met. In addition, PERS DC members have access to a health reimbursement arrangement plan and Occupational Death and Disability Benefits.

**Actuarial Valuation – PERS DB.** Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare cost trends. Actuarially determined amounts are subject to continual revisions as actual results are compared with past expectations and new estimates are made about the future.

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The FY 2014 contribution requirements were determined as a percentage of payroll, and reflect the cost of benefits accruing and a fixed 25-year amortization as a level percentage of payroll of the initial unfunded accrued liability and subsequent gains/losses and other changes. The payroll used to determine the contribution rates is the total payroll of all active members in the system, including those hired after July 1, 2006 who are in the DC plan. The amortization period is set by the ARM Board. Contribution rates are recommended by the actuary and adopted by the ARM Board each year.

The Legislature has discretion to deviate from the rates recommended by the ARM Board; however, they have not historically done so.

The most recent funding objective of the plan, as adopted by the ARM Board for FY 2015, is to set a contribution rate that will pay the normal cost and amortize the initial UAAL and each subsequent annual change in the UAAL over a closed 25-year period as a level percentage of payroll dollar amortization. Subsequent to the ARM Board's adoption of the contribution rate for FY 2015 the Legislature provided for one-time deposits of \$1 billion to PERS and \$2 billion to TRS in the FY 2015 capital budget, and amended statutes to require a percentage of payroll method for determining contributions in the future.

Table 13 presents a summary of the funding status of PERS as a whole, including pension and post-employment healthcare benefits combined, as of June 30, 2002 through 2012. The information presented in Table 13 is derived from the 2012 PERS Valuation Report and differs from the information about PERS prepared for accounting purposes.

**Table 13**  
**PERS Funding Status (1)**  
(as of June 30)

Actuarial Valuation Year	Aggregate Accrued Liability (000s)	Valuation of Assets (000s)	Unfunded Liability (000s)	Funded Ratio (%)
2002 (2)	\$ 9,859,591	\$ 7,412,833	\$ 2,446,758	75.2 %
2003	10,561,653	7,687,281	2,874,372	72.8
2004 (2)	11,443,916	8,030,414	3,413,502	70.2
2005	12,844,841	8,442,919	4,401,922	65.7
2006	14,388,413	9,040,908	5,347,505	62.8
2007 (3)	14,570,933	9,900,960	4,669,973	68.0
2008	15,888,141	11,040,106	4,848,035	69.5
2009	16,579,371	10,242,978	6,336,393	61.8
2010	18,132,492	11,157,464	6,975,028	61.5
2011	18,740,550	11,813,774	6,926,776	63.0
2012	19,292,361	11,832,030	7,460,331	61.3
2013	19,992,759	12,162,626	7,830,133	60.8
2014 (4)	20,897,372	14,644,598	6,252,774	70.1

See "Recent Pension Reforms" section for actuarial projection as of June 30, 2015

- (1) For PERS Tiers I-III and pension and other post-employment benefits combined.
- (2) Change in valuation assumptions (particularly the healthcare cost assumptions) and change in methods.
- (3) Tier 4, the PERS defined contribution plan became effective for employees first hired after June 30, 2006 when the defined benefit plans were closed. Change in healthcare cost assumptions.
- (4) Actuarial projections, not yet audited.

Source: 2013 PERS Valuation Report.

Table 14 presents the Schedule of Contributions from Employers and the State. This schedule shows the dollar amount of the annual required contribution and the percent of the ADC contributed by employers and by the State (under AS 39.35.280).

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**Table 14**  
**PERS Schedule of Contributions from Employers and the State**  
(as of June 30)

Year Ended June 30	Actuarial Valuation year ended June 30 (1)	Annual required contribution			Pension percentage contributed			Postemployment healthcare percentage contributed		
		Pension (000s)	Postemployment healthcare (000s)	Total (000s)	By employer	By State	Total Percentage contributed	By employer	By State	Total Percentage contributed
2005	2002	\$ 234,361	\$ 142,393	\$ 376,754	47.3%	—%	47.3%	47.3%	—%	47.3%
2006	2003	249,488	166,749	416,237	61.0	4.4	65.4	61.0	4.4	65.4
2007	2004	268,742	189,495	458,237	73.2	4.1	77.3	73.2	4.1	77.3
2008	2005	140,729	370,456	511,185	71.2	36.2	107.4	71.2	36.2	107.4
2009	2006	166,016	391,321	557,337	68.1	48.0	116.1	68.1	41.4	109.5
2010 (2)	2007	217,080	790,793	1,007,873	65.5	20.5	86.0	31.6	54.8	86.4
2011	2008	220,419	525,075	745,494	63.1	29.6	92.7	49.8	21.6	71.4
2012	2009	351,674	498,433	850,107	52.0	37.2	89.2	44.8	28.8	73.6
2013	2010	382,889	612,792	995,681	47.0	42.9	89.9	37.5	25.1	62.6

(1) Actuarial valuation related to annual required contribution for FY.

(2) Beginning in the year ended June 30, 2010, the postemployment healthcare annual required contribution and percentage contributed includes the Medicare Part D subsidy.

Source: PERS Financial Statement as of June 30, 2014.

Projections of benefits for financial report purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to that point. The actuarial method and assumptions used include techniques that are designed to reduce the effects of short term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long term perspective of the calculations. Additional information as of the latest actuarial valuation follows.

Valuation Date	June 30, 2012
Actuarial Cost Method	Entry Age Normal Level Percentage of Pay normal cost basis for Pension Level Dollar normal cost basis for Healthcare
Amortization Method	Level dollar, closed
Equivalent Single Amortization Period	17 years
Asset Valuation Method	5-year smoothed fair value
Actuarial Assumptions:	
Investment rate of return*	8.00% for pension, 5.41% for healthcare.
Projected salary increases	Peace Officer/Firefighter: Merit – 2.75% per year for the first 4 years of employment, grading down to 0.5% at 7 years and thereafter. Productivity – 0.5% per year. Others: Merit – 6.00% per year grading down to 2.00% after 5 years; for more than 6 years of service, 1.50% grading down to 0%. Productivity – 0.5% per year.
*Includes price inflation at	3.12%
Cost-of-living adjustment	Post-retirement Pension Adjustment.

**Changes in Actuarial Assumptions Since the Prior Valuation.** The ARM Board contracted for an experience analysis to be performed of the actuarial assumptions underlying the PERS actuarial valuation. As a result of the experience analysis the following changes were made as of June 30, 2010 actuarial valuation. There have been no changes in methodology since the June 30, 2010 valuation.

	<b>June 30, 2009</b>	<b>June 30, 2010</b>
Investment Return	8.25% per year (geometric), compounded annually, net of expenses	8.00% per year (geometric), compounded annually, net of expenses
Salary Scale	Based on actual experience from 2001 to 2005.	Others: Based on actual experience from 2005 to 2009. Increased most rates. Peace Officer/Firefighter: Rates are increased for the first 4 years. Decreased at year 5. Based on actual experience 2005 to 2009.
Payroll Growth	4.00% per year	3.62% per year
Inflation	3.50%	3.12%
Pre-termination Mortality	Peace Officer/Firefighter: 1994 GAM Table*, 1994 Base Year. Others: 42% of 1994 GAM Table, 1994 Base Year.	Peace Officer/Firefighter: Based upon the 2005-2009 actual mortality experience. 1994 GAM Table, sex distinct, 1994 Base Year without margin projected to 2013 using Projection Scale AA, 80% of the male table for males and 60% of the female table for females. Others: Based upon the 2005-2009 actual mortality experience. 1994 GAM Table, sex distinct, 1994 Base Year without margin projected to 2013 using Projection Scale AA, 75% of the male table for males and 55% of the female table for females.
Post-termination Mortality	1994 GAM Table, 1994 Base Year.	1994 GAM Table, sex-distinct, 1994 Base Year without margin projected to 2013 using Projection Scale AA for males and with a 1- year set-forward for females.
Disability Mortality	1979 PBGC** Disability Mortality Table for those receiving Social Security disability benefits.	RP-2000 Disabled Retiree Mortality Table.
Turnover	Based on actual experience from 2001 to 2005.	Rates adjusted based on actual experience from 2005 to 2009.
Disability	Based on actual experience from 2001 to 2005.	Peace Officer/Firefighter: No change except to stop rates at earliest retirement age. Others: Male/Female rates decreased based on actual experience from 2005 to 2009 and stop rates at earliest retirement age.
Retirement	Based on actual experience from 2001 to 2005.	Rates were adjusted based on actual experience from 2005 to 2009.

### Teachers' Retirement System

**General.** TRS was established in 1955 to provide pension and other post-employment benefits to teachers and other eligible participants. TRS includes 58 employers (including the 53 school districts). TRS is a cost-sharing, multiple employer plan composed of both a defined benefit ("DB") plan and a defined contribution ("DC") plan. Membership in either plan is dependent upon the participant date of hire. The TRS DB plan is closed to all new members effective July 1, 2006.

At June 30, 2014 the TRS DB membership consisted of 5,995 active members and 11,726 retirees and beneficiaries and the TRS DC membership consisted of 3,650 active members. TRS provides pension and other post-employment benefits, death and disability benefits prior to retirement and death benefits

and survivor benefits after retirement, in a combination of defined benefit (Tiers 1 and 2) and defined contribution (Tier 3) plans. TRS also funds costs of healthcare benefits through the separate Retiree Healthcare Trust within TRS. Membership in TRS is mandatory for all full- and part-time employees, including employees who are certificated elementary and secondary teachers, school nurses and certificated employees in positions requiring teaching certificates, employees in Department of Education and Early Development and Department of Labor and Workforce Development positions that require teaching certificates, University of Alaska full- and part-time teachers and with the approval of the TRS administrator, full-time administrative employees in positions requiring academic standing and certain full-time or part-time teachers of Alaska Native language or culture who elect to be covered under TRS.

Participants first hired before July 1, 1990 are Tier 1 participants of TRS and are eligible for retirement and for health insurance premiums paid by TRS earlier than members hired after July 1, 1990 (Tier 2).

**Shift to Defined Contribution Plan.** In 2005, the Legislature closed the TRS DB plan to members first hired on or after July 1, 2006 and created for Tier 3 employees a DC retirement plan which is composed of a participant-directed investment account, medical benefits, a health reimbursement arrangement, and occupational disability and death benefits.

The TRS DC participant account is funded with employee contributions of 8 percent and an employer match of 7 percent. Each participant designates how contributions are to be allocated among various investment options. Participants are 100 percent vested in their employee contribution and related earnings. Employer contributions to the participant account, plus any earnings they generate are vested as shown in the following Table 15:

**TABLE 15**

**TRS DC Vesting Schedule**

<u>Years of Service</u>	<u>Vested Percentage of Employer Contributions</u>
1 year	0%
2 years	25%
3 years	50%
4 years	75%
5 years	100%

*Source is State of Alaska, Division of Retirement & Benefits*

**Employee Contributions.** The TRS DB member contribution rates are 8.65 percent as required by statute. Eligible TRS DB members contribute an additional 1.11 percent of their salary under a supplemental contribution provision. The DB member contributions earn interest at the rate of 4.5 percent per annum, compounded semiannually.

The TRS DC member contribution rate is 8.0 percent, as required by statute.

**Employer Contributions.** The employer contribution rate is determined by the consulting actuary and adopted by the ARM Board annually. AS 14.25.070(a) sets the employer contribution rate at 12.56 percent. The employer contribution rate is paid based on all eligible salaries of the employer without regard to the participant's tier status. The difference between the actuarially determined rate and the statutory employer effective rate is paid by the State as a direct appropriation.

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Employer contributions made on behalf of DC members also include funding of the DC Retiree Medical Plan, Occupational Death and Disability Plan, and the Health Reimbursement Arrangement. DC employer contribution rates are determined by the ARM Board and are based upon State law, administrative regulations and the actuary's recommended employer contribution rates based upon results of the actuary's valuations.

Table 16 provides a history of the employer contribution rates from fiscal year 2008 through 2015.

**Table 16**  
**TRS Employer Contribution Rates**

FY	ARM Board Adopted Rate	Employer Effective Rate	DC Employer Match	DC Retiree Medical Plan	DC Occupational Death and Disability	DC Health Reimbursement Arrangement (1)
2008	Varied	12.56%	7.00%	0.99%	0.62%	\$ 1,531.27
2009	44.17%	12.56	7.00	0.99	0.62	1,616.81
2010	39.53	12.56	7.00	1.03	0.32	1,699.71
2011	38.56	12.56	7.00	0.68	0.28	1,720.70
2012	45.55	12.56	7.00	0.58	0.00	1,778.09
2013	52.67	12.56	7.00	0.49	0.00	1,848.43
2014	53.62	12.56	7.00	0.47	0.00	1,896.60
2015 (2)	70.75	12.56	7.00	2.04	0.00	1,960.53

(1) The employer contribution to the Health Reimbursement Arrangement is expressed as a dollar amount that must be paid in full on an annual basis for each year of service.

(2) Table 16 shows the ARMB adopted rate for FY2015 based on a level dollar amortization. The actual contribution for FY2015 was the one-time transfer of \$3 billion from the Constitutional Budget Reserve Fund (\$1 Billion to PERS and \$2 Billion to TRS) discussed in "Recent Pension Reforms."

Source: State of Alaska Division of Retirement and Benefits.

**Contributions from the State.** AS 14.25.085 provides that the State is obligated to annually consider appropriating to contribute each July 1 or, as soon after July 1 as funds become available, an amount for the ensuing FY that, when combined with the total employer contribution rate of 12.56 percent, is sufficient to pay the DB past service liability at the consolidated ADC adopted by the ARM Board for the FY.

Table 17 provides a history of the TRS contributions from the State under AS 14.25.085 from FY 2008 through 2014. For FY 2015 the State total contribution to TRS was a one-time payment of \$2 billion. For FY 2016 the Alaska Retirement Management Board has adopted a PRS contribution rate attributable to participating employers at 29.27%. This results in employer contributions of \$97,789,000 and an additional State contribution under AS 14.25.085 of \$130,108,000.

**Table 17**  
**TRS Contribution from the State (under AS 14.25.085)**

FY	Legislative Bill	Amount Provided by State under AS 14.25.085 (\$000s)	Total Employer Contributions to TRS DB Plan (\$000s)	% of Contributions made by State (1)
2008	Senate Bill 53	\$269,992	\$345,002	78.26%
2009	House Bill 310	206,300	292,428	70.55%
2010	House Bill 81	173,462	249,956	69.40%
2011	House Bill 300	190,850	266,871	71.51%
2012	House Bill 108	234,517	308,987	75.90%
2013	House Bill 284	302,777	375,442	80.65%

(1) Percent of Contributions made by State under AS 14.25.085.

Source: State of Alaska Division of Retirement and Benefits.

**Pension Benefits.** Tier 1 members were hired before July 1, 1990 and are eligible for normal retirement at age 55 or for early retirement at age 50, and Tier 2 members were hired after June 30, 1990 and before July 1, 2006 and are eligible for normal retirement at age 60 and for early retirement at 55, and generally with at least eight years of paid-up membership service or other qualifying service. Members may retire at any age when they have at least 20 years of paid-up membership service or 20-25 years of a combination of paid-up membership service and other types of service. TRS members are also eligible for normal retirement if they have, for each of 20 school years, at least one-half year of membership service as a part-time teacher.

Tier 3 employees were hired after June 30, 2006 and are 100 percent vested in their own contributions from the beginning and vest in their employers' seven-percent contributions over five years: 25 percent after two years of service, 50 percent after three years of service, 75 percent after four years of service and 100 percent after five years of service. Tier 3 pension payments (the account balance plus investment income) are payable in a lump sum or over time at the employee's option.

**Other Post-employment Benefits.** Tier 1 members who are at least 50 or who are any age with at least 20 years of paid-up service receive healthcare benefits and Tier 2 members who are 60 or older or who have 25 years of paid-up membership service or are disabled also receive healthcare benefits with system-paid premiums. Tier 2 members may receive coverage prior to age 60 if they pay the premiums. Medical benefits are supplemental to Medicare. For both Tier 1 and Tier 2, coverage includes coverage for eligible dependents.

For Tier 3, the TRS healthcare plan is a coinsurance major medical and prescription drug plan intended to maintain over time coinsurance levels at approximately 80 percent by the plan and 20 percent by the participant, with a maximum annual coinsurance payable by the participant of \$2,500 per person and a maximum lifetime benefit payable by the plan, less any amounts paid by Medicare.

**Actuarial Valuation – TRS DB.** Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and healthcare cost trends. Actuarially determined amounts are subject to continual revisions as actual results are compared with past expectations and new estimates are made about the future.

The FY 2014 contribution requirements are determined as a percentage of payroll, and reflect the cost of benefits accruing and a fixed 25-year amortization as a level percentage of payroll of the initial unfunded accrued liability and subsequent assumption changes and gains/losses. The payroll used to determine the contribution rates is the total payroll of all active members in the System, including those hired after July 1, 2006 who are in the Defined Contribution Retirement Plan. The amortization period is set by the ARM Board. Contribution levels are recommended by the actuary and adopted by the ARM Board each year.

The Legislature has discretion to deviate from the rates recommended by the ARM Board, however, have not historically done so.

The most recent funding objective of the plan, as adopted by the ARM Board for FY 2015, was to set a contribution rate that will pay the normal cost and amortize the initial UAAL and each subsequent annual change in the UAAL over a closed 25-year period as a level percentage of payroll dollar amortization.

The information about TRS funding status included in Table 18 reflects the status of TRS as of June 30, 2012. Information about TRS assets and liabilities allocable to State employers alone is not shown because most non-State TRS employers make these contributions primarily from funds provided by the State.

**Table 18**  
**TRS Funding Status (1)**  
(as of June 30)

Actuarial Valuation Year	Aggregate Accrued Liability (000s)	Valuation Assets (000s)	Unfunded Accrued Liability (000s)	Funded Ratio (%)
2002 (2)	\$ 5,411,642	\$3,689,036	\$ 1,722,606	68.2 %
2003	5,835,609	3,752,285	2,083,324	64.3
2004 (2)	6,123,600	3,845,370	2,278,230	62.8
2005	6,498,556	3,958,939	2,539,617	60.9
2006	7,229,851	4,141,700	3,088,151	57.3
2007	7,189,403	4,424,399	2,765,004	61.5
2008	7,619,178	4,936,976	2,682,202	64.8
2009	7,847,514	4,472,958	3,374,556	57.0
2010	8,847,788	4,739,128	4,108,660	53.6
2011	9,128,795	4,937,937	4,190,858	54.1
2012	9,346,444	4,869,154	4,477,290	52.1
2013	9,592,107	4,974,076	4,618,031	51.9
2014 (3)	9,841,032	6,019,274	3,821,758	61.2

See "Recent Pension Reforms" section for actuarial projection as of June 30, 2015

- (1) Includes pension benefits and other post-employment benefits.
- (2) Change in asset valuation method.
- (3) Actuarial projections, not yet audited.

Source: 2012 TRS Valuation Report.

Table 19 presents the schedule of contributions from employers and the State. This schedule shows the dollar amount of the annual required contribution and the percent of the ARC contributed by employers and by the State (under AS 14.25.085).

**Table 19**  
**TRS Schedule of Contributions from Employers and the State**  
(as of June 30)

Year Ended June 30	Actuarial Valuation year ended June 30 (1)	Annual required contribution			Pension percentage contributed			Postemployment healthcare percentage contributed		
		Pension (000s)	Postemployment healthcare (000s)	Total (000s)	By employer	By State	Total Percentage contributed	By employer	By State	Total Percentage contributed
2005	2002	\$ 152,168	\$55,783	\$207,951	45.0%	0.0%	45.0%	45.0%	0.0%	45.0%
2006	2003	170,019	66,719	236,738	54.1	0.0	54.1	54.1	0.0	54.1
2007	2004	169,974	76,879	246,853	62.2	0.0	62.2	62.2	0.0	62.2
2008	2005	134,544	185,271	319,815	23.3	82.7	106.0	23.6	85.7	109.3
2009	2006	94,388	164,171	258,559	28.7	110.6	139.3	28.7	62.1	90.8
2010 (2)	2007	170,788	312,922	483,710	19.8	58.8	78.6	13.6	38.8	52.4
2011	2008	167,978	167,686	335,664	19.5	65.1	84.6	25.8	51.5	77.3
2012	2009	229,509	192,700	422,209	16.6	68.6	85.2	18.8	46.6	65.4
2013	2010	259,786	330,411	590,197	14.5	80.4	94.9	10.7	33.3	44.0

(1) Actuarial valuation related to annual required contribution for FY.

(2) Beginning in the year ended June 30, 2010, the postemployment healthcare annual required contribution and percentage contributed includes the Medicare Part D subsidy.

Source: TRS Financial Statement as of June 30, 2013.

Projections of benefits for financial report purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to that point. The actuarial method and assumptions used include techniques that are designed to reduce the effects of short term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long term perspective of the calculations. Additional information as of the latest actuarial valuation follows.

Valuation Date	June 30, 2012
Actuarial Cost Method	Entry Age Normal Level Percentage of Pay normal cost basis for Pension Level Dollar normal cost basis for Healthcare
Amortization Method	Level dollar, closed
Equivalent Single Amortization Period	18 years
Asset Valuation Method	5-year smoothed fair value
Actuarial Assumptions:	
Investment rate of return*	8.00% for pension, 5.0% for healthcare
Projected salary increases	6.11% for first 5 years of service grading down to 3.2% after 20 years
*Includes inflation at	3.12%
Cost-of-living adjustment	Post-retirement Pension Adjustment.

**Changes in Actuarial Assumptions Since the Prior Valuation.** The ARM Board contracted for an experience analysis to be performed of the actuarial assumptions underlying the TRS actuarial valuation. As a result of the experience analysis the following changes were made as of June 30, 2010 actuarial valuation. There have been no changes in actuarial method since June 20, 2010.

	<b>June 30, 2009</b>	<b>June 30, 2010</b>
Salary Scale	Based on actual experience from 2001 to 2005.	Rates adjusted on actual experience from 2005 to 2009.
Payroll Growth	4.00% per year.	3.62% per year.
Total Inflation	3.50%	3.12%
Investment Return/ Discount Rate	8.25% per year (geometric), compounded annually, net of expenses.	8.00% per year (geometric), compounded annually, net of expenses.
Pre-termination Mortality	The 1994 GAM Sex-distinct Table, 1994 Base Year adjusted 55% for males, and 60% for females.	The 1994 GAM Sex-distinct Table, 1994 Base Year projected to 2013 using Projection Scale AA, adjusted 45% for males, and 55% for females.
Post-termination Mortality	The 1994 GAM Sex-distinct Table, 1994 Base Year, setback 1 year for females and 3-year setback for males.	The 1994 GAM Sex-distinct Table, 1994 Base Year projected to 2013 using Projection Scale AA, setback 3 years for females and 4-year setback for males.
Disability Mortality	1979 PBGC Disability Mortality Table for those receiving Social Security disability benefits.	RP-2000 Disabled Retiree Mortality Table.
Turnover	Based on actual experience from 2001 to 2005.	Rates adjusted based on actual experience from 2005 to 2009.
Disability	Based on actual experience from 2001 to 2005.	Male/female rates decreased based on actual experience from 2005 to 2009 and stop rates at earliest retirement age.
Retirement	Based on actual experience from 2001 to 2005.	Rates adjusted based on actual experience from 2005 to 2009.
Part-time Service	.55 years of credited service per year.	.60 years of credited service per year.
Occupational Assumption	0% of deaths are assumed to be from occupational causes.	15% of deaths are assumed to be from occupational causes.
Deferred Vested Commencement Age	Earliest reduced age.	Earliest unreduced age.
Healthcare Participation	100% of members and their spouses are assumed to elect healthcare benefits as soon as they are eligible.	100% of system paid members and their spouses are assumed to elect healthcare benefits as soon as they are eligible. 10% of non-system paid members and their spouses are assumed to elect healthcare benefits as soon as they are eligible.

### Recent Pension Reforms

In the past several years, to mitigate expected pension costs and rising employer contribution rates, the Legislature enacted a range of statutory changes to the retirement systems and to the State's approach to managing pension and OPEB costs. In 2005, the Legislature closed the PERS and TRS DB plans and to establish DC plans, each with a healthcare component, for new employees.

In 2007, the Legislature enacted Senate Bill 123, which created the Alaska Retiree Health Care Trusts (the "Retiree Healthcare Trusts"). Senate Bill 123 directed that all separately calculated employer contributions for other post-employment benefits under the DB plans and all appropriations, earnings and reserves for the payment of retiree medical obligations be credited to these separate trusts. The State received a ruling from the IRS confirming that the State could reallocate a portion of the assets of PERS and TRS to the Retiree Healthcare Trusts, which it did.

In 2008, the Legislature enacted two additional reform bills: Senate Bill 125 and the Retirement Cost Funding Act. The Retirement Cost Funding Act authorizes issuers, including the Alaska Pension

Obligation Bond Corporation, to issue bonds and/or to enter into contracts to finance the payment by governmental employers of their share of the UAALs of the retirement systems.

Senate Bill 125 converted PERS to a cost-sharing system, similar to TRS, and shifted to the State more of the cost of funding the UAALs of PERS and TRS. Senate Bill 125 set employer contribution rates at the higher of (i) 22 percent of total payroll for PERS and 12.56 percent of payroll for TRS and (ii) in each case, the rate required to cover the actuarially determined normal cost plus amounts required to be contributed to the DC plans' Retiree Health Care Trusts.

As proposed by the Governor, the 2014 Legislature funded a \$3 billion transfer from the State's Constitutional Budget Reserve Fund to the PERS and TRS retirement trust funds as part of a plan to manage the ongoing cost of funding the unfunded liabilities. The Legislature directed \$2 billion being transferred to the TRS trust and \$1 billion being transferred to the PERS trust in the FY 2015 capital budget. As part of the agreement for the transfer, the Legislature also approved HB 385 that provides for any excess assets at the termination of the plan be deposited in the General Fund and that the contribution rate for liquidating past service liabilities be based on a level percent of pay method based on amortization of the past service liability for a closed term of 25 years. An additional adjustment in 2014 was provided for in SB 119 which eliminated effective in FY 2015 the two year lag in actuarial analysis for rate setting. In October, 2014 the State's actuary estimated the impact of the one-time contributions and programmatic adjustments to increase the PERS projected June 30, 2015 funding ratio to 71.8% and the projected 2015 TRS funding ratio to 77.0%.

### **The Other Retirement Systems**

**The Alaska National Guard and Alaska Naval Militia Retirement System.** The NGNMRS was established in 1973 and includes members of the Alaska National Guard and members of the Alaska Naval Militia. Members receive voluntary retirement benefits, which do not include healthcare benefits. The Legislature made a supplemental appropriation of \$9.87 million to eliminate the NGNMRS UAAL of \$9.87 million in May 2008. The total contribution for FY 2014 was \$740,100 and \$739,100 for FY 2013.

**The Judicial Retirement System.** The JRS was established in 1963 and provides pension and other post-employment benefits to Supreme Court Justices and Superior, District and Appellate Court judges and the administrative director of the court system. In May 2008, the Legislature made a supplemental appropriation of \$49 million to eliminate the JRS UAAL that existed as of June 30, 2006. The experience following the extra appropriation has continued within the JRS with pensions funded at 61.9% representing a \$69.4 million gap and OPEB funded at 114.3% representing a \$2.6 million surplus as of June 30, 2012. The total contributions for FY 2014 as a result of HB 65 were \$177,445 for other postemployment benefits and \$4,282,876 for pensions. The total contributions for FY 2013 were \$134,921 for other postemployment benefits and \$3,650,650 for pensions.

**The Elected Public Officers Retirement System.** The EPORS was enacted as a retirement system for elected State officials who held office between January 1, 1976 and October 14, 1976. As of June 30, 2012, the actuarial accrued liability was \$22.1 million, with an expected annual benefit payment and claims cost of approximately \$1.8 million. No assets are set aside to pay EPORS benefit costs.

### **State's Supplemental Benefits System**

In 1979, State employees elected to withdraw from the Social Security system. The State established a benefit program, effective January 1, 1980, which supplements the existing public employee retirement plans. Participation in the supplemental benefits system is mandatory for each State employee and the 16 other employers participating in the supplemental benefits system. A combined employer/employee contribution of 12.26 percent of wages (one-half contributed by employees up to the wage limit in effect for Social Security in a current year) is deposited into each employee's annuity plan

account. Separate contributions are allowed to a cafeteria style supplemental benefit plan to provide death, survivor, disability and health benefits.

As of June 30, 2014, the supplemental benefits system had approximately 42,800 participants. At June 30, 2014, net assets available for system benefits were \$3.33 billion. These assets are held in trust by the State for the exclusive benefit of covered employees and their beneficiaries.

#### **State's Deferred Compensation Plan**

The State maintains an optional Deferred Compensation Plan (the "Plan") for the benefit of its employees. Participants under the Plan defer receipt of a portion of their salary until termination of State employment. As of June 30, 2014, the Plan had approximately 10,500 participants. As of June 30, 2014, the net assets available for Plan benefits were \$796.6 million. These assets are held in trust by the State for the exclusive benefit of the covered employees and their beneficiaries.

#### **State's Annual/Personal Leave and Sick Leave**

The cost of annual/personal leave and sick leave for State employees is charged against agency appropriations when leave is used rather than when leave is earned, except when an employee's State service is terminated. In that instance, the accumulated annual/personal leave balance is charged to a terminal leave liability account that is funded by a charge to each agency's operating budget.

### **INVESTMENT POLICIES**

#### **General Fund, Constitutional Budget Reserve Fund and Other Subfunds**

By statute, the Commissioner of the DOR is the fiduciary for many of the State's funds, including the Constitutional Budget Reserve Fund, General Fund and subfunds within the General Fund, such as the Statutory Budget Reserve Fund and the Alaska Capital Income Fund. The Commissioner's responsibilities for these funds include establishing investment policy, providing accounting and custody for the assets and monitoring and reporting the performance and characteristics of the funds and investment options. The Commissioner reviews capital market assumptions and sets an appropriate asset allocation for the General Fund, the Constitutional Budget Reserve Fund and the other subfunds, consistent with each fund's objectives and constraints. As of July 1, 2014, the target asset allocation for the Statutory Budget Reserve Fund is 20 percent broad-market fixed income, 33 percent intermediate-term fixed income and 47 percent short-term fixed income.

As of July 1, 2014, the target asset allocation for the General Fund is 72 percent short-term fixed income, and 28 percent intermediate-term fixed income investments.

The Constitutional Budget Reserve Fund has two components, the main account with an intermediate time horizon and the subaccount with a moderately long-time horizon. The subaccount has the ability to accept higher risk in exchange for higher expected returns due to the longer time horizon. As of July 1, 2014, the Constitutional Budget Reserve Fund main account has a target asset allocation of 20 percent broad-market fixed income, 33 percent intermediate-term fixed income and 47 percent short-term fixed income. As of July 1, 2014, the Constitutional Budget Reserve Fund subaccount has an asset allocation of 39 percent broad-market fixed income, 40 percent domestic equity and 21 percent international equity.

Annually, the Commissioner of the DOR adopts specific investment policies for each asset class. These investment policies specify asset class characteristics, monitoring requirements and risk controls.

The Commissioner may revise the investment policies as market conditions warrant. The State employs industry consultants and a professional staff to assist in monitoring and evaluating investments.

### **The Permanent Fund**

A governor-appointed Alaska Permanent Fund Corporation (the "APFC") Board of Trustees (the "APFC Board") sets the APFC investment policy. The policy is required to be consistent with the prudent investor rule stated in AS 37.13.120, which provides: "The prudent-investor rule as applied to investment activity of the fund means that the corporation shall exercise the judgment and care under the circumstances then prevailing that an institutional investor of ordinary prudence, discretion, and intelligence exercises in the designation and management of large investments entrusted to it, not in regard to speculation, but in regard to the permanent disposition of funds, considering preservation of the purchasing power of the fund over time while maximizing the expected total return from both income and the appreciation of capital."

At least once each calendar year, the APFC Board reviews its asset allocation policy for the investment of fund assets for the coming year. This review is conducted under the guidance of APFC investment staff, with the assistance and advice of the APFC Board's investment consultant. The APFC Board's long-term investment goal is to achieve an average annual real rate of return of five percent at acceptable risk levels (measured by expected volatility).

The APFC Board has created a three-person investment advisory council to provide the APFC Board with independent advice from professionals with significant, direct experience in the management and operation of large investment funds. The role of the members of the investment advisory council is to make recommendations to the APFC Board concerning investment policies, investment strategy and investment procedures; and provide other advice as requested by the APFC Board.

The APFC Board's investment allocation includes multiple asset classes having varying risk and correlation assumptions. The APFC investment policy seeks to optimize expected return versus expected risk. The fund's current target asset allocation is: 36 percent stocks, 20 percent bonds and cash, 12 percent real estate, 12 percent private equity and absolute return, 4 percent infrastructure investments, and 16 percent other investments. The APFC Board also establishes policies and guidelines for the asset classes in which fund assets are invested.

To allow for market fluctuations and to minimize transaction costs, the APFC Board has adopted ranges that permit percentage deviations from the strategic asset allocation targets in accordance with specified reporting requirements and other procedures. Generally, for each risk and asset class, the APFC's chief investment officer has discretionary authority to permit target deviations within one specified range (referred to as the "green zone" in the investment policy), the APFC's executive director can approve target deviations for up to 90 days within a broader range (the "yellow zone"), and the APFC Board can approve operating for longer than 30 days within a third range (the "red zone").

## **LITIGATION AND REGULATORY PROCEEDINGS**

### **Borough**

In the ordinary course of business, from time to time the Borough has been and is named as a defendant in lawsuits relating to personnel, commercial and environmental matters and as a plaintiff in inverse condemnation proceedings. Although the ultimate effect, if any, of these matters is not presently determinable, the Borough has determined in consultation with counsel that, collectively, such matters will not have a material adverse impact on the finances or operations of the Borough.

The Borough Department of Emergency Services has long used an on-call responder system to staff the various fire and ambulance needs of the department. Under the Borough's collective bargaining agreement, these on-call responders are expressly excluded from receiving benefits and union representation afforded regular employees. On-call responders are paid hourly rates, and different responders work a wide range of differing hours depending on the number and types of emergencies. On January 17, 2014, several plaintiffs filed suit against the Borough seeking eligibility of on-call responders for retirement benefits under PERS, and thereafter, the case was removed to federal court. The suit seeks class action certification and alleges breach of fiduciary duty, breach of contractual duties and breach of constitutional rights and requests declaratory and injunctive relief in addition to retroactive and prospective inclusion in PERS. The Borough answered the complaint and discovery is pending. As a result, the Borough cannot predict the likelihood of success or value of the claim. The Borough does not expect the claim, if successful, to materially and adversely affect the ability of the Borough to pay the principal of and interest on the Series 2015 Bonds when due.

The Borough provides certain road maintenance and services through Road Service Areas ("RSAs"). The Borough levies an ad valorem property tax on properties within an RSA to finance the services provided. Under State law, the proceeds of property taxes levied in an RSA cannot be used for any other purpose. In 2012, an owner of property in one of the RSAs in the Borough sued the Borough alleging violation of equal protection, due process and statute because the road serving the property owned by the plaintiff is maintained by the State. The plaintiff claims that it is unconstitutional and illegal for the Borough to tax property within an RSA that does not use a road maintained by the RSA. The plaintiff seeks declaratory and injunctive relief mandating that the Borough remove from the RSA all property not using RSA roads. The Borough prevailed at the trial court and the plaintiff appealed to the Alaska Supreme Court. The Borough expects a ruling by summer of 2015. If the Alaska Supreme Court reverses the trial court, the Borough will be forced to re-evaluate and may be required to re-structure its operations with respect to service areas. The Borough does not expect the claim, if successful, to materially and adversely affect the ability of the Borough to pay the principal of and interest on the Series 2015 Bonds when due.

The Borough secured several federal appropriations from the Department of Transportation's Federal Transit Administration totaling \$22.0 million for the design and construction of ferry terminal facilities at Port MacKenzie and Anchorage. A \$3.6 million ferry terminal building at Port MacKenzie was completed in November 2006. To date, the Municipality of Anchorage has not approved any plan for the construction of the Anchorage terminal facility that would be required for any ferry service. A \$70 million icebreaking ferry funded by the United States Navy Office of Naval Research was completed in 2010. Title to the ferry has been transferred to the Borough. The ferry requires an estimated \$40 million in additional improvements in order to be operational, and such funds have not been allocated to date.

In August 2014, the Federal Transit Administration requested that the Borough repay the Federal Transit Administration in the amount of \$12 million for non-use of the ferry and the ferry terminal facilities. The Borough is engaged in preliminary negotiations for the sale of the ferry. The Borough also intends to use proceeds from a proposed issuance of Certificates of Participation to finance the purchase of the ferry terminal building. It is intended that these proceeds will be used to repay a portion of the \$12 million reimbursement to the Federal Transit Administration. The Borough further intends to negotiate a reduction in the amount owed to the Federal Transit Administration and pursue a multi-year payment plan for the remaining balance.

Upon the delivery of the Series 2015 Bonds, the Borough will furnish a certificate, in form satisfactory to the Underwriters, to the effect that, among other things, there is no litigation pending in any court to restrain or enjoin the issuance or delivery of the Series 2015 Bonds or in any way contesting the validity or enforceability of the Series 2015 Bonds.

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OR 15-032

## State

There is no controversy or litigation of any nature now pending or, to the knowledge of the State, threatened to restrain or enjoin the issuance, sale, execution or delivery of the Series 2015 Bonds, or in any way contesting or affecting the validity of the Series 2015 Bonds or any proceedings of the State of Alaska taken with respect to the issuance or sale thereof, or the pledge or application of any monies or security provided for the payment of the Series 2015 Bonds, or the existence or powers of the State.

Upon the delivery of the Series 2015 Bonds, the State will furnish a certificate, in form satisfactory to the Underwriters, to the effect that, among other things, there is no litigation pending in any court to restrain or enjoin the issuance or delivery of the Series 2015 Bonds or in any way contesting the validity or enforceability of the Series 2015 Bonds.

At any given time, including the present, there are numerous civil actions filed by or pending against the State, which could positively or negatively impact revenue sources or cash flow. A short description of such material litigation is provided below.

### *Oil and Gas Tax Litigation*

*Administrative Litigation:* There are a number of disputed tax assessments against oil and gas corporations that are at the administrative level and thus confidential under AS 43.05.230(a). The assessments involve the corporate income tax (AS 43.20) or the oil and gas production tax (AS 43.55). Because the taxpayers, the tax years, and the amounts involved are confidential, a more detailed description of the cases cannot be given. Due to the confidentiality statute and because the disputed tax assessments are ongoing, the State cannot give an estimate of how much is expected to be eventually recovered through settlement, the administrative proceedings, or adjudication. Moneys recovered are required to be transferred to the Constitutional Budget Reserve Fund.

#### *Litigation Pending Before the Alaska Superior Court and the Alaska Supreme Court:*

Trans Alaska Pipeline System (TAPS) Property Tax Appeal: The TAPS owners (BP, ExxonMobil, Unocal, ConocoPhillips, and Koch Alaska) appealed the State Assessment Review Board's (SARB's) 2007-2011 property tax assessments of TAPS, claiming that they were too high. Affected municipalities (the North Slope Borough, the Fairbanks North Star Borough and the City of Valdez), which receive over 50% of TAPS property taxes collected by the State, also appealed SARB's assessments, claiming that they were too low. With respect to the 2007-2009 assessments, the Superior Court issued a decision on December 29, 2011. The decision upheld the valuation methodology used by the DOR during the period, but increased the assessed value of TAPS based on new information submitted at trial to \$8.94 billion in 2007 (up from \$4.59 billion), \$9.64 billion in 2008 (up from \$6.15 billion) and \$9.25 billion in 2009 (up from \$9.04 billion). All briefing to the State Supreme Court in the appeals of the Superior Court's decisions in the 2007-2009 TAPS property tax cases has been completed, and the Alaska Supreme Court heard oral argument in December 2014. The 2010-2011 appeals are still awaiting the setting of a trial date(s). (The DOR assessed the value of TAPS for 2006 at \$3.64 billion; after cross-appeals by the TAPS owners and the affected municipalities, SARB raised the assessed value of TAPS to \$4.31 billion; the Superior Court determined the assessed value to be \$9.98 billion; and in February 2014, the State Supreme Court affirmed the Superior Court's determination.)

Elf Aggregation: Five owners of working interests in certain participating areas of the Prudhoe Bay Unit appealed DOR's January 12, 2005 decision aggregating participating areas of the Prudhoe Bay Unit for purposes of calculating Economic Limit Factors used to determine production tax liability. On October 13, 2012, the Office of Administrative Hearings granted DOR's motion for summary judgment, concluding that the aggregation decision did not constitute a regulation requiring compliance with the Administrative Procedure Act. On January 9, 2013, these working interest owners appealed the Office of

Administrative Hearings decision to the State Superior Court. This appeal is worth several hundred million dollars in production tax revenues.

### ***Pipeline Tariff Litigation***

Strategic Reconfiguration: The State is currently a party to TAPS tariff litigation matters before the Regulatory Commission of Alaska (RCA) and the Federal Energy Regulatory Commission (FERC) regarding the State's protest of the TAPS Carriers' inclusion in the tariff rate base of several hundred million dollars of imprudent expenditures made since 2004 on the TAPS Strategic Reconfiguration project (SR). The factual bases and legal standards for the SR imprudence challenge are substantially the same at the RCA and FERC, so the parties petitioned for, and the FERC and the RCA agreed to hold, concurrent hearings on the SR issues. The FERC Chief Judge issued an Initial Decision favorable to the State which is now before the full commission for review.

### ***Oil Production Allocation Litigation***

Northstar: On June 6, 2013, the Commissioner of DNR issued a decision finding for the State on a dispute with Murphy Exploration Alaska and BP over allocation of production between State and federal leases in the Northstar participating area of the Northstar Unit. Murphy appealed the Commissioner's decision on July 8, 2013 to the Superior Court. Murphy also filed a motion for trial de novo asking for a new trial in the Superior Court. Oral argument on the trial de novo motion was held on December 10, 2013. The approximate value of this case is \$200 million.

### ***Education and Public School Trust Matters***

Kasayulie v. State (rural school construction and Public School Trust): This longstanding education case regarding school facilities and public school trust lands has been settled and dismissed by the court. However, the court retains jurisdiction until July 2015, by which time all five rural schools provided for in the settlement are to be funded by the Legislature. If a school is not funded as provided for under the agreement, the plaintiffs can reopen the litigation, except that if the Legislature refuses to fund the Kivalina project because of concerns about erosion, it will not trigger the reopener clause.

Citizens Alliance Protecting School Lands v. State (Public School Trust). A non-profit corporation organized to advocate for school lands issues filed suit for declaratory relief against the State in April 2013. The complaint alleges numerous breaches of trust by the State respecting public school trust lands. The allegations include several previously raised in *Kasayulie v. State* (including failure of the State to value trust land, failure to segregate and account for land and revenues, and others). The Court on January 20, 2015 granted the State summary judgment dismissing new allegations include that the State has not obtained from the United States all school trust land entitlements under the Alaska Statehood Act. A status hearing is scheduled for February 17, 2015 to establish a trial schedule.

Ketchikan Gateway Borough v. State (Local Contribution Challenge). On January 23, 2015, a Ketchikan superior court judge ruled that the required local contribution to education paid by municipalities to their municipal school districts under AS 14.17.410(b)(2) violates the State Constitution's anti-dedication clause. The Ketchikan Gateway Borough (the "Borough"), three individual taxpayers, and one student had filed a complaint against the State and Commissioner of the Department of Education & Early Development alleging that the required local contribution to education violated three provisions of the State Constitution: (1) the anti-dedication clause; (2) the funding by appropriation clause; and (3) the clause giving the Governor authority to veto items in appropriations bills. The anti-dedication clause prohibits "the proceeds of any State tax or license" from being "dedicated to any special purpose." Alaska Const., art. IX, § 7. The judge ruled in the borough's favor on the anti-dedication clause. Alaska Const., art. IX, § 7. The court held that the required local contribution is the legal equivalent of a State tax on the Borough and its taxpayers and the proceeds of this "tax" are dedicated to

education. The State filed a notice of appeal with the Alaska Supreme Court on January 28, 2015. The State also filed a motion with the Alaska Supreme Court to stay the superior court's ruling pending appeal.

### ***Tort Claims***

The Attorney General's Office is involved in defending numerous tort claims asserted against the State and agencies. No estimate can be given as to the likelihood or financial effect on the outcome of such claims.

### ***Medicaid Payment Rate Appeals***

The Attorney General's Office is involved in defending numerous Medicaid payment rate appeals filed by providers. No estimate can be given as to the likelihood or financial effect on the outcome of such appeals.

### ***Employment Claims***

The Attorney General's Office is involved in defending numerous employment-related claims filed by present or former employees. No estimate can be given as to the likelihood or financial effect on the outcome of such claims.

### ***Tobacco Company Litigation***

In 1998, Alaska was among 46 states that entered into a settlement of claims against the nation's major tobacco companies. The companies agreed to pay \$4.5 billion in 2000 with annual increases until payments reach \$9 billion in 2019 and each year thereafter. The State's share, based upon its proportionate tobacco consumption, is about .034 percent of the yearly payment. This income stream is indefinite as long as Americans continue to consume tobacco products.

The Legislature authorized the State to sell to the AHFC 80 percent of the State's annual settlement income. AHFC's purchase was financed through the issuance of revenue bonds by the Northern Tobacco Securitization Corporation (the "NTSC"), a subsidiary the AHFC established and to which the right to receive 80 percent of the settlement revenues was transferred. In 2006, NTSC issued additional revenue bonds to refinance its purchase of the State's annual settlement income. The NTSC is using the income stream to pay debt service on the bonds. When the bonds are paid, the settlement income reverts to the State. The State used the bond proceeds to pay for a variety of construction and maintenance projects including rural schools, ports and harbors.

The master settlement agreement has been challenged in federal court in other jurisdictions; if there is an adverse decision as to the enforceability of the agreement, the State could experience an impairment of its right to receive the remaining 20 percent of revenue that is not pledged to the NTSC and the NTSC could suffer a revenue shortfall. Additionally, the master settlement agreement provides for a payment adjustment mechanism that, when triggered, could also result in the impairment of the State's right to receive the remaining 20 percent of revenue that is not pledged to the NTSC and the NTSC could suffer a revenue shortfall. This payment adjustment mechanism has been triggered for the years 2003 - 2010. States that have diligently enforced their qualifying statute are exempted from the application of this adjustment mechanism. In July of 2010, an arbitration commenced regarding which states "diligently enforced" their qualifying statutes in 2003. In November 2011, Alaska and 15 other states/territories received notice that the participating manufacturers (tobacco companies that joined the master settlement agreement) are no longer contesting their diligence, rendering those states exempt from the 2003 adjustment. Arbitration for the 2004 adjustment could begin as soon as of the fall of 2015. Recently, however, 22 states (not including Alaska) and the participating manufacturers entered into a

memorandum of understanding to negotiate and execute a settlement of the non-participating manufacturer adjustment dispute for years 2003-2012. The State believes it is exempt from the adjustment in those years. The State continues to monitor and participate in this case.

### CERTAIN LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale by the Borough of the Series 2015 Bonds are subject to the legal opinion of Foster Pepper PLLC, of Seattle, Washington, Bond Counsel. Certain legal matters will be passed upon for the State by the Attorney General of Alaska; and for the Underwriters by their counsel, Katten Muchin Rosenman LLP, of Chicago, Illinois. The proposed form of the opinion of Bond Counsel is included herein as APPENDIX B. The opinion of Bond Counsel is given based on factual representations made to Bond Counsel, and under existing law, as of the date of initial delivery of the Series 2015 Bonds, and Bond Counsel assumes no obligation to revise or supplement its opinion to reflect any facts or circumstances that may thereafter come to its attention, or any changes in law that may thereafter occur. Bond Counsel will be compensated only upon the issuance and sale of the Series 2015 Bonds. From time to time, Bond Counsel serves as counsel to one or more of the Underwriters on transactions unrelated to the Series 2015 Bonds.

The various legal opinions to be delivered concurrently with the delivery of the Series 2015 Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. In rendering a legal opinion the attorney does not guarantee a particular result, or become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or of the future performance of the parties to the transaction, nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

### TAX EXEMPTION

Exclusion From Gross Income for Federal Income Tax Purposes. In the opinion of Bond Counsel, under existing federal law and assuming compliance with applicable requirements of the Internal Revenue Code of 1986, as amended (the "Code"), that must be satisfied subsequent to the issue date of the Series 2015 Bonds, interest on the Series 2015 Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the alternative minimum tax applicable to individuals.

Original Issue Discount. Certain maturities of the Series 2015 Bonds may be sold at prices reflecting original issue discount ("Discount Bonds"). Under existing law, the original issue discount in the selling price of each Discount Bond, to the extent properly allocable to each owner of such Discount Bond, is excluded from gross income for federal income tax purposes with respect to such owner. The original issue discount is the excess of the stated redemption price at maturity of such Discount Bond over the initial offering price to the public, excluding underwriters and other intermediaries, at which price a substantial amount of the Discount Bonds of such maturity were sold.

Under Section 1288 of the Code, original issue discount on tax-exempt bonds accrues on a compound basis. The amount of original issue discount that accrues to an owner of a Discount Bond during any accrual period generally equals (i) the issue price of such Discount Bond plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (ii) the yield to maturity of such Discount Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), less (iii) any interest payable on such Discount Bond during such accrual period. The amount of original issue discount so accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excluded from gross

income for federal income tax purposes, and will increase the owner's tax basis in such Discount Bond. Any gain realized by an owner from a sale, exchange, payment or redemption of a Discount Bond will be treated as gain from the sale or exchange of such Discount Bond.

The portion of original issue discount that accrues in each year to an owner of a Discount Bond may result in certain collateral federal income tax consequences. The accrual of such portion of the original issue discount will be included in the calculation of alternative minimum tax liability as described above, and may result in an alternative minimum tax liability even though the owner of such Discount Bond will not receive a corresponding cash payment until a later year.

Owners who purchase Discount Bonds in the initial public offering but at a price different from the first offering price at which a substantial amount of those Discount Bonds were sold to the public, or who do not purchase Discount Bonds in the initial public offering, should consult their own tax advisors with respect to the tax consequences of the ownership of such Discount Bonds. Owners of Discount Bonds who sell or otherwise dispose of such Discount Bonds prior to maturity should consult their own tax advisors with respect to the amount of original issue discount accrued over the period such Discount Bonds have been held and the amount of taxable gain or loss to be recognized upon that sale or other disposition of Discount Bonds. Owners of Discount Bonds also should consult their own tax advisors with respect to state and local tax consequences of owning such Discount Bonds.

Original Issue Premium. Certain maturities of the Series 2015 Bonds may be sold at prices reflecting original issue premium. An amount equal to the excess of the purchase price of a Series 2015 Bond over its stated redemption price at maturity constitutes premium on such Series 2015 Bond. A purchaser of a Series 2015 Bond must amortize any premium over the term of such Series 2015 Bond using constant yield principles, based on the purchaser's yield to maturity. The amount of amortizable premium allocable to an interest accrual period for a Series 2015 Bond will offset a like amount of qualified stated interest on such Series 2015 Bond allocable to that accrual period, and may affect the calculation of alternative minimum tax liability described herein. As premium is amortized, the purchaser's basis in a Series 2015 Bond is reduced by a corresponding amount, resulting in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes upon a sale or disposition of such Series 2015 Bond prior to its maturity. Even though the purchaser's basis is reduced, no federal income tax deduction is allowed. Purchasers of Series 2015 Bonds, whether at the time of initial issuance or subsequent thereto, should consult with their own tax advisors with respect to the determination and treatment of premium for federal income tax purposes and with respect to state and local tax consequences of owning the Series 2015 Bonds.

Continuing Requirements. The Borough is required to comply with certain requirements of the Code after the date of issuance of the Series 2015 Bonds in order to maintain the exclusion of the interest on the Series 2015 Bonds from gross income for federal income tax purposes, including, without limitation, requirements concerning the qualified use of Series 2015 Bond proceeds and the facilities financed or refinanced with Series 2015 Bond proceeds, limitations on investing gross proceeds of the Series 2015 Bonds in higher yielding investments in certain circumstances, and the requirement to comply with the arbitrage rebate requirement to the extent applicable to the Series 2015 Bonds. The Borough has covenanted in the Bond Ordinance to comply with those requirements, but if the Borough fails to comply with those requirements, interest on the Series 2015 Bonds could become taxable retroactive to the date of issuance of the Series 2015 Bonds. Bond Counsel has not undertaken and does not undertake to monitor the Borough's compliance with such requirements.

Corporate Alternative Minimum Tax. While interest on the Series 2015 Bonds also is not an item of tax preference for purposes of the alternative minimum tax applicable to corporations, under Section 55 of the Code, tax exempt interest, including interest on the Series 2015 Bonds, received by corporations is taken into account in the computation of adjusted current earnings for purposes of the alternative

minimum tax applicable to corporations (as defined for federal income tax purposes). Under the Code, alternative minimum taxable income of a corporation will be increased by 75% of the excess of the corporation's adjusted current earnings (including any tax exempt interest) over the corporation's alternative minimum taxable income determined without regard to such increase. A corporation's alternative minimum taxable income, so computed, that is in excess of an exemption of \$40,000, which exemption will be reduced (but not below zero) by 25% of the amount by which the corporation's alternative minimum taxable income exceeds \$150,000, is then subject to a 20% minimum tax.

A small business corporation is exempt from the corporate alternative minimum tax for any taxable year beginning after December 31, 1997, if its average annual gross receipts during the three-taxable-year period beginning after December 31, 1993, did not exceed \$5,000,000, and its average annual gross receipts during each successive three-taxable-year period thereafter ending before the relevant taxable year did not exceed \$7,500,000.

Tax on Certain Passive Investment Income of S Corporations. Under Section 1375 of the Code, certain excess net passive investment income, including interest on the Series 2015 Bonds, received by an S corporation (a corporation treated as a partnership for most federal tax purposes) that has Subchapter C earnings and profits at the close of the taxable year may be subject to federal income taxation at the highest rate applicable to corporations if more than 25% of the gross receipts of such S corporation is passive investment income.

Foreign Branch Profits Tax. Interest on the Series 2015 Bonds may be subject to the foreign branch profits tax imposed by Section 884 of the Code when the Series 2015 Bonds are owned by, and effectively connected with a trade or business of, a United States branch of a foreign corporation.

Possible Consequences of Tax Compliance Audit. The Internal Revenue Service (the "IRS") has established a general audit program to determine whether issuers of tax exempt obligations, such as the Series 2015 Bonds, are in compliance with requirements of the Code that must be satisfied in order for interest on those obligations to be, and continue to be, excluded from gross income for federal income tax purposes. Bond Counsel cannot predict whether the IRS will commence an audit of the Series 2015 Bonds. Depending on all the facts and circumstances and the type of audit involved, it is possible that commencement of an audit of the Series 2015 Bonds could adversely affect the market value and liquidity of the Series 2015 Bonds until the audit is concluded, regardless of its ultimate outcome.

State Tax Exemption. In the opinion of Bond Counsel, interest on the Series 2015 Bonds is free from taxation by the State of Alaska except for transfer, estate and inheritance taxes.

## CERTAIN OTHER FEDERAL TAX CONSEQUENCES

Series 2015 Bonds Not "Qualified Tax Exempt Obligations" for Financial Institutions. Section 265 of the Code provides that 100% of any interest expense incurred by banks and other financial institutions for interest allocable to tax exempt obligations acquired after August 7, 1986, will be disallowed as a tax deduction. However, if the tax exempt obligations are obligations other than private activity bonds, are issued by a governmental unit that, together with all entities subordinate to it, does not reasonably anticipate issuing more than \$10,000,000 of tax exempt obligations (other than private activity bonds and other obligations not required to be included in such calculation) in the current calendar year, and are designated by the governmental unit as "qualified tax exempt obligations," only 20% of any interest expense deduction allocable to those obligations will be disallowed.

The Borough is a governmental unit that, together with all subordinate entities, reasonably anticipates issuing more than \$10,000,000 of tax exempt obligations (other than private activity bonds

and other obligations not required to be included in such calculation) during the current calendar year and has not designated the Series 2015 Bonds as “qualified tax exempt obligations” for purposes of the 80% financial institution interest expense deduction. Therefore, no interest expense of a financial institution allocable to the Series 2015 Bonds is deductible for federal income tax purposes.

Reduction of Loss Reserve Deductions for Property and Casualty Insurance Companies. Under Section 832 of the Code, interest on the Series 2015 Bonds received by property and casualty insurance companies will reduce tax deductions for loss reserves otherwise available to such companies by an amount equal to 15% of tax exempt interest received during the taxable year.

Effect on Certain Social Security and Retirement Benefits. Section 86 of the Code requires recipients of certain Social Security and certain Railroad Retirement benefits to take receipts or accruals of interest on the Series 2015 Bonds into account in determining gross income.

Other Possible Federal Tax Consequences. Receipt of interest on the Series 2015 Bonds may have other federal tax consequences as to which prospective purchasers of the Series 2015 Bonds may wish to consult their own tax advisors.

Potential Future Federal Tax Law Changes. Current and future legislative proposals, if enacted into law, may directly or indirectly cause interest on the Series 2015 Bonds to be subject in whole or in part to federal income taxation, prevent the beneficial owners of the Series 2015 Bonds from realizing the full benefits of the current federal tax status of interest on the Series 2015 Bonds, or affect, perhaps significantly, the market value or marketability of the Series 2015 Bonds. Prospective purchasers of the Series 2015 Bonds should consult with their own tax advisors regarding the potential impact of any pending or proposed legislation or regulations.

### **FORWARD-LOOKING STATEMENTS DISCLAIMER**

The statements contained in this Official Statement, and in any other information provided by the Borough or the State, that are not purely historical, are forward-looking statements, including statements regarding the Borough’s expectations, hopes, intentions, or strategies regarding the future. Readers should not place undue reliance on forward-looking statements. All forward-looking statements included in this Official Statement are based on information available to the Borough on the date hereof, and the Borough assumes no obligation to update any such forward-looking statements. The Borough’s and the State’s actual results could differ materially from those discussed in such forward-looking statements.

The forward-looking statements included herein are necessarily based on various assumptions and estimates and are inherently subject to various risks and uncertainties, including risks and uncertainties relating to the possible invalidity of the underlying assumptions and estimates and possible changes or developments in social, economic, business, industry, market, legal, and regulatory circumstances and conditions and actions taken or omitted to be taken by third parties, including customers, suppliers, business partners and competitors, and legislative, judicial, and other governmental authorities and officials. Assumptions related to the foregoing involve judgments with respect to, among other things, future economic, competitive, and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond the control of the Borough. Any of such assumptions could be inaccurate and, therefore, there can be no assurance that the forward-looking statements included in this Official Statement will prove to be accurate.

## RATINGS

Fitch Ratings has assigned the Series 2015 Bonds a rating of “\_\_\_\_\_”. Moody’s Investors Service, Inc. has assigned the Series 2015 Bonds a rating of “\_\_\_\_\_.” Standard & Poor’s Ratings Services has assigned the Series 2015 Bonds a rating of “\_\_\_\_\_.”

A rating reflects only the views of the rating agency assigning such rating and an explanation of the significance of such rating may be obtained from such rating agency. Generally, rating agencies base their ratings on such information and materials and investigations, studies and assumptions by the respective rating agency. There is no assurance that such ratings will continue for any given period of time or that they will not be revised downward or withdrawn entirely by such rating agencies if, in their judgment, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the Series 2015 Bonds.

## FINANCIAL ADVISOR

Blitch Associates, Inc., St. Marks, Florida, has served as financial advisor to the Borough in connection with various matters relating to the planning, structuring, and execution and delivery of the Series 2015 Bonds. The Financial Advisor has not audited, authenticated, or otherwise verified the information set forth in this Official Statement, or any other related information available to the State or Borough, with respect to the accuracy and completeness of disclosure of such information. No guaranty, warranty, or other representation is made by the Financial Advisor respecting the accuracy and completeness of this Official Statement or any other matter related to the Official Statement.

## CERTAIN VERIFICATIONS

Upon delivery of the Series 2015 Bonds, Causey Demgen & Moore P.C. will deliver a report to the Borough and the Underwriters, stating that the firm, at the request of the Borough and the Underwriters, has examined the arithmetical accuracy of certain computations included in the schedules provided by the Underwriters relating to (i) the sufficiency of principal and interest received on Government Obligations to be applied, together with other available funds, to timely pay the principal, redemption premium and interest on the Prior Bonds, and (ii) the actuarial yields on the Series 2015 Bonds and the Government Obligations irrevocably deposited to accomplish the advance refunding and defeasance of the Prior Bonds.

## CONTINUING DISCLOSURE

For purposes of complying with paragraph (b)(5)(i) of Rule 15c2-12 promulgated by the United States Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (17 CFR Part 240 § 240.15c2-12) (“Rule 15c2-12”), the State and the Borough have each agreed to execute a Continuing Disclosure Certificate (the “State Disclosure Certificate” and the “Borough Disclosure Certificate” and together the “Disclosure Certificates”) each constituting a written undertaking for the benefit of the holders of the Series 2015 Bonds to provide continuing disclosure. Forms of the Borough’s and the State’s undertakings to provide ongoing disclosure are provided in “APPENDIX D – FORMS OF CONTINUING DISCLOSURE CERTIFICATES (BOROUGH AND STATE)” attached hereto.

The Borough and the State will each undertake to provide or cause to be provided to the Municipal Securities Rulemaking Board (the "MSRB"), in electronic format as prescribed by the MSRB, accompanied by identifying information as prescribed by the MSRB, (i) certain annual financial information and operating data (the "Annual Financial Information") and (ii) timely notice of the occurrence of certain events with respect to the Series 2015 Bonds, all as set forth in the Disclosure Certificates attached hereto in APPENDIX D.

No failure by the Borough or the State to comply with its respective undertaking shall constitute a default in respect of the Series 2015 Bonds. The sole remedy of any holder of a Series 2015 Bond shall be to take such actions as that holder deems necessary, including seeking an order of specific performance from an appropriate court, to compel the Borough or the State, as applicable, to comply with its undertaking. The undertakings of the Borough and the State are subject to amendment and termination as set forth in the respective Disclosure Certificates attached hereto as APPENDIX D.

Within the five year period prior to the date of delivery of the Series 2015 Bonds, the Borough and the State have each complied in all material respects with each continuing disclosure undertaking with which each has previously entered into pursuant to Rule 15c2-12.

### UNDERWRITING

RBC Capital Markets, LLC as representative of the underwriters identified on the cover page of this Official Statement (collectively, the "Underwriters"), has agreed to purchase the Series 2015 Bonds subject to certain conditions, and has agreed to pay for the Series 2015 Bonds, a price of \$ \_\_\_\_\_ (reflecting an underwriting discount of \$ \_\_\_\_\_ and [net] original issue [premium/discount] of \$ \_\_\_\_\_). The Underwriters will be obligated to purchase all the Series 2015 Bonds, if any Series 2015 Bonds are purchased.

The prices and other terms respecting the offering and sale of the Series 2015 Bonds may be changed from time to time by the Underwriters after the Series 2015 Bonds are released for sale, and the Series 2015 Bonds may be offered and sold at prices other than the initial offering prices, including sales to dealers who may sell the Series 2015 Bonds into investment accounts. In connection with the offering of the Series 2015 Bonds, the Underwriters may over allot or effect transactions which stabilize or maintain the market price of the Series 2015 Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

### EXECUTION OF OFFICIAL STATEMENT

The execution and delivery of this Official Statement has been authorized by the Borough.

**MATANUSKA-SUSITNA BOROUGH**

By \_\_\_\_\_  
Finance Director

## APPENDIX A

State of Alaska "General Purpose Financial Statements" from the  
Comprehensive Annual Financial Report,  
Fiscal Year Ended June 30, 2014

**APPENDIX B**

**FORM OF BOND COUNSEL OPINION**

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**APPENDIX C**

**GENERAL AND ECONOMIC INFORMATION RELATING TO THE BOROUGH**

**Population**

The estimated population for 2014 for the Borough is 98,063, with an estimated population of 1,965 in the City of Houston, 6,053 in the City of Palmer and 8,275 in the City of Wasilla. The Borough has been Alaska’s fastest growing region for the last two decades and is the third most populous municipality in the State, after Anchorage and Fairbanks. The 2014 estimated population represents an increase of 10% over the 2010 U.S. Census population of 88,995.

The population of the Borough, along with its two largest cities, Palmer and Wasilla, are shown below:

<b>Population</b>					
	2014	2010	2000	1990	1980
Borough .....	98,063	88,995	59,322	39,683	17,816
Wasilla .....	8,275	7,831	5,469	4,028	1,559
Palmer .....	6,053	5,937	4,533	2,866	2,141

Sources: 2013 estimates of Alaska Department of Commerce, Community and Economic Development; 1980, 1990, 2000 and 2010 U.S. Census.

**Population Distribution**

Age Groups	2014		2005	
	Population	% Total	Population	% Total
Under 25	35,740	36.4%	29,312	39.2%
25-34	13,174	13.4	7,940	10.6
35-44	12,687	12.9	11,961	16.0
45-54	13,673	13.9	13,402	17.9
55-65	13,168	13.5	7,166	9.6
Over 65	9,621	9.9	5,090	6.8
<b>TOTAL</b>	<b>98,063</b>	<b>100.0%</b>	<b>74,871</b>	<b>100.0%</b>

Source: Alaska Department of Labor and Workforce Development.

**Employment**

There has been significant growth in employment in the Borough. From 2000 to 2010, wage and salary employment in the Borough grew more than 60%, compared with 15% growth Statewide. Most of the growth in the Borough was a result of population growth.

The Borough’s employment level and major employment categories are detailed in the tables below. The difference in total employment and employment in the Borough reflects the large portion of the labor force that works in the Anchorage area (approximately 32%) or outside of southcentral Alaska (12%). The relatively high unemployment rate in the Borough reflects the fact that a large number of Borough residents are engaged in part time oil related employment on the North Slope or are seasonal workers in the fishing industry.

While unemployment has traditionally been higher in the Borough and income lower when compared to Statewide figures, the long term trends indicate decreasing differentials in unemployment and income between the Borough and the State. The work force has a strong commuter pattern and a strong seasonal pattern and this is reflected in the higher than average unemployment figure. The unemployment rate as of November 30, 2014 was 6.7%.

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**Borough Labor Force and Unemployment Rate**

	2013	2012	2011	2010	2009	2008	2007	2006
Labor Force .....	43,703	43,764	44,256	44,008	42,425	41,677	39,959	39,066
Unemployment Rate.....	7.3%	8.0%	9.0%	9.3%	9.3%	7.3%	7.0%	7.4%

**Borough Employment by Industry**  
2009 — 2014

	2014	2013	2012	2011	2010	2009
<b>Goods – Producing</b> .....	2,914	2,165	1,964	1,896	1,898	1,954
Natural Resources & Mining .....	246	159	174	182	160	128
Construction .....	2,152	1,799	1,594	1,505	1,531	1,577
Manufacturing .....	516	207	196	209	207	249
<b>Service – Providing</b> .....	15,792	14,437	14,202	13,960	13,678	13,326
Trade, Transportation & Utilities .....	5,006	4,611	4,504	4,417	4,511	4,583
Wholesale Trade .....	125	122	75	99	84	100
Retail Trade .....	3,901	3,614	3,561	3,528	3,391	3,491
Transportation, Warehousing .....	735	671	632	606	846	809
Utilities .....	218	N/A	236	184	190	183
Information .....	471	510	596	642	621	659
Financial Activities .....	794	744	751	738	740	751
Professional & Business Services .....	1,429	1,243	1,213	1,159	1,094	989
Educational & Health Services .....	4,048	4,014	3,955	3,707	3,574	3,353
Leisure & Hospitality Services .....	3,185	2,520	2,402	2,516	2,341	2,274
Other Services .....	749	749	733	743	730	691
Unclassified establishments .....	110	45	47	38	67	27
<b>Government — Total</b> .....	4,004	4,800	4,643	4,446	4,267	4,040
Federal .....	203	197	210	216	273	235
State .....	1,549	1,423	1,259	1,185	1,166	1,111
Local .....	2,252	3,180	3,174	3,045	2,828	2,694
<b>Total</b> .....	<u>22,710</u>	<u>21,402</u>	<u>20,808</u>	<u>20,302</u>	<u>19,843</u>	<u>19,320</u>

Source: Alaska Department of Labor.

Wages and income have traditionally been lower in the Borough than the average in the State. In 2012, the average monthly wage and salary job in the Borough earned \$3,194 vs. \$4,175 Statewide. Most of this difference is explained by the employment mix. More jobs in the Borough fall into lower paying industry categories such as retail and services, while fewer are available in the higher-paying industries such as oil.

**New Construction**

The number of units and the value of non-residential construction and residential construction in the Borough in the years ended 2004 to 2013 are set forth in the following table.

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**Value of New Construction**  
2004 — 2013

Year	Nonresidential construction		Residential construction	
	Number of Units	Value	Number of Units	Value
2013	29	\$ 19,128,900	537	\$ 118,562,500
2012	26	11,836,308	659	93,623,700
2011	31	34,434,786	622	82,499,521
2010	25	20,802,400	328	55,930,941
2009	37	19,010,480	547	86,668,220
2008	36	45,761,861	775	114,754,139
2007	97	31,039,000	1,224	233,957,300
2006	186	115,217,400	1,533	258,054,200
2005	133	117,499,500	1,664	260,999,800
2004	145	35,976,900	1,464	156,984,200

*Source: Borough Assessment Department.*

**APPENDIX D**

**FORMS OF CONTINUING DISCLOSURE CERTIFICATES**

**(BOROUGH AND STATE)**

**CONTINUING DISCLOSURE CERTIFICATE**  
**BOROUGH**

D-1

Im 15-059  
OR 15-032

CONTINUING DISCLOSURE CERTIFICATE

STATE

D-2

IM15-059  
ORIS-032

**APPENDIX E**

**INFORMATION REGARDING THE DEPOSITORY TRUST COMPANY**

## BOOK-ENTRY ONLY SYSTEM

The following information has been provided by The Depository Trust Company, New York, New York ("DTC"). The Borough makes no representation regarding the accuracy or completeness thereof. Each actual purchaser of a Series 2015 Bond (a "Beneficial Owner") should therefore confirm the following with DTC or the Participants (as hereinafter defined).

DTC will act as securities depository for the Series 2015 Bonds. The Series 2015 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for each maturity of the Series 2015 Bonds, in the aggregate principal amount of such maturity and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.6 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants" and together with the Direct Participants, the "Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of Series 2015 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2015 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2015 Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2015 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2015 Bonds, except in the event that use of the book-entry system for the Series 2015 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2015 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2015 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2015 Bonds;

DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Series 2015 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2015 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Series 2015 Bond documents. For example, Beneficial Owners of the Series 2015 Bonds may wish to ascertain that the nominee holding the Series 2015 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Bond Registrar and request that copies of the notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2015 Bonds of like maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2015 Bonds unless authorized by a Direct Participant in accordance with DTC's Operational Arrangements and the Issuer/Paying Agent General Operating Procedures ("MMI Procedures"). Under its usual procedures, DTC mails an Omnibus Proxy to the Borough as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Series 2015 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal (and redemption proceeds) and interest payments on the Series 2015 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Borough or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such Participant and not of DTC, the Paying Agent or the Borough, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal (and redemption proceeds) and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Borough or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2015 Bonds at any time by giving reasonable notice to the Borough or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Series 2015 certificates are required to be printed and delivered.

The Borough may decide to discontinue use of the system of the book-entry transfers through DTC (or a successor securities depository). In that event, Series 2015 certificates will be printed and delivered to DTC.

**APPENDIX F**

**DEFINITIONS**

## DEFINITIONS

Capitalized terms which are not otherwise defined shall be defined as set forth below.

Act: Chapter 160, Session Laws of Alaska 2004.

Additional Bonds: Any additional bonds issued pursuant to the terms and conditions of Section 2.11 of the Indenture.

Bond Counsel: Foster Pepper PLLC, of Seattle, Washington.

Bond Fund: The Bond Fund created under Section 5.01 of the Indenture.

Bond Register: The register of the holders of the Bonds maintained by the Trustee.

Bond Registrar: The Trustee or any successor bond registrar serving as such under the Indenture.

Bond Year: Each 12-month period ending March 1, 2016; or any March 1 thereafter so long as any Bonds remain outstanding and the final Bond Year shall end on the date on which the last Bond is actually paid and retired.

Bonds: The Series 2015 Bonds, the Series 2008 Bonds that remain outstanding after refunding of the Prior Bonds, and any Additional Bonds.

Business Day: Any day other than a Saturday, a Sunday, a day on which banking institutions in the State of Alaska, the State of New York or any state in which the Principal Corporate Trust Office of the Trustee is located are required or authorized by law to be closed, or a day on which the New York Stock Exchange is closed.

Closing Date: The date on which the Bonds are delivered to the original purchasers thereof.

Code: The Internal Revenue Code of 1986, as amended, together with the Regulations.

Completion Date: The date of completion and occupancy of the Facility by DOC.

Conditional Redemption: Redemption where the Borough has stated in the redemption notice to the Trustee that the Borough has retained the right to rescind the redemption, as further described in Section 3.02 of the Indenture.

Construction Agreement: The agreement of that name between the Borough and DOC with respect to the management of the design and construction of the Facility by the Borough.

Construction Fund: The Construction Fund created under Section 4.02 of the Indenture.

Costs of Issuance: All costs and expenses of issuance of the Bonds, including, but not limited to: (1) Underwriters' discount or fee and financial advisor's fee; (2) counsel fees and expenses, including Bond Counsel as well as any other specialized counsel fees incurred in connection with the issuance of the Bonds; (3) initial fees and expenses of the Trustee, including Trustee counsel fees and expenses, in connection with the issuance of the Bonds; (4) costs of printing the official statement; (5) publication or copying costs associated with the financing proceedings; (6) initial fees and expenses, if any, of the Borough and the Rating Services; and (7) bond insurance premium.

Costs of Issuance Account: The subaccount of the Construction Fund of that name created under Section 4.02 of the Indenture.

CPI-W: The U.S. Department of Labor, Bureau of Labor Statistics Consumer Price Index for urban wage earners and clerical workers for Anchorage, Alaska.

Default: Default by the Borough in the performance or observance of any of the covenants, agreements, or conditions on its part contained in the Indenture, exclusive of any notice or period of grace required to constitute a default an "Event of Default" as described in Section 7.01 of the Indenture.

DOA: The State of Alaska Department of Administration.

DOC: The State of Alaska Department of Corrections.

DOR: The State of Alaska Department of Revenue.

Event of Default: An Event of Default described in Section 7.01 of the Indenture.

Event of Nonappropriation: The failure of the Legislature to appropriate for any fiscal period of the State sufficient funds that are lawfully available to pay all Lease Payments and Incidental Payments that are to come due (or estimated to come due) during such fiscal period. An Event of Nonappropriation shall be determined to have occurred on the earlier to occur of (a) the date on which a Lease Payment is not made on a Lease Payment Due Date as a result of the failure of appropriation or (b) last day of such fiscal period.

Facility: The Goose Creek Correctional Center being constructed with the proceeds of the Bonds.

Fiscal Year: The fiscal year of the Borough; initially, the 12-month period commencing on July 1 in each year.

Government Securities: The investments described in paragraph 1 of the definition of Qualified Investments.

Holder, Bondholder, or Owner: The person or persons in whose name any Bond shall be registered in the registration books maintained by the Trustee on behalf of the Borough.

Impositions: All real and personal property taxes and assessments (including assessments for public improvements), license and permit fees, charges for public utilities; leasehold excise taxes, other excise taxes, levies, use and occupancy taxes, privilege taxes, business and occupation taxes and all other impositions and charges of every kind and nature, general and special, ordinary and extraordinary, foreseen and unforeseen, which are imposed, levied upon or assessed against or with respect to the Property (or any portion thereof), any Lease Payments, or the operation, use or possession of the Property on or after the Closing Date and all charges, fees and assessments for utilities, communications and similar services provided to the Facility which accrue, are assessed or levied on or after the Closing Date.

Improvements: The Facility and all additions, including increments and modifications added to the Land pursuant to the Lease Purchase Agreement, if any.

Incidental Payments: The fees and expenses of the Trustee.

Independent Counsel: An attorney or firm of attorneys duly admitted to practice law before the highest court of any state and not an officer or full-time employee of the Borough or the State.

Land: The real estate described on Exhibit A to the Lease Purchase Agreement, upon which the Facilities are to be located.

Lease or the Lease Purchase Agreement: The Lease Purchase Agreement, dated as of December 1, 2008 and amended by the First Amendment to Lease Purchase Agreement dated October 26, 2010, each among the Borough, as lessor, DOA, as lessee and DOC, as tenant agency, as further amended by the Second Amendment to Lease Purchase Agreement dated as of April 1, 2015 among the Borough, the DOA, the DOC and the Trustee, as the same may be amended pursuant thereto and hereto.

Lease Default Event has the meaning given such term in the Lease.

Lease Payments: Any of the payments due from DOA to the Borough under Section 5.1 of the Lease and identified in Exhibit B to the Lease.

Memorandum of Understanding: The 2008 Memorandum of Understanding, between and among the Borough (executed by the Borough Manager on behalf of the Borough) DOA (executed by its Commissioner on behalf of DOA) and DOC (executed by its Commissioner on behalf of DOC) with respect to the design and construction of the Facility.

Net Proceeds, when used with reference to the Bonds, means the principal amount of the Bonds, plus accrued interest and original issue premium, if any, and less original issue discount.

Opinion of Counsel: A written opinion of counsel appointed by the Borough, DOC, or DOA and acceptable to the Trustee or appointed by the Trustee.

Outstanding: When used as of any particular time with reference to any series of Bonds, means (subject to the provisions of Section 9.03 of the Indenture pertaining to Bonds held by the Borough and the State) all Bonds of such series theretofore authenticated and delivered by the Trustee under the Indenture or any supplement to the Indenture except: (i) Bonds of such series theretofore canceled by the Trustee or surrendered to the Trustee for cancellation; (ii) Bonds of such series for the payment or redemption of which funds or direct obligations of or obligations fully guaranteed by the United States of America in the necessary amount shall have theretofore been deposited with the Trustee (whether upon or prior to the maturity or the redemption date of such series of Bonds); provided that if such Bonds of a series are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given pursuant to Article III of the Indenture for Series 2008 Bonds and pursuant to the related supplemental indenture for a series of Additional Bonds, or provision satisfactory to the Trustee shall have been made for the giving of such notice; and (iii) Bonds of a series in lieu of or in substitution for which other Bonds of that series shall have been authenticated and delivered by the Trustee pursuant to the terms of Section 2.08 hereof pertaining to replacement of Series 2008 Bonds or similar provision of a supplemental indenture securing any series of Additional Bonds.

Permitted Encumbrances: Any (a) lien for taxes not yet due and payable, or taxes being contested in good faith by appropriate proceedings; (b) any materialmen's, warehousemen's, mechanic's, repairmen's, landlord's, and other similar lien arising in the ordinary course of business securing payments not yet due or payable or being contested in good faith, and any reservations or exceptions noted in Patent No. 14466, dated June 15, 1995 from the State of Alaska Department of Natural Resources to the Borough.

Person or person means an individual, corporation, firm, association, partnership, trust, or other legal entity or group of entities, including a governmental entity or any agency or political subdivision thereof, unless the context clearly indicates otherwise.

Project: The Land and the Facilities. Sometimes referred as the "Property".

Project Costs: All costs of, payment of, or reimbursement for design, acquisition, construction, installation, and financing of the Project permitted under the Act.

Property: The Land and the Improvements.

Qualified Investments: See definition of Qualified Investments in APPENDIX G – ORIGINAL INDENTURE AND FORM OF FIRST SUPPLEMENT TO INDENTURE. The Trustee shall have no responsibility to monitor the ratings of Qualified Investments after the initial purchase of such Qualified Investments.

Rating Service: Any nationally recognized securities rating service that shall have assigned a rating that is then in effect with respect to the Bonds upon application of the Borough or the State.

Rebate Amount: The amount, if any, determined to be payable with respect to the Bonds by the Borough to the United States of America pursuant to Section 148(f) of the Code, calculated in accordance with the Tax Certificate.

Rebate Analyst: The individual or firm retained by the Borough to compute the Rebate Amount.

Rebate Fund: The Fund of that name established pursuant to Section 4.06 of the Indenture.

Rebatable Arbitrage: The Rebate Amount calculated as provided in the Tax Certificate and Section 4.06 of the Indenture.

Redeem or Redemption: Includes and means “prepay” or “prepayment”, as the case may be.

Regulations: Any applicable Internal Revenue Service Regulations promulgated in proposed, temporary, or final form. Proposed regulations are “applicable” only if, in the event they are adopted in final form, such regulations would apply to the Bonds.

Rule: The SEC’s Rule 15c2 12 under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Tax Certificate: The Federal Tax Certificate dated as of the date of delivery of the Bonds and executed by the Borough, setting forth requirements for compliance with the Code.

**APPENDIX G**

**INDENTURE AND FORM OF FIRST SUPPLEMENT TO INDENTURE**

**DRAFT**

**BOND PURCHASE AGREEMENT**

\$ \_\_\_\_\_

MATANUSKA-SUSITNA BOROUGH

State of Alaska Lease Revenue Refunding Bonds, Series 2015  
(Goose Creek Correctional Center Project)

April \_\_, 2015

Borough Assembly  
Matanuska-Susitna Borough  
350 East Dahlia Avenue  
Palmer, Alaska 99645

Ladies and Gentlemen:

The undersigned, RBC Capital Markets, LLC (the "*Representative*"), on behalf of itself on behalf of the other underwriters identified in the hereinafter defined Preliminary Official Statement (collectively with the Representative, the "*Underwriters*"), acting on their own behalf, offer to enter into the following agreement (this "*Agreement*") with Matanuska-Susitna Borough, Alaska (the "*Borough*") which, upon the Borough's written acceptance of this offer, will be binding upon the Borough and upon the Underwriters. This offer is made subject to the Borough's written acceptance hereof on or before 5:00 p.m., Eastern Time, on April \_\_, 2015, and, if not so accepted, will be subject to withdrawal by the Representative on behalf of the Underwriters upon notice delivered to the Borough at any time prior to the acceptance hereof by the Borough. The Representative has been duly authorized to execute this Agreement on behalf of the Underwriters, and the Underwriters have been duly authorized to act hereunder. Terms not otherwise defined in this Agreement shall have the same meanings set forth in the Official Statement (as defined herein).

The dated date, maturities, redemption provisions and interest rates per annum of the Bonds are set forth in Schedule I hereto. The Bonds shall be as described in, and shall be issued and secured under and pursuant to the provisions of Ordinance Serial No. 15-\_\_\_\_ adopted by the Borough Assembly of the Borough on March 17, 2015 (the "*Bond Ordinance*") and the Trust Indenture dated as of December 1, 2008 (the "*Original Indenture*") between the Borough and The Bank of New York Mellon Trust Company, N.A., as trustee (the "*Trustee*") as supplemented by the First Supplement to Trust Indenture dated as of April 1, 2015 (the "*First Supplement to Indenture*") and together with the Original Indenture, the "*Indenture*") between the Borough and the Trustee.

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The Bonds are authorized to be issued pursuant to Alaska Statutes Chapter 29.47 (the "Act"), the Bond Ordinance and the Indenture and are revenue bonds of the Borough payable from the Lease Payments to be made by the State of Alaska (the "State") pursuant to the Lease Purchase Agreement dated as of December 1, 2008 as amended by the First Amendment thereto dated October 26, 2010 (collectively the "Original Lease") by and among the Borough as lessor of the Goose Creek Correctional Center Project (the "Project"), the Alaska State Department of Administration (the "DOA") as lessee and the Alaska State Department of Corrections (the "DOC"), as tenant agency. Concurrently with the issuance of the Bonds, the Borough, the DOA, the DOC and the Trustee will enter into a Second Amendment to Lease Purchase Agreement dated as of April 1, 2015 (the "Second Amended to Lease" and together with the Original Lease, the "Lease") pursuant to which the DOA and the DOC will agree to make payments sufficient to pay the principal of and interest on the Bonds. The Lease has been assigned to the Trustee pursuant to the Assignment of Lease from the Borough to the Trustee (the "Assignment").

On February 25, 2015, the Alaska State Bond Committee adopted Resolution No. 2015-\_\_\_\_ (the "State Bond Committee Resolution"), authorizing the State Debt Manager and other appropriate officials of the State to execute, on behalf of the State, documents in connection with the sale and issuance of the Bonds.

Prior to the issuance of the Bonds, the Borough will enter into a continuing disclosure undertaking (the "Borough Disclosure Undertaking") and the State will enter in a continuing disclosure undertaking (the "State Disclosure Undertaking") each meeting the requirements of a continuing disclosure undertaking of an "obligated person" under paragraph (b)(5) of Rule 15c2-12.

**1. Purchase and Sale of the Bonds.** Subject to the terms and conditions and in reliance upon the representations, warranties and agreements set forth herein, the Underwriters hereby agree to purchase from the Borough, and the Borough hereby agrees to sell and deliver to the Underwriters, all, but not less than all, of the Borough's \$\_\_\_\_\_ aggregate principal amount of State of Alaska Lease Revenue Refunding Bonds, Series 2015 (Goose Creek Correctional Center Project) (the "Bonds").

The purchase price of the Bonds shall be \$\_\_\_\_\_, plus interest accrued on the Bonds from the dated date of the Bonds to the Closing Date (as hereinafter defined). The purchase price is calculated as follows

Principal Amount	\$	
Plus: [Net] Original Issue Premium		
Less: Underwriting Discount		
Purchase Price	\$	

**2. Public Offering.** The Underwriters agree to make a bona fide public offering of all of the Bonds at prices not to exceed the public offering prices (or prices corresponding to the yields) set forth on the inside cover of the Official Statement and may subsequently change such offering prices without any requirement of prior notice. The Underwriters may offer and sell

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Bonds to certain dealers (including dealers depositing Bonds into investment trusts) and others at prices lower than such offering prices.

**3. Liquidated Damages.** In the event that the Underwriters fail (other than for a reason permitted hereunder) to accept and pay for the Bonds at the Closing as herein provided, the parties hereto agree that the damages to the Borough shall be fixed at an amount equal to One Percent (1%) of the aggregate principal amount of the Bonds (the "*Liquidated Amount*"). Upon such failure of the Underwriters to accept and pay for the Bonds, the Underwriters shall be obligated to pay to the Borough upon demand in immediately available funds the Liquidated Amount as full liquidated damages, and not as a penalty, for such failure and for any defaults hereunder on the part of the Underwriters, and no party will have any further rights against the other hereunder. The Underwriters and the Borough understand that in such event the Borough's actual damages may be greater or may be less than the Liquidated Amount. Accordingly, the Underwriters hereby waive any right to claim that the Borough's actual damages are less than such Liquidated Amount and the Borough's acceptance of this offer shall constitute a waiver of any right the Borough may have to damages in excess of the Liquidated Amount from the Underwriters.

**4. The Official Statement.**

(a) The Borough has heretofore distributed the Preliminary Official Statement dated March \_\_\_, 2015 with respect to the Bonds (the "*Preliminary Official Statement*"). The Preliminary Official Statement, as revised to reflect the terms of sale of the Bonds, is herein called the "*Official Statement*."

(b) The Preliminary Official Statement has been prepared by the Borough for use by the Underwriters in connection with the public offering, sale and distribution of the Bonds. The Borough hereby represents and warrants that the Preliminary Official Statement is hereby deemed final by the Borough as of its date, except for the omission of such information which is dependent upon the final pricing of the Bonds for completion, all as permitted to be excluded by Section (b)(1) of Rule 15c2-12 under the Securities Exchange Act of 1934 (the "*Rule*").

(c) The Borough represents that the Borough Assembly has reviewed and approved the information in the Official Statement and hereby authorizes the Official Statement to be used by the Underwriters in connection with the public offering and the sale of the Bonds. The Borough shall provide, or cause to be provided, to the Underwriters as soon as practicable after the date of the Borough's acceptance of this Agreement (but, in any event, not later than within seven business days after the Borough's acceptance of this Agreement and in sufficient time to accompany any confirmation that requests payment from any customer) copies of the Official Statement which is complete as of the date of its delivery to the Underwriters in such quantity as the Underwriters shall request in order for the Underwriters to comply with Section (b)(4) of the Rule and the rules of the Municipal Securities Rulemaking Board (the "*MSRB*"). The Borough hereby confirms that it does not object to the distribution of the Official Statement in electronic form.

(d) If, after the date of this Agreement to and including the date the Underwriters are no longer required to provide an Official Statement to potential customers who request the same pursuant to the Rule (the earlier of (i) 90 days from the "end of the underwriting period" (as defined in the Rule) and (ii) the time when the Official Statement is available to any person from the MSRB, but in no case less than 25 days after the "end of the underwriting period" for the Bonds), the Borough becomes aware of any fact or event which might or would cause the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading, or if it is necessary to amend or supplement the Official Statement to comply with law, the Borough will notify the Representative (and for the purposes of this clause provide the Representative with such information as it may from time to time request), and if, in the opinion of the Representative, such fact or event requires preparation and publication of a supplement or amendment to the Official Statement, the Borough will forthwith prepare and furnish, at the Borough's own expense (in a form and manner approved by the Representative), a reasonable number of copies of either amendments or supplements to the Official Statement so that the statements in the Official Statement as so amended and supplemented will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading or so that the Official Statement will comply with law. If such notification shall be subsequent to the Closing, the Borough shall furnish such legal opinions, certificates, instruments and other documents as the Representative may deem necessary to evidence the truth and accuracy of such supplement or amendment to the Official Statement.

(e) The Representative hereby agrees to file the Official Statement with the MSRB. Unless otherwise notified in writing by the Representative, the Borough can assume that the "end of the underwriting period" for purposes of the Rule is the date of the Closing.

**5. Representations, Warranties, and Covenants of the Borough.** The Borough hereby represents and warrants to and covenants with the Underwriters that:

(a) The Borough is a municipal corporation of the State of Alaska (the "State") duly created, organized and existing under the laws of the State, and has full legal right, power and authority under the Act, and at the date of the Closing will have full legal right, power and authority under the Act to adopt the Bond Ordinance and under the Act and the Bond Ordinance (i) to enter into, execute and deliver this Agreement, the First Supplement to Indenture, the Second Amendment to Lease and the Borough Disclosure Undertaking, the Escrow Agreement and all documents required hereunder and thereunder to be executed and delivered by the Borough (this Agreement, the Bond Ordinance, the First Supplement to Indenture, the Second Amendment to Lease, the Borough Disclosure Undertaking, the Escrow Agreement and the other documents referred to in this clause are hereinafter referred to as the "*Borough Documents*"), (ii) to sell, issue and deliver the Bonds to the Underwriters as provided herein, (iii) to pledge and assign the Lease Payments as security for the payment of the Bonds as provided in the Indenture and (iv) to carry out and consummate the transactions contemplated by the

Borough Documents and the Official Statement, and the Borough has complied, and will at the Closing be in compliance in all respects, with the terms of the Act and the Borough Documents as they pertain to such transactions;

(b) By all necessary official action of the Borough prior to or concurrently with the acceptance hereof, the Borough has duly authorized all necessary action to be taken by it for (i) the adoption of the Bond Ordinance and the issuance and sale of the Bonds, (ii) the approval, execution and delivery of, and the performance by the Borough of the obligations on its part, contained in the Bonds and the Borough Documents and (iii) the consummation by it of all other transactions contemplated by the Official Statement, and the Borough Documents and any and all such other agreements and documents as may be required to be executed, delivered and/or received by the Borough in order to carry out, give effect to, and consummate the transactions contemplated herein and in the Official Statement;

(c) The Borough Documents constitute legal, valid and binding obligations of the Borough, enforceable in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws and principles of equity relating to or affecting the enforcement of creditors' rights; the Bonds, when issued, delivered and paid for, in accordance with the Bond Ordinance and this Agreement, will constitute legal, valid and binding obligations of the Borough entitled to the benefits of the Bond Ordinance and the Indenture and enforceable in accordance with their terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws and principles of equity relating to or affecting the enforcement of creditors' rights; upon the issuance, authentication and delivery of the Bonds as aforesaid, the Bond Ordinance and the Indenture will provide, for the benefit of the holders, from time to time, of the Bonds, the legally valid and binding pledge it purports to create as set forth in the Bond Ordinance and the Indenture;

(d) The Borough is not in breach of or default in any material respect under any applicable constitutional provision, law or administrative regulation of the State or the United States or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Borough is a party or to which the Borough is or any of its property or assets are otherwise subject, and no event has occurred and is continuing which constitutes or with the passage of time or the giving of notice, or both, would constitute a default or event of default by the Borough under any of the foregoing; and the execution and delivery of the Bonds, the Borough Documents and the adoption of the Bond Ordinance and compliance with the provisions on the Borough's part contained therein, will not conflict with or constitute a breach of or default under any constitutional provision, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Borough is a party or to which the Borough is or to which any of its property or assets are otherwise subject nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Borough to be pledged to secure the Bonds or under the terms of any such law, regulation or instrument, except as provided by the Bonds and the Bond Ordinance;

(e) All authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matter which are required for the due authorization of, which would constitute a condition precedent to, or the absence of which would materially adversely affect the due performance by the Borough of its obligations under the Borough Documents, and the Bonds have been duly obtained, except for such approvals, consents and orders as may be required under the Blue Sky or securities laws of any jurisdiction in connection with the offering and sale of the Bonds;

(f) The Bonds, the Bond Ordinance, the Indenture and the Lease conform to the descriptions thereof contained in the Official Statement; and the Bonds, when issued and delivered in accordance with the Indenture, will be validly issued and outstanding revenue obligations of the Borough payable from the "Trust Estate" granted under the Indenture, including the Lease Payments;

(g) There is no legislation, action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending or, to the best knowledge of the Borough after due inquiry, threatened against the Borough, affecting the existence of the Borough or the titles of its officers to their respective offices, or affecting or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Bonds or the collection of taxes pledged to the payment of principal of and interest on the Bonds pursuant to the Bond Ordinance, the Indenture, the Lease or this Agreement or in any way contesting or affecting the validity or enforceability of the Bonds, the Borough Documents, or contesting the exclusion from gross income of interest on the Bonds for federal income tax purposes, or contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto, or contesting the powers of the Borough or any authority for the issuance of the Bonds, the adoption of the Bond Ordinance or the execution and delivery of the Borough Documents, nor, to the best knowledge of the Borough, is there any basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Bonds or the Borough Documents;

(h) As of the date thereof, the Preliminary Official Statement did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(i) At the time of the Borough's acceptance hereof and (unless the Official Statement is amended or supplemented pursuant to paragraph (d) of Section 4 of this Agreement) at all times subsequent thereto during the period up to and including the date of Closing, the Official Statement does not and will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(j) If the Official Statement is supplemented or amended pursuant to paragraph (d) of Section 4 of this Agreement, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such paragraph) at all times subsequent thereto during the period up to and including the date of Closing the Official Statement as so supplemented or amended will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which made, not misleading;

(k) The Borough will apply, or cause to be applied, the proceeds from the sale of the Bonds as provided in and subject to all of the terms and provisions of the Bond Ordinance and not to take or omit to take any action which action or omission will adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Bonds;

(l) The Borough will furnish such information and execute such instruments and take such action in cooperation with the Underwriters as the Underwriters may reasonably request (A) to (y) qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions in the United States as the Underwriters may designate and (z) determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions and (B) to continue such qualifications in effect so long as required for the distribution of the Bonds (provided, however, that the Borough will not be required to qualify as a foreign corporation or to file any general or special consents to service of process under the laws of any jurisdiction) and will advise the Representative immediately of receipt by the Borough of any notification with respect to the suspension of the qualification of the Bonds for sale in any jurisdiction or the initiation or threat of any proceeding for that purpose;

(m) The financial statements of, and other financial information regarding the Borough provided to the Underwriters fairly present the financial position and results of the Borough as of the dates and for the periods therein set forth. Prior to the Closing, there will be no adverse change of a material nature in such financial position, results of operations or condition, financial or otherwise, of the Borough. The Borough is not a party to any litigation or other proceeding pending or, to its knowledge, threatened which, if decided adversely to the Borough, would have a materially adverse effect on the financial condition of the Borough;

(n) Prior to the Closing the Borough will not offer or issue any bonds, notes or other obligations for borrowed money without the prior approval of the Representative; and

(o) Any certificate, signed by any official of the Borough authorized to do so in connection with the transactions contemplated by this Agreement, shall be deemed a representation and warranty by the Borough to the Underwriters as to the statements made therein.

**6. Closing.**

(a) At 9:00 a.m., Pacific Time, on April \_\_\_, 2015, or at such other time and date as shall have been mutually agreed upon by the Borough and the Underwriters (the "Closing"), the Borough will, subject to the terms and conditions hereof, deliver the Bonds to the Underwriters duly executed and authenticated, together with the other documents hereinafter mentioned, and the Underwriters will, subject to the terms and conditions hereof, accept such delivery and pay the purchase price of the Bonds as set forth in Section 1 of this Agreement by wire transfer payable in immediately available funds to the order of the Borough. Payment for the Bonds as aforesaid shall be made at the offices of the Representative in San Francisco, California, or such other place as shall have been mutually agreed upon by the Borough and the Underwriters.

(b) Delivery of the Bonds shall be made to the Paying Agent as agent of The Depository Trust Company, New York, New York. The Bonds shall be delivered in definitive fully registered form, bearing CUSIP numbers without coupons, with one Bond for each maturity of the Bonds, registered in the name of Cede & Co., all as provided in the Bond Ordinance and the Indenture, and shall be made available to the Underwriters at least one business day before the Closing for purposes of inspection.

**7. Closing Conditions.** The Underwriters have entered into this Agreement in reliance upon the representations, warranties and agreements of the Borough contained herein, and in reliance upon the representations, warranties and agreements to be contained in the documents and instruments to be delivered at the Closing and upon the performance by the Borough of its obligations hereunder, both as of the date hereof and as of the date of the Closing. Accordingly, the Underwriters' obligations under this Agreement to purchase, to accept delivery of and to pay for the Bonds shall be conditioned upon the performance by the Borough of its obligations to be performed hereunder and under such documents and instruments at or prior to the Closing, and shall also be subject to the following additional conditions, including the delivery by the Borough of such documents as are enumerated herein, in form and substance reasonably satisfactory to the Underwriters:

(a) The representations and warranties of the Borough contained herein shall be true, complete and correct on the date hereof and on and as of the date of the Closing, as if made on the date of the Closing;

(b) The Borough shall have performed and complied with all agreements and conditions required by this Agreement to be performed or complied with by it prior to or at the Closing;

(c) At the time of the Closing, (i) the Borough Documents, including the Indenture and the Lease, and the Bonds shall be in full force and effect in the form heretofore approved by the Underwriters and shall not have been amended, modified or supplemented, and the Official Statement shall not have been supplemented or amended, except in any such case as may have been agreed to by the Underwriters; (ii) all actions of the Borough required to be taken by the Borough shall be performed in order for Bond Counsel and other counsel to deliver their respective opinions referred to hereafter; and

(iii) all necessary action of the Borough relating to the issuance of the Bonds and of the Borough and the State with respect to the Lease and the assignment of the Lease Payments as security for the payment of the Bonds will have been taken and will be in full force and effect; and

(d) At or prior to the Closing, the Bond Ordinance shall have been duly adopted by the Borough and the Borough shall have duly executed and delivered and the Bond Registrar shall have duly authenticated the Bonds;

(e) At the time of the Closing, there shall not have occurred any change or any development involving a prospective change in the condition, financial or otherwise, or in the revenues or operations of the Borough, from that set forth in the Official Statement that in the judgment of the Underwriters, is material and adverse and that makes it, in the judgment of the Underwriters, impracticable to market the Bonds on the terms and in the manner contemplated in the Official Statement;

(f) The Borough shall not have failed to pay principal or interest when due on any of its outstanding obligations for borrowed money;

(g) All steps to be taken and all instruments and other documents to be executed, and all other legal matters in connection with the transactions contemplated by this Agreement shall be reasonably satisfactory in legal form and effect to the Underwriters;

(h) At or prior to the Closing, the Representative shall have received copies of each of the following documents:

(1) The Official Statement, and each supplement or amendment thereto, if any, executed on behalf of the Borough by its Finance Director, or such other official as may have been agreed to by the Representative, and the reports and audits referred to or appearing in the Official Statement;

(2) The Bond Ordinance with such supplements or amendments as may have been agreed to by the Underwriters;

(3) A duly certified copy of the State Bond Committee Resolution;

(4) Certified copy of the Original Indenture;

(5) Certified copy of the Original Lease;

(6) Executed counterpart originals of the First Amendment to Indenture;

(7) Executed counterpart originals of the Second Amendment to Lease;

(8) Certified copy of the Assignment;

(9) Executed counterpart originals of Borough Disclosure Undertaking;

(10) Executed counterpart originals of State Disclosure Undertaking;

(11) The approving legal opinion, dated the date of the Closing, of Foster Pepper PLLC, Bond Counsel to the Borough, in substantially the form attached to the Official Statement, and addressed to the Borough and the Underwriters or a manually executed copy of such opinion together with a letter of Bond Counsel dated the date of the Closing and addressed to the Underwriters, to the effect that such opinion may be relied upon by the Underwriters to the same extent as if such opinion were addressed to the Underwriters or a statement to that effect in the supplemental opinion of Bond Counsel;

(12) A supplemental opinion of Bond Counsel addressed to the Underwriters, substantially to the effect that:

(i) the Bond Ordinance has been duly adopted by, and the other Borough Documents have been duly executed and delivered by, the Borough, and each of the Borough Documents, including the Lease and the Indenture, constitutes a binding agreement in accordance with its terms, except to the extent limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws and equitable principles of general application relating to or affecting the enforcement of creditors' rights;

(ii) the distribution of the Preliminary Official Statement and the Official Statement has been duly authorized by the Borough;

(iii) the Bonds are exempt securities under the Securities Act of 1933, as amended (the "1933 Act"), and the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act") and it is not necessary, in connection with the offering and sale of the Bonds, to register the Bonds under the 1933 Act or to qualify the Bond Ordinance or the Indenture under the Trust Indenture Act;

(iv) the statements and information contained in the Official Statement under the captions "INTRODUCTORY STATEMENT," "REFUNDING PLAN," "SECURITY FOR THE BONDS," "BOND TERMS" "CONTINUING DISCLOSURE" and "TAX EXEMPTION" "CERTAIN OTHER FEDERAL TAX CONSEQUENCES" and in APPENDIX B, APPENDIX F and APPENDIX G to the Official Statement are fair and accurate statements or summaries of the matters therein set forth;

(v) based upon their participation in the preparation of the Official Statement as Bond Counsel and (except as expressly set forth in (iv) above), without having undertaken to determine independently the accuracy, completeness or fairness of the statements contained in the

Official Statement and except for financial and statistical statements and data and statements relating to DTC or its book-entry system included therein, as to which no view need be expressed, no information came to the attention of the attorneys providing legal services in connection with the issuance of the Bonds that caused such attorneys to believe that the Official Statement contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading in any material respect;

(13) An opinion, dated the date of the Closing and addressed to the Underwriters, of counsel for the Underwriters, to the effect that:

(i) the Bonds are exempt securities under the 1933 Act and the Trust Indenture Act and it is not necessary, in connection with the offering and sale of the Bonds, to register the Bonds under the 1933 Act and the Bond Ordinance and the Indenture need not be qualified under the Trust Indenture Act; and

(ii) based upon their participation in the preparation of the Official Statement as counsel for the Underwriters and their participation at conferences at which the Official Statement was discussed, but without having undertaken to determine independently the accuracy, completeness or fairness of the statements contained in the Official Statement, such counsel has no reason to believe that the Official Statement contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (except for any financial, forecast, technical and statistical statements and data included in the Official Statement and the information regarding DTC and its book-entry system, in each case as to which no view need be expressed);

(14) An opinion of the Borough Attorney, addressed to the Underwriters, to the effect that:

(i) there is no litigation or proceeding pending, or to his knowledge after due inquiry threatened, in any way affecting the corporate existence of the Borough, or the titles of its officers to their respective offices, or seeking to restrain or to enjoin the issuance, sale or delivery of the Bonds, or the right, power and authority of the Borough to collect or apply the Lease Payments and the other moneys pledged or to be pledged to pay the principal of and interest on the Bonds, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the Bonds, the Indenture, the Lease, the Assignment, the Bond Ordinance or this Agreement, or contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement; or contesting

the powers of the Borough or its authority with respect to the Bonds, the Bond Ordinance, the Indenture, the Lease or this Agreement; and

(ii) based on the examination made by such counsel, such counsel has no reason to believe that the material in the Official Statement under the caption "LITIGATION AND REGULATORY PROCEEDINGS – BOROUGH" contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading in any material respect;

(15) A certificate of the Borough, dated the date of Closing and signed by the Borough Manager or the Borough Finance Director, to the effect that (i) the representations and warranties of the Borough contained in this Agreement are true and correct in all material respects on and as of the date of the Closing with the same effect as if made on the date of the Closing; (ii) no litigation is pending or, to the signer's knowledge, threatened in any court in any way affecting the existence of the Borough, or the titles of its officers to their respective offices, or seeking to restrain or to enjoin the issuance, sale or delivery of the Bonds, or the right of the Borough to collect and apply the Lease Payments pledged to pay the principal of and interest on the Bonds, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the Bonds, the Bond Ordinance, the Indenture, the Lease or this Agreement, or contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement, or contesting the power of the Borough or its authority with respect to the Bonds, the Bond Ordinance, the Indenture or this Agreement; (iii) the information contained in the Official Statement (other than information relating to the State and The Depository Trust Company as to which no opinion need be expressed) does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading in any material respect; (iv) to the best of the signer's knowledge, no event affecting the Borough has occurred since the date of the Official Statement which should be disclosed in the Official Statement in order to make the statements and information therein not misleading in any material respect; (v) within the last five years, the Borough has complied with each continuing disclosure undertaking that it has previously entered into pursuant to Rule 15c2-12; and (vi) the Borough has complied with all the agreements and satisfied all the conditions on its part to be performed or satisfied at or prior to the Closing;

(16) A certificate of the Borough signed by the Borough Finance Director and in form and substance satisfactory to Bond Counsel and counsel to the Underwriters (i) setting forth the facts, estimates and circumstances in existence on the date of the Closing, which establish that it is not expected that the proceeds of the Bonds will be used in a manner that would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and any applicable regulations (whether

final, temporary or proposed), issued pursuant to the Code, and (ii) certifying that to the best of her knowledge and belief there are no other facts, estimates or circumstances that would materially change the conclusions, representations and expectations contained in such certificate;

(17) An estoppel certificate, dated as of the date of Closing, of the State to the effect, *inter alia* that the Lease has been duly executed on the part of the State and remains in full force and effect.

(18) A certificate of the State, signed by an authorized official, dated as of the date of Closing, to the effect that the State has consented to the use of certain information regarding the State in the Preliminary Official Statement and the Official Statement under the headings "INFORMATION CONCERNING THE STATE OF ALASKA," "STATE PENSION AND OTHER POST-EMPLOYMENT BENEFIT RESPONSIBILITIES," "INVESTMENT POLICIES," "LITIGATION AND REGULATORY PROCEEDINGS" (except for the material under the sub-caption "BOROUGH"), and "CONTINUING DISCLOSURE" (except for certain matters with respect to the Borough).

(19) A certificate of the State, signed by an authorized official, dated as of the date of Closing, to the effect that the undertaking of the State to provide ongoing disclosure contained in the State Disclosure Undertaking constitutes a legal, valid and binding agreement and obligation of the State, enforceable in accordance with its respective terms.

(20) An opinion or certificate of the Attorney General, dated the date of Closing and addressed to the Underwriters substantially in the form of *Exhibit A* attached hereto.

(21) A certificate, dated the date of Closing and signed by an authorized official of the State, to the effect that solely based on actual knowledge of the signer, no event affecting the State has occurred since the date of the Official Statement which should be disclosed in the Official Statement for the purposes for which it is to be used or which it is necessary to disclose therein in order to make the statements and information therein, in the light of the circumstances under which they were made, not misleading in any material respect.

(22) A certificate, dated the date of Closing, and signed by an authorized official of the State, to the effect that the information contained in the Official Statement under the captions "INFORMATION CONCERNING THE STATE OF ALASKA," "STATE PENSION AND OTHER POST-EMPLOYMENT BENEFIT RESPONSIBILITIES," "INVESTMENT POLICIES," "LITIGATION AND REGULATORY PROCEEDINGS" (except for the material under the sub-caption "BOROUGH") and "CONTINUING DISCLOSURE" (except for certain matters with respect to the Borough) do not contain untrue statements of material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading.

(23) Any other certificates and opinions required by the Bond Ordinance or Indenture for the issuance thereunder of the Bonds;

(24) A letter from Fitch Ratings confirming that the Bonds are rated “\_\_\_\_\_”;

(25) A letter from Moody’s Investors Service, Inc. confirming that the Bonds are rated “\_\_\_\_\_”;

(26) A letter from Standard & Poor’s Ratings Services confirming that the Bonds are rated “\_\_\_\_\_”;

(27) A copy of a special report prepared by Causey Demgen & Moore P.C., independent certified public accountants, addressed to the Borough, Bond Counsel and the Underwriters, verifying (i) the arithmetical computations of the adequacy of the maturing principal and interest on the Government Obligations and uninvested cash on hand under the Escrow Agreement to pay, when due, the principal of and interest on the Prior Bonds, and (ii) the computation of the yield with respect to the Government Obligations and the Bonds; and

(28) Such additional legal opinions, certificates, instruments and other documents as the Underwriters or counsel to the Underwriters may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the date of the Closing, of the Borough’s representations and warranties contained herein and of the statements and information contained in the Official Statement and the due performance or satisfaction by the Borough on or prior to the date of the Closing of all the respective agreements then to be performed and conditions then to be satisfied by the Borough.

All of the opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Agreement shall be deemed to be in compliance with the provisions hereof if, but only if, they are in form and substance satisfactory to the Underwriters.

If the Borough shall be unable to satisfy the conditions to the obligations of the Underwriters to purchase, to accept delivery of and to pay for the Bonds contained in this Agreement, or if the obligations of the Underwriters to purchase, to accept delivery of and to pay for the Bonds shall be terminated for any reason permitted by this Agreement, this Agreement shall terminate and neither the Underwriters nor the Borough shall be under any further obligation hereunder, except that the respective obligations of the Borough and the Underwriters set forth in Sections 5 and 10(d) hereof shall continue in full force and effect.

**8. Role of Underwriters.** Inasmuch as this purchase and sale represents a negotiated transaction, the Borough acknowledges and agrees that: (i) the transaction contemplated by this Agreement is an arm’s length, commercial transaction between the Borough and each Underwriter in which each Underwriter is acting solely as a principal and is not acting as a municipal advisor, financial advisor or fiduciary to the Borough; (ii) none of the Underwriters has assumed any advisory or fiduciary responsibility to the Borough with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading

thereto (irrespective of whether an Underwriter has provided other services or is currently providing other services to the Borough on other matters); (iii) the Underwriters are acting solely in their respective capacities as underwriters, each for its own account, and (iv) the Borough has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate.

**9. Termination.** The Underwriters shall have the right to cancel their obligations to purchase the Bonds if, between the date of this Agreement and the Closing, the market price or marketability of the Bonds shall be materially adversely affected, in the sole judgment of the Underwriters, by the occurrence of any of the following:

(a) legislation shall be enacted by or introduced in the Congress of the United States or recommended to the Congress for passage by the President of the United States, or the Treasury Department of the United States or the Internal Revenue Service or any member of the Congress or the Alaska Legislature or favorably reported for passage to either House of the Congress by any committee of such House to which such legislation has been referred for consideration, a decision by a court of the United States or of the State or the United States Tax Court shall be rendered, or an order, ruling, regulation (final, temporary or proposed), press release, statement or other form of notice by or on behalf of the Treasury Department of the United States, the Internal Revenue Service or other governmental agency shall be made or proposed, the effect of any or all of which would be to impose, directly or indirectly, federal income taxation or State income taxation upon interest received on obligations of the general character of the Bonds, or other action or events shall have transpired which may have the purpose or effect, directly or indirectly, of changing the federal income tax consequences or State income tax consequences of any of the transactions contemplated herein;

(b) legislation introduced in or enacted (or resolution passed) by the Congress or an order, decree, or injunction issued by any court of competent jurisdiction, or an order, ruling, regulation (final, temporary, or proposed), press release or other form of notice issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, to the effect that obligations of the general character of the Bonds, including any or all underlying arrangements, are not exempt from registration under the 1933 Act, or that the Bond Ordinance or the Indenture not exempt from qualification under the Trust Indenture Act, or that the issuance, offering, or sale of obligations of the general character of the Bonds, including any or all underlying arrangements, as contemplated hereby or by the Official Statement or otherwise, is or would be in violation of the federal securities law as amended and then in effect;

(c) any state Blue Sky or securities commission or other governmental agency or body shall have withheld registration, exemption or clearance of the offering of the Bonds as described herein, or issued a stop order or similar ruling relating thereto;

(d) a general suspension of trading in securities on the New York Stock Exchange, the establishment of minimum prices on either such exchange, the establishment of material restrictions (not in force as of the date hereof) upon trading

securities generally by any governmental authority or any national securities exchange, a general banking moratorium declared by federal, State of New York, or State officials authorized to do so;

(e) the New York Stock Exchange or other national securities exchange or any governmental authority, shall impose, as to the Bonds or as to obligations of the general character of the Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, Underwriters;

(f) any amendment to the federal or State Constitution or action by any federal or State court, legislative body, regulatory body, or other authority materially adversely affecting the validity or enforceability of the levy of taxes to pay principal of and interest on the Bonds;

(g) any event occurring, or information becoming known which, in the judgment of the Underwriters, makes untrue in any material respect any statement or information contained in the Official Statement, or has the effect that the Official Statement contains any untrue statement of material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(h) there shall have occurred any materially adverse change in the affairs or financial condition of the Borough, except for changes which the Official Statement discloses are expected to occur;

(i) the United States shall have become engaged in hostilities which have resulted in a declaration of war or a national emergency or there shall have occurred any other outbreak or escalation of hostilities;

(j) there shall have occurred any national or international calamity or crisis in the financial markets or otherwise of the United States;

(k) any fact or event shall exist or have existed that, in the Underwriters' judgment, requires or has required an amendment of or supplement to the Official Statement;

(l) there shall have occurred or any notice shall have been given of any intended review, downgrading, suspension, withdrawal, or negative change in credit watch status by any national rating service to any of the Borough's obligations; or

(m) the purchase of and payment for the Bonds by the Underwriters, or the resale of the Bonds by the Underwriters, on the terms and conditions herein provided shall be prohibited by any applicable federal or State law, governmental authority, board, agency or commission.

**10. Expenses.**

(a) The Underwriters shall be under no obligation to pay, and the Borough shall pay all expenses incident to the performance of the Borough's obligations hereunder, including, but not limited to (i) the cost of preparation and printing of the Bonds, Preliminary Official Statement, Official Statement and any amendment or supplement thereto, (ii) the fees and disbursements of Bond Counsel, Underwriters' Counsel and Borough Counsel; (iii) the fees and disbursements of the Financial Advisor to the Borough; (iv) the fees and disbursements of any Paying Agent or engineers, accountants, and other experts, consultants or advisers retained by the Borough, if any; and (v) all fees and expenses in connection with obtaining bond ratings. The Borough shall also pay for any expenses (included in the expense component of the Underwriter's discount) incurred by the Underwriters which are incidental to implementing this Agreement and the issuance of the Bonds, including, but not limited to, meals, transportation and lodging, if any, and any other miscellaneous closing costs.

(b) The Borough acknowledges that it has had an opportunity, in consultation with such advisors as it may deem appropriate, if any, to evaluate and consider the fees and expenses being incurred as part of the issuance of the Bonds.

(c) Except as provided for above, the Underwriters shall pay (i) the cost of preparation and printing of this Agreement, the Blue Sky Survey and Legal Investment Memorandum; (ii) all advertising expenses in connection with the public offering of the Bonds; and (iii) all other expenses incurred by them in connection with the public offering of the Bonds.

(d) If this Agreement shall be terminated by the Underwriters because of any failure or refusal on the part of the Borough to comply with the terms or to fulfill any of the conditions of this Agreement, or if for any reason the Borough shall be unable to perform its obligations under this Agreement, the Borough will reimburse the Underwriters for all out-of-pocket expenses (including the fees and disbursements of counsel to the Underwriters) reasonably incurred by the Underwriters in connection with this Agreement or the offering contemplated hereunder.

**11. Notices.** Any notice or other communication to be given to the Borough under this Agreement must be given by delivering the same in writing to the Borough Manager and any notice or other communication to be given to the Underwriters under this Agreement must be given by delivering the same in writing to: RBC Capital Markets, LLC, Two Embarcadero Center, Suite 1200, San Francisco, California 94111, Attention: Tom Yang, Managing Director.

**12. Parties in Interest.** This Agreement as heretofore specified shall constitute the entire agreement between us and is made solely for the benefit of the Borough and the Underwriters (including successors or assigns of the Underwriters) and no other person shall acquire or have any right hereunder or by virtue hereof. This Agreement may not be assigned by the Borough. All of the Borough's representations, warranties and agreements contained in this Agreement shall remain operative and in full force and effect, regardless of (i) any investigations

made by or on behalf of the Underwriters; (ii) delivery of and payment for the Bonds pursuant to this Agreement; and (iii) any termination of this Agreement.

**13. Effectiveness.** This Agreement shall become effective upon the acceptance hereof by the Borough and shall be valid and enforceable at the time of such acceptance.

**14. Choice of Law.** This Agreement shall be governed by and construed in accordance with the law of the State.

**15. Severability.** If any provision of this Agreement shall be held or deemed to be or shall, in fact, be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions, or in all jurisdictions because it conflicts with any provisions of any Constitution, statute, rule of public policy, or any other reason, such circumstances shall not have the effect of rendering the provision in question invalid, inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions of this Agreement invalid, inoperative or unenforceable to any extent whatever.

**16. Business Day.** For purposes of this Agreement, "business day" means any day on which the New York Stock Exchange is open for trading.

**17. Section Headings.** Section headings have been inserted in this Agreement as a matter of convenience of reference only, and it is agreed that such section headings are not a part of this Agreement and will not be used in the interpretation of any provisions of this Agreement.

**18. Counterparts.** This Agreement may be executed in several counterparts each of which shall be regarded as an original (with the same effect as if the signatures thereto and hereto were upon the same document) and all of which shall constitute one and the same document.

*[Signature Page Follows]*

If you agree with the foregoing, please sign the enclosed counterpart of this Agreement and return it to the Underwriters. This Agreement shall become a binding agreement between you and the Underwriters when at least the counterpart of this letter shall have been signed by or on behalf of each of the parties hereto.

Very truly yours,

**RBC CAPITAL MARKETS, LLC**  
as Representative of the Underwriters

By \_\_\_\_\_  
Tom Yang  
Managing Director

Accepted at \_\_\_\_\_, Eastern Time, by the  
Matanuska-Susitna Borough, Alaska, this  
\_\_\_\_ day of April, 2015.

**MATANUSKA-SUSITNA BOROUGH, ALASKA**

By \_\_\_\_\_  
Tammy E. Clayton  
Borough Finance Director

IM15-059  
OR15-032

**Schedule I**

State of Alaska Lease Revenue Refunding Bonds, Series 2015  
(Goose Creek Correctional Center Project)

BOND TERMS

Principal Amount:    \$ \_\_\_\_\_

Dated Date:        April \_\_, 2015

Maturity Schedule:

<u>Maturity</u> <u>(_____ 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest Rate</u>	<u>Reoffering Yield</u>	<u>Reoffering Price</u>
	\$	%	%	

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Mandatory Sinking Fund Redemption Provisions:

The Bonds maturing in the years 20\_\_\_, 20\_\_\_ and 20\_\_\_ (the "Term Bonds") are subject to mandatory redemption, in part, on \_\_\_\_\_ 1 of the following years and in the respective principal amounts set forth in the following tables, by the application of sinking fund installments, and at a redemption price of par:

<u>20___ Term Bonds</u>		<u>20___ Term Bonds</u>		<u>20___ Term Bonds</u>	
<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
	\$		\$		\$
*		*		*	

\*Final Maturity

Optional Redemption:

Bonds maturing on or after \_\_\_\_\_ 1, 20\_\_\_ are subject to redemption at the option of the Borough on any date, on or after \_\_\_\_\_ 1, 20\_\_\_, as whole or in part, at a redemption price of par.

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EXHIBIT A

[Letterhead of the State of Alaska]

April \_\_, 2015

RBC Capital Markets Corporation  
San Francisco, California 94104

[Co-Manager]

RE: \$ \_\_\_\_\_ Matanuska-Susitna Borough, Alaska,  
State of Alaska Lease Revenue Refunding Bonds, Series 2015 (Goose Creek Correctional  
Center Project)

Ladies and Gentlemen:

This opinion is rendered at your request in connection with the issuance by the Matanuska-Susitna Borough, Alaska (the "Borough") of its \$ \_\_\_\_\_ principal amount of State of Alaska Lease Revenue Refunding Bonds, Series 2015 (Goose Creek Correctional Center Project), dated as of April \_\_, 2015 (the "Bonds"). All terms not otherwise defined herein shall have the meanings ascribed thereto in the Bond Purchase Agreement, dated April \_\_, 2015, relating to the purchase of the Bonds.

Based upon an examination of such documents, instruments and matters as I have deemed necessary, I am of the opinion that:

(a) No litigation or other proceedings are pending or, to my knowledge, threatened in any court or other tribunal, state or federal (i) in any way questioning or affecting the validity of any provision of Resolution No. 2015-\_\_ of the State Bond Committee, Chapter 160, SLA 2004; the Continuing Disclosure Certificate of the State with respect to the Bonds (the "State Disclosure Undertaking") or the Lease Purchase Agreement with respect to the Goose Creek Correctional Center Project dated as of December 1, 2008 as amended by the First Amendment thereto dated October 26, 2010 (collectively "Original Lease") by and among the Borough and the State of Alaska Department of Administration (the "DOA") and the State of Alaska Departments of Corrections (the "DOC"), as further amended by the Second Amendment to Lease Purchase Agreement dated as of April 1, 2015 (the "Second Amended to Lease" and together with the Original Lease, the "Lease"), or (ii) questioning or affecting the power and authority of the State of Alaska to undertake any activity contemplated on its part by the Official Statement.

(b) Other than as disclosed in the Official Statement, the State of Alaska does not know of any material litigation pending of a character which would affect the transactions contemplated by the Lease or the Official Statement.

(c) The statements contained in the Official Statement under the headings "INFORMATION CONCERNING THE STATE OF ALASKA," "STATE PENSION AND OTHER POST-EMPLOYMENT BENEFIT RESPONSIBILITIES," "INVESTMENT POLICIES," "LITIGATION AND REGULATORY PROCEEDINGS" (except for the material under the sub-heading "Borough") and "CONTINUING DISCLOSURE" (except for certain matters with respect to the Borough) are correct in all material respects with respect to the State of Alaska and its obligations thereunder and no facts have come to my attention which would lead me to believe that the statements under such headings contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(d) The State of Alaska has the authority and power under law and regulation to enter into, deliver and perform all of its rights, duties and obligations under the Lease and State Disclosure Undertaking and the Lease and the State Disclosure Undertaking have been duly authorized, executed and delivered by the State of Alaska and constitute legal, valid and binding obligations of the State of Alaska enforceable in accordance with their respective terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, moratorium or other laws affecting creditors' rights generally and by the availability of equitable remedies.

(e) The Lease and the State Disclosure Undertaking and the compliance by the State of Alaska with the provisions thereof, does not conflict with any applicable court or administrative decree or order to which the State of Alaska is bound or subject to, and to the best of my knowledge, such compliance does not conflict with or constitute a material breach of or default under any constitutional provision, applicable law or administrative rule or regulation of the State of Alaska or the United States.

(f) To the best of my knowledge, all approvals, consents and orders of and filings with any governmental authority or agency which would constitute a condition precedent to the execution and delivery of or the performance by the State of Alaska of its obligations under the Lease and the State Disclosure Undertaking have been obtained or made and any consents, approvals and orders so received or filings so made are in full force and effect.

Very truly yours,

**DRAFT**

FP DRAFT 3/6/2015

**REFUNDING TRUST AGREEMENT**

THIS REFUNDING TRUST AGREEMENT (the "Agreement") is made and entered into April \_\_\_\_\_, 2015, by and between the MATANUKSA-SUSITNA BOROUGH, ALASKA (the "Borough"), a municipal corporation, and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., a national banking association having a corporate trust office in San Francisco, California (the "Refunding Trustee").

WHEREAS, there is presently outstanding \$\_\_\_\_\_ par value of the Borough's State of Alaska Lease Revenue Bonds, Series 2008 (Goose Creek Correctional Center Project), maturing on September 1 of each of the years 2015 through 2019, inclusive, 2023, 2028 and 2032, and bearing interest at various rates ranging from 4.25% to 6.00% (the "Series 2008 Bonds") and the Assembly finds it to be in the best interest of the Borough to refund those Series 2008 Bonds maturing in the years 2023, 2028 and 2032 (the "Refunded Bonds"); and

WHEREAS, pursuant to Ordinance Serial No. 15-\_\_\_\_\_ of the Borough (the "Bond Ordinance"), the Borough has determined that the Refunded Bonds be refunded out of the proceeds of the sale of its State of Alaska Lease Revenue Refunding Bonds, Series 2015 (Goose Creek Correctional Center Project) (the "Series 2015 Bonds"), for the purpose of realizing a debt service savings for the Borough; and

WHEREAS, the refunding of the Refunded Bonds will be accomplished pursuant to this Agreement (including Exhibit A attached hereto) and the Bond Ordinance, which documents provide for and, for the purpose of Sections 103, 148, and 149(d) of the Internal Revenue Code of 1986, as amended (the "Code"), are to be considered as the Refunding Plan, by:

(a) The delivery by the Borough to the Refunding Trustee of the proceeds of the Series 2015 Bonds [and other money on deposit with the trustee under the Indenture (defined herein)];

(b) The purchase by the Refunding Trustee of the noncallable direct obligations of the United States of America listed on Exhibit A attached hereto and made a part hereof by this reference or substituted obligations purchased pursuant to Section 2 (the "Acquired Obligations") at or prior to the date the Series 2015 Bonds are delivered to the original purchaser thereof and the Borough receives full payment therefor (the "Issue Date"), which Acquired Obligations satisfy the requirements of the Verification described in paragraph (c);

(c) The delivery to the Borough and the Refunding Trustee of a verification (the "Verification") by a nationally recognized independent certified public accounting firm verifying the mathematical accuracy of the computations (which computations shall be attached to that report) showing that the Acquired Obligations to be purchased by the Refunding Trustee pursuant to the Bond

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Ordinance and this Agreement, together with the specified beginning cash balance, if any, and the maturing principal of and interest on such Acquired Obligations, will provide sufficient money (assuming that all principal of and interest on the Acquired Obligations are paid on the due dates thereof and assuming no reinvestment of such maturing principal and interest) to pay interest on the Refunded Bonds when due up to and including September 1, 2019, and on September 1, 2019, call, pay, and redeem all of the outstanding Refunded Bonds at a price of par; and

(d) The receipt by the Refunding Trustee of the maturing installments of principal of and interest on the Acquired Obligations; and

(e) The Refunding Trustee's payment to the trustee under the Indenture of money sufficient to make the payments on the Refunded Bonds set forth herein;

and

WHEREAS, upon the issuance of the Series 2015 Bonds under the laws of the State of Alaska, the principal amount of the Refunded Bonds no longer shall be considered outstanding pursuant to the Trust Indenture between the Matanuska-Susitna Borough, Alaska and The Bank of New York Mellon Trust Company, N.A., dated as of December 1, 2008, as supplemented by the First Supplement thereto dated as of April 1, 2015 (the "Indenture"); and

WHEREAS, the Assembly of the Borough has found that the refunding of the Refunded Bonds, through the issuance of the Series 2015 Bonds, is beneficial and will realize a debt service savings; and

WHEREAS, the Assembly of the Borough, pursuant to the Bond Ordinance, has duly and validly authorized the execution and delivery of this Agreement, the delivery of the proceeds of the Series 2015 Bonds to the Refunding Trustee, the purchase by the Refunding Trustee of the Acquired Obligations and the carrying out of the Refunding Plan;

NOW, THEREFORE, in consideration of the mutual covenants hereinafter contained and for the benefit of the Borough, the parties hereto agree as follows:

Section 1. Delivery of Money to Refunding Trustee. On the Issue Date, the Borough shall cause to be delivered to the Refunding Trustee all of the proceeds of the Series 2015 Bonds in the amount of \$ \_\_\_\_\_ [and \$ \_\_\_\_\_ of money on deposit with the trustee under the Indenture, for a total of \$ \_\_\_\_\_].

Section 2. Investment and Expenditure of Money. On the Issue Date, the Refunding Trustee shall apply \$ \_\_\_\_\_ to pay on behalf of the Borough the purchase and/or subscription prices of the Acquired Obligations, from the sources, in the principal amounts, with the dates of maturity and bearing the interest rates or yields set forth in Exhibit A, and \$ \_\_\_\_\_ to establish a beginning cash balance. Upon receipt thereof, the Refunding

Trustee shall deliver to the Borough copies of the documents evidencing the purchase of and payment for the Acquired Obligations. Investments in mutual funds and unit investment trusts are prohibited.

On the Issue Date, the Refunding Trustee, on behalf of the Borough, shall use the remaining \$ \_\_\_\_\_ to pay the costs of issuance and sale of the Series 2015 Bonds as set forth in the closing memorandum for the Series 2015 Bonds from the Series 2015 Bond proceeds deposited with the Refunding Trustee and not needed to refund the Refunded Bonds, and shall transfer all remaining proceeds to the Borough for application in accordance with the Bond Ordinance.

Section 3. Sufficiency of Acquired Obligations. Based upon the Verification, the Borough represents that the Acquired Obligations and the maturing principal thereof and the interest thereon, if paid when due, together with the beginning cash balance, shall be sufficient to make when due the payments required by the Refunding Plan. The schedules of the sources, amounts, maturities, and interest rates or yields of the Acquired Obligations and of the Refunded Bonds that will fulfill the foregoing requirements are set forth in the Verification.

Section 4. Collection of Proceeds of Acquired Obligations and Application of Such Proceeds and Money. The Refunding Trustee shall present for payment and shall collect and receive on the due dates thereof the maturing installments of the principal of and the interest on the Acquired Obligations and any Substitute Obligations (defined herein). The Refunding Trustee shall make payments, but only in the amounts received pursuant to this section, in a timely manner to the trustee under the Indenture of the amounts to be paid on the Refunded Bonds as shown in the Verification. Those payments shall be made by check, wire transfer, or such other method of transfer of funds as shall be agreed upon by the Refunding Trustee and the trustee under the Indenture.

Section 5. Notice of Defeasance/Notice of Redemption. The Refunding Trustee agrees to give a notice of defeasance and a notice of redemption of the Refunded Bonds pursuant to the terms of the Refunded Bonds, and in substantially the forms attached hereto as and as described in Exhibits B and C, to the trustee under the Indenture for distribution as described therein. The notice of defeasance shall be given within two business days following the execution of this Agreement, and the notice of redemption shall be given in accordance with the Indenture. Notices given to the Municipal Securities Rulemaking Board (the "MSRB") shall be in the electronic format prescribed by the MSRB and accompanied by the identifying information prescribed by the MSRB. The cost of giving the notices shall be paid by the Borough.

Section 6. All Obligations and Money and Proceeds Thereof Held in Trust. The Refunding Trustee irrevocably agrees to hold the Acquired Obligations, the Substitute Obligations, if any, the principal thereof and interest thereon, and any other money it may receive pursuant to this Agreement and any reinvestments thereof made pursuant to Sections 8 and 9 hereof, in trust and separate at all times from all other funds and investments held by the Refunding Trustee, solely for the purpose of making the payments required by the Refunding Plan. The Borough irrevocably conveys, transfers, and assigns to the Refunding Trustee the Acquired Obligations, any Substitute Obligations, the principal thereof and the interest thereon,

and any other money and investments deposited with the Refunding Trustee pursuant to this Agreement, for the purpose of making such payments. The Refunding Trustee shall not sell, transfer, assign, or hypothecate any Acquired Obligations, reinvestments, or Substitute Obligations except pursuant to Sections 8, 9, 13 and 14 hereof.

Section 7. Reports. The Refunding Trustee shall submit a report to the Borough, at least semiannually, which report shall set forth the cash, Acquired Obligations, and any Substitute Obligations held hereunder by the Refunding Trustee, the obligations which have matured and amounts received by the Refunding Trustee by reason of such maturity, the interest earned on such obligations, a list of any investments or reinvestments made by the Refunding Trustee in other obligations and the interest and/or principal derived therefrom, the amounts paid to the trustee under the Indenture, and any other transaction of the Refunding Trustee pertaining to its duties and obligations as set forth herein.

Section 8. Substitution of Different Obligations or Other Investments. The Borough reserves the right to substitute from time to time for Acquired Obligations initially purchased in accordance with Section 2 hereof, or for obligations purchased under this section, other noncallable, nonprepayable direct obligations of the United States of America and/or obligations unconditionally guaranteed by the United States of America as to full and timely payment of principal and interest authorized to be acquired with the proceeds of the Series 2015 Bonds (the "Substitute Obligations"). Prior to effecting any such substitution, the Borough shall have obtained at its expense and delivered to the Refunding Trustee:

(a) A verification by a nationally recognized independent certified public accounting firm acceptable to the Refunding Trustee confirming that the maturing principal of and interest on the Substitute Obligations and any remaining Acquired Obligations to be held by the Refunding Trustee in the refunding escrow, if paid when due and assuming no reinvestment thereof, together with any other cash then held by the Refunding Trustee, will be sufficient to carry out the Refunding Plan and make all remaining payments required by the Refunding Plan; and

(b) An opinion from Foster Pepper PLLC, bond counsel to the Borough, its successor or other nationally recognized bond counsel to the Borough ("Bond Counsel"), that the disposition and substitution or purchase of such securities, under the statutes, rules, and regulations then in force and applicable to the Series 2015 Bonds, will not cause the interest on the Series 2015 Bonds or the Refunded Bonds to be included in gross income for federal income tax purposes and that such disposition and substitution or purchase is in compliance with the statutes and regulations applicable to the Series 2015 Bonds.

If the verification delivered to the Refunding Trustee pursuant to Section 8(a) shows that surplus money not needed to make the payments required by the Refunding Plan will result from the sale, transfer, or other disposition of Acquired Obligations and the substitution of Substitute Obligations therefor, that surplus money at the written request of the Borough shall be released from the trust estate and shall be transferred to the Borough to be used for any lawful Borough

purpose, subject to any restrictions stated in the opinion of Bond Counsel required by Section 8(b).

Section 9. Reinvestment of Proceeds of Acquired and/or Substitute Obligations. The proceeds (principal and interest) and reinvestment proceeds of any Acquired Obligations and/or Substitute Obligations held by the Refunding Trustee in accordance with this Agreement, that are not needed within five business days of the receipt thereof to make the payments required by the Refunding Plan, shall be reinvested by the Refunding Trustee, but only upon receipt of written request of the Borough, on such date of receipt or the next business day. The Borough shall direct such reinvestment subject to the following conditions:

(a) Except as provided in subsection (c) below, the proceeds of such Acquired Obligations and/or Substitute Obligations shall be reinvested in Substitute Obligations at a yield that will not cause the composite yield on the refunding escrow to exceed \_\_\_\_\_% during its term or such higher yield as may be directed by letter of instructions from the Borough to the Refunding Trustee, but if the composite yield on the directed investments made pursuant to this Agreement would exceed \_\_\_\_\_%, such letter of instructions shall contain a verification of such composite yield and shall be based upon and accompanied by the opinion of Bond Counsel approving reinvestment of such proceeds at such higher yield.

(b) The obligations in which such proceeds are reinvested shall mature in an amount at least equal to their purchase price on the date or dates directed by the Borough, but not later than the date (as shown by the then most recent certified public accountant verification) the principal thereof is needed to make the payments required by the Refunding Plan;

(c) If such proceeds, together with other funds remaining in trust, are insufficient to reinvest in the smallest denomination of such obligations or are required to be used to make payments required by the Refunding Plan sooner than the shortest maturity available for such obligations, then those proceeds and funds either shall be converted to United States currency and retained or shall remain uninvested in the refunding escrow and carried on the books of the Refunding Trustee until required to make the payments required by the Refunding Plan, or until sufficient money is accumulated to permit the investment thereof; and

(d) "Yield," as used in paragraph (a) of this section with respect to the Acquired Obligations and Substitute Obligations, means that yield computed in accordance with and permitted by the Code applicable to the Series 2015 Bonds and the trust under this Agreement so as to preserve the exclusion from gross income for federal income tax purposes of the interest on the Series 2015 Bonds.

The Refunding Trustee may make any and all investments permitted by the provisions of this Section through its own investment department or the investment departments of any of its affiliates.

Section 10. Amendments to Agreement. The Refunding Trustee and the Borough recognize that the owners of the Refunded Bonds and the Series 2015 Bonds from time to time have a beneficial interest in the Acquired Obligations, the Substitute Obligations, and money to be held by the Refunding Trustee as herein provided. Therefore, this Agreement is irrevocable and shall not be subject to amendment except for the purpose of clarifying any ambiguity herein, increasing the protection of the rights of the owners of the Refunded Bonds or the Series 2015 Bonds, or preserving the exclusion of the interest on the Refunded Bonds and the Series 2015 Bonds from gross income for federal income tax purposes, and only if such amendment is accompanied by an opinion addressed to the Borough and the Refunding Trustee from Bond Counsel to the effect that such change is necessary for one of the above reasons and does not materially adversely affect the owners of the outstanding Refunded Bonds and the Series 2015 Bonds or that it strengthens the protection of the owners of the Refunded Bonds and the Series 2015 Bonds and does not materially adversely affect the owners of the Refunded Bonds and the Series 2015 Bonds. If such amendment affects the amount of money and investments in the refunding escrow or the application thereof, prior to the amendment's taking effect there also shall be a verification by a nationally recognized independent certified public accounting firm satisfactory to the Refunding Trustee to the effect that after such amendment the Acquired Obligations, Substitute Obligations, and other money in the refunding escrow will be sufficient to make the payments required by the Refunding Plan. A copy of such verification shall be delivered to the Refunding Trustee.

Section 11. Limitation of Liability of Refunding Trustee. None of the provisions contained in this Agreement shall require the Refunding Trustee to use or advance its own funds in the performance of any of its duties or the exercise of any of its rights or powers hereunder. The Refunding Trustee shall be under no liability for the payment of interest on any funds or other property received by it hereunder except to the extent the Refunding Trustee is required by the express terms of this Agreement to invest such funds.

The Refunding Trustee's liabilities and obligations in connection with this Agreement are confined to those specifically described herein. The Refunding Trustee is authorized and directed to comply with the provisions of this Agreement and is relieved from all liability for so doing notwithstanding any demand or notice to the contrary by any party hereto. The Refunding Trustee shall not be responsible or liable for the sufficiency, correctness, genuineness, or validity of the Acquired Obligations or the Substitute Obligations deposited with it; the performance or compliance by any party other than the Refunding Trustee with the terms or conditions of any such instruments; or any loss which may occur by reason of forgeries, false representations, or the exercise of the Refunding Trustee's discretion in any particular manner unless such exercise is negligent or constitutes willful misconduct.

If any controversy arises between the Borough and any third person, the Refunding Trustee shall not be required to determine the same or to take any action in the premises, but it may institute, in its discretion, an interpleader or other proceedings in connection therewith as it may deem proper, and in following either course, it shall not be liable.

Section 12. Remittance of Funds When Refunded Bonds Paid in Full. At such time as the Refunding Trustee has received the representation of the Borough that all of the payments required by the Refunding Plan have been made and the confirmation of such representation by the trustee under the Indenture, together with such other evidence of such payments as shall be satisfactory to the Borough and the Refunding Trustee, the Refunding Trustee shall deliver forthwith or remit to the Borough any remaining Acquired Obligations, Substitute Obligations, and money held pursuant to this Agreement.

Section 13. Compensation of Refunding Trustee. The payment arrangement heretofore made between the Refunding Trustee and the Borough on compensation and expenses of the Refunding Trustee for services rendered by it pursuant to the provisions of this Agreement is satisfactory to it and to the Borough, and no further payment to the Refunding Trustee shall be required for such purpose. Such arrangement for compensation and expenses is intended as compensation for the ordinary services as contemplated by this Agreement, and if the Refunding Trustee renders any service hereunder not provided for in this Agreement, or the Refunding Trustee is made a party to or intervenes in any litigation pertaining to this Agreement or institutes interpleader proceedings relative hereto, the Refunding Trustee shall be compensated reasonably by the Borough for such extraordinary services and reimbursed for all fees, costs, liability, and expenses (including reasonable attorneys' fees) occasioned thereby. The Refunding Trustee shall not have a lien against or otherwise be compensated for its services and expenses from the money, Acquired Obligations, and Substitute Obligations held pursuant to this Agreement to make the payments required by the Refunding Plan.

Section 14. Successor Refunding Trustee. The obligations assumed by the Refunding Trustee pursuant to this Agreement may be transferred by the Refunding Trustee to a successor if (a) the Refunding Trustee has presented evidence satisfactory to the Borough and to Bond Counsel that the successor Refunding Trustee meets the requirements of RCW 39.53.070, as now in effect or hereafter amended; (b) the Borough approves the appointment of the successor Refunding Trustee; (c) the successor Refunding Trustee has assumed all of the obligations of the Refunding Trustee under this Agreement and has been compensated; and (d) all of the Acquired Obligations, reinvestments, Substitute Obligations, and money then held by the Refunding Trustee pursuant to this Agreement have been duly transferred to such successor Refunding Trustee.

Notwithstanding anything to the contrary contained in this Agreement, any company into which the Refunding Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion, or consolidation to which the Refunding Trustee is a party, or any company to which the Refunding Trustee may sell or transfer all or substantially all of its corporate trust business shall be the successor to the Refunding Trustee without execution or filing of any paper or further act, if such company is eligible to serve as Refunding Trustee under RCW 39.53.070.

Section 15. Miscellaneous. This Agreement is governed by Alaska law without regard to the conflict of laws provisions thereof and may not be modified except by a writing signed by the parties and subject to the limitations of Section 10. If any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable

in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions of this Agreement, but this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

Section 16. Notice to Rating Agencies. The Refunding Trustee shall notify all national rating agencies maintaining (at the request of the Borough) a rating on the Refunded Bonds or the Series 2015 Bonds, in writing upon timely receipt of notice or evidence of either of the following circumstances:

(a) Prior to their taking effect, any amendments to this Agreement under Section 10, enclosing the proposed amendatory documents; and

(b) The holding (referred to in Section 15) that one or more provisions of this Agreement are invalid, illegal, or unenforceable in any respect, enclosing a copy of that holding.

Such notices shall be sent to the applicable rating agencies by first class mail to the addresses advised by those rating agencies.

Section 17. Counterparts. This Agreement may be executed in counterparts.

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement pursuant to due and proper authorization, all as of the date and year first above written.

MATANUKSA-SUSITNA BOROUGH,  
ALASKA

THE BANK OF NEW YORK MELLON  
TRUST COMPANY, N.A., as Refunding  
Trustee

By \_\_\_\_\_  
Tammy Clayton, Director of Finance

By \_\_\_\_\_  
Title: \_\_\_\_\_

**EXHIBIT A**

**MATANUKSA-SUSITNA BOROUGH, ALASKA  
STATE OF ALASKA LEASE REVENUE REFUNDING BONDS, SERIES 2015  
(GOOSE CREEK CORRECTIONAL CENTER PROJECT)**

**ACQUIRED OBLIGATIONS**

<b>TYPE*</b>	<b>MATURITY DATE</b>	<b>PAR AMOUNT</b>	<b>INTEREST RATE</b>	<b>PURCHASE PRICE</b>
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\*[insert description of abbreviation of type of security]

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**EXHIBIT B**

**Notice of Defeasance\***  
**Matanuska-Susitna Borough, Alaska**  
**State of Alaska Lease Revenue Bonds, Series 2008**  
**(Goose Creek Correctional Center Project)**

NOTICE IS HEREBY GIVEN to the owners of the above-captioned bonds with respect to which, pursuant to the Refunding Trust Agreement dated April \_\_\_\_\_, 2015, by and between the Matanuska-Susitna Borough, Alaska (the "Borough"), and The Bank of New York Mellon Trust Company, N.A. (the "Refunding Trustee"), there has been deposited into an escrow account, held by the Refunding Trustee, cash and non-callable direct obligations of the United States of America, the principal of and interest on which, when due, will provide money to pay each year, to and including the respective maturity or redemption dates of such bonds so provided for, the principal thereof and interest thereon (the "Refunded Bonds"). Such Refunded Bonds are therefore deemed to be no longer outstanding pursuant to the Trust Indenture between the Matanuska-Susitna Borough, Alaska and The Bank of New York Mellon Trust Company, N.A., dated as of December 1, 2008, as supplemented by the First Supplement thereto dated as of April 1, 2015, relating to the Refunded Bonds, but will be paid by application of the assets in such escrow account.

The Refunded Bonds are described as follows:

Matanuska-Susitna Borough, Alaska  
State of Alaska Lease Revenue Bonds, Series 2008  
(Goose Creek Correctional Center Project)  
(Dated January 7, 2009)

Maturity Date (September 1)	Par Amount Defeased	Interest Rate	Call Date (at 100%)	CUSIP No.
2023*	\$37,275,000	5.50%	09/01/2019	576553 AP6
2028*	60,545,000	6.00	09/01/2019	576553 AV3
2032*	63,370,000	6.00	09/01/2019	576553 BA8

\*Term Bonds

THE BANK OF NEW YORK MELLON TRUST  
COMPANY, N.A., as Refunding Trustee

Dated: \_\_\_\_\_

\* This notice shall be given within two business days of the date of the Escrow Agreement by first class mail to each registered owner of the Refunded Bonds. In addition, notice shall be mailed within the same period, postage prepaid, to Moody's Investors Service, Inc., and Standard & Poor's at their offices in New York, New York; RBC Capital Markets, LLC, on behalf of itself and as Representative of Merrill Lynch, Pierce, Fenner & Smith Incorporated and Morgan Stanley & Co. Incorporated at its principal office in San Francisco, California; Assured Guaranty Corp., or its successor, at its principal office in New York, New York (Policy No. D-2009-16); The Depository Trust Company of New York, New York, and the Municipal Securities Rulemaking Board (the "MSRB") in the electronic format and accompanied by the identifying information prescribed by the MSRB.

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**EXHIBIT C**

**Notice of Redemption\***

**Matanuska-Susitna Borough, Alaska  
State of Alaska Lease Revenue Bonds, Series 2008  
(Goose Creek Correctional Center Project)**

NOTICE IS HEREBY GIVEN that the Matanuska-Susitna Borough, Alaska, has called for redemption on September 1, 2019, all of its then-outstanding State of Alaska Lease Revenue Bonds, Series 2008 (Goose Creek Correctional Center Project) (the "Refunded Bonds").

The Refunded Bonds will be redeemed at a price of one hundred percent (100%) of their principal amount, plus accrued interest to September 1, 2019. The redemption price of the Refunded Bonds is payable on presentation and surrender of the Refunded Bonds at the office of:

[By Mail or in Person]

Interest on the Refunded Bonds to be redeemed shall cease to accrue on September 1, 2019.

The following Refunded Bonds are being redeemed:

Maturity Date (September 1)	Par Amount Redeemed	Interest Rate	CUSIP No.
2023*	\$37,275,000	5.50%	576553 AP6
2028*	60,545,000	6.00	576553 AV3
2032*	63,370,000	6.00	576553 BA8

\*Term Bonds

**By Order of the Matanuska-Susitna Borough, Alaska**

**THE BANK OF NEW YORK MELLON TRUST  
COMPANY, N.A., as Trustee**

Dated: \_\_\_\_\_

Under Section 3406(a)(1) of the Internal Revenue Code the Registrar may be obligated to withhold a percentage of the principal of a holder who has failed to furnish the Registrar with a valid taxpayer identification number and a certification that the owner is not subject to backup withholding. Owners who wish to avoid the application of these provisions should submit a completed IRS Form W-9 when presenting their certificates for payment.

\* This notice shall be given not less than 30 nor more than 60 days prior to September 1, 2019, by first class mail, postage prepaid, to each registered owner of the Bonds to be redeemed. In addition, notice shall be mailed within the same period, postage prepaid, to Moody's Investors Service, Inc., and Standard & Poor's at their offices in New York, New York; RBC Capital Markets, LLC, on behalf of itself and as Representative of Merrill Lynch, Pierce, Fenner & Smith Incorporated and Morgan Stanley & Co. Incorporated at its principal office in San Francisco, California; Assured Guaranty Corp., or its successor, at its principal office in New York, New York (Policy No. D-2009-16); The Depository Trust Company of New York, New York, and the Municipal Securities Rulemaking Board (the "MSRB") in the electronic format and accompanied by the identifying information prescribed by the MSRB.

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**PALMER RECORDING DISTRICT**

**After recording, return to:**

Marc R. Greenough  
Foster Pepper PLLC  
1111 Third Avenue, Suite 3400  
Seattle, Washington 98101

**SECOND AMENDMENT TO  
LEASE PURCHASE AGREEMENT**

This Second Amendment to Lease Purchase Agreement dated as of [REDACTED] 1, 2015 (this "Second Amendment"), is being entered into by and among the Matanuska-Susitna Borough (the "Borough"), the State of Alaska Department of Administration (the "DOA"), the State of Alaska Department of Corrections (the "DOC") and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee") under the Trust Indenture dated as of December 1, 2008 (as supplemented by the First Supplement thereto, the "Indenture") between the Borough and the Trustee, to amend the Lease Purchase Agreement dated as of December 1, 2008 (the "Original Agreement"), entered into by and among the Borough, the DOA and the DOC, as amended by the First Amendment thereto dated as of September 1, 2010, entered into by and among the Borough, the DOA, the DOC and the Trustee.

**RECITALS**

1. Pursuant to the Original Agreement, as amended by the First Amendment thereto, the Borough has leased to the DOA and the DOC the Land described in Exhibit A and the Improvements.
2. The Borough has assigned to the Trustee all of its right, title and interest in, and obligations and duties under, the Original Agreement pursuant to the Indenture and the Assignment of Lease-Purchase Agreement made as of January 7, 2009, from the Borough to the Trustee.
3. The Borough has issued its State of Alaska Lease Revenue Bonds, Series 2008 (Goose Creek Correctional Center Project), in an aggregate principal amount of \$244,285,000 (the "Series 2008 Bonds") pursuant to the Indenture to finance the construction of the Goose

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Creek Correctional Facility, which remain outstanding in an aggregate principal amount of \$197,880,000.

4. Pursuant to the Indenture, the Series 2008 Bonds maturing in 2023 and later years (the "Refunded Bonds") are subject to redemption at the option of the Borough on any date on or after September 1, 2019, at a redemption price equal to the principal amount thereof plus accrued interest to the redemption date.

5. After due consideration, it appears that the Refunded Bonds may be refunded by the issuance and sale of lease revenue refunding bonds (the "Series 2015 Bonds") so that a substantial savings will be effected by the difference between the principal and interest cost over the life of the Series 2015 Bonds and the principal and interest cost over the life of the Refunded Bonds but for such refunding.

6. Pursuant to the Indenture, the Borough may, subject to certain conditions, issue the Series 2015 Bonds to advance refund the Refunded Bonds.

7. The DOA has requested, and the Borough deems it to be in its best interests, that the Borough issue and sell the Series 2015 Bonds to refund the Refunded Bonds and to amend the Original Agreement to reflect the savings so effected.

8. Pursuant to Section 20.6 of the Original Agreement, the DOA and the Borough may execute such amendments or modifications to the Original Agreement as they may deem necessary or desirable from time to time and at any time without the consent of the holders of any Series 2008 Bonds.

9. Pursuant to Section 12.01 of the Indenture, the Borough, DOA and the Trustee may, without the consent of or notice to the Bondholders (as defined in the Indenture), consent to any amendment, change, or modification of the Original Agreement as may be required in connection with the issuance of the Series 2015 Bonds.

10. Pursuant to Ordinance Serial No. 15-[REDACTED], the Borough Assembly has authorized the Borough Manager to execute this Second Amendment.

### AGREEMENT

The Borough, the DOA, the DOC and the Trustee hereby agree as follows:

1. "Bonds" shall include the Series 2015 Bonds (as defined in the Indenture).
2. Exhibit B of the Original Agreement is hereby amended to read in its entirety as set forth in Exhibit B.
3. The Original Agreement, as amended by the First Amendment thereto and this Second Amendment, is and remains in full force and effect.

[Signature pages follow]

IN WITNESS WHEREOF, the parties hereto have caused this Second Amendment to be duly executed and delivered by their respective authorized officers thereunto duly authorized.

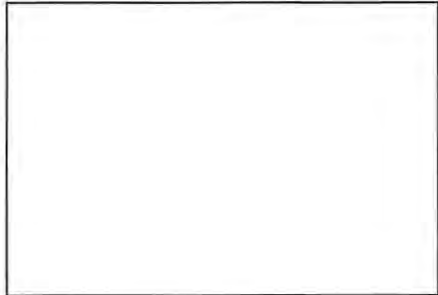
MATANUSKA-SUSITNA BOROUGH, ALASKA

By: \_\_\_\_\_  
John Moosey, Borough Manager

STATE OF ALASKA            )  
  ) ss.  
THIRD JUDICIAL DISTRICT )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of [REDACTED], 2015, by John Moosey, the Borough Manager of the Matanuska-Susitna Borough, a second class borough of the State of Alaska, on behalf of that borough.

Dated: [REDACTED] \_\_\_\_, 2015.



\_\_\_\_\_  
(Signature of Notary)  
Notary public for Alaska  
My commission expires \_\_\_\_\_.

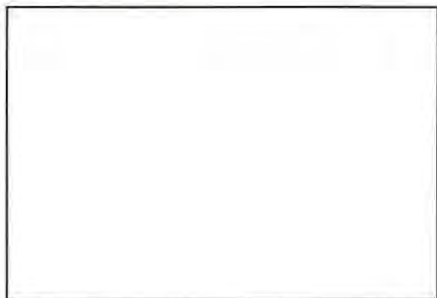
STATE OF ALASKA DEPARTMENT OF  
ADMINISTRATION

By: \_\_\_\_\_  
Sheldon Fisher, Commissioner

STATE OF ALASKA            )  
  ) ss.  
FIRST JUDICIAL DISTRICT    )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of [REDACTED], 2015, by Sheldon Fisher, the Commissioner of the State of Alaska Department of Administration, a department of the State of Alaska, on behalf of that department.

Dated: [REDACTED] \_\_\_\_\_, 2015.



\_\_\_\_\_  
(Signature of Notary)

Notary public for Alaska  
My commission expires \_\_\_\_\_.

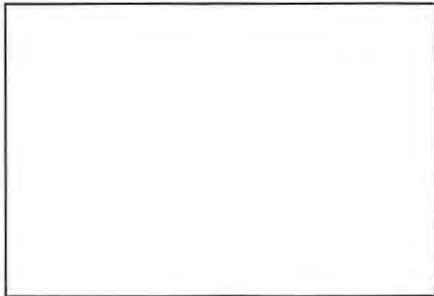
STATE OF ALASKA DEPARTMENT OF  
CORRECTIONS

By: \_\_\_\_\_  
Ronald Taylor, Commissioner

STATE OF ALASKA            )  
  ) ss.  
FIRST JUDICIAL DISTRICT    )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of [REDACTED], 2015, by Ronald Taylor, the Commissioner of the State of Alaska Department of Corrections, a department of the State of Alaska, on behalf of that department.

Dated: [REDACTED] \_\_\_\_, 2015.



\_\_\_\_\_  
(Signature of Notary)  
Notary public for Alaska  
My commission expires \_\_\_\_\_.

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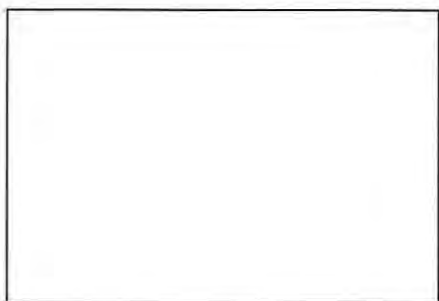
THE BANK OF NEW YORK MELLON TRUST  
COMPANY, N.A., as trustee

By: \_\_\_\_\_  
[redacted], [redacted]

STATE OF WASHINGTON     )  
                                      ) ss.  
COUNTY OF KING         )

On this day before me personally appeared [redacted], known or proved to me to be the [redacted] of The Bank of New York Mellon Trust Company, N.A., a national banking association, the entity that executed the within and foregoing instrument, and acknowledged that instrument to be the free and voluntary act and deed of that entity, for the uses and purposes mentioned therein, and on oath stated that she was authorized to execute such instrument.

IN WITNESS WHEREOF I have hereunto set my hand and official seal this \_\_\_\_\_ day of [redacted], 2015.



\_\_\_\_\_  
(Signature of Notary)

\_\_\_\_\_  
(Legibly Print or Stamp Name of Notary)

Notary public in and for the State of Washington,  
residing at \_\_\_\_\_.  
My commission expires \_\_\_\_\_.

EXHIBIT A

LEGAL DESCRIPTION OF LAND

The following real property located in the Palmer Recording District, Third Judicial District, State of Alaska, and more particularly described as follows:

Tract 1, Point Mack Subdivision Phase 1, according to Plat No. 2008-68, recorded in the Palmer Recording District, Third Judicial District, State of Alaska, and Tract 3B, Point Mack Subdivision Phase 1, according to Plat No. 2010-45, recorded in the Palmer Recording District, Third Judicial District, State of Alaska

EXHIBIT B

SCHEDULE OF LEASE PAYMENTS

<u>Lease Payment Date</u>	<u>Principal Component</u>	<u>Interest Component</u>	<u>Total Lease Payment</u>
3/1/2009	\$12,635,000.00	\$1,989,894.38	\$14,624,894.38
9/1/2009	5,040,000.00	6,427,662.50	11,467,662.50
3/1/2010	—	6,345,762.50	6,345,762.50
9/1/2010	5,240,000.00	6,345,762.50	11,585,762.50
3/1/2011	—	6,229,762.50	6,229,762.50
9/1/2011	5,475,000.00	6,229,762.50	11,704,762.50
3/1/2012	—	6,107,887.50	6,107,887.50
9/1/2012	5,730,000.00	6,107,887.50	11,837,887.50
3/1/2013	—	5,977,887.50	5,977,887.50
9/1/2013	6,000,000.00	5,977,887.50	11,977,887.50
3/1/2014	—	5,837,887.50	5,837,887.50
9/1/2014	6,285,000.00	5,837,887.50	12,122,887.50
3/1/2015	—	5,690,762.50	5,690,762.50
9/1/2015			
3/1/2016			
9/1/2016			
3/1/2017			
9/1/2017			
3/1/2018			
9/1/2018			
3/1/2019			
9/1/2019			
3/1/2020			
9/1/2020			
3/1/2021			
9/1/2021			
3/1/2022			
9/1/2022			
3/1/2023			
9/1/2023			
3/1/2024			
9/1/2024			
3/1/2025			
9/1/2025			
3/1/2026			
9/1/2026			
3/1/2027			
9/1/2027			

<u>Lease Payment Date</u>	<u>Principal Component</u>	<u>Interest Component</u>	<u>Total Lease Payment</u>
3/1/2028			
9/1/2028			
3/1/2029			
9/1/2029			
3/1/2030			
9/1/2030			
3/1/2031			
9/1/2031			
3/1/2032			
9/1/2032			
3/1/2033			
Total			

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FIRST SUPPLEMENT TO  
TRUST INDENTURE

between

MATANUSKA-SUSITNA BOROUGH, ALASKA

and

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,  
as Trustee

Dated as of [ ] 1, 2015

Securing

MATANUSKA-SUSITNA BOROUGH  
STATE OF ALASKA LEASE REVENUE REFUNDING BONDS, SERIES 2015  
(GOOSE CREEK CORRECTIONAL CENTER PROJECT)

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FIRST SUPPLEMENT TO  
TRUST INDENTURE

THIS FIRST SUPPLEMENT TO TRUST INDENTURE (this "First Supplement"), made as of [REDACTED] 1, 2015, by and between the MATANUSKA-SUSITNA BOROUGH, an Alaska municipal corporation, together with any successors and assigns (the "Borough") and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., a national banking association organized under the laws of the United States and having a corporate trust office in San Francisco, California (in such capacity, together with any successor in such capacity, the "Trustee"),

W I T N E S S E T H:

ARTICLE I  
DEFINITIONS AND INTERPRETATION

Section 1.01 Definitions. Unless the context otherwise requires, the terms defined in the Original Indenture and in this First Supplement shall, for all purposes of the Indenture, have the meanings herein specified, such definitions to be equally applicable to both the singular and plural forms of any of the terms defined:

Costs of Issuance: All costs and expenses of issuance of the Series 2015 Bonds and carrying out the Refunding Plan, including: (1) Underwriters' discount or fee and financial advisor's fee; (2) counsel fees and expenses, including Bond Counsel as well as any other specialized counsel fees incurred in connection with the issuance of the Series 2015 Bonds; (3) initial fees and expenses of the Trustee, including Trustee counsel fees and expenses, in connection with the issuance of the Series 2015 Bonds; (4) costs of printing the official statement; (5) publication or copying costs associated with the financing proceedings; and (6) initial fees and expenses, if any, of the Borough, the Rating Services and the verification agent.

Costs of Issuance Account: The account of the Refunding Fund of that name created under Section 5.02.

Original Indenture: Trust Indenture dated as of December 1, 2008, between the Borough and the Trustee

Original Lease Purchase Agreement: Lease Purchase Agreement dated as of December 1, 2008, among the Borough, as lessor, the DOA, as lessee, and the DOC, as tenant agency, as amended by the First Amendment thereto dated October 26, 2010.

Refunded Bonds: The Series 2008 Bonds stated to mature on or after September 1, 2023.

Refunding Fund: The fund of that name created under Section 5.02.

Refunding Plan: The deposit of proceeds of the Series 2015 Bonds in trust with the Trustee pursuant to the Refunding Trust Agreement; the acquisition by the Trustee of Government Securities, the principal of and the interest on which when due and payable will

provide sufficient money to pay the principal of the Refunded Bonds and interest thereon that will become due and payable on or prior to September 1, 2019; the payment of the principal of and interest on the Refunded Bonds when due up to and including September 1, 2019; and the call, payment, and redemption on September 1, 2019, of all of the Refunded Bonds then Outstanding at a redemption price equal to the principal amount thereof plus accrued interest to September 1, 2019.

Refunding Trust Agreement: The Refunding Trust Agreement dated [REDACTED], 2015, between the Borough and the Trustee.

Series 2015 Bond Ordinance: Ordinance Serial No. 15-[REDACTED] of the Borough Assembly enacted on [REDACTED], 2015, authorizing the issuance of the Series 2015 Bonds, as the same may be amended, modified, or supplemented by any amendments or modifications thereof.

Series 2015 Bonds: The Borough's "State of Alaska Lease Revenue Refunding Bonds, Series 2015 (Goose Creek Correctional Center Project)," authorized by the Indenture and the Series 2015 Bond Ordinance.

## ARTICLE II RECITALS

The Borough has issued the Series 2008 Bonds in an aggregate principal amount of \$244,285,000 pursuant to the Original Indenture, of which \$197,880,000 in aggregate principal amount remains Outstanding.

Pursuant to Section 3.01(a) of the Original Indenture, the Series 2008 Bonds maturing in 2023 and later years are subject to redemption at the option of the Borough, in whole or in part, and if in part, in such order of maturity dates as the Borough may determine, on any date on or after September 1, 2019, at a redemption price equal to the principal amount thereof plus accrued interest to the redemption date.

After due consideration, it appears that the Refunded Bonds may be refunded by the issuance and sale of the Series 2015 Bonds so that a substantial savings will be effected by the difference between the principal and interest cost over the life of the Series 2015 Bonds and the principal and interest cost over the life of the Refunded Bonds but for the refunding to be effected by carrying out the Refunding Plan.

Pursuant to Section 2.11 of the Original Indenture, the Borough may in its discretion, upon request of the DOA and subject to certain conditions, issue Additional Bonds to, among other things, refund or advance refund any Bonds then Outstanding and, in case of an advance refunding, the interest thereon to maturity or a specified redemption date, and which are secured by the Indenture and the Trust Estate on a parity with the Bonds then Outstanding under the Indenture.

The DOA has requested, and the Borough deems it to be in its best interests, that the Borough issue and sell the Series 2015 Bonds to carry out the Refunding Plan.

Pursuant to Section 11.01 of the Original Indenture, the Borough and the Trustee may, subject to certain conditions, enter into indentures supplemental to the Indenture without the consent of any Bondholder to, among other purposes, provide for the issuance of Additional Bonds.

In connection with the issuance of the Series 2008 Bonds, the Borough entered into the Original Lease Purchase Agreement with the DOA and the DOC, and in connection with the execution and delivery of this First Supplement and the issuance of the Series 2015 Bonds, the Borough, the DOA, the DOC and the Trustee will enter into a Second Amendment to Lease Purchase Agreement pursuant to which the DOA and the DOC will agree to make payments sufficient to pay the principal of and interest on the Series 2015 Bonds.

ARTICLE III  
FORM, EXECUTION, AND REGISTRATION OF BONDS

Section 3.01 Form of Series 2015 Bonds. The Series 2015 Bonds to be issued and secured under the Indenture shall each be designated "State of Alaska Lease Revenue Refunding Bonds, Series 2015 (Goose Creek Correctional Center Project)". The Series 2015 Bonds, forms of assignment, and certificates of Trustee shall be substantially in the form of the Series 2008 Bonds, with such modifications and revisions as the Trustee or the Borough shall deem appropriate.

Section 3.02 Maturities, Numeration, and Interest Payment Dates. The Series 2015 Bonds shall be in the denomination of \$5,000 or any integral multiple thereof within a maturity, initially numbered R-1 upwards in order of issuance or in such other manner as the Trustee may determine, and shall be dated [REDACTED], 2015. The Series 2015 Bonds shall bear interest payable semiannually on March 1 and September 1 of each year, commencing September 1, 2015, from their date of original issue or the most recent Interest Payment Date to which interest has been paid or duly provided for. Interest on the Bonds shall be calculated on the basis of a year consisting of 360 days and twelve 30-day months. The principal and redemption price of the Series 2015 Bonds shall be payable to the Owner upon presentation and surrender at the principal office of the Trustee in such coin or currency of the United States of America as may be, on the respective dates of payment thereof, legal tender for the payment of public and private debts, and interest on Series 2015 Bonds shall be paid by check or draft mailed to the Owner at the Owner's registered address. The Regular Record Date referred to in Section 2.05 of the Original Indenture for the payment of interest on the Series 2015 Bonds payable, and punctually paid or duly provided for, on any Interest Payment Date shall be the 15th day (whether or not a Business Day) of the calendar month next preceding such Interest Payment Date. The Series 2015 Bonds shall be in the aggregate principal amount of [REDACTED] Dollars (\$[REDACTED]), and shall mature on the dates and in amounts and shall bear interest at the rates per annum, according to dates of maturity, as follows:

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Section 3.03 Execution of Series 2015 Bonds. The Series 2015 Bonds shall be signed in the name of the Borough by the manual or facsimile signature of the Mayor and attested by the manual or facsimile signature of the Borough Clerk. The Trustee is hereby designated as authenticating agent and, as such, shall authenticate each Series 2015 Bond with the manual signature of the Trustee Representative. The seal of the Borough shall be affixed to or imprinted on the Series 2015 Bonds. In the event that any of the officers of the Borough who shall have signed any of the Series 2015 Bonds shall cease to be officers of the Borough before the Series 2015 Bonds shall have been authenticated or delivered by the Trustee, or issued by the Borough, such Series 2015 Bonds may, nevertheless, be authenticated, delivered, and issued, and upon such authentication, delivery, and issue, shall be binding upon the Borough as though those officers who signed the same had continued to be such officers of the Borough; and, also, any Series 2015 Bond may be signed on behalf of the Borough by such person who, at the actual date of execution of such Series 2015 Bond, shall be the proper officer of the Borough, although at the date of such Series 2015 Bond such person shall not have been such an officer of the Borough. Upon the execution and delivery of this First Supplement, the Borough shall execute and deliver the Series 2015 Bonds to the Trustee for authentication.

Section 3.04 Authorization of Series 2015 Bonds. The Series 2015 Bonds, having been authorized by the Series 2015 Bond Ordinance, when issued, shall be secured by the Indenture and the Trust Estate on a parity with the Bonds then Outstanding under the Indenture upon delivery to the Trustee of the following:

- (a) a certified copy of the Series 2015 Bond Ordinance;
- (b) an original executed counterpart of this First Supplement;
- (c) the manually signed validity opinion of Bond Counsel for the Borough;
- (d) an opinion of counsel to the State, addressed to the Borough, the Trustee, and Bond Counsel, to the effect that this First Supplement and the Second Amendment to Lease Purchase Agreement have been duly authorized, executed, and delivered by the DOA or the DOC, as applicable, and are enforceable against the State;

(e) a request and authorization of the Borough, signed by the Borough Manager, to the Trustee to authenticate and deliver the Series 2015 Bonds to such person or persons named therein upon payment for the account of the Borough of a specific sum and including a designation of accounts under this First Supplement into which proceeds of the Series 2015 Bonds will be deposited and the amounts of such deposits;

(f) a certificate of the Borough, signed by the Borough Manager, of reasonable expectations of the Borough on the date of issuance of the Series 2015 Bonds regarding the amount and use of proceeds of the Series 2015 Bonds and setting forth the facts and estimates on which the Borough's expectations are based;

(g) a certificate of a Designated Borough Representative and a certificate of a Designated DOA Representative to the effect that the Lease is in effect and no "Lease Default Event" (as such term is defined in the Lease) exists thereunder which shall not be cured upon the issuance of the Series 2015 Bonds;

(h) an Opinion of Counsel to the effect that the issuance of the Series 2015 Bonds will not adversely affect the exemption from federal income taxation of the interest on any Outstanding Bonds;

(i) the executed Second Amendment to Lease Purchase Agreement providing for additional Lease Payments sufficient to pay the principal of and interest on the Series 2015 Bonds and for aggregate Lease Payments sufficient to pay debt service on all Bonds when due;

(j) a certificate of the Borough, signed by the Finance Director, stating that the Borough has furnished, or caused to be furnished, to the Bond Insurer, prior to the issuance of the Series 2015 Bonds, any disclosure document or financing agreement pertaining to the Series 2015 Bonds, and such disclosure document or financing agreement included the applicable maturity schedule, interest rate or rates, redemption, and security provisions pertaining to the Series 2015 Bonds; and

(k) a report of an independent accountant to the effect that from proceeds of the Series 2015 Bonds or other sources there shall be deposited in trust with the Trustee Government Securities, the principal of and the interest on which when due and payable will provide, together with any other money which shall have been deposited with the Trustee for such purpose, sufficient money to pay the principal of the Refunded Bonds and interest which will become due and payable on or prior to maturity or an earlier redemption date.

#### ARTICLE IV REDEMPTION OF SERIES 2015 BONDS

##### Section 4.01 Redemption of Series 2015 Bonds.

(a) *Optional Redemption.* The Series 2015 Bonds maturing on or after [REDACTED] are subject to redemption at the option of the Borough, in whole or in part in integral multiples of \$5,000, and if in part, in such order of maturity dates as the Borough

may determine and by lot or other manner deemed fair as to Series 2015 Bonds maturing on the same date, on any date on or after [REDACTED], at a redemption price equal to the principal amount thereof plus accrued interest to the redemption date.

(b) *Mandatory Redemption.* The Series 2015 Bonds stated to mature in the years [REDACTED] and [REDACTED] are subject to mandatory sinking fund redemption, at a redemption price equal to the principal amount thereof to be redeemed plus accrued interest to the redemption date, on September 1 in the following years and amounts:

Series 2015 Bonds Stated to Mature in [REDACTED]

<u>Year</u>	<u>Amount</u>
-------------	---------------

(maturity)

Series 2015 Bonds Stated to Mature in [REDACTED]

<u>Year</u>	<u>Amount</u>
-------------	---------------

(maturity)

If Series 2015 Bonds subject to mandatory sinking fund redemption are either redeemed at the option of the Borough, or purchased by or on behalf of the Borough at a price not exceeding the redemption price which would be payable on the next ensuing optional redemption date for such Series 2015 Bonds, the amount of principal of the Series 2015 Bonds so redeemed or purchased shall be credited to one or more future sinking fund installments (including the payment due at final maturity) with respect to such Series 2015 Bonds that the Borough designates in written instructions delivered to the Trustee before the date of the optional redemption or purchase; provided, however, that if the Borough does not deliver such written instructions to the Trustee, there shall be credited to each such sinking fund installment (including the payment due at final maturity) a pro rata portion of the principal amount of the Series 2015 Bonds so redeemed or purchased.

Section 4.02 Notice of Redemption.

(a) If the Series 2015 Bonds are to be redeemed pursuant to Section 4.01, and written notice of an election to exercise an option to redeem Series 2015 Bonds hereunder shall have been given to the Trustee at least 45 days prior (or a shorter period acceptable to the Trustee) by the Borough (other than for the mandatory sinking fund redemption of Series 2015 Bonds maturing in the years [REDACTED] and [REDACTED] for which no notice of election shall be required), the Trustee shall prepare a notice in the name of the Borough or in its own name describing the Outstanding Series 2015 Bonds to be redeemed, the

date of redemption, and the redemption price. The notice may state (i) that it is conditioned upon the deposit of money, in an amount equal to the amount necessary to effect the redemption, with the Trustee no later than the redemption date or (ii) that the DOA retains the right to rescind such notice on or prior to the scheduled redemption date (in either case, a "Conditional Redemption"), and such notice and optional redemption shall be of no effect if such money is not so deposited or if the notice is rescinded as described in subsection (d) of this Section. The Trustee, at the expense of the DOA, shall send notice of any redemption, identifying the Series 2015 Bonds to be redeemed, the redemption date, and the method and place of payment and the information required by subsection (b) of this Section, by first class mail to each Holder of a Series 2015 Bond called for redemption to the Holder's address listed on the Bond Register. Such notice shall be sent by the Trustee by first class mail between 30 and 60 days prior to the scheduled redemption date. With respect to book-entry only Series 2015 Bonds, if the Trustee sends notice of redemption to DTC pursuant to the Letter of Representation, the Trustee shall not be required to give the notice set forth in the immediately preceding sentence. If notice is given as stated in this subsection, failure of any Bondholder to receive such notice, or any defect in the notice, shall not affect the redemption or the validity of the proceedings for the redemption of the Series 2015 Bonds.

(b) In addition to the foregoing, the redemption notice shall contain with respect to each Series 2015 Bond being redeemed, (i) the CUSIP number, (ii) the date of issue, (iii) the interest rate, (iv) the maturity date, and (v) any other descriptive information determined by the Trustee to be needed to identify the Series 2015 Bonds. If a redemption is a Conditional Redemption, the notice shall so state. The Trustee may also send each notice of redemption at least 30 days before the redemption date to (A) any Rating Service then rating the Series 2015 Bonds to be redeemed; (B) all of the registered clearing agencies known to the Trustee to be in the business of holding substantial amounts of bonds of a type similar to the Series 2015 Bonds; (C) one or more national information services that disseminate notices of redemption of bonds such as the Series 2015 Bonds such services to be identified by the Trustee; and (D) the Municipal Securities Rulemaking Board at [www.msrb.emma.org](http://www.msrb.emma.org).

(c) On or before the date fixed for redemption, subject to the provisions of subsections (a) and (d) of this Section, money shall be deposited with the Trustee to pay the principal of and interest accrued to the redemption date on the Series 2015 Bonds called for redemption. Upon the deposit of such money, unless the Borough has given written notice of rescission as described in subsection (d) of this Section, the Series 2015 Bonds shall cease to bear interest on the redemption date and shall no longer be entitled to the benefits of the Indenture (other than for payment and transfer and exchange) and shall no longer be considered Outstanding.

(d) Any Conditional Redemption may be rescinded in whole or in part at any time on or prior to the redemption date if the Borough delivers a certificate of a Designated Borough Representative to the Trustee instructing the Trustee to rescind the redemption notice. The Trustee shall give prompt notice of such rescission to DTC or the affected Bondholders. Any Series 2015 Bonds subject to Conditional Redemption where redemption has been rescinded shall remain Outstanding, and the rescission shall not

constitute an Event of Default. Further, in the case of a Conditional Redemption, the failure of the DOA to make funds available in part or in whole on or before the redemption date shall not constitute an Event of Default, and the Trustee shall give notice by email, facsimile, or other electronic means to DTC or the affected Bondholders that the redemption did not occur and that the Series 2015 Bonds called for redemption and not so paid remain Outstanding.

Section 4.03 Deposit for Redemption. Prior to the designated redemption date, unless the notice of redemption was conditional, and the notice of redemption has been withdrawn, the Borough shall deposit or cause to be deposited with the Trustee funds sufficient to pay the redemption price of the Series 2015 Bonds to be redeemed, and interest thereon to the redemption date, and there shall be deposited, or arrangements shall be made with the Trustee to deposit, with the Trustee a sum sufficient to pay the proper expenses and charges of the Trustee in connection with such redemption. Upon deposit with the Trustee of the aggregate amount of such redemption price and interest pursuant to this Section, such money shall be set aside by the Trustee and held by it for the account of the respective Holders of the Series 2015 Bonds being redeemed.

Section 4.04 Payment of Redeemed Series 2015 Bonds. After notice of redemption shall have been given as provided in Section 4.02, unless the notice of redemption was conditional, and the notice of redemption has been withdrawn, as provided therein, the Series 2015 Bonds specified in such notice shall become due and payable on the redemption date. Payment of the redemption price and interest shall be made to or upon order of the Owner, upon the surrender of the Series 2015 Bonds. Any installment of interest maturing on or prior to the redemption date shall be payable to the Owners of Series 2015 Bonds registered as such on the relevant Record Dates according to the terms of such Series 2015 Bonds and the provisions of Section 2.06 of the Original Indenture and the notice of redemption herein provided for may so state. If redemption money is available for the payment of all of the Series 2015 Bonds called for redemption on the redemption date, the Series 2015 Bonds so called shall cease to draw interest after the redemption date, and such Series 2015 Bonds shall not be deemed to be Outstanding hereunder for any purpose, except that the Holders thereof, on presentation, as herein provided, shall be entitled to receive payment of the redemption price and interest accrued thereon to the redemption date from the money set aside by the Trustee as aforesaid.

Section 4.05 Cancellation of Redeemed Series 2015 Bonds. If Series 2015 Bonds are no longer held in book-entry only form, all Series 2015 Bonds so redeemed, shall forthwith be canceled and destroyed by the Trustee and a certificate of destruction furnished to the Borough; and no further Series 2015 Bonds shall be executed or authenticated or issued hereunder in exchange or substitution therefor.

Section 4.06 Partial Redemption of Series 2015 Bonds. If less than all of the Series 2015 Bonds of a particular maturity at the time outstanding are to be called for prior redemption, the particular Series 2015 Bonds or portions thereof of such maturity to be redeemed shall be selected by lot, except as otherwise provided herein, by the Trustee in such manner as the Trustee, in its discretion, may determine. The Trustee shall call for redemption in accordance with the foregoing provisions as many Series 2015 Bonds or portions thereof as will, as nearly as

practicable, exhaust the money available therefor. Particular Series 2015 Bonds or portions thereof shall be redeemed only in integral multiples of principal amount of \$5,000.

In the case of Series 2015 Bonds of denominations greater than \$5,000, if less than all of such Series 2015 Bonds then outstanding are to be called for redemption, then for all purposes in connection with redemption, each \$5,000 of principal amount shall be treated as though it was a separate Series 2015 Bond of the denomination of \$5,000 bearing one of the numbers borne by such fully registered Series 2015 Bond. If it is determined that one or more, but not all of the \$5,000 units of principal amount represented by any such fully registered Series 2015 Bond is to be called for redemption, then upon notice of intention to redeem such \$5,000 unit or units, the Owner of such fully registered Series 2015 Bond which forthwith surrender such Series 2015 Bond to the Trustee (i) for payment of the redemption price of the \$5,000 unit or units of principal amount called for redemption and (ii) exchange for a new Series 2015 Bond or Series 2015 Bonds of the aggregate principal amount of the unredeemed balance of the principal amount of such fully registered Series 2015 Bond, which shall be issued to the Owner thereof, without charge therefor. If the Owner of any such fully registered Series 2015 Bond of a denomination greater than \$5,000 shall fail to present such Series 2015 Bond to the Trustee for payment and exchange as aforesaid, such Series 2015 Bond shall nevertheless become due and payable on the date fixed for redemption to the extent of the \$5,000 unit or units of principal amount called for redemption (and to that extent only). Interest shall cease to accrue on the portion of the principal amount of such Series 2015 Bond represented by such \$5,000 unit or units of principal amount on and after the date fixed for redemption, provided that funds sufficient for the payment of the redemption price shall have been deposited with the Trustee and shall be available for the redemption of such \$5,000 unit or units on the date fixed for redemption, and in such event, such Series 2015 Bond shall not be entitled to the benefit or security of the Indenture or the Lease to the extent of the portion of its principal amount (and accrued interest thereon to the date fixed for redemption) represented by such \$5,000 unit or units of principal amount, nor shall new Series 2015 Bonds be thereafter issued corresponding to such unit or units.

## ARTICLE V

### SERIES 2015 BOND PROCEEDS; REFUNDING FUND; REFUNDING PLAN

Section 5.01 Deposit of Series 2015 Bond Proceeds. The Borough shall deposit, or shall direct the purchaser or purchasers of the Series 2015 Bonds to deposit, with the Trustee all of the net proceeds of the sale of the Series 2015 Bonds and the Trustee out of such proceeds shall:

(a) Deposit to the credit of the Refunding Fund net proceeds in the amount of \$[REDACTED] from which the Trustee shall carry out the Refunding Plan.

(b) Deposit to the credit of the Costs of Issuance Account of the Refunding Fund net proceeds of the Series 2015 Bonds in the amount of \$[REDACTED] from which the Trustee will pay Costs of Issuance of the Series 2015 Bonds.

Section 5.02 Establishment of Refunding Fund. The Borough hereby establishes an account with the Trustee entitled the "Lease Revenue Bond Refunding Fund" (the "Refunding

Fund”) and the Costs of Issuance Account therein as hereafter described. Income and profit from the investment of money in the Refunding Fund shall be credited to the Refunding Fund. The Borough has no obligation hereunder to deposit any money in the Refunding Fund except proceeds of Series 2015 Bonds and all earnings and profits and receipts with respect to the investment of Series 2015 Bond proceeds in the Refunding Fund or funds made available therefor by the State. Any money on hand in the Refunding Fund on the date of delivery of the Series 2015 Bonds in excess of the amount required to carry out the Refunding Plan shall be transferred to the Bond Fund.

The money in the Refunding Fund shall be held in trust by the Trustee and applied to carry out the Refunding Plan. The money in the Costs of Issuance Account shall be held in trust and applied to the payment of Costs of Issuance as directed by the Designated Borough Representative. Any money on hand in the Costs of Issuance Account on a date 180 days from the date of delivery of the Series 2015 Bonds shall be transferred to the Bond Fund and the Costs of Issuance Account shall then be closed.

Section 5.03 Refunding Plan. The Trustee is authorized and directed to execute and deliver the Refunding Trust Agreement and to carry out the Refunding Plan.

#### ARTICLE VI PARTICULAR COVENANTS OF THE BOROUGH

The Borough covenants and agrees, so long as the Bonds shall be outstanding and subject to the limitations on its obligations herein set forth, that:

Section 6.01 Compliance with Series 2015 Bond Ordinance. It will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in the Series 2015 Bond Ordinance.

Section 6.02 Tax Covenants.

(a) The Borough covenants that it will neither make nor direct the Trustee to make any investment or other use of the proceeds of the Series 2015 Bonds that would cause the Series 2015 Bonds to be “arbitrage bonds” as that term is defined in Section 148(a) of the Code and that it will comply with the requirements of the Code throughout the term of the Series 2015 Bonds. The Trustee covenants that in those instances where it exercises discretion over the investment of funds, it shall not knowingly make any investment inconsistent with the foregoing covenants.

(b) The Borough covenants that it (i) will take, or use its best efforts to require to be taken, all actions that may be required of the Borough for the interest on the Series 2015 Bonds to be and remain not included in gross income for federal income tax purposes and (ii) will not take or authorize to be taken any actions within its control that would adversely affect that status under the provisions of the Code.

ARTICLE VII  
CONCERNING THE TRUSTEE

Section 7.01 Trustee Not Responsible for Series 2015 Bond Ordinance. The Trustee shall not be responsible for the validity or execution of the Series 2015 Bond Ordinance, or of any supplemental instrument.

ARTICLE VIII  
MISCELLANEOUS

Section 8.01 Separability of Provisions. In case any one or more of the provisions contained in this First Supplement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions of the Indenture, but the Indenture shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein.

Section 8.02 Execution of First Supplement in Counterparts. This First Supplement may be simultaneously executed in several counterparts, each of which, when so executed, shall be deemed to be an original, and such counterparts shall together constitute one and the same instrument.

Section 8.03 Headings Not Controlling. The headings of the several Articles and Sections hereof are inserted for the convenience of reference only and shall not control or affect the meaning or construction of any of the provisions hereof.

Section 8.04 Original Indenture in Effect. The Original Indenture, as supplemented by this First Supplement, is and remains in full force and effect.

[Signature page follows]

IN WITNESS WHEREOF, the parties have executed and attested this First Supplement to Trust Indenture by their officers thereunto duly authorize as of the date and year first written above.

MATANUSKA-SUSITNA BOROUGH, ALASKA

By \_\_\_\_\_  
Borough Manager

ATTEST:

By \_\_\_\_\_  
Borough Clerk

THE BANK OF NEW YORK MELLON TRUST  
COMPANY, N.A.  
as Trustee

By \_\_\_\_\_  
[Title]

The STATE OF ALASKA DEPARTMENT OF ADMINISTRATION hereby consents to the execution and delivery of the foregoing First Supplement to Trust Indenture as of the date and year first written above.

STATE OF ALASKA  
DEPARTMENT OF ADMINISTRATION

By \_\_\_\_\_  
[Title]

Im15-059  
OR15-032

NON-CODE ORDINANCE

Sponsored By: Borough Manager  
Introduced: \_\_\_\_\_  
Public Hearing: \_\_\_\_\_  
Adopted: \_\_\_\_\_

MATANUSKA-SUSITNA BOROUGH  
ORDINANCE SERIAL NO. 15-032

AN ORDINANCE OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY AUTHORIZING THE ISSUANCE OF STATE OF ALASKA LEASE REVENUE REFUNDING BONDS, SERIES 2015 (GOOSE CREEK CORRECTIONAL CENTER PROJECT) IN AN AMOUNT OF NOT TO EXCEED \$195,000,000; APPROVING THE FORM AND SUBSTANCE OF A FIRST SUPPLEMENT TO TRUST INDENTURE, A SECOND AMENDMENT TO LEASE PURCHASE AGREEMENT, A REFUNDING TRUST AGREEMENT AND A BOND PURCHASE AGREEMENT; AUTHORIZING AN OFFERING DOCUMENT; MAKING CERTAIN FINDINGS AND DETERMINATIONS; AUTHORIZING THE EXECUTION OF DOCUMENTS AND INSTRUMENTS NECESSARY OR CONVENIENT TO ACCOMPLISH THE FOREGOING; AND CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT.

WHEREAS, the Borough has issued its State of Alaska Lease Revenue Bonds, Series 2008 (Goose Creek Correctional Center Project) in an aggregate principal amount of \$244,285,000 (the "Series 2008 Bonds") pursuant to a Trust Indenture dated as of September 1, 2008 (the "Original Indenture"), between the Borough and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), to finance the construction of the Goose Creek Correctional Facility; and

WHEREAS, In connection with the issuance of the Series 2008 Bonds, the Borough entered into a Lease Purchase Agreement dated as of December 1, 2008, among the Borough, as lessor, the State of Alaska Department of Administration (the "DOA"), as lessee, and the State of Alaska Department of Corrections, as tenant agency, and a First Amendment thereto dated October 26, 2010 (together, the "Original Lease Purchase Agreement"); and

WHEREAS, the Series 2008 Bonds remain outstanding in an aggregate principal amount of \$197,880,000; and

WHEREAS, pursuant to the Original Indenture, the Series 2008 Bonds maturing in 2023 and later years (the "Refunded Bonds") are subject to redemption at the option of the Borough on any date on or after September 1, 2019, at a redemption price equal to the principal amount thereof plus accrued interest to the redemption date; and

WHEREAS, after due consideration, it appears that the Refunded Bonds may be refunded by the issuance and sale of the lease revenue refunding bonds authorized by this ordinance (the "Series 2015 Bonds") so that a substantial savings will be effected by the difference between the principal and interest cost over the life of the Series 2015 Bonds and the principal and interest cost over the life of the Refunded Bonds but for such refunding; and

WHEREAS, pursuant to the Original Indenture, the Borough may, subject to certain conditions, issue the Series 2015 Bonds to advance refund the Refunded Bonds; and

WHEREAS, the DOA has requested, and the Borough deems it to be in its best interests, that the Borough issue and sell the Series 2015 Bonds to refund the Refunded Bonds pursuant to a Refunding Trust Agreement (the "Refunding Trust Agreement") with the Trustee; and

WHEREAS, the Borough has determined to sell the Series 2015 Bonds to RBC Capital Markets, LLC (the "Underwriter"), pursuant to a Bond Purchase Agreement (the "Bond Purchase Agreement"); and

WHEREAS, the Borough and its advisors have examined proposed forms of the First Supplement to Trust Indenture, Second Amendment to Lease Purchase Agreement, Refunding Trust Agreement and Bond Purchase Agreement, each of which has been presented to the Assembly on this date; have found the form and substance of such documents to be satisfactory and proper; and have determined to proceed in accordance with such documents by authorizing the issuance of the Series 2015 Bonds and the refunding of the Refunded Bonds, the execution and delivery of such documents, and the taking of such other action as may be necessary or convenient therefor;

NOW THEREFORE, BE IT ENACTED BY THE ASSEMBLY OF THE MATANUSKA-SUSITNA BOROUGH:

Section 1. Classification. This ordinance is a non-code ordinance.

Section 2. Authorization for Series 2015 Bonds. The Series 2015 Bonds are hereby authorized to be issued in the principal amount of not to exceed \$195,000,000 to refund the Refunded Bonds. The Series 2015 Bonds shall be issued as a single issue of bonds to be designated "Matanuska-Susitna Borough State of Alaska Lease Revenue Refunding Bonds, Series 2015 (Goose Creek Correctional Center Project).

Section 3. Amendment of Original Lease Purchase Agreement. The Assembly finds under Matanuska-Susitna Borough Code 23.05.030(G) that amending the Lease Purchase Agreement to reflect the savings effected by refunding the Refunded Bonds without regard to the fair rental value of the property conveyed

by the Original Lease Purchase Agreement (the "Project") is in the best interest of the Borough. The Assembly ratifies the lease of the Project under the Original Lease Purchase Agreement, as amended by the Second Amendment thereto, without first being classified as required by Matanuska-Susitna Borough Code 23.10.030(B), and for the consideration that is provided in the Second Amendment thereto. The Assembly finds that the issuance of the Series 2015 Bonds to refund the Refunded Bonds will serve the public interest and be in the best interest of the Borough, and is hereby approved.

Section 4. Approval of Financing Documents. The form and content of the First Supplement to Trust Indenture, Second Amendment to Lease Purchase Agreement and Refunding Trust Agreement hereby are in all respects authorized, approved, and confirmed, and each of the Borough Manager and the Borough Finance Director is authorized, empowered, and directed to execute and deliver those documents for and on behalf of the Borough in substantially the form and content now before this Assembly but with such changes, modifications, additions, and deletions therein as shall to him or her seem necessary, desirable, or appropriate, the execution thereof to constitute conclusive evidence of the approval of any and all changes, modifications, additions, or deletions therein from the form and content of those documents now before this Assembly, and from and after the execution and delivery of those documents the Borough Manager, or the Borough Financial Director, and Borough Clerk each is hereby authorized, empowered, and directed to do all such

acts and things and to execute all documents as may be necessary to carry out and comply with the provisions of those documents as executed.

Section 5. Sale of the Series 2015 Bonds. The Series 2015 Bonds shall be sold at negotiated sale to the Underwriter. The Borough's financial advisor has advised the Assembly that bond market conditions are fluctuating and that the most favorable market conditions for the sale of the Series 2015 Bonds may not occur on the date of a regular Assembly meeting. The Assembly has determined that it would be inconvenient to hold a special meeting on short notice to approve the terms of the sale of the Series 2015 Bonds. Therefore, the Assembly hereby determines that it is in the best interest of the Borough to delegate the authority to approve the terms of the sale of the Series 2015 Bonds as provided herein. Subject to the limitations provided in Section 2, each of the Borough Manager and the Borough Finance Director is hereby authorized to determine the aggregate principal amount, maturity amounts, sinking fund installments, if any, interest rates, yields, dated date, principal and interest payment dates, and redemption terms, if any, for the Series 2015 Bonds, and other details of the Series 2015 Bonds. In determining the aggregate principal amount, maturity amounts, sinking fund installments, if any, interest rates, yields, dated date, principal and interest payment dates, and redemption terms, if any, for the Series 2015 Bonds, the Borough Manager or Borough Finance Director shall, in consultation with the Borough's financial advisor and the State Department of Revenue (the

"DOR"), take into account those factors which, in his or her judgment, will result in the lowest true interest cost on the Series 2015 Bonds to their maturity, including current financial market conditions and current interest rates for obligations comparable in tenor and quality to the Series 2015 Bonds. The Borough Manager and Borough Finance Director each is further authorized to determine, in consultation with the Borough's financial advisor, the DOR, and the Underwriter, whether there shall be bond insurance for the Series 2015 Bonds, provided that bond insurance shall be obtained only if the present value of the bond insurance premium will be less than the present value of the expected interest savings on the Series 2015 Bonds as a result of the bond insurance. Based upon the foregoing determinations, the Borough Manager and the Borough Finance Director each is authorized to execute the Bond Purchase Agreement with the Underwriter, in substantially the form presented at this meeting. The authority granted to the Borough Manager and Borough Finance Director by this Section shall expire 270 days after the effective date of this ordinance. If the Borough Manager or Borough Finance Director has not executed a Bond Purchase Agreement with the Underwriter within 270 days after the effective date of this ordinance, the Bond Purchase Agreement may not be executed on behalf of the Borough without further authorization from the Assembly.

Section 6. Call of Refunded Bonds for Redemption. The Borough Manager and the Borough Finance Director each is authorized and directed to call the Refunded Bonds for redemption

on September 1, 2019. The call for redemption of the Refunded Bonds shall be subject to the delivery of the Series 2015 Bonds to the Underwriter, and such call shall become irrevocable upon such delivery. Notice of redemption of the Refunded Bonds shall be given in the manner set forth in the Original Indenture.

Section 7.Ratings on the Series 2015 Bonds. The Borough Manager or Borough Finance Director, in consultation with the Borough's financial advisor, the Underwriter, and the DOR, shall obtain a rating on the Series 2015 Bonds from at least one nationally recognized securities rating service. The Series 2015 Bonds shall not be sold if such rating is below investment grade.

Section 8.Offering Document for the Series 2015 Bonds. The Borough Manager or Borough Finance Director, in consultation with the Borough's financial advisor, the Underwriter, and the DOR, is authorized and directed to prepare and approve a preliminary Official Statement and an Official Statement with respect to the Series 2015 Bonds to be used in connection with the sale of the Series 2015 Bonds. The Borough Manager and Borough Finance Director each is hereby authorized to deem the preliminary Official Statement final as of its date for purposes of Securities and Exchange Commission Rule 15c2-12, to approve any addenda, supplement, or amendment thereto, and to approve the form of the final Official Statement for the Series 2015 Bonds.

Section 9.Execution and Delivery of other Documents. The Mayor, the acting Mayor, the Borough Manager, the acting Borough Manager, the Borough Finance Director, the acting Borough Finance Manager, the Borough Clerk, and the acting Borough Clerk each is

authorized and directed to execute and deliver for and on behalf of the Borough any and all additional certificates, documents, opinions, or other papers and to do and perform all things and determine all matters not determined by this ordinance, to the end that the Borough may carry out its obligations under the Trust Indenture as supplemented by the First Supplement, the Original Lease Purchase Agreement as amended by the Second Amendment, the Refunding Trust Agreement, the Series 2015 Bonds, the Bond Purchase Agreement and this ordinance.

Section 10. Prohibited Sale of Series 2015 Bonds. No person, firm, or corporation, or any agent or employee thereof, acting as financial consultant to the Borough under an agreement for payment in connection with the sale of the Series 2015 Bonds is eligible to purchase the Series 2015 Bonds as a member of the original underwriting syndicate either at public or private sale.

Section 11. Continuing Disclosure. The Borough hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate in substantially the form presented at this meeting. Notwithstanding any other provision of this ordinance, failure of the Borough to comply with the Continuing Disclosure Certificate shall not be considered a default of the Borough's obligations under the Indenture or the Series 2015 Bonds; however, the beneficial owner of any Bond may bring an action for specific performance, to cause the Borough to comply with its obligations under this Section.

Section 12. Ratification of Certain Prior Actions. All prior actions taken by or on behalf of the Borough in connection with the Series 2015 Bonds are hereby authorized, ratified, confirmed, and approved.

Section 13. Limited Obligations. The Series 2015 Bonds and the interest thereon shall be limited obligations of the Borough payable solely from the revenues, funds, and assets pledged under the Indenture to secure payment of the Series 2015 Bonds and under no circumstances shall the Series 2015 Bonds be payable from any other revenues, funds, assets, or income of the Borough.

Section 14. Savings Provision. If any one or more of the provisions of this ordinance shall be declared by any court of competent jurisdiction to be contrary to law, then such provision shall be null and void and shall be deemed separable from the remaining provisions of this ordinance and shall in no way affect the validity of the other provisions of this ordinance or of the Series 2015 Bonds.

Section 15. Incorporation of Recitals. The findings and determinations contained in the preambles of this ordinance are incorporated herein as part of this ordinance.

Section 16. Effective Date. This ordinance shall become effective upon adoption by the Matanuska-Susitna Borough Assembly.

ADOPTED by the Matanuska-Susitna Borough Assembly this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

Larry DeVilbiss, Borough Mayor

ATTEST:

LONNIE R. MCKECHNIE, CMC, Borough Clerk


(SEAL)


**SUBJECT:** AMENDING THE SCOPE OF WORK FOR PROJECT 45167 TO INCLUDE THE PURCHASE OF AN ENCLOSED TRAILER TO HAUL AND STORE WILLOW RESCUE SNOW MACHINES AND EQUIPMENT.

**AGENDA OF:** March 17, 2015

**ASSEMBLY ACTION:**

**MANAGER RECOMMENDATION:** Present to assembly for consideration.

**APPROVED** *for* BY JOHN MOOSEY, BOROUGH MANAGER: 

Route To:	Department/Individual	Initials	Remarks
	Originator/Brodigan	<i>JB</i>	2/20/15
1	Finance Director	<i>JUL</i>	3/2/15
2	Borough Attorney	<i>J.P. for N.S.</i>	3/4/15
3	Borough Clerk	<i>J.M.</i>	3/9/15 

**ATTACHMENT (S):** Fiscal Note: Yes  No   
 Resolution Serial No. 15-025 (2pp)

**SUMMARY STATEMENT:**

In the 2015 capital projects budget, \$25,000 in Areawide funds were appropriated to purchase two Lightweight Rescue Snow Machines for Willow Rescue. One snow machine has been purchased and there is \$13,500 remaining in the project. It has been determined that there is a bigger need to purchase an enclosed trailer to haul and store rescue equipment than to purchase the second snow machine. The Willow Fire Service Area Chief is requesting that the project scope of work be amended to allow for the purchase of an enclosed trailer.

**RECOMMENDATION OF ADMINISTRATION:**

Approval of the attached legislation which will approve amending the scope of work for project 45167 to include the purchase of an enclosed trailer to haul and store Willow Rescue snow machines and equipment.

MATANUSKA-SUSITNA BOROUGH  
FISCAL NOTE

Agenda Date: March 3, 2015

REQUEST: Amending the scope of work for project 45167 to include the purchase of an enclosed trailer to haul and store Willow Rescue snow machines and equipment.

ORIGINATOR: Dennis Brodigan, Director, Emergency Services

FISCAL ACTION (TO BE COMPLETED BY FINANCE)	FISCAL IMPACT <input checked="" type="radio"/> YES <input type="radio"/> NO
AMOUNT REQUESTED \$ <u>13,500</u>	FUNDING SOURCE <u>AW Budget Approp</u>
FROM ACCOUNT # <u>425.000.000.4xx.xx</u>	PROJECT # <u>45167</u>
TO ACCOUNT #	PROJECT #
VERIFIED BY: <u>Barbara Baumgartner</u>	CERTIFIED BY:
DATE: <u>2/27/15</u>	DATE:

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY15	FY16	FY17	FY18	FY19	FY20
Personnel Services						
Travel						
Contractual						
Supplies						
Equipment						
Land/Structures						
Grants, Claims						
Miscellaneous						
TOTAL OPERATING						

CAPITAL	<u>13.5</u>					
---------	-------------	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

General Fund						
State/Federal Funds						
Other	<u>13.5</u>					
TOTAL	<u>13.5</u>					

POSITIONS:

Full-Time						
Part-Time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

PREPARED BY: \_\_\_\_\_  
 DEPARTMENT: \_\_\_\_\_  
 APPROVED BY: [Signature]

Phone: \_\_\_\_\_  
 Date: \_\_\_\_\_  
 Date: 3/2/15

IM No. 15-052  
 Resolution No. 15-025

Action:

**MATANUSKA-SUSITNA BOROUGH  
RESOLUTION SERIAL NO. 15-025**

A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY AMENDING THE SCOPE OF WORK FOR PROJECT 45167 TO INCLUDE THE PURCHASE OF AN ENCLOSED TRAILER TO HAUL AND STORE RESCUE SNOW MACHINES AND EQUIPMENT.

WHEREAS, in the 2015 capital projects budget, \$25,000 in Areawide funds were appropriated to purchase two Lightweight Rescue Snow Machines for Willow Rescue; and

WHEREAS; one snow machine has been purchased and there is \$13,500 remaining in the project; and

WHEREAS, it has been determined that there is a bigger need to purchase an enclosed trailer to haul and store rescue equipment than to purchase the second snow machine; and

WHEREAS, the Willow Fire Service Area Chief is requesting that the project scope of work be amended to allow for the purchase of an enclosed trailer.

NOW, THEREFORE, BE IT RESOLVED, that the Matanuska-Susitna Borough Assembly hereby approves the following amended scope of work for Project No. 45167-1846;

**SCOPE OF WORK**

**Project No. 45167-1846; Purchase of a snow machine and enclosed trailer to haul and store Willow Rescue snow machines and equipment.**

ADOPTED by the Matanuska-Susitna Borough Assembly this -  
day of -, 2015.

LARRY DEVILBISS, Borough Mayor

ATTEST:

LONNIE R. McKECHNIE, CMC, Borough Clerk

(SEAL)

**SUBJECT:** Approval of the pending financial responsibility for the M/V Susitna for April, May, June 2015.

**AGENDA OF:** March 17, 2015

**ASSEMBLY ACTION:**

**MANAGER RECOMMENDATION:** Present to the Assembly for consideration.

**APPROVED BY JOHN MOOSEY, BOROUGH MANAGER:** \_\_\_\_\_

Route To:	Department/Individual	Initials	Remarks
	Originator	<i>[Signature]</i>	19 Feb 15
1	Finance Director	<i>Jee</i>	2/23/15
2	Borough Attorney	<i>NS</i>	
3	Borough Clerk	<i>ym</i>	3/9/15 <i>[Signature]</i>

**ATTACHMENT (S):** Fiscal Note: Yes X ; No     
 Resolution Serial No. 15-026 ( 2 pp)

**SUMMARY STATEMENT:** The Matanuska-Susitna Borough is continuing the financial responsibility for the M/V Susitna for an additional three months beginning April 1, 2015 through June 30, 2015 as the details for sale or transfer of the vessel are worked out.

The estimated minimum financial obligation for one month is \$18,000.00. This estimated amount includes long term moorage rates and electricity in Ward Cove, Ketchikan, Line Handler, Chief Engineer, fuel, crew cost, advertising and minor maintenance incidentals.

The estimated financial obligation for the months of April, May and June is \$54,000.00 for expenses, excluding insurance.

**Recommendation of Administration:** Present for Assembly consideration.

**MATANUSKA-SUSITNA BOROUGH  
FISCAL NOTE**

Agenda Date: March 17, 2015

ORIGINATOR: Marc Van Dongen, Port Director

SUBJECT: Approval of the pending financial responsibility for the M/V Susitna for April, May, June 2015.

FISCAL ACTION (TO BE COMPLETED BY FINANCE)	FISCAL IMPACT <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
AMOUNT REQUESTED \$54,000	FUNDING SOURCE MV Susitna Operating Budget
FROM ACCOUNT # 530.000.000.4xx xxx	PROJECT #
TO ACCOUNT :	PROJECT #
VERIFIED BY: Barbara Baengarten	CERTIFIED BY:
DATE: 2/20/15	DATE:

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
Personnel Services						
Travel						
Contractual						
Supplies						
Equipment						
Land/Structures						
Grants, Claims						
Miscellaneous						54
<b>TOTAL OPERATING</b>						<b>54</b>

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

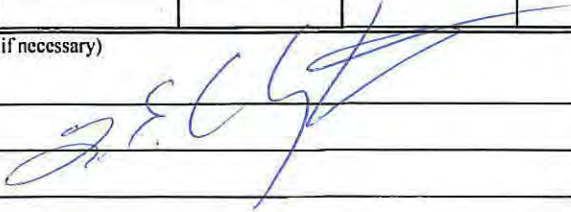
FUNDING: (Thousands of Dollars)

General Fund						
State/Federal Funds						
Other						54
<b>TOTAL</b>						<b>54</b>

POSITIONS:

Full-Time						
Part-Time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

PREPARED BY: \_\_\_\_\_ PHONE: \_\_\_\_\_  
 DEPARTMENT: \_\_\_\_\_ DATE: \_\_\_\_\_  
 APPROVED BY:  DATE: 2/23/15

IM No. 15-057  
RS15-024

Adopted:

**MATANUSKA-SUSITNA BOROUGH  
RESOLUTION NO. 15-024**

A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY  
APPROVING THE FINANCIAL RESPONSIBILITY FOR THE M/V  
SUSITNA FOR APRIL, MAY AND JUNE 2015.

---

WHEREAS, the M/V Susitna's creation and sea trials  
are complete; and

WHEREAS, the Matanuska-Susitna Borough took on the  
financial responsibility for the Susitna beginning in  
April, 2012; and

WHEREAS, the Susitna was transferred from Alaska  
Ship & Drydock's yard to Ward Cove in April 2012; and

WHEREAS, the Matanuska-Susitna Borough is  
continuing its efforts to negotiate a successful sale  
or transfer of the vessel; and

WHEREAS, the Matanuska-Susitna Borough will  
continue the financial responsibility for an additional  
three months, beginning April 1, 2015 through June 30,  
2015, while the details for sale or transfer are worked  
out; and

WHEREAS, the estimated minimum financial obligation  
for one month, excluding insurance, is \$18,000.00; and

WHEREAS, this estimated amount includes moorage and  
electricity in Ward Cove, Ketchikan, Line Handler,  
Chief Engineer, fuel, crew cost, advertising, and minor  
maintenance incidentals; and

NOW, THEREFORE, BE IT RESOLVED that the Matanuska-  
Susitna Borough Assembly approves of the M/V Susitna  
estimated financial responsibility for April, May, and

June 2015 in the amount of \$54,000.00, excluding insurance.

ADOPTED by the Matanuska-Susitna Borough Assembly this \_\_\_\_\_ day of \_\_\_\_\_ 2015.

\_\_\_\_\_  
LARRY DeVILBISS, Borough Mayor

ATTEST:

\_\_\_\_\_  
LONNIE R. McKECHNIE, CMC, Borough Clerk (SEAL)


**SUBJECT:** A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY SUPPORTING HOUSE BILL 87 AND SENATE BILL 32, AN ACT RELATING TO THE SALE OF TIMBER ON STATE LAND, AND PROVIDING FOR AN EFFECTIVE DATE.


**AGENDA OF:** March 17, 2015

**ASSEMBLY ACTION:**

--	--

**MANAGER RECOMMENDATION:** Present to the Assembly for consideration.

**APPROVED BY JOHN MOOSEY, BOROUGH MANAGER:** 

Route To:	Department/Individual	Initials	Remarks
	Originator	LD/RB	
	Finance Director	JL	3/2/15
	Borough Attorney	JAY N.S.	3/4/15
	Borough Clerk	JRM	3/9/15 

**ATTACHMENT (S):** Fiscal Note: NO X YES \_\_\_\_\_  
 Resolution Serial No. 15-~~027~~ (2 pp)  
 House Bill 87 (2 pp)

**SUMMARY STATEMENT:** This resolution is brought forward by Mayor Larry DeVilbiss to support House Bill 87 and Senate Bill 32 that would eliminate three criteria that must be met to use the current timber sale authority.

**HOUSE BILL NO. 87**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-NINTH LEGISLATURE - FIRST SESSION

BY THE HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

Introduced: 1/30/15  
Referred: Resources

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to the sale of timber on state land; and providing for an effective date."**

2 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

3 \* **Section 1.** AS 38.05.110 is amended by adding a new subsection to read:

4 (c) If a sale of timber may be offered under multiple provisions of  
5 AS 38.05.110 - 38.05.123, the commissioner shall determine under which of the  
6 applicable provisions to offer the timber consistent with the best interest of the state.

7 \* **Sec 2.** AS 38.05.118(a) is amended to read:

8 (a) Notwithstanding AS 38.05.115 and 38.05.120, and upon a finding that  
9 the sale is in the best interest of the state [ANY OTHER PROVISION OF  
10 AS 38.05.110 - 38.05.120], the commissioner may negotiate a sale of timber to a local  
11 manufacturer of wood products or a user of wood fiber at appraised value. The  
12 period of a contract for a sale of timber negotiated under this section may not exceed  
13 25 years. The contract shall provide that the appraised value of timber remaining to be  
14 harvested under the provisions of the contract shall be redetermined at least once every  
15 five years.

1 \* **Sec. 3.** AS 38.05.118(c) is repealed.

2 \* **Sec. 4.** The uncodified law of the State of Alaska is amended by adding a new section to  
3 read:

4 **APPLICABILITY.** Sections 1, 2, and 3 of this Act apply to sales of timber on state  
5 land made on or after the effective date of this Act.

6 \* **Sec. 5.** This Act takes effect immediately under AS 01.10.070(c).

Action:

**MATANUSKA-SUSITNA BOROUGH  
RESOLUTION SERIAL NO. 15-027**

A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY SUPPORTING HOUSE BILL 87 AND SENATE BILL 32, AN ACT RELATING TO THE SALE OF TIMBER ON STATE LAND, AND PROVIDING FOR AN EFFECTIVE DATE.

---

WHEREAS, the Alaska State Department of Natural Resources (DNR) manages over 9.5 million acres of forest land in the Borough and timber harvesting is allowed on 2.1 million acres of this land; and

WHEREAS, House Bill 87 and Senate Bill 32 would clarify that the DNR commissioner may determine which applicable method is in the best interest of the state for each timber sale; and

WHEREAS, the proposed bill would allow the DNR to offer negotiated timber sales for up to 25 years statewide, currently such sales are restricted to areas of high unemployment, excess manufacturing capacity, and excess allowable cut, which limits them to remote areas; and

WHEREAS, it would specify that negotiated sales must comply with the requirements for Forest Land Use Plans (AS 38.05.112) and Five-year Schedules of Timber Sales (AS 38.05.113), this ensures that large negotiated sales are developed with adequate notice to the industry, the general public and necessary site-specific design; and

WHEREAS, it would also clarify that DNR may negotiate sales

to wood fiber users, including biomass energy producers, in addition to wood product manufacturers; and

WHEREAS, by eliminating some of the criteria, the Division of Forestry would have the ability to use this timber sale authority for future timber sales; and

WHEREAS, the Division of Forestry's preferred method of selling timber will be by competitive bids as opposed to negotiation, but sometimes there are good reasons for a negotiated sale and this proposed change would allow them to have that option.

NOW, THEREFORE, BE IT RESOLVED, The Matanuska-Susitna Borough Assembly supports the adoption of House Bill 87 and Senate Bill 32.

ADOPTED by the Matanuska-Susitna Borough Assembly this \_ day of \_\_\_\_\_, 2015.

LARRY DeVILBISS, Borough Mayor

ATTEST:

LONNIE R. McKECHNIE, CMC, Borough Clerk

(SEAL)

**SUBJECT:** A resolution of the Matanuska-Susitna Borough Assembly supporting the Alternative Route past Point MacKenzie for the Alaska LNG Pipeline.

**AGENDA OF:** March 17, 2015

**ASSEMBLY ACTION:**

--

**MANAGER RECOMMENDATION:** Present to the Assembly for consideration.

**APPROVED BY JOHN MOOSEY, BOROUGH MANAGER:** *John Moosey*

Route To:	Department/Individual	Initials	Remarks
	Originator	<i>[Signature]</i>	27 Feb 15
	Finance Director	<i>[Signature]</i>	3/2/15
	Borough Attorney	<i>[Signature]</i>	3/4/15
	Borough Manager		
	Borough Clerk	<i>[Signature]</i>	3/9/15 <span style="float: right;"><i>[Signature]</i></span>

**ATTACHMENT(S) :** Fiscal Note: NO X YES \_\_\_\_\_  
 Resolution Serial No. 15-028 (pp)  
 Port Commission Resolution No. 15-001(4)  
 Attachment A *(1 p)*  
 Attachment B *(1 p)*

**SUMMARY STATEMENT:**

The Alaska LNG (AKLNG) project proposes a route from the North Slope west of the Susitna River to a point near the intersection of the Deshka River, and from that point two possible routes continue to a Nikiski site. There is a route which continues west of the Susitna River called by AKLNG the "Preferred Route" (attachment A) and a route called the "Alternate Option" (attachment B) that passes east of the Susitna River past Point MacKenzie and across to Point Possession. This Alternate Route

passes within four miles of Port MacKenzie just before it crosses the Inlet.

The Alternate Route for the gas line to Nikiski is approximately 14 miles longer than the current Preferred Route. However, the Alternate Route would provide a take-off point for both Port MacKenzie and the Municipality of Anchorage that would allow natural gas to be routed to both locations. If the Preferred Route is chosen for construction, both Port MacKenzie and the Municipality of Anchorage would have to conduct environmental studies, obtain permits, fund, and construct an extremely expensive extension over 55 miles from the main pipe line which would take years to accomplish.

Resolution Serial Number 15- summarizes the reasons why it is important to select the Alternate Route for the AKLNG pipe line project to Nikiski.

**Recommendation of Administration:**

Recommend adoption of Resolution 15- which recommends the State of Alaska support the main pipeline route for the AKLNG project along the Alternate Route past Point MacKenzie.

**MATANUSKA-SUSITNA BOROUGH**  
**PORT COMMISSION RESOLUTION SERIAL NO. 15-001**

A RESOLUTION OF THE MATANUSKA-SUSITNA PORT COMMISSION Supporting the Alternative Corridor Past Point MacKenzie for the Alaska LNG Pipeline.

---

WHEREAS, ON December 23, 2014, Governor Bill Walker and Resources Energy, Inc. (REI) signed a Cooperation Agreement to develop a LNG export project in Cook Inlet for the State of Alaska; and

WHEREAS, this Cooperation Agreement includes the marketing, financing, ownership, development and acquisition of gas, domestic requirements, and marine transportation of LNG; and

WHEREAS, as an initial step in promoting the marketing in Japan of LNG from Alaska, REI proposes to develop a one million tons per annum LNG export project in the Point MacKenzie area with the target of commencing deliveries prior to 2020; and

WHEREAS, a second LNG company, WesPac Midstream LLC, also proposes to construct a LNG facility at Port MacKenzie with the initial goal of producing 250,000 gallons of LNG per day for in-state use; and

WHEREAS, Wespac Midstream LLC also proposes to expand their LNG facility in the future to one million tons per annum for both in-state use and export; and

WHEREAS, the State of Alaska has invested, and is continuing to invest, several hundred million dollars in the development of Port MacKenzie and the rail line to the Port from the Parks Highway; and

WHEREAS, Port MacKenzie and the adjacent areas have the upland capacity to accommodate both REI's and Wespac Midstream's proposed LNG operations; and

WHEREAS, Port MacKenzie and the adjacent areas have the upland capacity to expand both the proposed REI and Wespac Midstream LNG facilities when additional natural gas is available from either Cook Inlet or the North Slope; and

WHEREAS, Port MacKenzie has title to tidelands, both to the north and to the south of the existing docks, that would allow for up to four dedicated docks for the export of LNG; and

WHEREAS, the proposed Alaska LNG (AKLNG) Project currently has a primary route down the west side of Cook Inlet to Tyonek and across Cook Inlet to Nikiski and an Alternate Corridor past Point MacKenzie and Point Possession to Nikiski; and

WHEREAS, the Alternate Corridor past Point MacKenzie would enable a AKLNG take-off point to be established that would allow natural gas to be easily routed to both the Anchorage Bowl and Port MacKenzie; and

WHEREAS, the Anchorage Bowl is the largest consumer of natural gas in Alaska and a take-off point at Point MacKenzie

would allow for a connection to Anchorage to provide additional natural gas when it is needed; and

WHEREAS, a take-off point from the Alternate Corridor at Point MacKenzie would enable both REI and WesPac Midstream LLC to expand their LNG plants to utilize 100% of the State's share of Natural Gas from the AKLNG project; and

WHEREAS, this would enable the State of Alaska to market its entire 24% share of gas from the AKLNG project to REI and WesPac Midstream LLC at Port MacKenzie; and

WHEREAS, having the State of Alaska market its share of the gas at Port MacKenzie would save the State several billion dollars because private companies, REI and WesPac Midstream LLC would fund the construction of these LNG plants; AND

WHEREAS, if a future decision is made that the AKLNG project is not cost effective to construct, the State of Alaska could elect to construct the Alaska Stand Alone Pipeline (ASAP) to Point MacKenzie; and

WHEREAS, if the ASAP line is constructed, the State of Alaska could follow the same route as the AKLNG pipeline and Alternate Corridor to Point MacKenzie without having to conduct new route and environmental studies and obtain new permits which would significantly reduce the time required to complete the ASAP project;

NOW, THEREFORE, BE IT RESOLVED, the Matanuska-Susitna Borough Port Commission highly recommends the Borough Assembly pass a resolution to submit to the State of Alaska supporting the main pipeline route for the AKLNG project along the Alternate Corridor past Point MacKenzie; and

NOW, THEREFORE, BE IT RESOLVED, the Matanuska-Susitna Borough Port Commission also highly recommends the Borough Assembly encourage the Municipality of Anchorage to submit a resolution to the State of Alaska supporting the Alternate Corridor to Point MacKenzie to enable a take-off point to be established close to the Anchorage Bowl.

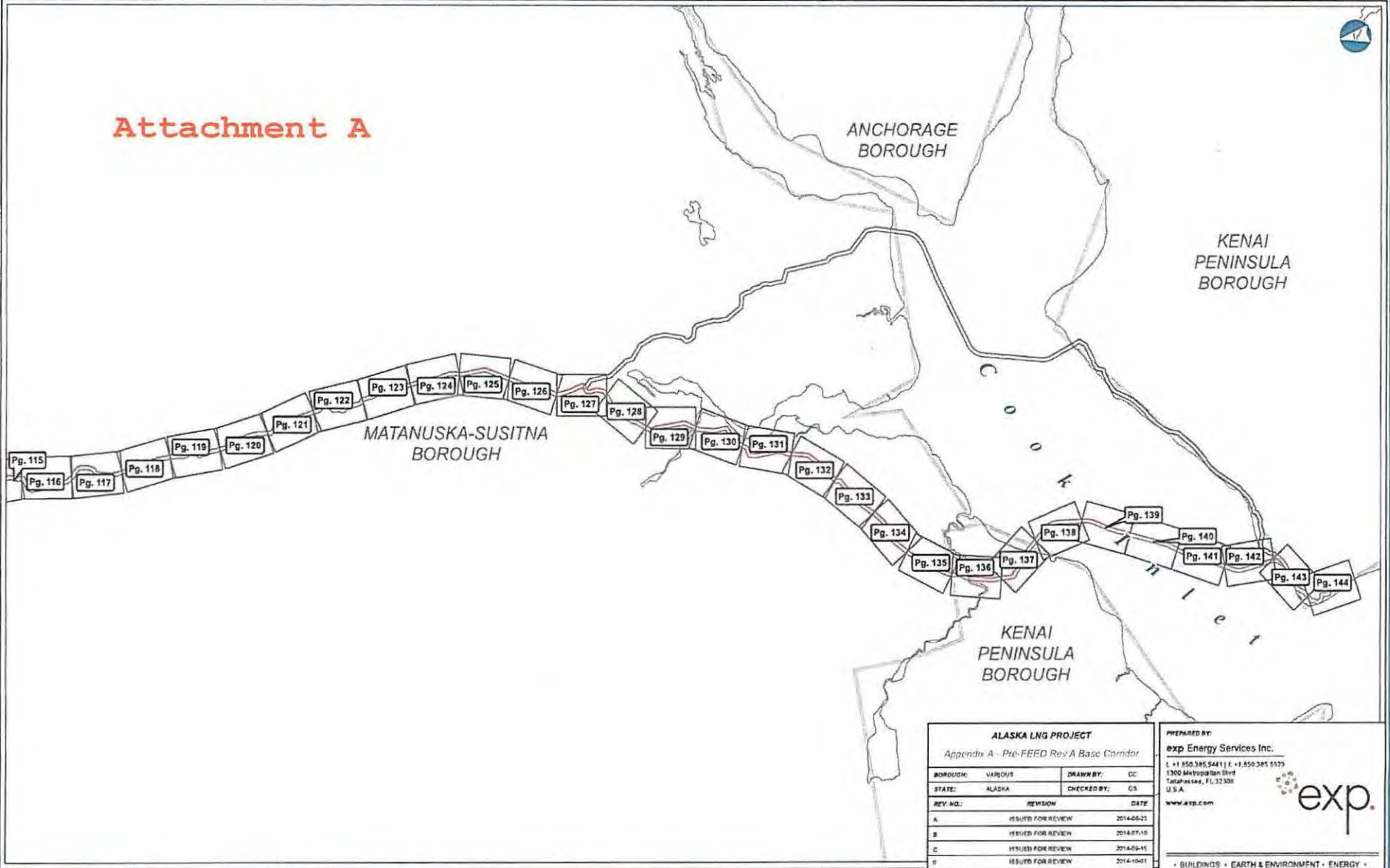
ADOPTED by the Matanuska-Susitna Port Commission this 23 day of February, 2015.

  
\_\_\_\_\_  
GREG BELL, Chairman

ATTEST:

  
\_\_\_\_\_  
PAMELA KLAYUM, Secretary

Attachment A

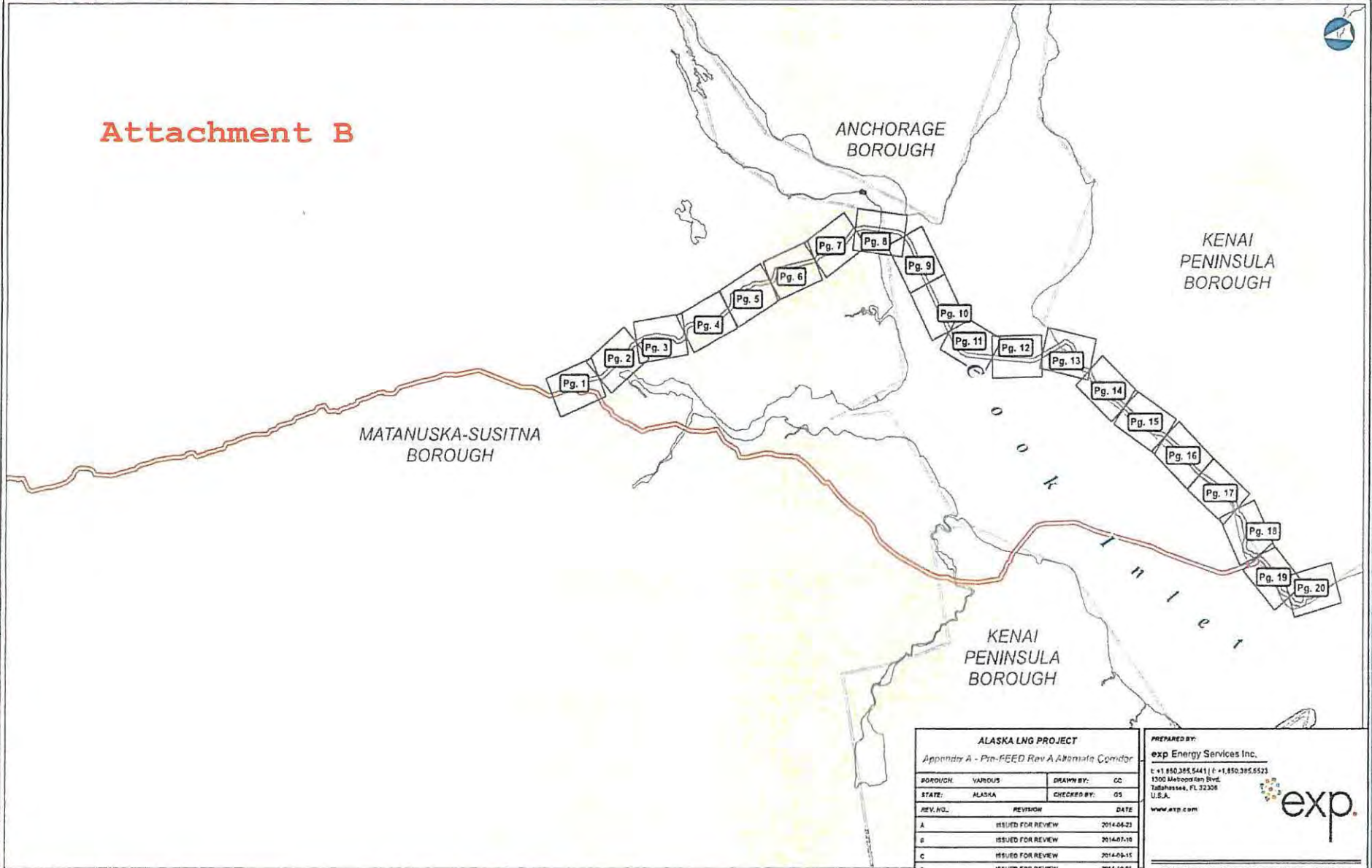


<b>ALASKA LNG PROJECT</b> Appendix A - Pre-FEED Rev A Base Corridor		<b>PREPARED BY:</b> exp Energy Services Inc. L +1 850 385 5411   F -1 850 385 5575 1300 Metropolitan Blvd Tallahassee, FL 32308 U.S.A. www.exp.com	
BOROUGH:	VARIOUS	DRAWN BY:	DC
STATE:	ALASKA	CHECKED BY:	CS
REV. NO.:	REVISION	DATE	
A.	ISSUED FOR REVIEW	2014-06-21	
B.	ISSUED FOR REVIEW	2014-07-10	
C.	ISSUED FOR REVIEW	2014-09-11	
D.	ISSUED FOR REVIEW	2014-10-01	
DATE:	2014-10-01	PROJECTION:	NAD83 STATE PLANE AK 4 100M FEET
DWG:	APPENDIX A-INDEX	SHEET:	PREP-INDEX-5

IM15-067  
 RS15-028

X:\Project\ALASKA LNG\Maping\001M0910\_Roadwork\_Report\_Rev\_001\_MXD\01\_V06\Appendix\_A\_Index\_Preliminary\_Prefeed\_Corridor\_Pre\_FEED1.mxd

Attachment B



IM15-067  
RS15-028

<b>ALASKA LNG PROJECT</b> Appendix A - Pre-FEED Rev A Alternate Corridor			PREPARED BY: <b>exp Energy Services Inc.</b> t: +1 850.385.5441   f: +1 850.385.5523 1300 Metrocenter Blvd. Tallahassee, FL 32308 U.S.A. www.exp.com
BOROUGH:	VARIOUS	DRAWN BY:	CC
STATE:	ALASKA	CHECKED BY:	OS
REV. NO.	REVISION	DATE	
A	ISSUED FOR REVIEW	2014-06-23	
B	ISSUED FOR REVIEW	2014-07-18	
C	ISSUED FOR REVIEW	2014-09-11	
D	ISSUED FOR REVIEW	2014-10-01	
DATE:	2014-10-01	PROJECTION:	NAD83 STATE PLANE AK 4 5004 FEET
DWG:	APPENDIX A-INDEX	SHEET:	ALT-INDEX-1

X:\Project\Exp\MI\BSC\NO\Map\20140920\_Resource\_Report\_Rev\_004\_MTD01\_v00\Appendix\_A\_Index\_Alternate\_Premise\_Corridor\_Pre-FEED.mxd

Action:

**MATANUSKA-SUSITNA BOROUGH  
RESOLUTION SERIAL NO. 15-028**

A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY  
SUPPORTING THE ALTERNATE ROUTE PAST POINT MACKENZIE FOR THE  
ALASKA LNG PIPELINE.

---

WHEREAS, on December 23, 2014, Governor Bill Walker and Resources Energy, Inc. (REI) signed a Cooperation Agreement to develop a LNG export project in Cook Inlet for the State of Alaska; and

WHEREAS, this Cooperation Agreement includes the marketing, financing, ownership, development and acquisition of gas, domestic requirements, and marine transportation of LNG; and

WHEREAS, as an initial step in promoting the marketing in Japan of LNG from Alaska, REI proposes to develop a one million tons per annum LNG export project in the Point MacKenzie area with the target of commencing deliveries prior to 2020; and

WHEREAS, a second LNG company, WesPac Midstream LLC, also proposes to construct a LNG facility at Port MacKenzie with the initial goal of producing 250,000 gallons of LNG per day for in-state use; and

WHEREAS, Wespac Midstream LLC also proposes to expand their LNG facility in the future to one million tons per annum for both in-state use and export; and

WHEREAS, the State of Alaska has invested, and is

continuing to invest, several hundred million dollars in the development of Port MacKenzie and the rail line to the Port from the Parks Highway; and

WHEREAS, Port MacKenzie and the adjacent areas have the upland capacity to accommodate both REI's and Wespac Midstream's proposed LNG operations; and

WHEREAS, Port MacKenzie and the adjacent areas have the upland capacity to expand both the proposed REI and WesPac Midstream LNG facilities when additional natural gas is available from either Cook Inlet or the North Slope; and

WHEREAS, Port MacKenzie has title to tidelands, both to the north and to the south of the existing docks, that would allow for up to four dedicated docks for the export of LNG; and

WHEREAS, the proposed Alaska LNG (AKLNG) Project currently has a primary route down the west side of Cook Inlet to Tyonek and across Cook Inlet to Nikiski and an Alternate Route past Point MacKenzie and Point Possession to Nikiski; and

WHEREAS, the Alternate Route would eliminate the AKLNG line from having to cross over ten salmon streams, including the Deshka, Fish Creek, Yentna, Alexander Creek, Lewis, Theodore, Pretty Creek, Beluga, Threemile Creek, and the Chuitna Rivers, on the west side of Cook Inlet and enable the AKLNG line to follow an existing LNG line between Anchorage and Nikiski on the east side of the Inlet; and

WHEREAS, the Alternate Route past Point MacKenzie would enable a AKLNG take-off point to be established that would allow natural gas to be easily routed to both the Anchorage Bowl and Port MacKenzie; and

WHEREAS, the Anchorage Bowl is the largest consumer of natural gas in Alaska and a take-off point at Point MacKenzie would allow for a connection to Anchorage to provide additional natural gas when it is needed; and

WHEREAS, a take-off point from the Alternate Route at Point MacKenzie would enable both REI and WesPac Midstream LLC to expand their LNG plants to utilize 100% of the State's share of Natural Gas from the AKLNG project; and

WHEREAS, this would enable the State of Alaska to market its entire 24% share of gas from the AKLNG project to REI and WesPac Midstream LLC at Port MacKenzie; and

WHEREAS, having the State of Alaska market its share of the gas at Port MacKenzie would save the State several billion dollars or more because private companies, REI and WesPac Midstream LLC, would fund the construction of these LNG plants; and

WHEREAS, if a future decision is made that the AKLNG project is not cost effective to construct, the State of Alaska could elect to construct the Alaska Stand Alone Pipeline (ASAP) to Point MacKenzie; and

WHEREAS, if the ASAP line is constructed, the State of Alaska could follow the same route as the AKLNG pipeline and Alternate Route to Point MacKenzie without having to conduct new route and environmental studies and obtain new permits which would significantly reduce the time required to complete the ASAP project; and

WHEREAS, on February 23, 2015, the Matanuska-Susitna Borough Port Commission passed Resolution Serial Number 15-001 recommending the Borough Assembly support the main pipeline route for the AKLNG project along the Alternate Route past Point MacKenzie and encourage the Municipality of Anchorage to pass a Resolution supporting this route as well;

NOW, THEREFORE, BE IT RESOLVED, the Matanuska-Susitna Borough Assembly highly recommends the State of Alaska support the main pipeline route for the AKLNG project along the Alternate Route past Point MacKenzie; and

NOW, THEREFORE, BE IT FURTHER RESOLVED, the Matanuska-Susitna Borough Assembly also highly recommends the Municipality of Anchorage submit a resolution to the State of Alaska supporting the Alternate Corridor to Point MacKenzie to enable a take-off point to be established close to the Anchorage Bowl.

ADOPTED by the Matanuska-Susitna Borough Assembly this 17 day of March, 2015.

LARRY DeVILBISS, Borough Mayor

ATTEST:

LONNIE R. McKECHNIE, CMC, Borough Clerk


(SEAL)


**SUBJECT:** APPROVING A LOAN FROM THE FIRE SERVICE AREA REVOLVING LOAN FUND, FUND 605, IN THE AMOUNT OF \$200,000, TO THE WILLOW FIRE SERVICE AREA, FUND 258, TO PROVIDE THE FUNDS NECESSARY TO PURCHASE PROPERTY FOR THE NEW NANCY LAKE WARM STORAGE FIRE STATION.

**AGENDA OF:** March 17, 2015

**ASSEMBLY ACTION:**

**MANAGER RECOMMENDATION:** Present to the Assembly for consideration.

**APPROVED BY JOHN MOOSEY, BOROUGH MANAGER:** 

Route To:	Department/Individual	Initials	Remarks
	Originator/Brodigan	KB+DB	
	Finance Director	Cydon TEC	
	Borough Attorney	Jagan S.	3/16/15
	Borough Clerk	Jmm	3/9/15 

**ATTACHMENT (S):** Fiscal Note: Yes  No   
 Resolution Serial No. 15-029(2pp)

**SUMMARY STATEMENT:**

On December 2, 2014, with Ordinance 2014-167, the Matanuska-Susitna Borough accepted and appropriated a grant in the amount of \$600,000 from the Department of Commerce, Community, and Economic Development for the purpose of building a new warm storage/fire station in the Nancy Lake area of Willow. Land purchase is not included in grant the scope of work and the Willow Fire Service Area does not have adequate funding in their fund balance to support utilizing those funds for land purchase.

The Willow Fire Service Area and several borough staff members have identified a suitable location to purchase that includes a building and land at Mile 64.4 of the Parks Highway that would meet the needs of the Willow Fire Service Area and the Nancy Lake Warm Storage project. The current Willow Fire Station office and training room building located at Mile 69.5 of the Parks Highway is in major disrepair and it has been recommended that the building be demolished due to its age and potentially dangerous condition. The Nancy Lake property at Mile 64.4 of the Parks Highway has a building this is suitable to inhabit and utilize as a temporary office and training rooms for Willow firefighters.

Without the necessary funding required to purchase a suitable location, the Nancy Lake Warm Storage Fire Station grant project will continue to be stalled.

**RECOMMENDATION OF ADMINISTRATION:**

Approval of a loan from the Fire Service Area Revolving Loan Fund, Fund 605, in the amount of \$200,000, to the Willow Fire Service Area, Fund 258, to provide the funds necessary to purchase property for the new Nancy Lake Warm Storage Fire Station.

MATANUSKA-SUSITNA BOROUGH  
FISCAL NOTE

Agenda Date: March 17, 2015

REQUEST: Approval of a loan from the Fire Service Area Revolving Loan, Fund 605, in the amount of \$200,000, to the Willow Fire Service Area, Fund 258, to provide the funds necessary to purchase property for the new Nancy Lake Warm Storage Fire Station.

ORIGINATOR: Dennis Brodigan, Director, Emergency Services

FISCAL ACTION (TO BE COMPLETED BY FINANCE)	FISCAL IMPACT <input checked="" type="radio"/> YES <input type="radio"/> NO
AMOUNT REQUESTED \$ <u>200,000</u>	FUNDING SOURCE <u>FSA Revolving Loan</u>
FROM ACCOUNT # <u>605 272.000</u>	PROJECT #
TO ACCOUNT # <u>258.000.000.4xx,xxx</u>	PROJECT #
VERIFIED BY: <u>Barbara Saungruh</u>	CERTIFIED BY:
DATE: <u>3/3/15</u>	DATE:

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY15	FY16	FY17	FY18	FY19
Personnel Services					
Travel					
Contractual					
Supplies					
Equipment					
Land/Structures					
Grants, Claims					
Miscellaneous			<u>40.7</u>	<u>40.4</u>	<u>40.3</u>
TOTAL OPERATING			<u>40.7</u>	<u>40.4</u>	<u>40.3</u>

CAPITAL	<u>200</u>				
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REVENUE					
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FUNDING: (Thousands of Dollars)

General Fund					
State/Federal Funds					
Other	<u>200</u>		<u>40.7</u>	<u>40.4</u>	<u>40.3</u>
TOTAL	<u>200</u>		<u>40.7</u>	<u>40.4</u>	<u>40.3</u>

POSITIONS:

Full-Time					
Part-Time					
Temporary					

ANALYSIS: (Attach a separate page if necessary)

PREPARED BY: \_\_\_\_\_  
 DEPARTMENT: \_\_\_\_\_  
 APPROVED BY: Dennis Brodigan

Phone: \_\_\_\_\_  
 Date: \_\_\_\_\_  
 Date: 3/6/15

IM No. 15-069  
 Resolution Serial No. 15-029

Action:

**MATANUSKA-SUSITNA BOROUGH  
RESOLUTION SERIAL NO. 15-029**

A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY APPROVING A LOAN FROM THE FIRE SERVICE AREA REVOLVING LOAN FUND, FUND 605, IN THE AMOUNT OF \$200,000, TO THE WILLOW FIRE SERVICE AREA, FUND 258, TO PROVIDE THE FUNDS NECESSARY TO PURCHASE PROPERTY FOR THE NEW NANCY LAKE WARM STORAGE FIRE STATION.

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WHEREAS, on December 2, 2014, with Ordinance 2014-167, the Matanuska-Susitna Borough accepted and appropriated a grant in the amount of \$600,000 from the Department of Commerce, Community, and Economic Development for the purpose of building a new warm storage/fire station in the Nancy Lake area of Willow; and

WHEREAS, land purchase is not included in grant the scope of work; and

WHEREAS, the Willow Fire Service Area does not have adequate funding in their fund balance to support utilizing those funds for land purchase; and

WHEREAS, the Willow Fire Service Area and several borough staff members have identified a suitable location to purchase that includes a building and land at Mile 64.4 of the Parks Highway that would meet the needs of the Willow Fire Service Area and the Nancy Lake Warm Storage project; and

WHEREAS, the current Willow Fire Station office and training room building located at Mile 69.5 of the Parks Highway is in major disrepair and it has been recommended that the building be demolished due to its age and potentially dangerous condition; and

WHEREAS, the Nancy Lake property at Mile 64.4 of the Parks Highway has a building this is suitable to inhabit and utilize as a temporary office and training rooms for Willow firefighters; and

WHEREAS, without the necessary funding required to purchase a suitable location, the Nancy Lake Warm Storage Fire Station grant project will continue to be stalled.

NOW, THEREFORE, BE IT RESOLVED, that the Willow Fire Service Area, fund 258, shall borrow \$200,000 from the Fire Service Area Revolving Loan Fund.

NOW, THEREFORE, BE IT FURTHER RESOLVED, that the amount borrowed shall be repaid by the Willow Fire Service Area, fund 258, up to the amount actually loaned in accordance with MSB 5.15.020, commencing with repayments beginning in Fiscal Year 2017 and due annually for a five year term with an annual interest rate of zero as approved by the Matanuska-Susitna Borough Assembly.

ADOPTED by the Matanuska-Susitna Borough Assembly this - day of -, 2015.

\_\_\_\_\_  
LARRY DEVILBISS, Borough Mayor

ATTEST:

\_\_\_\_\_  
LONNIE McKECHNIE, CMC, Borough Clerk

(SEAL)


SUBJECT: A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY CREATING ALTERNATE SEATS FOR THE MARIJUANA ADVISORY COMMITTEE.

AGENDA OF: March 17, 2015

Assembly Action:

MANAGER RECOMMENDATION: Present to the Assembly for consideration.

APPROVED <sup>for</sup> BY JOHN MOOSEY, BOROUGH MANAGER: 

Route To:	Department/Individual	Initials	Remarks
	Originator	Mayor DeVilbiss	
	Borough Attorney	<i>[Signature]</i>	
	Borough Clerk	<i>[Signature]</i>	3/9/15 

ATTACHMENT (S) : Fiscal Note: NO X YES  
 Resolution Serial No. 15-030 (2pp)

SUMMARY STATEMENT: On January 20, 2015, the Assembly adopted Resolution Serial Number 15-007 creating the Marijuana Advisory Committee. The number of seats for this committee was set at 17. Volunteers for these seats far outnumbered the number of seats. In order to ensure adequate attendance and participation, this legislation is brought forward to create 17 alternate seats for this committee.

Action:

**MATANUSKA-SUSITNA BOROUGH  
RESOLUTION SERIAL NO. 15-030**

A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY CREATING  
ALTERNATE SEATS FOR THE MARIJUANA ADVISORY COMMITTEE.

WHEREAS, on January 20, 2015, the Assembly adopted Resolution Serial Number 15-007 creating the Marijuana Advisory Committee; and

WHEREAS, the number of seats created for the Marijuana Advisory Committee was 17; and

WHEREAS, volunteers for the 17 seats on the Committee far exceeded the number of seats; and

WHEREAS, in order to ensure adequate attendance and participation, additional alternate seats are needed for this committee.

WHEREAS, there shall be 17 alternates for the number and categories as set forth in the original Resolution Serial No. 15-007.

NOW, THEREFORE, BE IT RESOLVED, an additional 17 alternate seats are hereby created for the Marijuana Advisory Committee.

ADOPTED by the Matanuska-Susitna Borough Assembly this - day of -, 2015.

LARRY DeVILBISS, Borough Mayor

ATTEST:

LONNIE R. McKECHNIE, CMC, Borough Clerk

(SEAL)

**SUBJECT:** A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY IN SUPPORT OF A COST OF COMMUNITY SERVICES (CoCS) STUDY TO PROVIDE INFORMATION FOR DEVELOPMENT OF THE FY 2016 BUDGET.

**AGENDA OF:**

**Assembly Action:**

**MANAGER RECOMMENDATION:** Present to the Assembly for consideration.

**APPROVED BY** *for* JOHN MOOSEY, BOROUGH MANAGER: *[Signature]*

Route To:	Department/Individual	Initials	Remarks
	Originator	LRM	For Assemblymember Sykes
	Finance Director	<i>Jul</i>	<i>3/9/15</i>
	Borough Attorney	<i>Jay N.S.</i>	<i>3/9/15</i>
	Borough Clerk	<i>Jam</i>	<i>3/9/15</i> <i>(BAN)</i>

**ATTACHMENT (S) :** Fiscal Note: NO X YES \_\_\_\_\_  
 Resolution Serial No. 15-031 (pp)  
 Attachment (24 pp)

Zero fiscal note if accomplished with available staff, otherwise estimated between \$13,000 and \$17,000 if done by outside contractor.

**SUMMARY STATEMENT:** This resolution is coming forward at the request of Assemblymember Sykes to produce a Cost of Community Services (CoSC) study to provide useful information to the public and to the Assembly to help prioritize funding of our Borough budget. The Borough can no longer count on the federal and state funds that make up the majority of the Borough budget. These sources of outside support will be decreasing in coming years, starting now.

The CoCS study will provide an analytical review of property tax revenue sources and the demand for public facilities based on land use that will directly affect this year's budget and those

to come.

CoCS studies are easily accomplishable by staff or by outside contractors. Information gained from this study will be especially useful to consider before we enter budget deliberations, so time is of the essence. The resolution requires the study be complete for public and Assembly consideration by April 17, 2015 to better enable the citizens of the Borough and the Assembly to more meaningfully consider how to distribute an already diminished FY2016 budget.

**MATANUSKA-SUSITNA BOROUGH  
FISCAL NOTE**

Agenda Date: 03/17/15

SUBJECT: A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY IN SUPPORT OF A COST OF COMMUNITY SERVICES (CoCS) STUDY TO PROVIDE INFORMATION FOR DEVELOPMENT OF THE FY 2016 BUDGET.

ORIGINATOR: L. McKechnie

FISCAL ACTION (TO BE COMPLETED BY FINANCE)	FISCAL IMPACT <input checked="" type="radio"/> YES <input type="radio"/> NO
AMOUNT REQUESTED \$13,000 to \$17,000	FUNDING SOURCE Assembly Reserve
FROM ACCOUNT # 100-100-102-429-900	PROJECT #
TO ACCOUNT :	PROJECT #
VERIFIED BY: 	CERTIFIED BY:
DATE: 3/9/15	DATE:

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019
Personnel Services						
Travel						
Contractual		\$13 to \$17				
Supplies						
Equipment						
Land/Structures						
Grants, Claims						
Miscellaneous						
TOTAL OPERATING						

CAPITAL	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019
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REVENUE	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019
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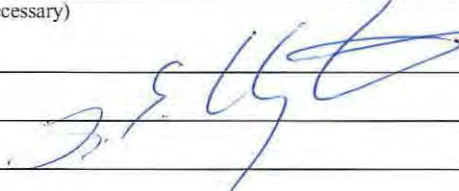
FUNDING: (Thousands of Dollars)

General Fund	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019
State/Federal Funds						
Other						
TOTAL		\$13 to \$17				

POSITIONS:

Full-Time	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019
Part-Time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

PREPARED BY:  PHONE: \_\_\_\_\_  
 DEPARTMENT: \_\_\_\_\_ DATE: \_\_\_\_\_  
 APPROVED BY: \_\_\_\_\_ DATE: 3/9/15

IM No. 15-074  
Resolution Serial No. 15-031

# A Meta-Analysis of Cost of Community Service Studies

Matthew J. Kotchen

*University of California, Santa Barbara and NBER,  
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Stacey L. Schulte

*University of Colorado,  
e-mail: [Stacey.Schulte@colorado.edu](mailto:Stacey.Schulte@colorado.edu)*

Cost of community service (CCS) studies, which compare the ratio of expenditures-to-revenues for different land uses, are increasingly influential in debates about municipal land-use planning. In this article, we conduct a quantitative meta-analysis of 125 CCS studies that focus on three land-use categories: residential, commercial/industrial, and agricultural/open-space. We estimate models to investigate underlying patterns regarding the effect of different methodological assumptions and of geographic and financial characteristics of communities. Many of the results have implications for the conduct and interpretation of CCS studies in particular and the fiscal impacts of land use in general. Key findings include the following: residential ratios of expenditures-to-revenues increase with population but decrease with school budget as a proportion of total budget; commercial/industrial ratios increase with density but decrease with population, home value, and school budget; agricultural/open space ratios increase with density. Ratios are affected little by municipality type or population change. Ratios for all land uses decrease as their share of property tax increases. Two key methodological decisions have a large impact on study results: inclusion of school budget in the analysis and of farmhouses in the agricultural/open space category. Finally, the type of sponsoring agency has little affect, with the exception of government studies, which find higher residential ratios and lower commercial/industrial ratios than the American Farmland Trust.

## I. Introduction

Land use largely determines the revenues and expenditures of municipal governments. Different land uses—including residential, commercial, industrial,

**Authors' Note:** This article was written in honor of Roger Bolton and presented at the colloquium "Understanding Place and the Economics of Space: The Career of Roger Bolton" at Williams College in April 2008. We are grateful to colloquium participants and an anonymous reviewer for many helpful comments. We are also grateful to Elizabeth Brabec for useful feedback at the early stages of this project and to Michael Hinke for creating the map of study locations.

agricultural, and open space—generate different amounts of revenue because they are taxed at different rates and are responsible for different amounts of intergovernmental aid. They also demand different expenditures for municipal services ranging from public education, police protection, roads, and other forms of infrastructure. When land uses change, therefore, the balance of municipal revenues and expenditures changes as well. Recognizing these relationships, municipalities, planners and land-use advocates are becoming increasingly concerned with the long-term financial implications of land-use decisions.

Cost of Community Service (CCS) studies are a well-known methodology for estimating the fiscal impact of different land uses within a municipality. Local governments, land-use planners, and advocacy groups frequently use CCS studies to quantify the fiscal costs and benefits of existing land uses. The studies are also used, albeit with some controversy, as an indicator of how land-use change is likely to affect municipal budgets. The American Farmland Trust (AFT) first developed the CCS methodology in the mid-1980s, following two seminal publications, *The Fiscal Impact Handbook* (Burchell and Listokin 1978) and *Cost of Sprawl* (Real Estate Research Corporation 1974), which demonstrate the importance of cost-effectiveness for land-use planning.

The basic methodology of CCS studies is to first partition land uses into three classes: residential, commercial/industrial, and agricultural/open-space. Expenditures and revenues from the municipal budget are then allocated to the three different land-use categories. Although the specific methodology for fiscal allocations differs among CCS studies, the final result is always a ratio of expenditures over revenues for each of the three land uses. For example, a residential ratio of 1.2 means that for every U.S.\$1.00 of revenue raised from residential land uses, U.S.\$1.20 of expenditures is spent on residential land uses. Studies then report a separate ratio for residential, commercial/industrial, and agricultural/open-space land uses.

A general finding of CCS studies is that commercial/industrial and agricultural/open-space ratios are less than one while residential ratios are greater than one. This is often interpreted to mean that commercial/industrial and agricultural/open-space land uses “pay their own way” while residential land uses do not. AFT and other land conservation advocates use these ratios to argue against the common perception that further residential development will decrease the property tax burden for current residents. The results are also used to argue that open lands provide fiscal benefits and that current use valuation, rather than potential development value, is justified for tax purposes.

One reason for the popularity of CCS studies is the relative ease of conducting them and understanding the results, but their simplicity also exposes them to criticism and calls for caution with interpretation. The main concerns are the following: partitioning land uses into only three classes obscures potentially important variation within a given class (Crompton 2000; Deller 2002). CCS studies measure demand for services rather than benefits, which often include public goods for the greater

community, and land-use decisions should account for public benefits (Kelsey 1996; Deller 1999). The use of ratios does not reflect the magnitudes of surplus or deficit for a given land use (Kelsey 1996; Deller 1999). The fact that CCS studies are based on *average* expenditures, and revenues is problematic because understanding the impacts of land-use change requires information about *marginal* costs and benefits (Deller 1999; Staley 1999; Crompton 2000).

Despite these concerns, CCS studies have become increasingly popular and influential in debates about municipal land-use decision making. CCS studies are frequently cited in land-use planning documents, government reports, academic research, and advocacy materials. Although in the past, land-use debates have focused on social, aesthetic, environmental, and legal concerns, CCS studies have promoted greater emphasis on economic considerations. The increased emphasis on economic arguments through CCS studies has been particularly apparent among supporters of open-space/farmland conservation and in efforts to limit urban sprawl.

Although CCS studies often frame municipal land-use debates, the results of these studies have not been rigorously evaluated to determine the factors that contribute to differing results. How important are different methodological assumptions? In what ways do the geographic and financial characteristics of a community affect CCS ratios? Are there general insights that can be learned from CCS studies about local public finance? In order to answer these questions, we conduct a meta-analysis of existing CCS studies. We structure the methodology according to standard protocol for conducting quantitative meta-analysis. According to Stanley (2001), the method involves five fundamental steps: (1) include all relevant studies, (2) choose a summary statistic and reduce the evidence to a common metric, (3) choose explanatory variables that are thought to be consequential, (4) conduct a meta-regression analysis, and (5) subject the meta-regression analysis to specification testing.

Our final dataset consists of 125 studies that took place in communities across the United States. Using the studies themselves, along with U.S. Census data, we create explanatory variables for different methodological assumptions, geographic characteristics of each study area, and financial details of the local community. One contribution of the article, therefore, is simply the collection of CCS studies. We report citation information for all studies included in the analysis, and the simple descriptive statistics provide a general sense of patterns within the CCS literature. The meta-analysis is then based on a system of multivariate regression equations to examine how the different variables affect the expenditure-to-revenue ratios within each land-use class. The meta-analysis takes advantage of information among all studies to investigate underlying patterns regarding the effect of methodological assumptions, as well as the geographic and financial characteristics of communities.

The remainder of the article is organized as follows. In the next section, we describe our data collection and preparation. Section III reports the details of the meta-regression analysis, namely our approach for estimating a system of seemingly unrelated regression (SUR) equations. Section IV reports the results. Section V

concludes with a discussion of the main results and their implications for the conduct of CCS studies in particular and the fiscal implications of land use in general.

## II. Data Collection and Preparation

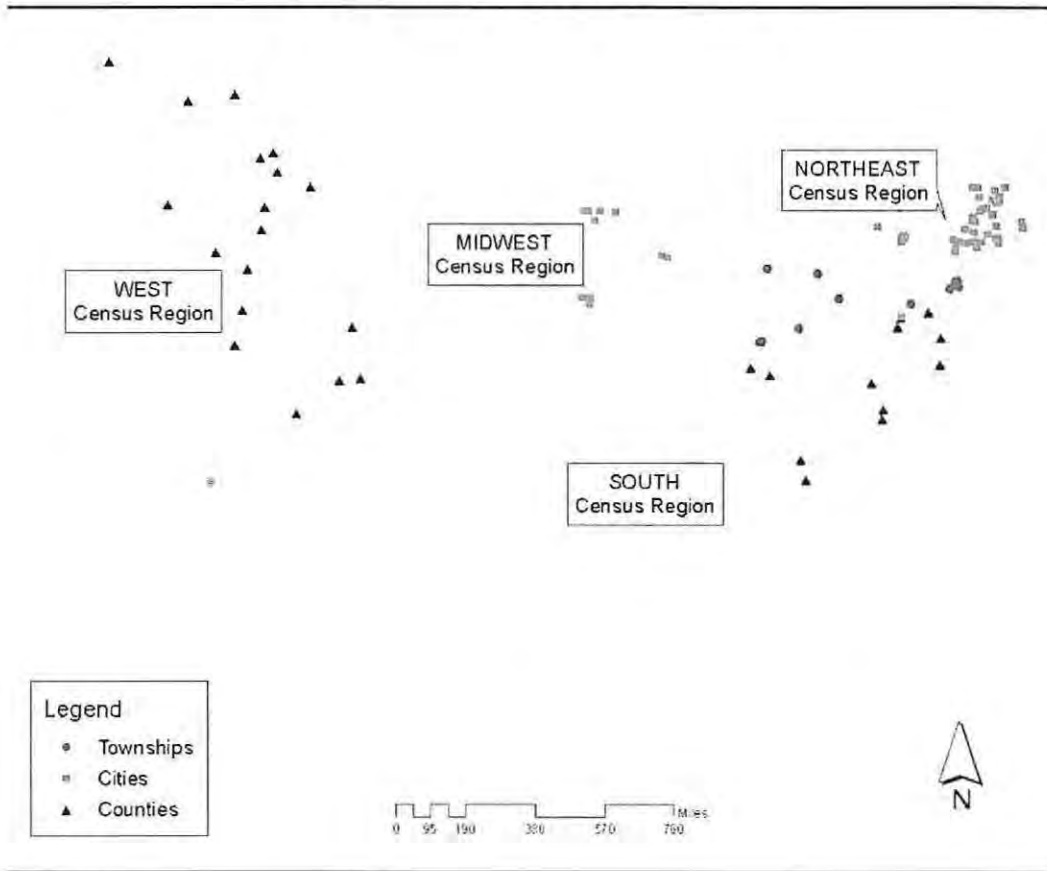
We attempted to compile all CCS studies that were conducted through 2007. We searched for studies using AFT references, citations in journal articles and CCS reports, references from CCS study authors, technical reports, and Web searches. We identified CCS studies for 168 different locations. The report for forty-three of these locations could not be obtained or did not include sufficient data. Hence, the final dataset used in our analysis consists of 125 observations. The Appendix Table includes a list of all 125 CCS locations with a complete citation for each.

The studies show variation in location and results. Figure 1 shows the geographic distribution of studies across the United States. The vast majority of studies take place in the northeast and the mountain west, with fewer in the mid-west and mid-Atlantic regions. The figure also shows the corresponding level of governance for each study, which we discuss below. Figure 2 shows the frequency distributions of the CCS ratios for each of the three land-use categories. Consistent with the general perception that comes from these studies, we find that nearly all residential ratios exceed one, meaning that residential expenditures exceed revenues. One residential ratio, an outlier at 3.25 for Broadwater County in Montana, is not included in figure 2 or any of the subsequent analysis. Also consistent with expectation is the finding that the vast majority of commercial/industrial and agricultural/open-space ratios are less than one, meaning that expenditures for these land uses are less than revenues. Within all three land-use categories, the ratios indicate substantial variation. In what follows, we aim to identify variables that explain the variation in results among studies.

We collected data from the CCS studies themselves and the U.S. Census to create variables in three broad categories: geographic, methodological, and financial. Table 1 lists and defines all variables. Among the geographic variables, we categorize studies based on the corresponding level of governance: city, county, and township level. Figure 1 shows the geographic distribution of studies that take place at each level of governance. We do not create variables for geographic location, such as census regions, because they are highly correlated with the variables on level of municipal governance. When creating the variable for county-level governance, we also distinguish between studies that exclude subset municipal finances (countyonly) and studies that include them (countyall). Other geographic variables include population, population growth, total land area, and population density.

The methodological variables include categories for different types of sponsoring organizations, including the AFT, other nongovernmental organizations, government agencies, and academic institutions. We create dummy variables for several other

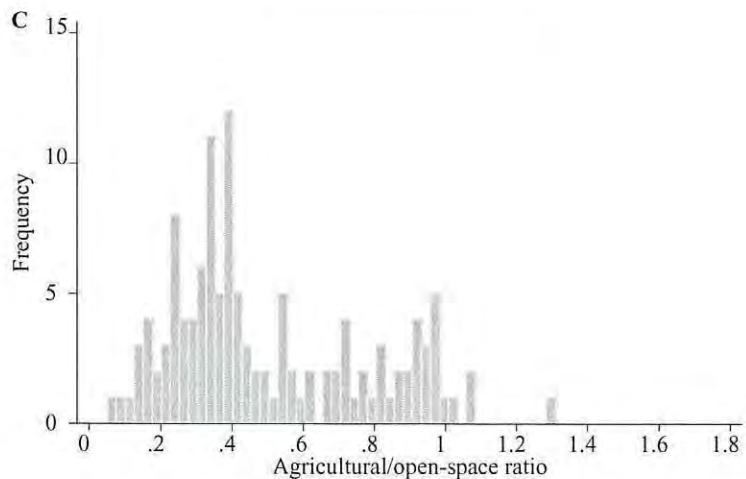
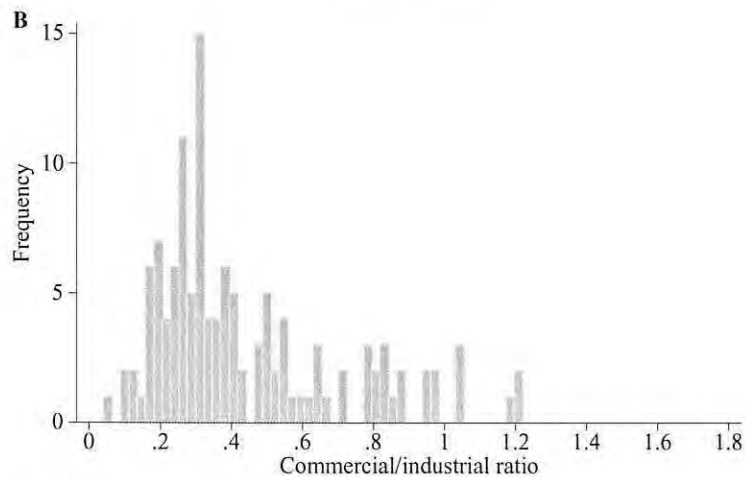
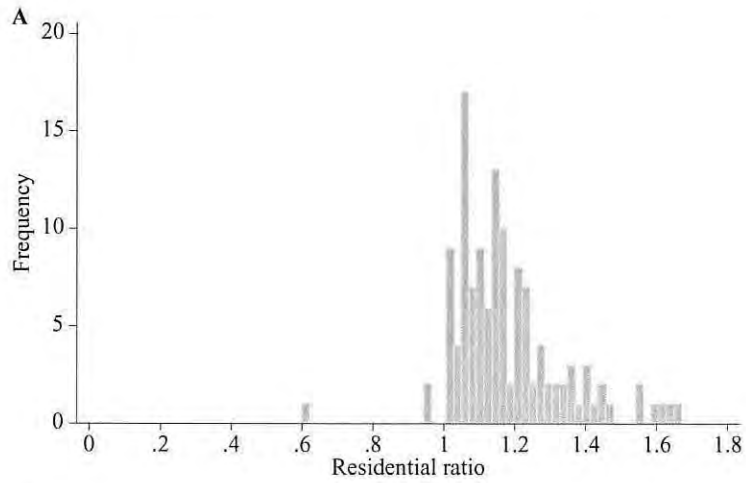
**Figure 1**  
**Geographic Distribution of Cost of Community Service Studies and**  
**Corresponding Level of Governance**



methodological choices as well: whether the school budget is included in the analysis, whether the financial allocations come from only normal operating budgets, whether agricultural residences are included in the agricultural/open-space category rather than the residential category, whether researchers conduct interviews with government officials to help allocate budget items, and whether researchers use standard fallback percentages (based on proportional property tax revenues) to allocate expenditures not directly tied to a particular land use.

The financial variables include municipal expenditures, revenues, surplus, expenditures per capita, and median home value. These are all reported in year 2000 dollars. We also create a variable for school expenditures as a proportion of total expenditures, where the variable is coded as zero if the study did not take account of the school budget. The final three variables are property taxes for each of the three land-use categories as a proportion of total property taxes.

**Figure 2**  
**Frequency Distributions of Cost of Community Service Study Ratios for Residential, Commercial/Industrial, and Agricultural/Open-Space Land Uses**



**Table 1**  
**List of Variables and Definitions**

Variable	Definition
<b>Ratios</b>	
Residential	Ratio of expenditures over revenues for residential land uses
ComInd	Ratio of expenditures over revenues for commercial/industrial land uses
AgOs	Ratio of expenditures over revenues for agricultural/open space land uses
<b>Geographic</b>	
City	Dummy for budget at the city, town, or village level
Countyonly	Dummy for budget at the county level, excluding subset municipalities
Countyall	Dummy for budget at the county level, including subset municipalities
Township	Dummy for budget at the township level, excluding subset municipalities
Population	Total population for year study conducted (10,000s)
Sq miles	Land area (square miles)
Density	People per square mile (100s people)
Popchng	Proportionate population change from five years prior to study year to two years after
<b>Methodological</b>	
AFT	Dummy for study sponsored by AFT
Org	Dummy for study sponsored by some other nongovernmental organization
Gov	Dummy for study sponsored by a government agency
Academic	Dummy for study sponsored by an academic institutions
Scholuse	Dummy for school budget used in the study
Genfund	Dummy for budget allocations from general fund only, that is, normal operating finances
Agres	Dummy for agricultural residences included in AgOS rather than residential ratios
Intervu	Dummy for interviews with government officials used to help allocate budget items
Standfallbk	Dummy for using standard fallback percentages to allocate expenditures
<b>Financial</b>	
Expenditures	Total expenditures in year of study (100,000s in year U.S.\$2000s)
Revenue	Total revenues in year of study (100,000s in year U.S.\$2000s)
Surplus	Total revenues minus total expenditures (Revenue – Expenditures)
Expercap	Total expenditures per capita (1000s in year U.S.\$2000s)
Homevalu	Median home value (100,000s in year U.S.\$2000s)
Scholbdg	School expenditures as a proportion of total expenditures (= 0 if Scholuse = 0)
Restax	Residential property tax as a proportion of total property tax
ComIndtax	Commercial/industrial property tax as a proportion of total property tax
AgOstax	Agricultural/open-space property tax as a proportion of total property tax

Notes: All variables are derived from COCS studies themselves, except for population, Sqmiles, density, Popchng, and Homevalu, which are taken directly or derived from the U.S. Census. Homevalu is taken from the 1990 census for studies done before 2000 or the 2000 census for studies done after 2000. Other census variables are from projections for the specific years corresponding to the COCS study.

Table 2 reports descriptive statistics for all variables. The majority of studies take place at the city level of governance (54 percent), followed by countyonly (29 percent), township (10 percent), and countyall (7 percent). The municipalities vary substantially with respect to population, land area, and population density. The average population

**Table 2**  
**Descriptive Statistics**

Variable	Mean	SD	Minimum	Maximum
Ratios				
Residential	1.18	0.16	0.60	1.67
ComInd	0.44	0.27	0.04	1.22
AgOs	0.50	0.28	0.05	1.31
Geographic				
City	0.54	0.50	0	1
Countyonly	0.29	0.45	0	1
Countyall	0.07	0.26	0	1
Township	0.10	0.30	0	1
Population	4.26	13.21	0.02	139.29
Sqmiles	537.09	1028.22	0.40	5514.00
Density	3.75	6.05	0.02	28.00
Popchng	0.16	0.19	-0.13	1.63
Methodological				
AFT	0.25	0.43	0	1
Org	0.18	0.39	0	1
Gov	0.19	0.40	0	1
Academic	0.38	0.49	0	1
Scholuse	0.70	0.46	0	1
Genfund	0.20	0.40	0	1
Agres	0.24	0.43	0	1
Intervu	0.77	0.42	0	1
Standfallbk	0.70	0.46	0	1
Financial				
Expenditures	512.05	1650.06	0.27	17,576.46
Revenue	516.51	1682.10	0.48	17,937.58
Surplus	4.46	42.99	-115.48	361.12
Expercap	1.44	0.76	0.11	3.63
Homevalu	1.30	0.65	0.48	4.02
Scholbdg	0.43	0.32	0.00	0.94
Restax	0.69	0.18	0.00	0.99
ComIndtax	0.20	0.14	0.00	0.68
AgOstax	0.10	0.13	0.00	0.76

Notes: All variables have 125 observations, with a few exceptions. One outlier observation is dropped for residential, and data is available for only 118 observations for Restax, ComIndtax, and AgOstax.

growth rate is 16 percent. The most common sponsor of a study is an academic institution (38 percent), followed by AFT (25 percent), a governmental agency (19 percent), and other nongovernmental organizations (18 percent). Seventy percent of the studies account for school budgets in the analysis, 20 percent use financial allocations based on normal operating budgets, and 24 percent include agricultural residences in the calculation of AgOs rather than residential. Seventy-seven percent

of the studies report using interviews with government officials to help allocate budget items, and 70 percent report using standard fallback percentages. The municipalities are highly variable with respect to expenditures, revenues, expenditures per capita, and median home value. Although the mean for Scholbdg reported in table 2 includes all the zeros for studies that did not consider the school budget, the mean among those that did consider the school budget is 0.62, meaning that for these municipalities the school budget accounts for 62 percent of total expenditures. Finally, the average proportion of property tax attributable to each of the land-use categories of residential, commercial/industrial, and agricultural/open-space is 69 percent, 20 percent, and 10 percent, respectively.

We can make predictions based on the existing literature about the effect of some variables on the results of CCS studies. A wide body of research finds that greater density of development is associated with lower costs of providing community services (Knaap and Nelson 1992; Altshuler et al. 1993; Ladd 1994; Duncan and Nelson 1995; Pendall 1999; Edwards et al. 2000 Carruthers and Ulfarsson 2003). In the context of CCS studies, researchers have compared residential results in two different communities and found that density has a negative impact on ratios (Edwards et al. 2000). Although population density is a coarse and sometimes difficult variable to interpret, it follows that in a meta-analysis one might expect density to have a negative affect on residential ratios and possibly ComInd ratios as well.

Two of the methodological variables generate priors about how they might be associated with CCS ratios. The first is Scholuse. Although property taxes from all land uses typically contribute to the revenues used in school budgets, CCS studies that account for the school budget allocate school expenditures solely to the residential category. Moreover, because educational expenses are such a large portion of many budgets, residential ratios are primarily a reflection of the school budget when they are accounted for in CCS studies (Kelsey 1996; Crompton 2000; Edwards et al. 2000). Not surprisingly, therefore, researchers find that the inclusion of a school budget in the analysis tends to increase residential ratios (Kelsey 1996; Edwards et al. 2000). We expect a similar finding in our analysis here; that is, we expect Scholuse to have a positive affect on residential ratios. At the same time, because only school revenues are counted against the other land uses, we expect Scholuse to have a negative affect, if any, on ComInd and AgOs ratios.

The second methodological variable thought to be important is Agres, which indicates that agricultural residences are included in the calculation of AgOs rather than residential ratios. Two studies find that including farmhouses in the agricultural/open-space category increases AgOs ratios (American Farmland Trust 1993; Piedmont Environmental Council 1993). Two factors in combination help explain this result: residential ratios tend to be greater than one and agricultural residences are likely to comprise a large proportion of the agricultural/open-space category. For these reasons, we expect that Agres will have a positive affect on AgOs ratios in the meta-analysis. However, because agricultural residences are likely to be a relatively

small proportion of all residences, we expect that Agres will have no effect on residential ratios.

Among the financial variables, median home value is expected to have a negative effect on residential ratios and possibly the others as well. Although we have seen that residential land uses tend to not "pay their own way," more detailed studies find that high-value homes are more likely to pay for the services they receive (Englehart 1997; Dorfman et al. 2002). This suggests that with higher home values, revenues tend to increase faster than expenditures. Hence, the prediction here is that Homevalu will have a negative effect on residential ratios. Furthermore, to the extent that higher home values are positively correlated with other property values, and revenues increase faster than expenditures for other land uses as well, we expect Homevalu to have a negative effect on ComInd and AgOs ratios.

Many of the other variables are thought to be consequential, although prior expectations about the directional effects are less clear. Whether a study takes place at the city, county, or township level may matter because different levels of governance tend to provide different services, and there are no established trends about how this affects the balance of expenditures and revenues for different land uses (Snyder and Ferguson 1994; DeBoer and Zhou 1997). Population might capture diseconomies of scale, and Popchng might capture the affect of recent land-use change primarily in the residential and commercial/industrial categories. We test explicitly for effects of the methodological variables *Intervu*, *Standfallbk*, and type of study sponsor (AFT, Org, Gov, Academic). The type of study sponsor is included to investigate potential bias beyond that attributable to the other methodological assumptions for which there are controls (Bunnell 1997, 1998; Deller 1999). Although we examine the effects on CCS ratios of the remaining explanatory variables, we have no clear prior expectations about the potential consequences.

### III. Statistical Model

The meta-regression analysis aims to investigate the effects of different explanatory variables on CCS ratios for the three different land-use categories. We estimate a system of regression equations with the following general specification:

$$Residential_i = f(Methodology_{iR}, Geographic_{iR}, Financial_{iR}, \beta_R) + \epsilon_{iR}$$

$$ComInd_i = f(Methodology_{iC}, Geographic_{iC}, Financial_{iC}, \beta_C) + \epsilon_{iC}$$

$$AgOs_i = f(Methodology_{iA}, Geographic_{iA}, Financial_{iA}, \beta_A) + \epsilon_{iA}$$

where the subscript  $i$  denotes an observation, and subscripts  $R$ ,  $C$ , and  $A$  correspond with the residential, commercial/industrial, and agricultural/open-space land uses, respectively. *Methodology*, *Geography*, and *Financial* denote vectors of the corresponding variables that may differ among equations. The betas are coefficients to

be estimated, and the epsilons are error terms. Throughout the analysis, we consider both linear and log-linear functional form specifications.

We began with ordinary least squares (OLS) estimation of each equation separately with different sets of explanatory variables. The goal of this first step is to reduce the number of explanatory variables, given the relatively small number of observations in the dataset. We estimate each equation with different combinations of the Methodology, Geographic, and Financial variables: each set separately, each combination of two sets, and all three sets. The only exceptions are the property tax variables of Restax, ComIndtax, and AgOstax, which were always included in the equations for the corresponding land-use equation. Another exception in the omission of Sqmiles to avoid colinearity with density and population. If a variable never came through as statistically significant at the 90-percent level in any of the runs, we conclude that it has no significant effect on the CCS ratios for that particular land-use category and thus drop it from further analysis. We do not report these results here, but they, along the complete data, are available upon request.

With the remaining set of explanatory variables for each equation, we estimate a system of SUR (Zellner 1962). Compared to OLS estimation, the SUR estimator has the advantage of increased efficiency when the explanatory variables differ among the equations. The reason is that correlation across the errors in different equations provides a link that is exploited in estimation (see Wooldridge 2002), and given that the cross-equation ratios come from the same municipalities and studies, correlation may exist and be meaningful. Table 3 reports the SUR estimates for the linear and log-linear specifications for all three land-use categories. We do not report OLS estimates of these same equations because they do not differ in any substantial way. We also estimate OLS models with standard errors (and therefore *t* statistics) that are robust to cross-equation correlation, heteroskedasticity, and clustering to account for cases in which a CCS study reported more than one set of ratios (see the Appendix Table). We ran these models as a robustness check of the statistical inference, as the standard errors account for the fact that not all studies are published separately and therefore may not be entirely independent observations. However, we do not report these results either, as accounting for this feature of the data has no qualitative effect.

All the equations reported in table 3 include 117 observations. Seven observations are dropped because of missing data for the property tax variables, which are important to the analysis. We also ran models without these variables and including the dropped observations, but the pattern of results was very similar. One remaining observation is dropped because its residential ratio is an outlier, as discussed previously. All the equations fit reasonably well, with  $R^2$  values ranging from .29 to .37. AFT is the omitted category for the sponsoring organization, meaning that the coefficients on the other categories are interpreted relative to the AFT baseline. City is the omitted category and therefore the baseline for interpreting coefficients on the level of governance variables. Overall, the qualitative results, in terms of statistical significance, are similar between the linear and log-linear specifications.

**Table 3**  
**Seemingly Unrelated Regression Results for all Three Land-Use Categories**

	Residential		Commercial/Industrial		Agricultural/Open Space	
	Linear	Log-Linear	Linear	Log-Linear	Linear	Log-Linear
<b>Geographic</b>						
Population	0.012*** (3.93)	0.010*** (3.77)	-0.011** (2.14)	-0.020* (1.72)	0.005 (0.82)	0.006 (0.48)
Density	-0.003 (1.46)	-0.003 (1.32)	0.008** (2.07)	0.020** (2.32)	0.010*** (2.48)	0.020** (2.27)
Countyonly	-0.019 (0.46)	-0.009 (0.25)	0.064 (0.94)	0.169 (1.07)	0.012 (0.17)	0.074 (0.48)
Countyall	-0.109* (1.67)	-0.081 (1.48)	0.089 (0.82)	0.192 (0.76)	-0.102 (0.90)	-0.144 (0.57)
Township	0.129*** (2.74)	0.117*** (2.96)	-0.089 (1.16)	-0.239 (1.35)	-0.057 (0.67)	-0.179 (0.96)
City	-	-	-	-	-	-
<b>Methodology</b>						
Scholuse	0.187*** (2.66)	0.153*** (2.59)	0.104 (0.91)	0.339 (1.29)	0.082 (0.65)	0.381 (1.36)
Agres	-	-	-	-	0.267*** (4.34)	0.600*** (4.47)
Gov	0.090** (2.24)	0.090*** (2.67)	-0.126* (1.91)	-0.323** (2.11)	-0.048 (0.67)	-0.192 (1.21)
Academic	0.023 (0.66)	0.034 (1.16)	0.063 (1.12)	0.113 (0.87)	0.010 (0.16)	-0.130 (0.90)
Org	0.053 (1.26)	0.055 (1.56)	-0.030 (0.44)	-0.025 (0.16)	-0.122 (1.47)	-0.359** (1.98)
AFT	-	-	-	-	-	-
<b>Financial</b>						
Homevalu	0.025 (0.95)	0.022 (1.01)	-0.130*** (3.06)	-0.252*** (2.57)	-0.091* (1.88)	-0.156 (1.47)
Scholbdg	-0.204** (1.98)	-0.161* (1.85)	-0.372** (2.22)	-0.966*** (2.49)	-0.211 (1.14)	-0.785* (1.92)
Restax	-0.384*** (4.88)	-0.302*** (4.53)	-	-	-	-
ComIndtax	-	-	-0.469*** (2.82)	-1.056*** (2.74)	-	-
AgOstax	-	-	-	-	-0.181 (0.95)	-0.299 (0.72)
Constant	1.309*** (17.18)	0.233*** (3.62)	0.789*** (9.42)	-0.293 (1.51)	0.601*** (6.30)	-0.611*** (2.91)
R <sup>2</sup>	0.32	0.33	0.37	0.34	0.31	0.29
Observations	117	117	117	117	117	117

Notes: *t* statistics are given in parentheses. One, two, and three asterisks indicate statistical significance at the 90-, 95-, and 99-percent levels, respectively.

#### IV. Results

Let us first consider results for the geographic variables. We find that population has a statistically significant effect on the residential and ComInd ratios, but the two effects have opposite signs. An increase in population increases residential ratios but decreases commercial/industrial ratios. In discussing magnitudes, here and throughout, we focus on the log-linear specifications, which are intuitive because marginal effects are interpreted as percentage changes in the CCS ratios. We find that an increase of 10,000 people increases residential by 1 percent and decreases ComInd by 2 percent. These results suggest that, with respect to the ratio of expenditures-to-revenues, population exhibits decreasing returns to scale for residential land uses, but increasing returns to scale for commercial/industrial land uses. A possible explanation for the latter result is that larger populations are associated with greater density of commercial districts, which may have smaller expenditure-to-revenue ratios.

Population density has a positive and statistically significant effect on both the ComInd and the AgOs ratios. The magnitude of the effect in terms of a percentage change is similar between the two land-use categories: an increase of 100 people per square mile increases both ratios by 2 percent. We have no obvious explanation for the ComInd result, but the effect of density on AgOs ratios may be due to the fact that open spaces in higher density areas tend to be smaller, more urban parks. Although parks of this type do not generate revenue, they tend to require sizable expenses for routine upkeep, resulting in higher ratios.

Somewhat surprisingly, we find no statistically significant effect of density on the residential ratios, although the coefficient is negative. Recall that the existing literature provides evidence that greater density tends to decrease the expenditure-to-revenue ratio of residential land use and that a significant emphasis in planning literature and policy is to promote density for economic and other concerns. One general concern, however, is that our measure of density is crude, despite its frequent use in research. Population divided by total land area is an estimate of aggregate population density, but it may not provide a good proxy for the actual density of development in different areas.

Among the categorical variables for different levels of governance, the most general result is that they seem to not matter very much. Although different levels of governance manage different categories of expenditures and revenues, the breakdown in terms of ratios for different land uses is relatively constant and/or is estimated with little precision for ComInd and AgOs. We do, however, find some statistically significant differences in the residential equation. Most notably, township is associated with greater residential ratios than city, by a magnitude of nearly 12 percent. Although it is difficult to provide a clear interpretation, one possible explanation is once again related to the density of development. To the extent that townships have less dense residential development, the result can be interpreted as

consistent with the existing literature. Another possible explanation is that townships are able to defer provision of services to overlapping municipalities like cities and counties. This may be especially true for townships in or near more urban areas, as seems to be the case with many of those in the dataset being located in New Jersey. A further observation about the level of governance variables is that the sign of all coefficients for the residential and ComInd equations have the opposite sign, although most of the estimates are not statistically distinguishable from zero.

The remaining geographic variables that are not statistically significant in any of our specifications are square miles of the municipality and population change. The later result is particularly interesting, given that CCS studies are most frequently used to affect decision making about growth management. It is surprising, therefore, that Popchng is not a significant determinant of CCS ratios, especially for residential land uses. The finding of no effect may lend support to critics of CCS studies who question whether the average ratios are useful for making inferences about marginal effects. Although the residential ratios, which are based on an overall average, indicate the residential land uses do not “pay their own way,” we find that marginal changes in population growth have no effect on the ratio of expenditures-to-revenues.

Let us now turn to the methodological variables. As expected, CCS studies that include the school budget in the analysis report higher residential ratios. The coefficients on Scholuse in the residential models are positive and highly statistically significant. In terms of the magnitude, we find that inclusion of the school budget increases ratios by an average of more than 15 percent. As explained previously, this is due to the fact that school expenditures are allocated solely to residential land uses, while the revenues come from all land uses. The implication, regardless of whether one believes the budget should be included, is that including the school budget in a CCS analysis causes residential land uses to appear less likely to “pay their own way.” We also find, as expected, that Scholuse has an insignificant effect on the other land-use categories.

The methodological decision to include expenses and revenues associated with farmhouses in the AgOs category, rather than the residential category, has a large effect on the AgOs ratios. In both models, the coefficient on Agres is positive and highly statically significant. In the log-liner model, the magnitude is substantial: the variable increases AgOs ratios by an average of 60 percent. As described above, this result is expected because residential ratios tend to be greater than agricultural/open-space ratios and farm houses are likely to comprise a large faction of AgOs land uses in terms of revenues and expenditures. In contrast, farm houses are less likely to comprise a large faction of overall residential land uses if included in the residential category. This explains why we found no significant results of Agres on residential ratios.

Among the categorical variables for the organization that sponsored each study, we find significant differences between Gov and AFT (the omitted category).

Government sponsored studies have higher residential ratios and lower ComInd ratios. The pattern is of interest though it is difficult to determine whether these results reflect a bias in the CCS studies, omitted variables in the regression equation, or sample selection of the sponsoring organization. Nevertheless, to the extent that local governments seek to promote development, perhaps with the idea of increasing the tax base, they appear to find more favorable results for commercial and industrial land uses. This may also reflect sample selection bias of governments that carry out CCS studies. Municipalities that conduct a CCS study may be those that know they serve current residents better by restricting residential growth and encouraging commercial and industrial land uses.

The more surprising result, however, is that AFT finds lower residential ratios than Gov and the other sponsoring organizations. If anything, one might expect that AFT, as a conservation organization, would find larger ratios for residential land uses to show that residential development does not “pay its own way,” thereby providing an argument against further residential development. However, this appears not to be the case. We also find that AFT does not significantly differ from Gov and Academic with respect to the AgOs ratios. AFT is, however, associated with higher ratios than Org, meaning that other nongovernmental organizations tend to produce more favorable agricultural and open-space results than AFT. The difference is close to 30 percent, which is substantial. Because the other nongovernmental organizations that tend to carry out CCS studies advocate open-space conservation, it is perhaps not surprising that they find more favorable AgOs results than other sponsoring organizations. However, the fact that AFT is so different may lend support to the credibility of AFT studies.

Several of the other methodological variables did not produce statistically significant results in any of the specifications and, therefore, are not included in the models reported in table 3. Specifically, we find conducting interviews with government officials to help allocate budget items (Intervu) has no effect; whether researchers use standard fallback percentages (based on proportional property tax revenues) to allocate expenditures not directly tied to a particular land use (Standfallbk) or whether the financial allocations come from only normal operating budgets (Genfund). Thus, these methodological differences appear to be unimportant in terms of reported ratios.

Turning now to the financial variables, we find that median home value does not have a statistically significant effect on residential ratios. This result appears contrary to the expectation that higher home values would cause residential land uses to be more likely to “pay their own way” (e.g., Englehart 1997; Dorfman et al. 2002), but it may point instead to the fact that an overall community median might be too broad to capture the effect. We do, however, find statistically significant results for Homevalu on the ComInd and AgOs ratios, although those for the former result are more robust. Even still, the magnitude is quite small: a U.S.\$10,000 increase in median home value is associated with a 0.25 percent decrease in the commercial/industrial land-use ratios.

School expenditures as a proportion of total expenditures have a negative effect on ratios for all three land-use categories. The result for residential is somewhat surprising. Our prior was that when the school budget comprises a larger fraction of the overall budget, it would push up residential ratios because of larger expenditures being allocated to that land use. However, the result here suggests that as school budgets increase, proportionally more revenue is being allocated to the residential sector, possibly through property taxes, state aid, or other funding sources earmarked for education as a result of state equalization in many states. The results for AgOs and ComInd are more intuitive: as the school budget comprises a larger share of the overall budget, more revenue is likely to be reallocated from these land uses toward the residential category.

A consistent set of results is that when a particular land use generates a larger proportion of total property taxes, it is more likely to “pay its own way.” The results are particularly strong for the residential and ComInd models. In terms of the magnitudes, a 10-percent increase in the proportion of total property tax that comes from residential land uses is associated with a 3-percent decrease in the residential ratios. A potential driver of this result may be Tiebout-type sorting or Fischel’s (2001) “home voter” perspective, meaning that when greater property tax burden falls on the residential sector, it is because voters that live in this sector demand services they can pay for. The result for commercial/industrial land uses is even bigger: a 10-percent increase in the proportion of total property tax is associated with a 10-percent decrease in the ComInd ratios. Together these results suggest that as the property-tax burden increases for a particular land use, the land use appears to not receive a proportional increase in expenditures.

Finally, several of the financial variables were never statistically significant in any of the estimated equations. We had no prior expectations about Expenditures, Revenue and Surplus, and they appear to make little difference on reported ratios for each land-use category. The same holds for Expercip, but one might nevertheless expect this variable to play an important role. For instance, with greater expenditures per capita, it would be reasonable to expect that certain land uses would benefit more or less. Although we find no evidence for this based on differences in ratios between studies, it may still be the case that it explains differences among the ratios for land uses within a municipality.

## V. Conclusion

Quantitative meta-analysis is a statistical technique that is useful for summarizing and reviewing the results of existing research. In this article, we conduct a meta-analysis of CCS studies. Using 125 studies, along with U.S. Census data, we create explanatory variables to investigate underlying patterns regarding the effect of methodological assumptions, as well as the geographic and financial characteristics

of communities. The overall objective is to exploit variation across studies to explain differences in reported ratios of expenditures-to-revenues within the three land-use categories of residential, commercial/industrial, and agricultural/open-space. Understanding what drives differences is important because CCS studies are increasingly popular and influential in debates about municipal land-use decision making. In particular, arguments are made in favor of land uses associated with lower ratios, which are interpreted to mean that the land use is more likely to “pay its own way.”

The main findings of our analysis are the following. We find clear support for the common perception that residential land uses tend to have ratios greater than one, while commercial/industrial and agricultural/open-space land uses tend to have ratios less than one. Recent population growth has no effect on CCS ratios for all land-use categories. The level of governance—city, county, or township—is also of little consequence to CCS results. Among the methodological decisions that CCS researchers must make, two have particularly large effects. Including the school budget in a CCS study increases residential ratios by more than 15 percent, and including farm houses in the agricultural/open-space category, rather than the residential category, increases agricultural/open-space ratios as much as 60 percent. After controlling for different methodological assumptions, differences remain for the effect of the type of organization that sponsored the study. CCS studies carried out by local governments find less favorable residential ratios and more favorable commercial/industrial ratios than studies carried out by the AFT. Furthermore, when other non-governmental organizations conduct a study, they find more favorable agricultural/open-space ratios than the AFT. Median home values have no effect on the residential ratios, but they do tend to decrease the ratios for other land uses. Finally, when a particular land-use accounts for a greater share of overall municipal property tax revenue, that land use has a lower expenditure-to-revenue ratio.

In terms of guidance for the conduct and interpretation of CCS studies, we find that several methodological assumptions make little difference. In particular, researchers may want to simply take the least costly approach when deciding whether to conduct interviews, use standard fallback percentages, or analyze only the general fund. The important methodological decisions are whether to include the school budget and whether to include farm houses in the agricultural/open-space land-use category. CCS researchers should make these assumptions transparent and perhaps provide sensitivity analysis. Those transferring the results of CCS studies from one municipality to another should also be aware of the substantial effect that these methodological decisions have on the results. Users of CCS studies should also be aware of potential bias, although we find somewhat surprising results in this regard.

A more general implication follows from our findings that density and median home value have no effect on residential ratios. Although many planning decisions about residential development tend to focus on density and factors that affect home values, the results here suggest that these planning dimensions may have relatively

little affect on the balance of expenditures and revenues for different land-use categories. Future research should further investigate the effect of density with more refined measures of the actual density of development. The fact that population change had no effect on residential ratios is also an important result that some may point to as undermining the value of CCS studies for predicting the financial impacts of future land-use change. The result suggests that using averages from existing patterns of land use may be of questionable value for making predictions about future, marginal changes. Finally, the meta-analysis conducted in this article focuses on explaining differences in CCS ratios within each of the three land-use categories between municipalities, but future research should also focus on explaining differences in the ratios between land-use categories. This would be useful because municipalities themselves are not only interested in the financial balance within each land-use category, they must also consider the overall budget balance among all types of land use.

**Appendix Table**  
**List of Cost of Community Service Studies and Locations for all**  
**Observations Included in the Meta-Analysis**

Report Citation	Study Location
American Farmland Trust (1986). <i>The Cost of Community Services in Hebron, Connecticut</i> . Washington, D.C.	Hebron, CT; Madison Township, OH; Madison Village, OH
American Farmland Trust (1992). <i>Does Farmland Protection Pay? The Cost of Community Services in Three Massachusetts Towns</i> . Northampton, MA	Agawan, MA; Deerfield, MA; Gill, MA
American Farmland Trust (1994). <i>Farmland and the Tax Bill: The Cost of Community Services in Three Minnesota Cities</i> . Washington, D.C.	Farmington, MN; Independence, MN; Lake Elmo, MN
American Farmland Trust (1997). <i>The Cost of Community Services in Frederick County, Maryland</i> . Washington, D.C.	Burkettsville, MD; Frederick City, MD; Frederick County, MD; Walkersville, MD
American Farmland Trust (1998). <i>The Cost of Community Services in Monmouth County, New Jersey</i> . Washington, D.C.	Freehold Township, NJ; Holmdel Township, NJ; Middletown Township, NJ; Upper Freehold Township, NJ; Wall Township, NJ
American Farmland Trust (1999). <i>Cost of Community Services Study: Northampton County, Virginia</i> . Washington, D.C.	Northampton County, VA
American Farmland Trust (1999). <i>Cost of Community Services Study: Skagit County, Washington</i> . Washington, D.C.	Skagit County, WA

*(continued)*

## Appendix (continued)

Report Citation	Study Location
American Farmland Trust (1999). The Cost of Community Services in Lexington-Fayette County Kentucky. Washington, D.C.	Lexington-Fayette County, KY
American Farmland Trust (2002). Finding the Balance: Ranching and Rapid Growth in Bandera County, Texas: A Cost of Community Services Study. Washington, D.C.	Bandera County, TX
American Farmland Trust (2002). Kent County, Maryland. Cost of Community Services Study. Washington, D.C.	Kent County, MD
American Farmland Trust (2002). Wimico County, Maryland. Cost of Community Services Study. Washington, D.C.	Wimico County, MD
American Farmland Trust (2003). The Cost of Community Services, Oldham County, Kentucky. Washington, D.C.	Oldham County, KY
American Farmland Trust (2004). A Report on the Cost of Community Services in San Juan County, Washington. Washington, D.C., w/ Friends of the San Juans.	San Juan County, WA
American Farmland Trust (2005). The Cost of Community Services. Bedford County, Virginia. Washington, D.C.	Bedford County, VA
American Farmland Trust (2007). The Cost of Community Services. Okanogan County, Washington. Washington, D.C.	Okanogan County, WA
American Farmland Trust Cost of Community Services Study: The Value of Farmland and Open Space in Bexar County, Texas. Washington, D.C.	Bexar County, TX
Annett, S., R. Cooksey, et al. (1993). Cost of Community Services, Fiscal Impact Analysis, City of Dover. Durham, NH, Department of Resource and Economic Development, University of New Hampshire.	Dover, NH
Auger, P. A. (1996). Does Open Space Pay? Durham, NH, University of New Hampshire, Cooperative Extension	Deerfield, NH; Freemont, NH; Stratham, NH
Bonner, M. and F. Gray (2005). Cost of Community Services Study. Town of Rochester, New York.	Rochester, NY*
Bowden, M. A. (2000). The Cost of Community Services in Hays County, TX. Community and Regional Planning Program, University of Texas at Austin.	Hays County, TX
Brentwood Open Space Task Force (2002). Does Open Space Pay in Brentwood. Part 1: Housing and Taxes.	Brentwood, NH

(continued)

## Appendix (continued)

Report Citation	Study Location
Bucknall, C. The Real Cost of Development. Poughkeepsie, NY, Scenic Hudson, Inc	Amenia, NY; Fishkill, NY; Red Hook, NY
Cecil County Office of Economic Development (1994). Fiscal Impact of Residential, Commercial/Industrial, and Agricultural Land Uses in Cecil County, Maryland. North East, MD	Cecil County, MD
Citizens for a Better Flathead (1999). The Fiscal Impact of Different Land Uses on County Government and School Districts in Flathead County, Montana for the Fiscal year 1997. Kalispell, MT	Flathead County, MT
Commonwealth Research Group (1995). Cost of Community Services in Southern New England. Southern New England Forest Consortium, Inc. Chepachet, RI	Becket, MA; Durham, CT; Farmington, CT; Franklin, MA; Hopkinton, RI; Leverett, MA; Litchfield, CT; Pomfret, CT; West Greenwich, RI; Westford, MA
Cornell Cooperative Extension of Dutchess County and American Farmland Trust (1989). Cost of Community Services Study: Towns of Beekman and Northeast, Dutchess County, New York. Millbrook, NY	Beekman, NY; North East, NY
Costa, F. J. and G. Gordon-Sommers (1999). Cost of Community Services for 1998 for Auburn Township, Geauga County, Ohio, Center for Public Administration and Public Policy, Kent State University	Auburn Township, OH
Crane, L. P., M. M. Manion, et al. (1996). A Cost of Community Services Study of Scio Township. School of Natural Resources and the Environment. Ann Arbor, MI, University of Michigan	Scio Township, MI
Dirt, Inc. (2002). A Revenue/Cost Analysis of Community Service Provision in Grand County, Colorado	Grand County, CO
Dirt, Inc. (2002). A Revenue/Cost Analysis of Community Service Provision in Saguache County, Colorado	Saguache County, CO
Dirt, Inc. (2002). A Revenue/Cost Analysis of Community Service Provision in San Juan County, New Mexico	San Juan County, NM
Edwards, M., D. Jackson-Smith, et al. (1999). The Cost of Community Services for Three Dane County Towns: Dunn, Perry, and Westport, Wisconsin Land Use Program, University of Wisconsin-Madison	Dunn, WI**; Perry, WI**; Westport, WI**

(continued)

## Appendix (continued)

Report Citation	Study Location
Fallon, Ed, Office of Iowa State Representative. (1998). The Cost of Community Services in Three Central Iowa Cities	Altoona, IA; Indianola, IA; Waukee, IA
Haggerty, M. (1997). Fiscal Impacts of Alternative Development Patterns: Broadwater and Gallatin Counties. Bozeman, MT, Local Government Center, Montana State University	Broadwater County, MT; Gallatin County, MT
Haggerty, M. (2000). The Cost of Community Services in Custer County, Colorado. Sonoran Institute, Bozeman, MT	Custer County, CO
Hartmans, M. and N. Meyer (1997). Financing Services for Residential, Commercial and Agricultural Parcels: The Cases of Canyon and Cassia Counties. Moscow, ID, Department of Agricultural Economics and Rural Sociology, College of Agriculture, University of Idaho	Canyon County, ID*; Cassia County, ID*
Innovative Natural Resource Solutions LLC (undated) Cost of Community Services Study. Town of Mont Vernon, New Hampshire	Mont Vernon, NH
Innovative Natural Resource Solutions LLC (2005). Cost of Community Services Study. Town of Milton, New Hampshire	Milton, NH
Innovative natural Resource Solutions LLC (2005). Cost of Community Services Study. Town of Jaffrey, New Hampshire	Jaffrey, NH
Johnson, R. J. (1997). The Cost of Community Services in Portsmouth, Rhode Island. Narragansett, RI, The Aquidneck Island Partnership, Coastal Resources Center, University of Rhode Island	Portsmouth, RI
Leighton, M. and N. Meyer (1999). Financing Services for Residential, Commercial and Agricultural Parcels: The Cases of Kootenia and Booneville Counties. Moscow, ID, Department of Agricultural Economics and Rural Sociology, College of Agriculture, University of Idaho	Bonneville County, ID*; Kootenia County, ID*
Littleton Planning Board (2002). Littleton Master Plan. Fiscal Impacts	Littleton, MA
MacFadden, S. (1997). Cost of Community Services Study: Town of Peterborough, New Hampshire, Antioch New England, Peterborough Conservation Commission, SPACE	Peterborough, NH
Murphy, B. (2001). Cost of Community Services in Jefferson County, Montana. Boulder, MT, Jefferson County Planning Board	Jefferson County, MT

(continued)

## Appendix (continued)

Report Citation	Study Location
Neibling, C. R. (1997). Town of Exeter, New Hampshire: Cost of Community Services Study. Concord, NH, Innovative Resource Solutions, Submitted to Exeter Conservation Commission: 17	Exeter, NH
Nellis, L. (1998). Cost of Community Services Study. Freemont County, Idaho, Freemont County Planning and Zoning Commission. Freemont County Planning and Zoning Commission	Freemont County, ID
Nelson, N. and J. H. Dorfman (2000). Cost of Community Services for Habersham and Oconee Counties, Georgia. Athens, GA., Center for Agribusiness and Economic Development. The University of Georgia	Habersham County, GA; Oconee County, GA
Pickard, C. (2000). 1998 Cost of Community Services Study: Town of Lyme, New Hampshire, The Lyme Hill and Valley Association	Lyme, NH
Piedmont Environmental Council (1993). Financial Analysis of the 1991 Loudoun County Budget. Charlottesville, Virginia	Loudoun County, VA*
Prindle, A. M. (2002). Fairfield County Development Strategy and Land Use Plan, Fiscal Impacts Chapter. Fairfield, OH	Hocking Township, OH; Liberty Township, OH
Prinzing, K. (1999). The Cost of Providing Community Services: Carbon County, Montana. Red Lodge, MT, Carbon County Commissioners	Carbon County, MT
Renkow, M. (1998). The Cost of Community Services in Chatham County: A Report to the Chatham County Planning Department. Raleigh, NC, Department of Agricultural and Resource Economics, North Carolina State University	Chatham County, NC
Renkow, M. (2006). The Cost of Community Services in Orange County. Raleigh, NC, Department of Agricultural and Resource Economics, North Carolina State University	Orange County, NC
San Martin, I. (1998). Town of Gilbert: The Cost of Community Services. Tempe, AZ, Herberger Center for Design Excellence, College of Architecture and Environmental Design, Arizona State University	Gilbert, AZ
Smith, L. J. and P. Henderson (2001). Cost of Community Services Study for Truro, Massachusetts: A Report on the Fiscal Implications of Different Land Uses, Association for the Preservation of Cape Cod	Truro, MA

(continued)

### Appendix (continued)

Report Citation	Study Location
Smith, L. J. and P. Henderson. (2001). Cost of Community Services Study for Brewster Massachusetts: A Report on the Fiscal Implications of Different Land Uses. Association for the Preservation of Cape Cod	Brewster, MA
Snyder, D. L. and G. Ferguson (1994). Cost of Community Services Study: Cache, Sevier and Utah Counties. Logan, UT, Economics Department, Utah State University	Cache County, UT*; Sevier County, UT*; Utah County, UT*
South Central Assembly for Effective Governance (2002). Cost of Community Services: Hopewell Township, York County Pennsylvania	Hopewell Township, PA
South Central Assembly for Effective Governance (2002). Cost of Community Services: Shrewsbury Township, York County Pennsylvania	Shrewsbury Township, PA
Sutton Cost of Community Services Study Ad Hoc Committee (1998). Town of Sutton, New Hampshire: Cost of Community Services Study	Sutton, NH
Taylor, D. T. (2000). 1997 Cost of Community Services Study: Groton, New Hampshire. Concord, NH, New Hampshire Wildlife Federation	Groton, NH
Tompkins County Agriculture & Farmland Protection Board (1996). Study of Tompkins County Agriculture, Phase I Tompkins County Agriculture & Farmland Protection Plan	Caroline, NY; Danby, NY; Dryden, NY; Enfield, NY; Groton, NY; Ithaca, NY; Lansing, NY; Newfield, NY; Tompkins County, NY; Ulysses, NY
Wintersteen, J. (1996). Economics of Land Conservation, Scarborough, Maine	Scarborough, ME

Notes: Study locations with one or two asterisks report two or three sets of ratios, respectively. All other study locations report one set of ratios.

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- Edwards, M., D. Jackson-Smith, et al. 2000. *Paying for local services: The cost of community services for nine Wisconsin municipalities*. Madison, WI: Wisconsin Land Use Research Program, Program on Agricultural Technology Studies, College of Agricultural and Life Sciences, University of Wisconsin-Madison.
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- Knaap, G., and A. C. Nelson. 1992. *The regulated landscape: Lessons on state land use planning from Oregon*. Lincoln Institute for Land Policy.
- Ladd, H. 1994. Fiscal impacts of local population growth: A conceptual and empirical analysis. *Regional Science and Urban Economics* 24:661-86.
- Pendall, R. 1999. Do land-use controls cause sprawl? *Environment and Planning B: Planning and Design* 26:555-71.
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- Real Estate Research Corporation. 1974. *The costs of sprawl: Environmental and economic costs of alternative residential development patterns at the urban fringe: Detailed cost analysis*. Washington, DC: Council on Environmental Quality; Department of Housing and Urban Development; Environmental Protection Agency.
- Snyder, D. L., and G. Ferguson. 1994. *Cost of community services study: Cache, Sevier and Utah Counties*. Logan, UT: Economics Department, Utah State University.
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Action:

**MATANUSKA-SUSITNA BOROUGH  
RESOLUTION SERIAL NO. 15-031**

A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY IN SUPPORT OF A COST OF COMMUNITY SERVICES (CoCS) STUDY TO PROVIDE INFORMATION FOR DEVELOPMENT OF THE FY 2016 BUDGET.

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WHEREAS, the Matanuska-Susitna Borough grew an average of five percent per year during the past 20 years eclipsing the growth of other Boroughs and Anchorage along with the State's average 1.4% growth per year; and

WHEREAS, housing costs in the Mat-Su relative to Anchorage have been historically low; and

WHEREAS, the Borough continues to embody the Alaskan lifestyle that enriches the lives of all Alaskans with activities such as fishing, hunting, sledding, mushing, skiing, boating and aviation; and

WHEREAS, scattered development frequently causes traffic congestion, drainage problems, loss of open space and increased demand for costly public services; and

WHEREAS, it is important for communities to understand the relationships between residential and commercial growth, agricultural land use, conservation and the property tax base; and

WHEREAS, CoCS studies are most useful to communities that rely heavily on property taxes to generate revenue, and help to

clarify actual needs in rural and suburban communities facing growth pressures; and

WHEREAS, CoCS studies employ a well-known methodology for estimating the fiscal impact of different land uses within a municipality, along with the long-term financial implications of land-use decisions; and

WHEREAS, the lure of increased tax revenues promised by new housing can be irresistible but almost always results in a the net negative fiscal impact; and

WHEREAS, CoCS studies elsewhere have generally shown that farmland generates more public revenue than it receives back in public services, helping to offset shortfalls often created by residential demands for public services; and

WHEREAS, a CoCS study would measure the fiscal impact of existing land uses on the Matanuska-Susitna Borough budget; and

WHEREAS, a cost of community services study would provide an analytical review of the property tax revenue sources and the demand for public facilities based on land use which would provide some guidance as the Borough faces the prospect of decreasing budgets.

NOW, THEREFORE, BE IT RESOLVED, the Assembly is in support of a Cost of Community Services Study be performed by April 17, 2015, in order to provide an assessment of the Borough's fiscal situation with regard to different types of land use to better

enable the citizens of the Borough and the Assembly to more meaningfully consider of the balance among the variety of land uses affecting the FY2016 budget.

ADOPTED by the Matanuska-Susitna Borough Assembly this - day of -, 2015.

LARRY DeVILBISS, Borough Mayor

ATTEST:

LONNIE R. McKECHNIE, CMC, Borough Clerk

(SEAL)


**SUBJECT:** A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY TO SUBMIT ADVISORY QUESTIONS TO THE QUALIFIED NON-AREAWIDE VOTERS OF THE BOROUGH AT THE OCTOBER 6, 2015 REGULAR BOROUGH ELECTION TO DETERMINE WHETHER THE PUBLIC SUPPORTS THE PROHIBITION OF MARIJUANA CULTIVATION FACILITIES, MARIJUANA PRODUCT MANUFACTURING FACILITIES, MARIJUANA TESTING FACILITIES AND/OR RETAIL MARIJUANA STORES.

**AGENDA OF:** March 17, 2015

**ASSEMBLY ACTION:**

**MANAGER RECOMMENDATION:** None.

**APPROVED BY** *JM* JOHN MOOSEY, BOROUGH MANAGER: *Mayor DeVilbiss*

Route To:	Department/Individual	Initials	Remarks
	Originator	NS	For Mayor DeVilbiss
	Planning Director		
	Borough Attorney	<i>JM</i>	<i>3/9/15</i>
	Borough Clerk	<i>JM</i>	<i>3/9/15</i> 

**ATTACHMENT(S) :** Fiscal Note: NO X YES  
 Resolution Serial No. 15-032 (3 pp)

**SUMMARY STATEMENT:**

This resolution is coming forward at the request of Mayor DeVilbiss.

On November 4, 2014 the voters of the State of Alaska voted to approve Ballot Measure 2 which generally legalizes marijuana and adopts a new chapter in the Alaska Statutes found at Alaska Statute 17.38. The same election tallies indicated that the voters of the Matanuska-Susitna Borough actually voted against the legalization of marijuana.

The personal use component of Ballot Measure 2 became effective on February 24, 2015, The law allows the Borough very little discretion over personal use. The commercial cultivation, manufacturing, retail and testing of marijuana is a component of Ballot Measure 2 that is yet future but over which the Borough has much more discretionary power.

AS 17.38.110(a) provides that a local government may prohibit the operation of marijuana cultivation facilities, marijuana product manufacturing facilities, marijuana testing facilities, or retail marijuana stores through the enactment of an ordinance or by voter initiative.

The attached resolution will place advisory questions on the upcoming October 6, 2015 regular Borough election. The ballot propositions will be used to determine whether the public supports the prohibition on some or all of the above mentioned enterprises.

The advisory questions will be placed before the non-areawide voters of the Matanuska-Susitna Borough (i.e. those voters residing outside the cities)

RESOLUTION

Sponsored by: Mayor DeVilbiss  
Action:

**MATANUSKA-SUSITNA BOROUGH**  
**RESOLUTION SERIAL NO. 15-032**

A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY TO SUBMIT ADVISORY QUESTIONS TO THE QUALIFIED NON-AREAWIDE VOTERS OF THE BOROUGH AT THE OCTOBER 6, 2015, REGULAR BOROUGH ELECTION TO DETERMINE WHETHER THE PUBLIC SUPPORTS THE PROHIBITION OF MARIJUANA CULTIVATION FACILITIES, MARIJUANA PRODUCT MANUFACTURING FACILITIES, MARIJUANA TESTING FACILITIES AND/OR RETAIL MARIJUANA STORES.

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WHEREAS, AS 17.38.110(a) provides that a local government may prohibit the operation of marijuana cultivation facilities, marijuana product manufacturing facilities, marijuana testing facilities, or retail marijuana stores through the enactment of an ordinance or by voter initiative; and

WHEREAS, the proposed questions are designed to allow the electorate to advise the Assembly as to whether they support a prohibition on such enterprises; and

WHEREAS, the questions will be placed before the non-areawide voters (i.e. voters residing outside cities) so that the Matanuska-Susitna Borough may allow the cities to determine what is best for them; and

WHEREAS, statewide tallies indicate that but for absentee, early and questioned voting, the voters of the Matanuska-Susitna Borough actually voted against the legalization of marijuana; and

WHEREAS, the proposed questions do not place any

requirements on the Assembly, but rather are an advisory vote from the electorate; and

WHEREAS, additional information is contained in the Informational Memorandum accompanying this resolution; and

WHEREAS, the Assembly may take further action to amend borough code as a result of the advisory vote below.

NOW THEREFORE BE IT RESOLVED The Borough Clerk shall submit the following advisory questions to the qualified non-areawide voters at the October 6, 2015, regular Borough election:

**PROPOSITION No. \_\_\_\_\_**

**Advisory vote on marijuana cultivation facilities.  
(Boroughwide excluding cities)**

Should the Borough prohibit the operation of marijuana cultivation facilities in the area outside the cities?

Yes 0                      No 0

**PROPOSITION No. \_\_\_\_\_**

**Advisory vote on marijuana product manufacturing facilities.  
(Boroughwide excluding cities)**

Should the Borough prohibit the operation of marijuana product manufacturing facilities in the area outside the cities?

Yes 0                      No 0

**PROPOSITION No. \_\_\_\_\_**

**Advisory vote on marijuana testing facilities.**

(Boroughwide excluding cities)

Should the Borough prohibit the operation of marijuana testing facilities in the area outside the cities?

Yes 0                      No 0

PROPOSITION No. \_\_\_\_\_

Advisory vote on retail marijuana stores.  
(Boroughwide excluding cities)

Should the Borough prohibit the operation of retail marijuana stores in the area outside the cities?

Yes 0                      No 0

ADOPTED by the Matanuska-Susitna Borough Assembly this -  
day of -, 2015.

\_\_\_\_\_  
LARRY DeVILBISS, Borough Mayor

ATTEST:

\_\_\_\_\_  
LONNIE R. McKECHNIE, CMC, Borough Clerk


(SEAL)


**SUBJECT:** Approve an amendment to the Road Service Area Road Improvements; Road Maintenance and Repair Capital Projects - Summer 2015 List.

**AGENDA OF: March 17, 2015**

**ASSEMBLY ACTION:**

**MANAGER RECOMMENDATION:** Present to the assembly for consideration.

**APPROVED BY JOHN MOOSEY, BOROUGH MANAGER:** 

Route To:	Department/Individual	Initials	Remarks
	Originator	JB	Jul 31/15
	Public Works Director	<del>TDD</del>	4 MAR 15
	Finance Director	Cy Jor TEC	
	Borough Attorney	Ja for NS	3/5/15
	Borough Clerk	JMN	3/9/15 

**ATTACHMENT (S):** Fiscal Note: Yes X No \_\_\_\_\_  
 Road Maintenance and Repair Capital Projects - Summer 2015 CIP List (3pp)  
 Resolutions from RSA Board of Supervisors (3pp)

**SUMMARY STATEMENT:** The Public Works Department Operations and Maintenance Division in conjunction with Road Service Area Supervisors prepared a list of necessary road improvements throughout sixteen road service areas. On December 16, 2014, the assembly approved the list with AM 14-152. An administrative error resulted in the list being approved while missing three pages that contained the recommended projects for Road Service Areas 29 (Greater Talkeetna), 30 (Trapper Creek) and 31 (Alpine).

Road Service Area Boards have filed resolutions of support in two of three road service areas. Road Service Area 31 has no active board. The Capital Improvement Projects list for Road Service Area 31 was developed by Operations and Maintenance

staff and includes two projects which were previously approved by the Assembly on the 2014 list.

The attached list, entitled "Matanuska-Susitna Borough, Public Works Department, Road Maintenance and Repair Capital Projects - Summer 2015" is a result of project identification, assessment, and prioritization. Upon approval by the assembly, the three pages will be inserted into the list approved by AM 14-152 on December 16, 2014.

Project funding sources include: The federal government and state legislature; borough matching dust control funds for road paving projects and road service area capital budgets. Should there be adequate funding, the projects marked with a "YES" in the funded column are proposed to be completed during the 2015 construction season. The projects marked "NO" in the funded column are needed but there are insufficient funds available for their inclusion in the 2015 construction schedule.

Upon approval of these projects by the assembly, scope of work development and competitive bidding will commence.

Completion of paving projects and the dust control program that are eligible for the 50% Areawide Dust Control Program are solely dependent on Assembly appropriation of the Fiscal Year 2016 Areawide Dust Control funds. If this funding is not approved, the projects will not be constructed. These projects have been marked as "YES" in the funding column since the road service area funds are currently available.

**RECOMMENDATION OF ADMINISTRATION:** Approve the amendment to the Road Maintenance and Repair Capital Projects-Summer 2015 List.

**MATANUSKA-SUSITNA BOROUGH  
FISCAL NOTE**

Agenda Date: March 17, 2015

**SUBJECT:** Approve an amendment to the Road Service Area Road Improvements; Road Maintenance and Repair Capital Projects – Summer 2015 List.

**ORIGINATOR:** Operations & Maintenance, Public Works

FISCAL ACTION (TO BE COMPLETED BY FINANCE)	FISCAL IMPACT <input checked="" type="radio"/> YES <input type="radio"/> NO
AMOUNT REQUESTED *	FUNDING SOURCE <i>various</i>
FROM ACCOUNT #	PROJECT #
TO ACCOUNT :	PROJECT #
VERIFIED BY: <i>Barbara Baumgartner</i>	CERTIFIED BY:
DATE: <i>3-4-15</i>	DATE:

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY11	FY12	FY13	FY2014	FY2015	FY2016
Personnel Services						
Travel						
Contractual						
Supplies						
Equipment						
Land/Structures						
Grants, Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>						

CAPITAL					*	
---------	--	--	--	--	---	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

General Fund						
State/Federal Funds						
Other					*	
<b>TOTAL</b>					*	

POSITIONS:

Full-Time						
Part-Time						
Temporary						

ANALYSIS: (Attach a separate page if necessary) \* The attached is a prioritization of projects in each RSA, some of which will be funded in the FY16 budget. Fund verification will occur as projects are bid and awarded.

PREPARED BY: *Christine M. DeWald* PHONE: \_\_\_\_\_

DEPARTMENT: *Public Works* DATE: \_\_\_\_\_

APPROVED BY: *Christine M. DeWald* DATE: *3/5/15*

AM No. 15-013

MATANUSKA-SUSITNA BOROUGH  
 PUBLIC WORKS DEPARTMENT  
 ROAD MAINTENANCE & REPAIR CAPITAL PROJECTS  
 SUMMER 2015

ASSEMBLY PERSON: Dist 7 Vern Halter  
 RSA SUPER: Mike Lachelt  
 RSA PRIMARY: John Strassenburgh  
 RSA ALT: David Johnston  
 RSA ALT: William Fitzgerald

ROAD SERVICE AREA: 29 Talkeetna

PROJECT # 30049

APPROX AVAILABLE FUNDING \$27,221

APPROX AVAILABLE GRANT FUNDING \$30,700

PRIORITY STATUS	PROJECT LOCATION	DESCRIPTION OF WORK	TOTAL EST COST	RSA	MSB	GRANTS	GRANT DETAILS	FUND: YES/NO
1	RSA ROADS 35417/35449	CALCIUM PURCHASE 25% MSB Match. Summer 2015	\$2,000	\$1,500	\$500			YES
2	RSA ROADS 35417/35449	CALCIUM APPLICATION 25% MSB Match. Summer 2015	\$2,000	\$1,500	\$500			YES
3	RSA ROADS 30049.	RECONDITION ROADS	\$53,921	\$23,241	\$0.00	\$30,700	2013 & 2015 SOA Legis Grant	YES
4	RSA ROADS	PAVEMENT MAINTENANCE	\$0					N/A
<b>TOTAL FUNDED PROJECTS</b>			<b>\$57,921</b>	<b>\$26,241</b>	<b>\$1,000</b>	<b>\$30,700</b>		
6	Woodpecker	RAP	\$60,000					NO
					<b>FUNDING NOT YET IDENTIFIED</b>			
<b>TOTAL UNFUNDED PROJECTS</b>			<b>\$60,000</b>					

	SOURCE	GRANT # / ACCOUNT CODE	GRANT AMOUNT				
Line 3	2013 SOA Grant	13-DM-134 30049.9100.9102	\$2,200.00	Talkeetna RSA Roads Upgrade			
Line 3	2015 SOA Grant	15-DC-494 30049.9300.9302	\$28,500.00	Talkeetna RSA Recondition and Repair Gravel Roads			

INFORMATION ONLY, GRANTS PREVIOUSLY ACCEPTED & APPROPRIATED

AM 15-013

MATANUSKA-SUSITNA BOROUGH  
 PUBLIC WORKS DEPARTMENT  
 ROAD MAINTENANCE & REPAIR CAPITAL PROJECTS  
 SUMMER 2015

ASSEMBLY PERSON: Dist 7 Vern Halter  
 RSA SUPER: Mike Lachelt  
 PRIMARY: Joan Medberry  
 ALT: VACANT  
 ALT: Donna Massey

RSA: 30 Trapper Creek

PROJECT # 30050

APPROX AVAILABLE RSA FUNDING \$106,565

APPROX AVAILABLE GRANT FUNDING \$5,400

PRIORITY STATUS	PROJECT LOCATION	DESCRIPTION OF WORK	TOTAL EST COST	RSA	MSB	GRANTS	GRANT DETAILS	FUND: YES/NO
1	RSA ROADS	CALCIUM PURCHASE 25% MSB Match Summer 2015	\$0	\$0	\$0			N/A
2	RSA ROADS	CALCIUM APPLICATION 25% MSB Match Summer 2015	\$0	\$0	\$0			N/A
3	RSA ROADS 30050.	RECONDITION ROADS	\$33,700	\$28,300		\$5,400		YES
4	RSA ROADS	PAVEMENT MAINTENANCE	\$0	\$0				N/A
5	Saunders Road	Design / Upgrade (.50)	\$47,700	\$47,700				YES
6	Oilwell Road	Upgrade	\$25,000	\$25,000				YES
<b>TOTAL FUNDED PROJECTS</b>			<b>\$106,400</b>	<b>\$101,000</b>		<b>\$5,400</b>		
8	Oilwell Rd Ph I (mile 0 to mile 6)	Design /Upgrade/Pave (6.0) 50% MSB Match	\$6,000,000					NO
					<b>FUNDING NOT YET IDENTIFIED</b>			
9	Oilwell Rd Ph II (mile 6 to Mile 9)	Design/Upgrade (3.0)	\$3,000,000					NO
					<b>FUNDING NOT YET IDENTIFIED</b>			
<b>TOTAL UNFUNDED PROJECTS</b>			<b>\$9,000,000</b>					
	<b>Source</b>	<b>Grant # / Account Code</b>	<b>Grant Amount</b>					
Line	2012 SOA Grant	12-DM-125 30050.9000.9002	\$900.00	Trapper Creek RSA Roads Upgrade				
Line	2013 SOA Grant	13-DM-135 30050.9100.9102	\$4,500.00	Trapper Creek RSA Roads Upgrade				

INFORMATION ONLY, GRANTS PREVIOUSLY ACCEPTED & APPROPRIATED

Am 15-013

MATANUSKA-SUSITNA BOROUGH  
 PUBLIC WORKS DEPARTMENT  
 ROAD MAINTENANCE & REPAIR CAPITAL PROJECTS  
 SUMMER 2015

ASSEMBLY PERSON: Dist 1 Jim Sykes  
 RSA SUPER: Will Barickman  
 PRIMARY: George Rauscher  
 ALT: Marvin Baker  
 ALT: Dean Lust

ROAD SERVICE AREA: 31 Alpine

PROJECT # 30051

APPROX AVAILABLE FUNDING \$37,128

APPROX AVAILABLE GRANT FUNDING

PRIORITY STATUS	PROJECT LOCATION	DESCRIPTION OF WORK	TOTAL EST COST	RSA	MSB	GRANTS	GRANT DETAILS	FUND: YES/NO
1	RSA ROADS	CALCIUM PURCHASE 25% MSB Match Summer 2015	\$0	\$0	\$0			N/A
2	RSA ROADS	CALCIUM APPLICATION 25% MSB Match Summer 2015	\$0	\$0	\$0			N/A
3	RSA ROADS 30051.	RECONDITION ROADS	\$35,000	\$35,000				YES
4	RSA ROADS	PAVEMENT MAINTENANCE	\$0					N/A
<b>TOTAL FUNDED PROJECTS</b>			<b>\$35,000</b>	<b>\$35,000</b>	<b>\$0</b>	<b>\$0</b>		
7	Twin Hills Lane (.29) Seventeen Mile Blvd (.34) Wishbone Place (.15)	Upgrade w/RAP (.78)	\$110,000					NO
						<b>FUNDING NOT YET IDENTIFIED</b>		
8	McPherson Ave (.24) Riverview Way (.27) Danielson Ave (.22)	Upgrade (.73)	\$100,000					NO
						<b>FUNDING NOT YET IDENTIFIED</b>		
<b>TOTAL UNFUNDED PROJECTS</b>			<b>\$210,000</b>					
	<b>Source</b>	<b>Grant # / Account Code</b>	<b>Grant Amount</b>					

INFORMATION ONLY, GRANTS PREVIOUSLY ACCEPTED & APPROPRIATED

AM15-013

A RESOLUTION OF ROAD SERVICE AREA #29, SUBMITTING AN APPROVED 2015 ROAD SERVICE AREA CAPITAL IMPROVEMENT PLAN FOR ROAD MAINTENANCE AND REPAIR CAPITAL PROJECTS LIST TO THE ASSEMBLY FOR REVIEW AND APPROVAL.

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WHEREAS, the Annual Capital Improvement Project List is developed for road maintenance and repair capital projects in each road service area; and

WHEREAS, the Capital Improvement Project List has been presented to area residents by this Road Service Area Board of Supervisors; and

WHEREAS, the Matanuska-Susitna Borough Assembly reviews and approves the Capital Improvement Project List; and

NOW THEREFORE BE IT RESOLVED, that Road Service Area #29 Supervisors concur with this Service Area Capital Improvement Project List and request the Matanuska-Susitna Borough Assembly to approve as submitted.

ADOPTED by Road Service Area #29, Board of Supervisors:

\_\_\_\_\_  
Supervisor Signature

\_\_\_\_\_  
Supervisor Signature

\_\_\_\_\_  
Supervisor Signature

Date: \_\_\_/\_\_\_/\_\_\_

NO ACTIVE BOARD

A RESOLUTION OF ROAD SERVICE AREA #30, SUBMITTING AN APPROVED 2015 ROAD SERVICE AREA CAPITAL IMPROVEMENT PLAN FOR ROAD MAINTENANCE AND REPAIR CAPITAL PROJECTS LIST TO THE ASSEMBLY FOR REVIEW AND APPROVAL.

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WHEREAS, the Annual Capital Improvement Project List is developed for road maintenance and repair capital projects in each road service area; and

WHEREAS, the Capital Improvement Project List has been presented to area residents by this Road Service Area Board of Supervisors; and

WHEREAS, the Matanuska-Susitna Borough Assembly reviews and approves the Capital Improvement Project List; and

NOW THEREFORE BE IT RESOLVED, that Road Service Area #30 Supervisors concur with this Service Area Capital Improvement Project List and request the Matanuska-Susitna Borough Assembly to approve as submitted.

ADOPTED by Road Service Area #30, Board of Supervisors:

Joseph F. Medberg  
Supervisor Signature

\_\_\_\_\_  
Supervisor Signature

\_\_\_\_\_  
Supervisor Signature

Date: 11 / 5 / 14

SCANNED

NOV 20 2014

RECEIVED  
NOV 11 2014

A RESOLUTION OF ROAD SERVICE AREA #31, SUBMITTING AN APPROVED 2015 ROAD SERVICE AREA CAPITAL IMPROVEMENT PLAN FOR ROAD MAINTENANCE AND REPAIR CAPITAL PROJECTS LIST TO THE ASSEMBLY FOR REVIEW AND APPROVAL.

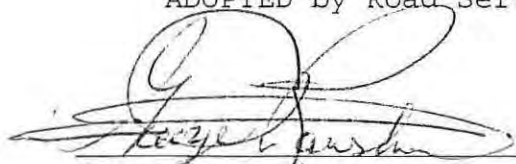
WHEREAS, the Annual Capital Improvement Project List is developed for road maintenance and repair capital projects in each road service area; and

WHEREAS, the Capital Improvement Project List has been presented to area residents by this Road Service Area Board of Supervisors; and

WHEREAS, the Matanuska-Susitna Borough Assembly reviews and approves the Capital Improvement Project List; and

NOW THEREFORE BE IT RESOLVED, that Road Service Area #31 Supervisors concur with this Service Area Capital Improvement Project List and request the Matanuska-Susitna Borough Assembly to approve as submitted.

ADOPTED by Road Service Area #31, Board of Supervisors:

  
Supervisor Signature

\_\_\_\_\_  
Supervisor Signature

  
Supervisor Signature

Date: 10 / 14 / 2014

SCANNED

OCT 16 2014

RECEIVED  
OCT 16 2014

**SUBJECT: ASSEMBLY APPROVAL FOR THE MANAGER TO ENTER INTO A PURCHASE AGREEMENT WITH THE OWNER OF LOT 1, BLOCK 2, SHADOWMERE ESTATES, PHASE I, TO PURCHASE LAND IN THE AMOUNT OF \$30,000 FOR FUTURE CONSTRUCTION OF A NEW WEST BUTTE TRAIL PARKING FACILITY. (MSB006958)**

**AGENDA OF: March 17, 2015**

**ASSEMBLY ACTION:**

**MANAGER RECOMMENDATION:** Present to the assembly for consideration.

**APPROVED BY JOHN MOOSEY, BOROUGH MANAGER:** *[Signature]*

Route To:	Department/Individual	Initials	Remarks
	Originator	<i>MSC</i>	
	Community Development Director	<i>EP</i>	
	Finance Director	<i>Jue</i>	<i>3/2/15</i>
	Borough Attorney	<i>J. N.S.</i>	<i>3/4/15</i>
	Borough Clerk	<i>J.M.</i>	<i>3/9/15</i> <span style="float: right;"><i>[Signature]</i></span>

**ATTACHMENT(S):** Fiscal Note: Yes  No   
 Map (1 pp)  
 Parking lot design options (1 pp)

**SUMMARY STATEMENT:**

In accordance with Matanuska-Susitna Borough Ordinance 14-014, adopted May 8, 2014, and Amendment #7 of the Assembly Special Meeting budget deliberations held on May 7, 2014, and Ordinance 14-089, adopted June 17, 2013, funding was approved for West Butte Trail parking lot improvements to include land acquisition, and trail head re-alignment.

Current parking for this very popular and much utilized public trail is significantly inadequate, causing concern for adjacent property owners as well as trail enthusiast. Over time, MSB Recreation Services has received complaints of not enough parking for users during peak times which causes overflow onto the subdivision roads and private property. Lack of parking can at times prohibit users from hiking the trail from this location altogether. In fact, Shadowmere Estates, Phase I property owners sought assembly relief in 2014 prompting the budget amendment to support acquisition of land to relocate and enlarge parking.

The existing parking facility was originally issued by MSB permit allowing a parking area to be constructed within the actual road right-of-way at the east end of Peaceful Lane. This is not considered the best solution, but is the only current alternative. It is the intent of Community Development to purchase Lot 1, Block 2 within Shadowmere Estates, Phase I for the purpose of future relocation and expansion of the trail parking facility.

Due to the location of the trail head, reasonable access solutions are extremely limited. Staff and the assembly representative for this area have spoken with numerous parcel owners within the affected subdivision and surrounding areas exploring parking options. Investigation and verbal solicitation of realistic access sites were unsuccessful.

MSB 3.08.320 allows the manager to waive the formal bidding procedures when it is in the best interest of the borough. MSB 23.10.270 (H)(3) also allows exclusion from the acquisition process when acquiring property within one-quarter mile of existing borough facilities when the purpose is to improve, make more feasible, or expand an existing facility. In this case with the very limited points of access to the trail head, and no interest to sell from nearby property owners, it was welcomed when the owner of Lot 1, Block 2 approached Community Development offering his lot at fair market value. It should be noted that his lot is directly across from the trail head.

If the borough does not move forward with purchase of Lot 1, Block 2, it could potentially lose an opportunity to own this much needed land. Without Lot 1, the only other option is to expand the current parking area westward into the right-of-way of Peaceful Lane with no major gain to additional parking. Relocation of the parking facility is supported by the majority subdivision owners. Staff has reached out to the nearby property owners through meetings, phone calls, personal conversations, and letters - all for purpose of discussing parking lot designs for the new lot, best traffic flow effects, and finding solutions to concerns of privacy.

Trail head re-alignment efforts are expected to get underway this summer to include moving trail signage and entrance bollards and benches further away from private homes, and clarifying trail limits from roadway to the trail head area. These efforts should improve cited issues involving public/private interaction at or near the trail entrance.

Public Notice was provided in accordance with MSB 23.05.025 with no objections received.

**RECOMMENDATION OF ADMINISTRATION:** The Administration recommends the assembly approve the manager to enter into the Purchase Agreement with the owner of Lot 1, Block 2, Shadowmere Estates, Phase I, to purchase land in the amount of \$30,000 for future construction of a new West Butte Trail Parking facility.

MATANUSKA-SUSITNA BOROUGH  
FISCAL NOTE

Agenda Date: March 17, 2015

ORIGINATOR: Community Development

SUBJECT: ASSEMBLY APPROVAL FOR THE MANAGER TO ENTER INTO A PURCHASE AGREEMENT WITH THE OWNER OF LOT 1, BLOCK 2, SHADOWMERE ESTATES, PHASE I, TO PURCHASE LAND IN THE AMOUNT OF \$30,000 FOR FUTURE CONSTRUCTION OF A NEW WEST BUTTE TRAIL PARKING FACILITY. (MSB006958)

FISCAL ACTION (TO BE COMPLETED BY FINANCE)	FISCAL IMPACT? YES X NO
AMOUNT REQUESTED \$ <u>30,000</u>	FUNDING SOURCE <u>2015 Annual Budget Prop</u>
FROM ACCOUNT # <u>480.000.000.462.XXX</u>	PROJECT # <u>15035</u>
TO ACCOUNT #	PROJECT #
VERIFIED BY: <u>[Signature]</u>	CERTIFIED BY:
DATE: <u>3/2/15</u>	DATE:

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
Personnel Services						
Travel						
Contractual						
Supplies						
Equipment						
Land/Structures						
Grants, Claims						
Miscellaneous						
TOTAL OPERATING						
CAPITAL	<u>30</u>					
REVENUE						

FUNDING: (Thousands of Dollars)

General Fund	<u>30</u>					
Federal Funds						
Other						
TOTAL						

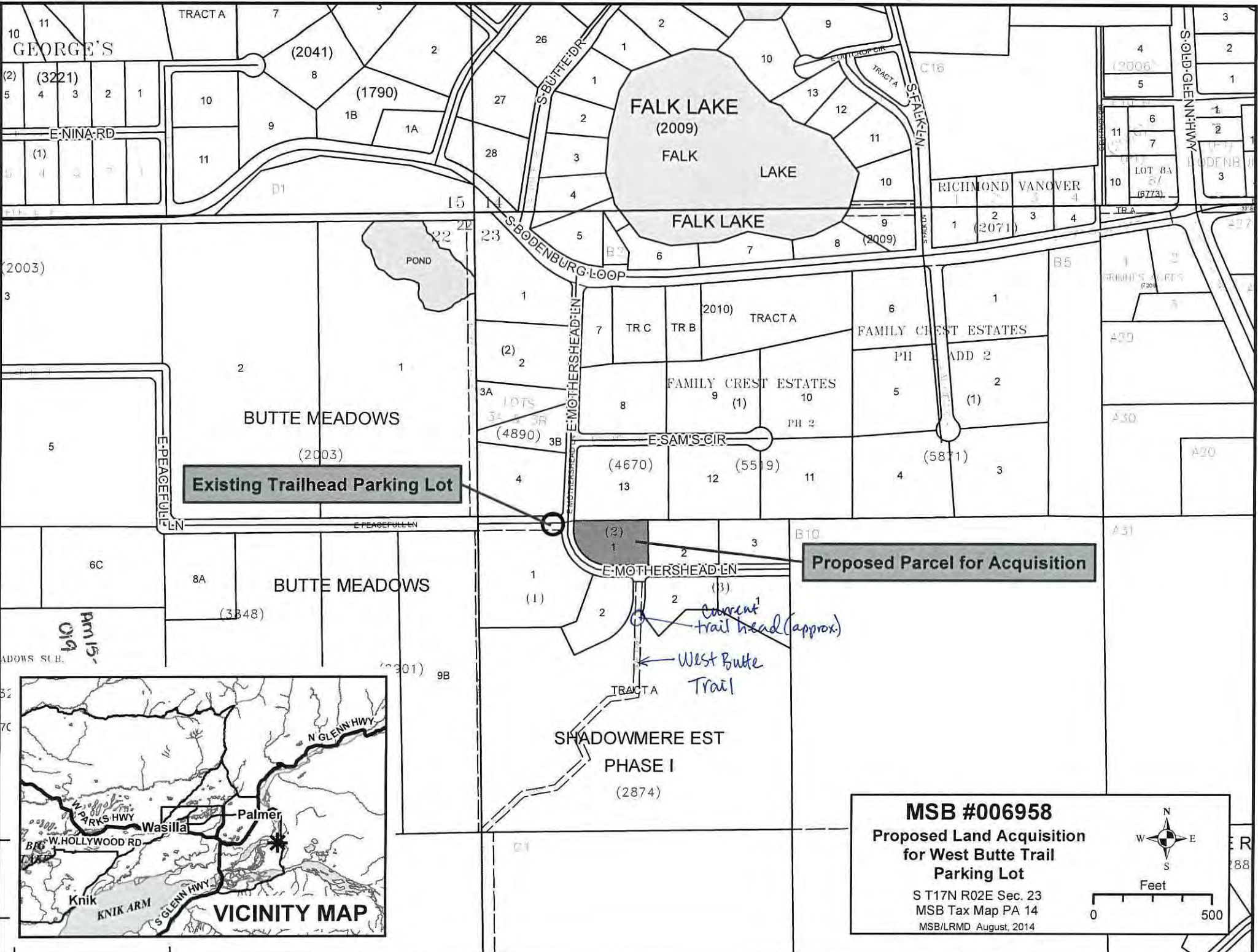
POSITIONS:

Full-Time						
Part-Time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

PREPARED BY: \_\_\_\_\_  
DEPARTMENT: \_\_\_\_\_  
APPROVED BY: [Signature]

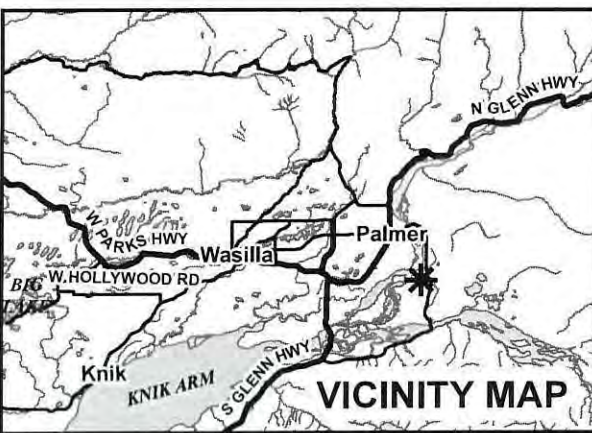
Phone: \_\_\_\_\_  
Date: \_\_\_\_\_  
Date: 3/2/15



**Existing Trailhead Parking Lot**

**Proposed Parcel for Acquisition**

*Current trail head (approx.)*  
*West Butte Trail*



**MSB #006958**  
**Proposed Land Acquisition for West Butte Trail Parking Lot**

S T17N R02E Sec. 23  
 MSB Tax Map PA 14  
 MSB/LRMD August, 2014

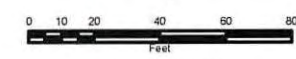
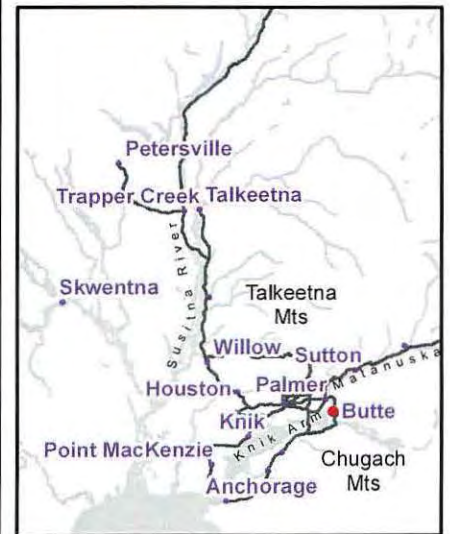
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Matanuska - Susitna Borough  
Land and Resource  
Management Division

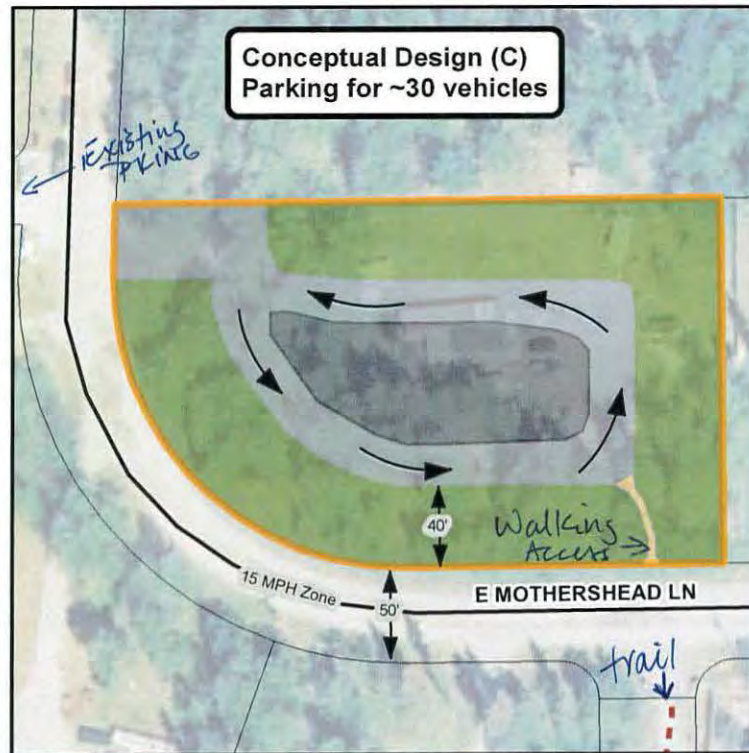
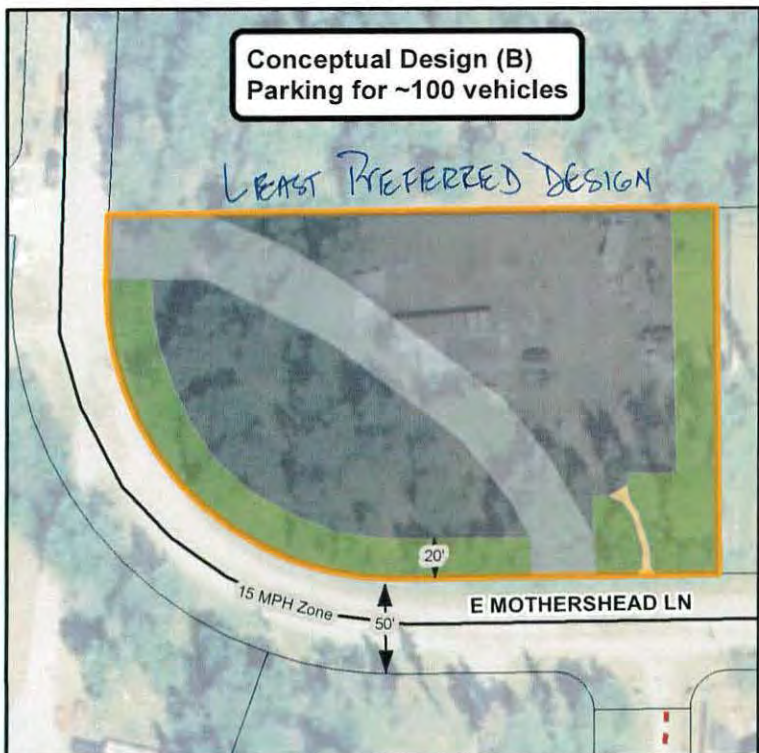
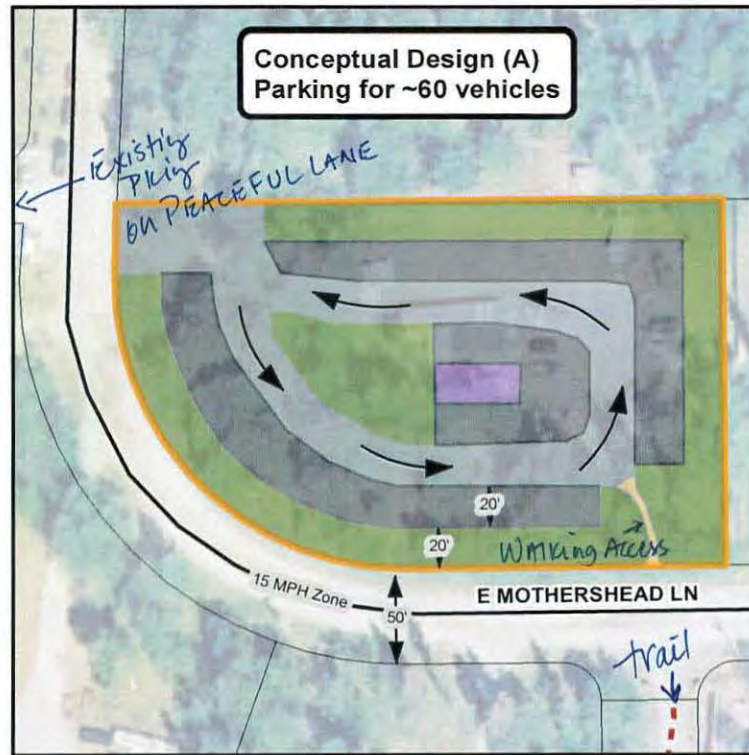


Conceptual Designs for  
West Butte Trailhead

- MSB Trails
- Driveway
- Parking Lot
- Restroom
- Trail Access
- Vegetation
- Selected Parcel



Date: August, 2014  
Sources: MSB GIS, MSB LRMD, AK DOT  
Projection: NAD 83 AK ST PLN Z4  
Location: West Butte Trailhead  
Author: MSB LRMD, GDH



AM 15-019

**SUBJECT:** Approval of contract amendment in the amount of \$330,792.23 to The Boutet Company and extend the contract to December 31, 2016, MSB contract no. 13-093P.

**AGENDA OF:** March 17, 2015

**ASSEMBLY ACTION:**

**MANAGER RECOMMENDATION:** Present to the assembly for consideration.

**APPROVED BY JOHN MOOSEY, BOROUGH MANAGER:** *[Signature]*

Route To:	Department/Individual	Initials	Remarks
	Originator	DP	
	Capital Projects Director	MB 3/4/15	
	Finance Director	C. [Signature]	
	Borough Attorney	J. [Signature]	3/6/15
	Borough Clerk	J. [Signature]	3/9/15 <i>[Signature]</i>

**ATTACHMENT(S):** Fiscal Note: Yes  No

**SUMMARY STATEMENT:** On October 4, 2011, the voters of the Matanuska-Susitna Borough (MSB) approved Proposition No. 2 which authorized the MSB to issue General Obligation Bonds in the amount not to exceed the sum of Thirty-two million, one hundred sixty five thousand dollars (\$32,165,000.00) for the purpose of financing the cost of, in whole or in part, 13 specifically-named road projects. This approval was contingent on the State of Alaska providing matching funds in the amount of \$32,165,000.00. MSB bonds could not be issued until those matching funds were received.

The State of Alaska Legislature appropriated \$32,200,000 to the MSB to be used as matching funds for the General Obligation Road Bonds approved by the MSB voters. This appropriation was accepted and approved by the Matanuska-Susitna Borough on October 16, 2012 via Ordinance Serial No. 12-120.

The Borough bonds and State matching funds were then used to provide design, right-of-way acquisition, utility relocation and other pre-construction work for the Proposition 2 projects.

On February 5, 2013, the MSB issued solicitation 13-093P requesting proposals from qualified firms to provide Construction Management Services for multiple road projects.

On March 19, 2013, the Borough Assembly awarded Proposal No. 13-093P, to The Boutet Company for Construction Management Services. The original requested award amount was \$3,290,000 which covered a three year period. The Assembly amended the amount for award to \$1,750,000 and requested Administration bring the remaining two year portion of the contract back before the Assembly at a later date.

On May 16, 2013, the contract was amended to remove four road projects (Sullivan and Caudill Road Upgrade, Caswell Lakes Road, Old Glenn Pathway, and Willow Lake Drive Upgrade) which already had design contracts in place with construction management services included. The amendment added the Knik River Road project to this contract. Funding was also redistributed to other projects in the contract to cover existing shortfalls in other projects; however, the overall award amount of the contract was unchanged.

On October 7, 2013, the contract was amended to remove three additional road projects (Felton Street Extension, Clapp/Mack Road Extension, and Big Lake Road Intersections). For the Felton Street and the Clapp/Mack projects, construction management services were already included in design contracts pertaining to those road projects. Funding was redistributed to other projects in the contract (Hawk Lane, Sutton Pathway, and S. Big Lake Road Realignment). The contract amount was increased by \$273,721.

On June 30, 2014, a contract amendment was accomplished which extended the contract completion time to April 15, 2015 in order to facilitate the completion of projects underway in 2014.

Administration is seeking approval to extend the contract until December 31, 2016 and to add \$348,177 to provide additional construction management services for the following projects:

- 1) South Big Lake Road Realignment and Two Lakes Drive

	Fund 410/Project 30043-9106	\$124,618.13
2)	South Big Lake Road Realignment and Two Lakes Drive Fund 410/Project 30043-9104	\$ 2,221.87
3)	South Big Lake Road and Northshore Intersection Fund 430/Project 35404-1001	\$ 98,646.00
4)	Knik Knack Mud Shack Road/Clay Chapman Road Fund 430/Project 40201-9302	\$111,706.00
5)	Trunk Road Extension South Fund 430/Project 35402-1001	\$ 10,985.00

In addition, staff will be removing remaining funding from the following projects because they have been completed:

1)	Hawk Lane Fund 430/Project 35405-9102	-\$ 5,642.25
2)	Sutton Pathway Fund 430/Project 35413-9102	-\$11,742.52

In accordance with MSB 3.08.170.C.4, Administration seeks Contract Amendment authority of two percent for unknown conditions which may arise.

**RECOMMENDATION OF ADMINISTRATION:** Recommend approval of contract amendment in the amount of **THREE HUNDRED THIRTY THOUSAND SEVEN HUNDRED NINETY TWO AND 23/100 DOLLARS (\$330,792.23)** to **THE BOUTET COMPANY** and extend the contract to December 31, 2016, MSB contract no. 13-093P.

MATANUSKA-SUSITNA BOROUGH  
FISCAL NOTE

Agenda Date: March 17, 2015

SUBJECT: **Approval of contract amendment in the amount of \$330,792.23 to The Boutet Company and extend the contract to December 31, 2016, MSB contract no. 13-093P.**

ORIGINATOR: Mike Brown, Capital Projects Director

FISCAL ACTION (TO BE COMPLETED BY FINANCE)	FISCAL IMPACT <input checked="" type="radio"/> YES <input type="radio"/> NO
AMOUNT REQUESTED <b>\$ 330,792.23</b>	FUNDING SOURCE <i>State Leg Grants / Bonds</i>
FROM ACCOUNT # <i>410/430.000.000.4xx xxx</i>	PROJECT # <i>30043/35404/40201/35402/35405/35413</i>
TO ACCOUNT :	PROJECT #
VERIFIED BY:	CERTIFIED BY:
DATE:	DATE:

EXPENDITURES/REVENUES:

(Thousands of Dollars)

OPERATING	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019
Personnel Services						
Travel						
Contractual						
Supplies						
Equipment						
Land/Structures						
Grants, Claims						
Miscellaneous						
TOTAL OPERATING						

CAPITAL		<i>330.7</i>				
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REVENUE						
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FUNDING:

(Thousands of Dollars)

General Fund	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019
State/Federal Funds		<i>221.10</i>				
Other <i>Bonds</i>		<i>109.6</i>				
TOTAL		<i>330.7</i>				

POSITIONS:

Full-Time	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019
Part-Time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

PREPARED BY: \_\_\_\_\_ PHONE: \_\_\_\_\_  
 DEPARTMENT: *Chugach Division for TEC* DATE: *3/16/15*  
 APPROVED BY: \_\_\_\_\_ DATE: \_\_\_\_\_

**SUBJECT:** Award of Invitation to Bid 15-099B, Kroto Creek Bridge 2161 Replacement, to Swalling Construction Company, Inc. in the amount of \$2,595,850.00.

**AGENDA OF:** March 17, 2015

**ASSEMBLY ACTION:**

**MANAGER RECOMMENDATION:** Present to the assembly for consideration.

**APPROVED BY JOHN MOOSEY, BOROUGH MANAGER:**

Route To:	Department/Individual	Initials	Remarks
	Originator	<i>JM</i>	
	Public Works Director	<i>JM</i>	4 MAR 15
	Finance Director	<i>C. J. ...</i>	
	Borough Attorney	<i>J. N. S.</i>	3/5/15
	Borough Clerk	<i>JM</i>	3/9/15

**ATTACHMENT (S):** Fiscal Note: Yes  No   
 Advertising: 1 (p)  
 Bid Analysis: 1 (p)

**SUMMARY STATEMENT:** On February 2, 2015, the Matanuska-Susitna Borough issued solicitation 15-099B seeking bids from qualified contractors to replace the existing Bridge 2161 over Kroto Creek. The project involves clearing, excavation and reconditioning, import of borrow material, bridge removal, bridge construction, guardrail removal and installation, import and placement of aggregate course material, import and placement of riprap, placing of topsoil and seed, and installation of signage.

The advertising resulted in three bids being received. Award recommendation is being made to the lowest responsible and responsive bidder, Swalling Construction Company, Inc. Work is

expected to be completed by October 15, 2015 and includes Additive Alternate #1. The contract will be monitored and managed by the Department of Public Works, Operations and Maintenance Division.

In accordance with MSB Code 3.08.170.C.4, Administration seeks Contract Amendment authority of ten percent for any unanticipated conditions which might arise.

**RECOMMENDATION OF ADMINISTRATION:** Award of **BID 15-099B, KROTO CREEK BRIDGE 2161 REPLACEMENT** to **SWALLING CONSTRUCTION COMPANY, INC.** for the contract amount of **TWO MILLION FIVE HUNDRED NINETY FIVE THOUSAND EIGHT HUNDRED FIFTY AND NO/100 DOLLARS (\$2,595,850.00)**.

MATANUSKA-SUSITNA BOROUGH  
FISCAL NOTE

Agenda Date: March 17, 2015  
 SUBJECT: Award of Invitation to Bid 15-099B, Kroto Creek Bridge 2161 Replacement, to Swalling Construction Company, Inc. in the amount of \$2,595,850.00 .

ORIGINATOR: Purchasing

FISCAL ACTION (TO BE COMPLETED BY FINANCE)	FISCAL IMPACT <input checked="" type="radio"/> YES <input type="radio"/> NO
AMOUNT REQUESTED \$ 2,595,850	FUNDING SOURCE State Leg Grants
FROM ACCOUNT # 430.000.000.463.312	PROJECT # 35014
TO ACCOUNT :	PROJECT #
VERIFIED BY: <i>Barbara Baumgart</i>	CERTIFIED BY:
DATE: 3/5/15	DATE:

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019
Personnel Services						
Travel						
Contractual						
Supplies						
Equipment						
Land/Structures						
Grants, Claims						
Miscellaneous						
TOTAL OPERATING						

CAPITAL		2595.8				
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REVENUE						
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FUNDING: (Thousands of Dollars)

General Fund	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019
State/Federal Funds		2595.8				
Other						
TOTAL		2595.8				

POSITIONS:

Full-Time	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019
Part-Time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

PREPARED BY: *Christine Heindel for TEL* PHONE: \_\_\_\_\_  
 DEPARTMENT: \_\_\_\_\_ DATE: 3/5/15  
 APPROVED BY: \_\_\_\_\_ DATE: \_\_\_\_\_

**MATANUSKA-SUSITNA BOROUGH  
350 East Dahlia  
Palmer, Alaska 99645**

**ADVERTISEMENT**

VENDOR		ACCOUNT #	DATE FOR ADVERTISEMENT
Alaska Dispatch News		MATA 0070	FEBRUARY 2, 2015
Frontiersman		CONTRACT	FEBRUARY 2, 2015
<b>TYPE OF AD:</b>	<input type="checkbox"/> Display	<input checked="" type="checkbox"/> Classified	<input type="checkbox"/> Public Information

The material herein must be printed in its entirety on the dates shown above. Affidavit of publication is required prior to payment.

**MATANUSKA-SUSITNA BOROUGH  
BID #15-099B  
KROTO CREEK BRIDGE 2161 REPLACEMENT**

The Matanuska-Susitna Borough is soliciting bids to replace the existing Oilwell Road Bridge over Kroto Creek. The project involves, but is not limited to, clearing, excavation and reconditioning, import of barrow material, bridge removal, bridge construction, guardrail removal and installation, import and placement of aggregate course material, import and placement of riprap, placing of topsoil and seed, and installation of signage.

Bid documents are available **beginning FEBRUARY 2, 2015** from the Purchasing Division, Matanuska-Susitna Borough, 350 E. Dahlia Ave., Palmer AK 99645. For information call (907) 861-8601, Fax (907) 861-8617. This bid document may be available on the internet at [www.matsugov.us](http://www.matsugov.us). Cost of bid documents picked up \$5.00; if mailed, \$10.00.

Bids open: **FEBRUARY 25, 2015 AT 3 PM in the Purchasing Division**

Bids must be received in the Purchasing Division prior to the time fixed for opening of the bids to be considered. Time of receipt will be determined by the time stamp in the Purchasing Division.

Persons needing accommodation in order to participate should contact the borough ADA coordinator at (907) 861-8404.

The Matanuska-Susitna Borough reserves the right to accept or reject any or all bids, waive any and all technicalities or informalities it deems appropriate. Award of this project is subject to the availability of funding.

Date: January 30, 2015	Requested by: <b>Signature on File</b>	Approved by: <b>Signature on File</b>
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DEPARTMENT ACCOUNT NO.: 430.000.000.463.940 ~ 35014-9000-9002

AM15-022

**MATANUSKA-SUSITNA BOROUGH  
 BID #15-099B  
 KROTO CREEK BRIDGE 2161 REPLACEMENT**

**ANALYSIS SHEET**

<b>BIDDER</b>		EKlutna Sus		Swalling Const.		Tutka LLC	
Signed Bid Form		✓		✓		✓	
Receipt of Addendum (#2)		✓		✓		✓	
Bid Guarantee		BB		BB		BB	
Other items as required in Instructions to Bidders and Specifications/Scope of work							
<b>LINE ITEM</b>	<b>DESCRIPTION</b>	<b>BID PRICE</b>		<b>BID PRICE</b>		<b>BID PRICE</b>	
1.	Bridge No 2161 Kroto Creek at Oilwell Road	\$ 2,410,943.00		\$ 2,095,500.00		\$ 2,150,000.00	
2.	Furnish, splice and drive 36" diameter Piles beyond estimated tip elevation	FT Cost	Extended	FT Cost	Extended	FT Cost	Extended
		\$ 602.34	\$ 30,117.00	\$ 535.00	\$ 26,750.00	\$ 600.00	\$ 30,000.00
<b>TOTAL BASE BID</b>		\$ 2,441,060.00		\$ 2,122,250.00		\$ 2,180,000.00	
ADD ALT #1	Include (4) Additional bridge girders, expandable	\$ 613,960.00		\$ 473,600.00		\$ 585,000.00	

**RECOMMENDATION:** All bids taken under advisement

\_\_\_\_\_  
PURCHASING OFFICER

\_\_\_\_\_  
DATE

\_\_\_\_\_  
ASST PURCHASING OFFICER

\_\_\_\_\_  
WITNESS

\_\_\_\_\_  
BUYER

\_\_\_\_\_  
WITNESS

\_\_\_\_\_  
CONST. PROCUREMENT SPECIALIST

\_\_\_\_\_  
WITNESS

AM 15-099B

**SUBJECT:** Award of Bid No. 15-096B, Juniper, Spruce, Cottonwood, Cranberry, and Rose Improvements to Valley General Construction, LLC. for the contract amount of \$339,278.00.

**AGENDA OF:** March 17, 2015

**ASSEMBLY ACTION:**

**MANAGER RECOMMENDATION:** Present to the assembly for consideration.

**APPROVED BY JOHN MOOSEY BOROUGH MANAGER:** *[Signature]*

Route To:	Department/Individual	Initials	Remarks
	Purchasing	<i>[Signature]</i>	
	Public Works Director	<i>[Signature]</i>	4/MAR/15
	Finance Director	<i>[Signature]</i>	
	Borough Attorney	<i>[Signature]</i>	3/5/15
	Borough Clerk	<i>[Signature]</i>	3/9/15 <i>[Signature]</i>

**ATTACHMENT(S):** Fiscal Note: Yes  No   
 Advertisement (1p)  
 Analysis Sheet (2pp)

**SUMMARY STATEMENT:** On February 4, 2015, the Matanuska-Susitna Borough issued a solicitation requesting bids from qualified contractors to provide labor, equipment, materials, tools and incidentals to improve approximately 4,200 linear feet of Juniper Street, Spruce Street, Cottonwood Street, Cranberry Street, and Rose Street. This project will upgrade the existing unpaved roads to MSB residential standards. This project will involve, but is not limited to, clearing, 450 cubic yards of Unclassified Excavation, 8,300 cubic yards of Borrow, Type B, 2,100 tons of Recycled Asphalt Material, and installing drainage culverts. Additional items include topsoil and seeding. The Public Works Department, Operation and Maintenance Division will be administering the contract. In response to the advertisement, six (6) bids were received.

Award recommendation is being made to Valley General Construction, LLC with their bid being responsive and responsible for all line items. The Contractor shall complete the work by August 15, 2015.

**RECOMMENDATION OF ADMINISTRATION:** Award of **BID NO. 15-096B, JUNIPER, SPRUCE, COTTONWOOD, CRANBERRY, AND ROSE IMPROVEMENT** to **VALLEY GENERAL CONSTRUCTION, LLC** for the contract amount of **THREE HUNDRED THIRTY NINE THOUSAND TWO HUNDRED SEVENTY EIGHT AND NO/100 DOLLARS (\$339,278.00)**.

**MATANUSKA-SUSITNA BOROUGH  
FISCAL NOTE**

AGENDA DATE: March 17, 2015  
 SUBJECT: Award of Bid No. 15-096B, Juniper, spruce, Cottonwood, Cranberry, and Rose Improvements to Valley General Construction, LLC for the contract amount of \$339,278.00.  
 ORIGINATOR: Purchasing

FISCAL ACTION (TO BE COMPLETED BY FINANCE)	FISCAL IMPACT <input checked="" type="radio"/> YES <input type="radio"/> NO
AMOUNT REQUESTED \$339,278	FUNDING SOURCE SA Approp; State Legislative Grant
FROM ACCOUNT # 410.000.000.4xxx, xxx x	PROJECT # 30046
TO ACCOUNT :	PROJECT #
VERIFIED BY: <i>Barbara Younger</i>	CERTIFIED BY:
DATE: 3/5/15	DATE:

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
Personnel Services						
Travel						
Contractual						
Supplies						
Equipment						
Land/Structures						
Grants, Claims						
Miscellaneous						
TOTAL OPERATING						

CAPITAL	339.2					
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REVENUE						
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FUNDING: (Thousands of Dollars)

General Fund	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
State/Federal Funds	16.4					
Other	322.8					
TOTAL	339.2					

POSITIONS:

Full-Time	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
Part-Time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

PREPARED BY: *Gregory Hall* PHONE: \_\_\_\_\_  
 DEPARTMENT: \_\_\_\_\_ DATE: \_\_\_\_\_  
 APPROVED BY: *Gregory Hall JOT EC* DATE: 3/5/15

**MATANUSKA-SUSITNA BOROUGH**  
**350 East Dahlia**  
**Palmer, Alaska 99645**

**ADVERTISEMENT**

<b>VENDOR</b>		<b>ACCOUNT #</b>	<b>DATE FOR ADVERTISEMENT</b>
Alaska Dispatch News		MATA 0070	February 3, 2015
Frontiersman		CONTRACT	February 6, 2015
<b>TYPE OF AD:</b>	<input type="checkbox"/> Display	<input checked="" type="checkbox"/> Classified	<input type="checkbox"/> Public Information

The material herein must be printed in its entirety on the dates shown above. Affidavit of publication is required prior to payment.

**MATANUSKA-SUSITNA BOROUGH**  
**BID #15-096B**

***Juniper, Spruce, Cottonwood, Cranberry, and Rose Improvements***

The Matanuska-Susitna Borough is soliciting bids from qualified contractors to supply labor, materials, equipment, and supplies to improve approximately 4,200 linear feet of Juniper Street, Spruce Street, Cottonwood Street, Cranberry Street, and Rose Street. This project will upgrade the existing unpaved roads to MSB residential standards. This project will involve, but is not limited to, clearing, 450 cubic yards of Unclassified Excavation, 8,300 cubic yards of Borrow, Type B, 2,100 tons of Recycled Asphalt Material, and installing drainage culverts. Additional items include topsoil and seeding.

Bid documents are available **February 4, 2015** in the Purchasing Division, Matanuska-Susitna Borough, 350 E. Dahlia Ave., Palmer, AK 99645. For Information: (907) 861-8601, Facsimile: (907) 861-8617, e-mail [purchasing@matsugov.us](mailto:purchasing@matsugov.us). This bid document may be available on the internet at [www.matsugov.us](http://www.matsugov.us). A document fee of \$5.00 will be charged for materials picked-up and \$10.00 for materials mailed.

Pre-bid: **February 11, 2015 @ 10AM in Purchasing Division P2 Conference Room**

Bids open: **February 26, 2015 @ 3PM in the Purchasing Division**

Bids must be received in the Purchasing Division prior to the time fixed for opening of the bids to be considered. Time of receipt will be determined by the time stamp in the Purchasing Division.

Persons needing accommodation in order to participate should contact the borough ADA coordinator at (907) 861-8687.

The Matanuska-Susitna Borough reserves the right to accept or reject any or all bids, waive any and all technicalities or informalities it deems appropriate. Award of this project is subject to the availability of funding.

Page 1 of 1	Requested by: <b>Signature on File</b>	Approved by: <b>Signature on File</b>
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DEPARTMENT ACCOUNT NO.: **410.000.000.462.940 ~ 30046/6648/9302**

**MATANUSKA-SUSITNA BOROUGH**  
**BID #15-096B**  
**Juniper, Spruce, Cottonwood, Cranberry, and Rose Improvements**

**ANALYSIS SHEET**

<b>BIDDER</b>		Jim Psenak Const	Western Const.	Valley General
Signed Bid Form		✓	✓	✓
Bid Guarantee		BB	BB	BB
Other items as required in Instructions to Bidders and Specifications/Scope of work		Add #1	Add #1	Add #1
<b>LINE ITEM</b>	<b>DESCRIPTION</b>	<b>BID PRICE</b>	<b>BID PRICE</b>	<b>BID PRICE</b>
1.	All work to complete the Juniper, Spruce, Cottonwood, Cranberry, & Rose Improvements per bid specifications	\$410,323.00	\$367,156.00	\$339,278.00

**RECOMMENDATION:** \_\_\_\_\_

\_\_\_\_\_ PURCHASING OFFICER      \_\_\_\_\_ ASST PURCHASING OFFICER      \_\_\_\_\_ BUYER      \_\_\_\_\_ CONST PROCUREMENT SPECIALIST  
 \_\_\_\_\_ DATE      \_\_\_\_\_ WITNESS      \_\_\_\_\_ WITNESS      \_\_\_\_\_ WITNESS

PM15-025

**MATANUSKA-SUSITNA BOROUGH**  
**BID #15-096B**  
**Juniper, Spruce, Cottonwood, Cranberry, and Rose Improvements**

**ANALYSIS SHEET**

<b>BIDDER</b>		Dirtworks	Norse Ark	Tutka LLC
Signed Bid Form		✓	✓	✓
Bid Guarantee		BB	BB	BB
Other items as required in Instructions to Bidders and Specifications/Scope of work		Add #1	Add#1	Add#1
<b>LINE ITEM</b>	<b>DESCRIPTION</b>	<b>BID PRICE</b>	<b>BID PRICE</b>	<b>BID PRICE</b>
1.	All work to complete the Juniper, Spruce, Cottonwood, Cranberry, & Rose Improvements per bid specifications	\$ 344,725.61	\$ 370,919.60	\$ 369,025.84

**RECOMMENDATION:** *All Bids taken under advertisement*

PURCHASING OFFICER	<i>[Signature]</i>	BUYER	<i>[Signature]</i>
DATE	ASST PURCHASING OFFICER	WITNESS	CONST PROCUREMENT SPECIALIST
<i>2/26/15</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>
	WITNESS	WITNESS	WITNESS

PM15-025

**SUBJECT:** A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY TESTING A NEW SEATING ARRANGEMENT FOR THE ASSEMBLY.

**AGENDA OF:** March 3, 2015

**ASSEMBLY ACTION:**

**MANAGER RECOMMENDATION:** Present to the Assembly for consideration.

**APPROVED BY** *[Signature]* JOHN MOOSEY, BOROUGH MANAGER: *[Signature]*

Route To:	Department/Individual	Initials	Remarks
	Originator	LRM	For Assemblymember Sykes
	Finance Director	<i>oul</i>	<i>2/23/15</i>
	Borough Attorney	<i>AS</i>	
	Borough Clerk	<i>JMM</i>	<i>2/23/15</i> <i>(P)</i>

**ATTACHMENT (S):** Fiscal Note: NO X YES  
 Resolution Serial No. 15-023 (3 pp)

**SUMMARY STATEMENT:**

The ideal situation for meetings in chambers of the local government include easy accessibility along with a feeling of openness and unity between the Assembly and the audience. The new Assembly chambers has a wall erected in front of the audience that provides a clear division between the Assembly members and their constituents.

This resolution is being brought forward to alleviate problems related to the Assembly seating in the new chambers, such as:

- 1) Poor visibility between audience and Assembly members especially in the front rows,
- 2) Difficult accessibility to the audience podium for members of the public using wheel chairs or needing to sit, and

audience that is seen by some as intimidating.

For next to no cost, we can restore a few good elements from the old Assembly Chambers and combine them with the new facility, by seating the Assembly on the main floor in front of the dais, just as we have done when holding Assembly meetings in Willow, Big Lake and Wasilla, and other places. The ample space in front of the present dais has been used for advisory boards and other meetings similar to this proposed seating arrangement.

The wide Assembly hall allows for good angles of view for audience members to see people at in front. By replacing the stand-up audience podium with the open testifiers table from the old Assembly chambers audience members can roll right up to speak or sit in a chair . Currently individuals in a wheelchair or those that prefer to speak while sitting must stay to one side of the stand-up podium. This reduces visual contact with some Assembly members and also complicates effective use of the microphone.

Meetings will take place using the main floor level from March 17 to June 16. Then Assembly members can evaluate whether to continue meeting on the main floor, return to the existing dais, or find an in between solution such as a small riser, or more permanent raised floor that isn't as high as the present dais floor.


Seating the Assembly on the main floor facilitates more of a conversation between the Assembly and the public. The main goal is to have the Assembly meetings be more inviting, accessible and less intimidating.

**MATANUSKA-SUSITNA BOROUGH  
FISCAL NOTE**

Agenda Date: 03/03/15

SUBJECT: A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY TESTING A NEW SEATING ARRANGEMENT FOR THE ASSEMBLY.

ORIGINATOR: L. McKechnie

FISCAL ACTION (TO BE COMPLETED BY FINANCE)	FISCAL IMPACT <input checked="" type="radio"/> YES <input type="radio"/> NO
AMOUNT REQUESTED <b>500.</b>	FUNDING SOURCE <b>Assembly Oper. Bdgt</b>
FROM ACCOUNT # <b>100-100-101-4XX-XX</b>	PROJECT #
TO ACCOUNT :	PROJECT #
VERIFIED BY: 	CERTIFIED BY:
DATE:	DATE:

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019
Personnel Services						
Travel						
Contractual						
Supplies						
Equipment						
Land/Structures						
Grants, Claims						
Miscellaneous		<b>.5</b>				
TOTAL OPERATING		<b>.5</b>				

CAPITAL						
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REVENUE						
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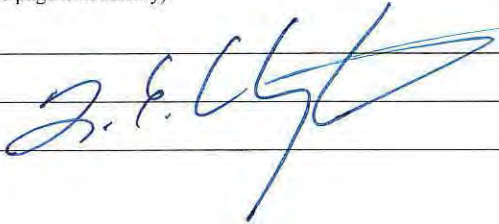
FUNDING: (Thousands of Dollars)

General Fund		<b>.5</b>				
State/Federal Funds						
Other						
TOTAL		<b>.5</b>				

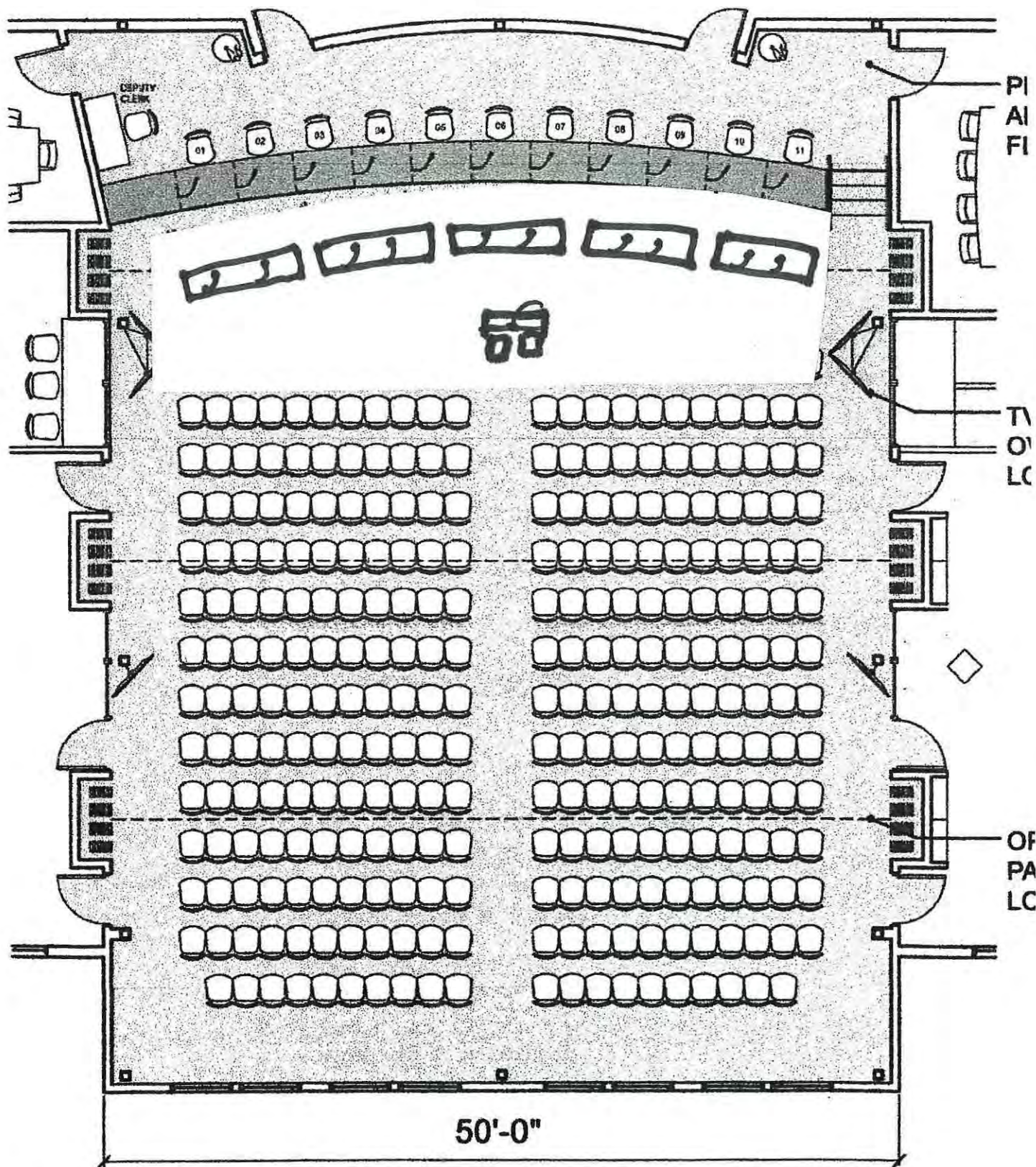
POSITIONS:

Full-Time						
Part-Time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

PREPARED BY: \_\_\_\_\_ PHONE: \_\_\_\_\_  
 DEPARTMENT: \_\_\_\_\_ DATE: \_\_\_\_\_  
 APPROVED BY:  DATE: **2/23/15**

IM No. 15-061  
Resolution Serial No. 15-**023**



ASSEMBLY ROOM  
300 SEATS

Im15-061  
RS-15-023

Sponsored by: Assemblymember Sykes  
Action:

**MATANUSKA-SUSITNA BOROUGH**  
**RESOLUTION SERIAL NO. 15-023**

A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY TESTING A  
NEW SEATING ARRANGEMENT FOR THE ASSEMBLY.

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WHEREAS, the ideal meeting room for the Mat-Su Borough Assembly should include easy accessibility along with a feeling of openness and unity between the Assembly and the audience; and

WHEREAS, the new Assembly chambers dais is built atop a wall in front of the audience that creates a visual division between the Assembly members and their constituents; and

WHEREAS, Assembly seating in the new chambers makes it difficult for the public to see Assembly members, especially in the front rows and if Assembly members have their monitors standing high; and

WHEREAS, people using wheelchairs or needing to sit have more difficulty with the new standup podium that forces people to stand or sit to one side and attempt to bend down the microphone to work at the lower height; and

WHEREAS, the difference in the height of the Assembly dais above the audience floor is seen by some as intimidating; and

WHEREAS, these aforementioned problems can be easily overcome at little or no cost,

WHEREAS, the wide new Assembly chambers provides better

visual angles between audience members and Assembly members than the old chambers; and

WHEREAS, the Assembly uses tables on the same level with the audience at other meetings in Wasilla, Willow, Big Lake and other places; and

WHEREAS, some meetings and advisory boards have used the main floor and the ample space in front of the dais to hold their meetings.

THEREFORE BE IT RESOLVED, that the Assembly shall sit at five tables on the main floor of the new Assembly chambers in front of the dais and replace the current standup podium for audience participation with the open table from the old Assembly Chambers from March 17, 2015, to June 16, 2015.

BE IT FURTHER RESOLVED, that on June 16<sup>th</sup> the Assembly shall evaluate whether or not to continue meeting on the same level as the audience, returning to the dais, constructing a small riser, or seeking some other solution consistent with the goal to make Assembly meetings be more inviting, accessible and less intimidating for the public.

ADOPTED by the Matanuska-Susitna Borough Assembly this - day of -, 2015.

\_\_\_\_\_  
LARRY DeVILBISS, Borough Mayor

ATTEST:

\_\_\_\_\_  
LONNIE R. McKECHNIE, CMC, Borough Clerk


(SEAL)


**SUBJECT:** AN ORDINANCE AMENDING MSB TITLE 43, SUBDIVISIONS, TO ADDRESS HOUSEKEEPING AND PROCEDURAL ITEMS OUTLINED IN THE PLANNING DEPARTMENT STAFF MEMORANDUM DATED MARCH 1, 2013

**AGENDA OF:** MARCH 17, 2015

**ASSEMBLY ACTION:**

**MANAGER RECOMMENDATION:** Introduce and set for public hearing.

**APPROVED BY JOHN MOOSEY, BOROUGH MANAGER:** 

Route To:	Department/Individual	Initials	Remarks
	Originator - E. Probasco	EP	
	Planning and Land Use Director	EP/mbm	
	Borough Attorney	JM for N.S.	re recommend review by Planning Bd. & Planning Commission.
	Borough Clerk	JM	3/9/15 

**ATTACHMENTS:** Fiscal Note: NO X YES \_\_\_\_\_  
 Ordinance Serial No. 15-~~030~~ (111 pp)  
 May 28, 2014 email: (2 pp)  
 Planning Commission Resolution 13-31 (2 pp)  
 Platting Board Resolution 13-59 (2 pp)  
 Planning Department March 1, 2013 memorandum (4 pp)

**SUMMARY STATEMENT:**

On April 17, 2012 the Borough Assembly approved Ordinance 12-072, repealing Title 27, and adopting MSB Title 43, Subdivisions. At the time of adoption, the assembly requested that staff work with the code for a period of time and bring any suggested changes back to the assembly for consideration.

On March 1, 2013, platting division staff prepared a memorandum summarizing their review, and breaking down proposed amendments into four areas:

- **Housekeeping** - routine tasks that must be done in order for a system to function efficiently

- **Procedural** - relating to the administration of the code by platting staff,
- **Inconsistencies** - cleaning up contradictory elements or those that lack compatibility with other sections of the code
- **Substantial** - items that are substantial policy changes which the assembly may want to discuss or have more input on.

Planning department staff presented the memo for discussion at the Platting Board meeting on March 21, 2013. Staff further presented the memo to the Planning Commission and Assembly at their joint worksession on March 26, 2013, and received no objection to bringing forward proposed code amendments to address items in the Housekeeping and Procedural section, minus two items of concern raised by assembly members.

Platting division staff prepared a draft ordinance reflecting the amendments outlined above. The platting board reviewed the draft ordinance at their July 3, 2013 regular meeting, and unanimously adopted resolution 13-59 in support of the amendments. The planning commission held a public hearing on July 15, 2013 and unanimously adopted Resolution 13-31 (AM) recommending assembly approval of the ordinance, with minor amendments.

Several unsuccessful attempts were made by staff to place the draft ordinance on the assembly agenda for action, however, the sponsoring assemblymember was not in favor of placing it before the assembly. The most recent attempt to place it on the agenda was in March of 2014, when it was once again removed. In an attempt to address the concern, staff communicated with the sponsoring assemblymember, who then opined that: "Overall the Title 43 revision seems to be working as planned, reviving the economy." See attached e-mail dated May 28, 2014.

The issues in the March 1, 2013 memorandum still remain unresolved. Some of those issues are:

- There are definitions that need to be added.
- There is conflicting and inconsistent use of the terms "Platting authority", "Platting Board" and "Platting Officer." These need to be resolved to align with State Statute.
- Some subsections of Title 43 are under the incorrect section, and need to be moved to the correct section.
- There is unnecessary duplication of items in several locations.
- Amend public notification requirements, time of notification and notice area, to be consistent with prior

Title 27, as well as Title 17.

- Remove the Title 43 requirements of a full preliminary plat review at the pre-ap level. This is an unnecessary expense to subdividers in the pre-ap stage.
- Authorize the planning director to approve an expanded notification area. Current Title 43 requires that the platting board needs to approve expanded noticing, which adds at least another month to the process, and is unnecessary. The planning director has had that authority in the past, and has traditionally made the decision to expand the area whenever suggested by staff, as appropriate.
- Allow the Notification of Actions (NOA's) to be signed by the appropriate platting staff (as in Title 27), instead of delegating that authority only to the platting board chairperson. It causes unnecessary delays in timely distribution of the notifications, which can be problematic in relation to appeal periods.
- A variety of other issues as outlined in A and B of the March 1, 2013 memorandum.

The Attorneys office suggested that, since it has been some time since the platting board and planning commission have adopted their resolutions, it should be considered whether the assembly feels too much time has elapsed or not. However, also worth consideration is the fact that only one of the current platting board members was not present at the July 3, 2013 platting board meeting, and only one of the current planning commission members was not present at the July 15, 2013 meeting, when each of those resolutions were approved.

Planning department staff, as well as those developers trying to interpret Title 43, would benefit from having these amendments approved. The proposed amendments in this ordinance are not significant policy changes, nor would they result in increased development costs or additional costs to the borough.

**RECOMMENDATION OF ADMINISTRATION:** Approval of the ordinance amending MSB Title 43.

## Eileen Probasco

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**From:** Jim Colver [colver@mtaonline.net]  
**Sent:** Wednesday, May 28, 2014 6:47 AM  
**To:** Eileen Probasco  
**Cc:** Paul Hulbert; John Moosey; Nicholas Spiropoulos  
**Subject:** RE: waiver of soils and Title 43 Amendments

All,

Thank you for your patience. Overall the Title 43 revision seems to be working as planned, reviving the economy.

I have reviewed the proposed solution regarding existing soils. Restating code does not solve the issue. Taxpayers should not have to fund another study, test or report for data already obtained, to merely split a lot unless there are other factors such as wetlands.

Please prepare a provision that allows the use of existing soils data and send to me to review and comment on.

Thank You,

Jim

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**From:** Eileen Probasco [mailto:Eileen.Probasco@matsugov.us]  
**Sent:** Tuesday, May 27, 2014 3:11 PM  
**To:** Jim Colver  
**Cc:** Paul Hulbert; Eileen Probasco; John Moosey; Nicholas Spiropoulos  
**Subject:** FW: waiver of soils and Title 43 Amendments

Hi Jim.

We are still anxious to hear from you and set up a time to go over the Title 43 amendments. We would prefer not to wait too much longer, as the changes have already been through the platting board and planning commission. I hope Paul's e-mail from several weeks ago about soils alleviated your concerns about the other issue. Please let us know when we can expect to meet with you so we can get this on the assembly's agenda. Thank you.

Eileen Probasco  
Planning and Land Use Director  
[eprobasco@matsugov.us](mailto:eprobasco@matsugov.us)  
(907) 861-7851

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**From:** Paul Hulbert  
**Sent:** Thursday, May 08, 2014 2:03 PM  
**To:** Jim Colver  
**Cc:** Eileen Probasco  
**Subject:** waiver of soils

Jim,  
I don't think there needs to be a new code section in Title 43 dealing with non-submittal of soils for re-plats. Please follow:

- MSB 43.20.280 AREA (A)(f) The platting authority shall exempt the submission requirements of MSB 43.15.045(A)(2) for purposes of fulfilling useable area requirements for subdivisions of land where: (iii) an Alaska registered engineer submits a certified report verifying useable area on each lot for a waiver of requirement MSB 43.15.045(A)(2).
- MSB 43.15.045(A)(2) states "the subdivider shall submit supporting written information including all soils and engineering data as required by this title. Application proposing community water supply systems or sewage disposal systems or both shall include engineering plans, data and record drawings. State of Alaska Department of Environmental Conservation review and approval is required for community water supply systems and community sewage disposal systems;"

Curt Holler PE submitted a certified report verifying useable area for a replat of Lot 7Blk 1 Westwood Ph 1. creating two (2) lots each lot contains 20,000+ sq ft and are served with community water.. (see the attachment). In part the report states *"Our soils evaluation included review and rough location of five proximate logged or documented testholes on adjacent/surrounding lots, review of the provided topogography and other information and our other observations at the site. See the attached testhole location, drainage and topography map for details."*

Mr. Holler's geotechnical report meets the criteria of MSB 43.20.280(A)(f).

This is the second report I have received and not from the same PE where their certified soils report(s) qualifies for the "exemption of soils" for re-plats. The title doesn't need another version of the same sub-section.

Mr. Cottini has not gotten back to me on his review of the Title 43 amendments. This is summer construction and fishing season, he like you are just to busy for another review.

Jim, let's not hold up on getting Title 43 amendments in front of the assembly. After all don't you still want to be a sitting Assemblyman for this action before heading to Juneau this November for your new duties?

Paul Hulbert, Platting Officer  
 350 E. Dahlia  
 Palmer, Ak 99645  
 (907)861-7870  
[paul.hulbert@matsugov.us](mailto:paul.hulbert@matsugov.us)

**MATANUSKA-SUSITNA BOROUGH  
PLANNING COMMISSION RESOLUTION NO. 13-31 (AM)**

A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH PLANNING COMMISSION RECOMMENDING ASSEMBLY APPROVAL OF AN ORDINANCE AMENDING MSB TITLE 43 SUBDIVISIONS, TO ADDRESS HOUSEKEEPING AND PROCEDURAL ERRORS.

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WHEREAS, on April 12, 2012 the borough Assembly approved Ordinance 12-072, repealing Title 27 and adopting MSB Title 43, Subdivisions; and

WHEREAS, at the time of adoption, the Assembly requested that staff work with the code for a period of time and bring suggested changes to the Assembly for consideration; and

WHEREAS, on March 1, 2013, Platting Division staff prepared a memorandum summarizing their review and breaking down proposed amendments into four areas, Housekeeping, Procedural, Inconsistencies, and Substantial; and

WHEREAS, the Platting Board reviewed and discussed the memo at their March 21, 2013 meeting; and

WHEREAS, staff further presented the memo to the Planning Commission and Assembly at their joint worksession on March 26, 2013, and received no objection to bringing forward proposed code amendments to address items in the Housekeeping and Procedural section; and

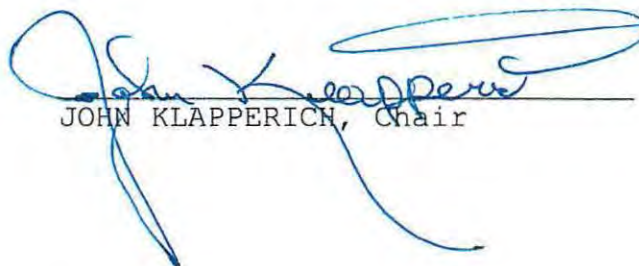
WHEREAS, Platting Division staff has prepared a draft ordinance reflecting the amendments outlined above; and

WHEREAS, the Platting Board reviewed the draft ordinance at their July 3, 2013 regular meeting and adopted their Resolution 13-59 recommending approval of the ordinance; and

WHEREAS, the Planning Commission reviewed the draft ordinance at their July 15, 2013 regular meeting.

NOW, THEREFORE, BE IT RESOLVED, that the Matanuska-Susitna Borough Planning Commission hereby recommends assembly approval of an ordinance MSB Title 43 Subdivisions, to address housekeeping and procedural errors.

ADOPTED by the Matanuska-Susitna Borough Planning Commission this 15th day of July, 2013.

  
JOHN KLAPPERICH, Chair

ATTEST:

  
THERESA TARANTO, Acting Planning Clerk

(SEAL)

YES: *Endle, Healy, Klapperich, Haller, Adams, Raucherstien*

NO:

**MATANUSKA-SUSITNA BOROUGH  
PLATTING BOARD  
RESOLUTION SERIAL NO. 13-59**

A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH PLATTING BOARD ON  
HOUSEKEEPING AND PROCEDURAL CHANGES TO TITLE 43, SUBDIVISIONS.

WHEREAS, ON April 17, 2012 the Borough Assembly approved Ordinance 12-072, repealing MSB Title 27, and adopting MSB Title 43, Subdivisions. At the time of adoption, the assembly requested that staff work with the code for a period of time and bring any suggested changes back to the assembly for consideration; and

WHEREAS, on March 1, 2013, Platting Division staff prepared a memorandum summarizing their review and breaking down proposed amendments into four areas: housekeeping, procedural, inconsistencies, and substantial; and

WHEREAS, Planning Department staff presented the memo for discussion at the Platting Board meeting on March 21, 2013; and

WHEREAS, staff further presented the memo to the Planning Commission and Assembly at their joint work session on March 26, 2013, and received no objection to bringing forward proposed code amendments to address items in the housekeeping and procedural sections, minus two items of concern raised by assembly members; and

WHEREAS, amendments have been drafted to address housekeeping and procedural changes to Title 43; and

WHEREAS, notice of public hearing for the ordinance

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Im15-058  
OR15-030

amendments was published; and

WHEREAS, the Platting Board heard testimony for or against the request and considered the merits of the proposed language; and

WHEREAS, the Platting Board understood these amendments are not causing excessive costs, time, or requirements; and

WHEREAS, the Platting Board approved the requested amendments to Title 43; and

NOW, THEREFORE, BE IT RESOLVED, that the Matanuska-Susitna Borough Platting Board respectively requests that the Planning Commission approve amendments to address housekeeping and procedural changes to Title 43 and forward to the Assembly for adoption.

PASSED AND APPROVED by the Platting Board of the Matanuska-Susitna Borough on the 3<sup>rd</sup> day of July, 2013

*Katie Cruthers*

KATIE CRUTHERS,  
Platting Board Chair

ATTEST:

*Paul Hulbert*

Paul Hulbert, Platting Officer  
(SEAL)

YES: unanimous

NO:



IM15-058  
OR 15-036



## MATANUSKA-SUSITNA BOROUGH

### Planning and Land Use Department Platting Division

350 East Dahlia Avenue • Palmer AK 99645  
Phone (907) 745-9853 • Fax (907) 745-9876

DATE: March 1, 2013  
TO: Eileen Probasco, Planning and Land Use Director  
FROM: Paul Hulbert, Platting Officer  
RE: TITLE 43 10-month review

Title 43 was adopted by Ordinance 12-072 on April 17, 2012. At that time the Assembly requested staff work with the code for awhile and bring back some changes based on what they found as they worked with the code.

- A. **Housekeeping items:** *routine tasks that must be done in order for a system to function efficiently.*
1. Definitions to be added, such as days, dedication, flag lot, open space, parcel, public use easement, public improvements, snow storage easement, etc.
  2. Remove duplications in several areas of the code.
  3. Replacing the words Platting Board with Platting Authority in several places within the code as not all plats are approved by the Platting Board.
  4. Rewording to clarify what types of platting actions are heard by the Platting Board and what types are heard by the Platting Officer (PO).
  5. Allow assembly or city approval of vacation of section line easements. Vacations are a legislative issue and must be heard by the local governing body.
  6. Move items within the code to create a greater ease of use for the general public. This action would not remove any language but rather shift the location to another section where the public can more easily find it, such as:
    - a. elimination of common lot lines under Abbreviated Plat
    - b. requirements for plat submittal under one location
    - c. useable area requirements all under one location
  7. Reword areas within the code to include all incorporated cities and all publicly maintained roads instead of specifying the city or state individually.
  8. Reword 40-acre exemption to clarify access by trail allowance. No physical access required.
  9. Reword the definition for an abbreviated plat to allow the PO to approve all plats that are creating 4 lots or less, as long as they meet the other requirements. Current code does not specify that the PO can approve plats creating 4 lots or less from multiple parcels/lots.
  10. Clarify that the Platting Board holds public hearings on right-of-way (ROW) vacations and clarify the conditions allowed for vacating ROWs. Code is written as if the assembly is the

only entity hearing ROW vacations when in fact, the Platting Board issues the preliminary decision, and the assembly or city councils have the ability to veto.

11. Reword the section line easement research techniques to current adopted practices.
12. Reword the public improvements acceptance section for clarity.
13. Streamline and clarify useable septic area requirements for minor lot line adjustments, replats of Remote Recreational Parcels, and large lot plats, including removal of conflicting language.
14. Remove unnecessary sections of code dealing with existing plats of record and severability, a recommendation of the Borough Attorney to reflect the legal changes approved in Title 27.

**B. Procedural: relating to the administration of the code by Platting Staff;**

1. Adjust the public noticing requirements, including:
  - a. Change the public hearing noticing from a minimum of 15 days to 21 days. Reason: To allow more public response time, especially Community Councils, and to conform to current practice based on community input.
  - b. Change the public hearing noticing to owners of property within 600' instead of 1200' and eliminate the necessity of noticing entire subdivisions. Reason: The postage necessary to notice all subdivision lot owners can run into the hundreds of dollars. If the proposed platting action needs expanded noticing, then "c." below is appropriate.
  - c. Authorize the Planning Director to approve expanded public noticing. Currently a public hearing is required for the Platting Board to approve expanded noticing; inefficient and wasteful use of the public and subdivider's time, energy, and money.
  - d. Currently, a public hearing is required for the Platting Board to approval additional noticing,
2. Changing the Platting Board compensation to a rate set by the assembly, in case the amount changes in the future.
3. Allow the Platting Board to authorize a representative to sign the Notification of Action (NOA). NOAs are time sensitive and getting the Platting Chairperson to review the minutes and sign the NOA takes up time; it's not efficient.
4. Reword the pre-application conference section to conform to current procedures. There is no need for a full preliminary plat at the pre-app stage and the code does not allow enough time (7 calendar days) for comments to come back.
5. Clarify eligibility for 40-acre exemption process, the document format, who pays the fees, and who records the document. This will be consistent with the current streamlined process.
6. Specify that proof of ownership, topography, as-built info, and useable area is needed for waivers. This would create clarity and provide consistency with other types of subdivisions.
7. Streamline the preliminary plat submittal and plat approval sections for clarity, current process, and to remove duplications and overreaching requirements.
8. Clarify the monumentation requirements for ROW Acquisition plats.
9. Reword final plat requirements for readability, intent, Recorder's Office needs, and current practices such as plat scaling, and easement, covenant, and flood hazard area presentation.
10. Add surveyor's certificate for elimination of common lot line plats using record information. This would replace the surveyor's certificate allowing for the placement of lot corners after recordation via a subdivision agreement.
11. Eliminate the excessive requirement of providing primary boundary monuments for replats, when they have been previously set, reducing surveying costs for the subdivider.

12. Remove the section necessitating the surveyor tie into a photo geometric control monuments set in 1986, as it is outdated in light of LIDAR availability.
13. Reword the width to depth lot ratio requirements to conform to the assembly's intent and add requirements for lots greater than 10 acres.
14. Reword the variance criteria for clarity. Our customers have trouble understanding the wording as it is now.
15. Clarify which platting authority can approve Subdivision Agreement extensions.

**C. Inconsistencies:** *cleaning up contradictory elements or those that lack compatibility with other sections of the code.*

1. Change tax payment wording in areas of the code; taxes have to be current, not paid in full.
2. Clarify the public noticing requirements for easement vacations and/or modifications and add easements commonly addressed to the list. Current code does not specify public notice and does not contain several types of easements commonly found.
3. Add posting requirements for all types of public ROW vacations. Currently only vacations of Section Line Easements and RS2477s require notices be posted in the area.
4. Allow minor changes to final ROW acquisition plats such as allowed for other types of plats.
5. Clarify that existing ROWs need to be 50' and new ROWs need to be 60' wide.
6. Correct an inconsistency concerning the need to provide access to adjoining parcels.
7. Add Railroad access to list of available alternate accesses for subdividing as it is allowed in another section of code.
8. Clarify that flag lots do not have the same frontage requirements of other lots.
9. Correct inconsistencies and delete duplications in code concerning appeals to decisions.

**D. Substantial:** *these items are substantial changes which the Assembly may want to discuss or have more input on.*

1. Incorporate Title 15 and Title 17 into the requirements as they deal with Planning, Zoning, Setbacks, Special Land Use Districts, Flood Hazard, BOAA, Streets and Highways map, etc.
2. Remove the paragraph about PO determining whether utility easements are reasonable. The PO is not the entity to accept or deny easements or provide final approval of the adequacy of easements; that is the Platting Board's responsibility.
3. Add that 40-acre exemptions can be done to combine large parcels. This would allow not only the separation of large parcels into 40-acre parcels, but also the combination of 40-acre parcels into larger ones. Also add a requirement to provide as-built information along parcel lines so setback or encroachment issues are not created and add survey and monumentation on metes and bounds descriptions.
4. Require public use easements be surveyed and monumented and that evidence be provided that a road can be constructed within it to comply with the Subdivision Construction Manual standards. Reason: To insure the limits or boundary of the ROW would be known, whether it is constructed now or in the future. Information provided allows Public Works to review the adequacy of the public use easement for health/safety issues related to future road construction. Also the ability to locate the building area in regards to setbacks is severely hampered without monumentation of the easement.
5. Require septic and wells be shown within 100' of a proposed subdivision boundary. This will allow the Platting Authority to see if useable septic area will be impacted by existing development on adjoining property.

6. Relocate the section requiring the petitioner obtain all necessary federal, state, and local permits and approvals needed from the Public Use Easement area to the Final Plat; General Provisions area. Federal, state, and local agencies have oversight requirements according to their particular expertise. Permits and approvals from those agencies allow them to fulfill their role in the process. Wetlands, drainage, construction, and encroachments in ROW, and community water and/or sewage systems are a few of the types of permits or approvals that may be required when going through the platting process.
7. Remove the ability to move or alter the ROWs on a final plat up to 100 feet. Portions of this section are not applicable to movements of ROWs on a plat. The movement of ROWs up to 100 feet does not fall under the concept of minor plat alterations as there would be significant lot and drainage adjustments.
8. Allow the Platting Board to hear vacations and/or modifications of non public ROW easements and remove the requirement that those types of platting actions obtain assembly approval. These cases are: eliminations or modifications of utility, snow storage, screening, drainage, etc. easements and do not meet the level of importance to be brought before the assembly for legislative action. This would streamline the process, saving time and money for all parties involved.
9. Remove allowance for setting lot corners after plat recordation. The Borough has no control over the setting of lot corners after the plat has recorded. If by some reason the lot corners are not set as specified, the lot owner's ability to understand the boundaries of those lots is in jeopardy. Title 16 rewrite committee was concerned that the borough may be placed in the position of installing monumentation if these are not installed prior to recording. If the corners are set by someone other than the original surveyor, owners will never have original corners.
10. Require a title report dated within 14 days prior to recordation. This will verify any new easements and/or lien/mortgage holders are properly noted with the recordation.
11. Add requirement that legal access to adjoining stub roads be dedicated and physical access be constructed when found appropriate by the Platting Board. To provide for interconnectivity. Providing stub roads to break up block length or provide alternate access to adjoining parcels is meaningless unless there are requirements for the adjoining subdivision to connect to them.
12. Reword the private ROW or gated road provisions for functionality. Current code does not take into account the maintenance of private roads, nor does it restrict the use of private roads when there is a need for public access beyond the subdivision.
13. Require an as-built for those roads constructed as part of a platting process. To ensure the constructed road is within the ROW and to assist future road upgrade projects.
14. Include a requirement that 20,000 + sq ft lots have useable septic area if not connected to a community wastewater system. This provides clarity that all lots less than 40,000 sq ft created need to have useable septic area unless connected to a community or municipal septic system.
15. Reword the Subdivision Agreement section to limit defaults from occurring and to protect the borough's taxpayers. Code currently does not provide adequate monetary guarantee for the borough to complete those improvements agreed upon if the subdivider defaults.
16. Allow for partial releases of Subdivision Agreement guarantees for those instances where the subdivider has constructed portions of the roads guaranteed under the agreement.
17. For those subdividers who default on the subdivision agreement, allow for the use of proceeds to be appropriated to a road service area budget or to the general fund, instead of having to return them to the defaulted subdivider.

CODE ORDINANCE

Sponsored by:  
Introduced:  
Public Hearing:  
Action:

**MATANUSKA-SUSITNA BOROUGH  
ORDINANCE SERIAL NO. 15-036**

AN ORDINANCE OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY AMENDING MSB TITLE 43 SUBDIVISIONS, TO ADDRESS HOUSEKEEPING AND PROCEDURAL ITEMS OUTLINED IN THE PLANNING DEPARTMENT STAFF MEMORANDUM DATED MARCH 1, 2013

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BE IT ENACTED:

Section 1. Classification. This ordinance is of a general and permanent nature and shall become a part of the borough code.

Section 2. Amendment of Section. MSB 43.05.005 is hereby amended to read as follows:

43.05.005 DEFINITION OF TERMS

(A) For the purpose of this title, the following definitions of terms shall apply in all cases.

- "Aliquot part" means a rectangular portion of a section created by midpoint protraction as defined by the BLM manual of survey instructions, unless historical records show otherwise.

- **"Applicant" see "Petitioner"**

- "Block" means a group of lots existing within well-defined and fixed boundaries, being an area surrounded by streets or other physical barriers, and

having an assigned number, letter, or other name by which it may be identified.

- "Block length" means the distance between intersections of through streets measured between the right-of-way lines of the intersecting streets, which distance is the longest dimension of a block.

- "Borough" means the Matanuska-Susitna Borough.

- "Commercial" means a land use or business enterprise for the purpose of buying or selling goods or services.

- "Days" means calendar days unless otherwise stated.

- "Dedication" means the appropriation of land, or an easement therein, by the owner, for the use of the public, and accepted for such use by or on behalf of the public.

- "Drainage Easement" means an easement for the containment, construction, repair, or maintenance, of storm or melt water drainage normally adjoining a public right-of-way and dedicated to the borough.

- "Easement" means any strip of land reserved by the subdivider for public utilities, drainage, sanitation or other specified use, the title to which

shall remain in the property owner, subject to the right of use designated on the subdivision plat or other document. For the purpose of this title an easement shall not be interpreted to be a fee dedication when noted or granted on a plat, abbreviated plat, waiver or forty-acre exemption.

• "Ex parte" means by or for one party; done for, on behalf of, or on the application of, one party only; without notice to or the presence of the other party.

• "Final plat" means a drawing of a subdivision which complies with this title.

• "Flag Lot" means a parcel of land shaped like a flag, with a narrow staff or pole extending to a road right-of-way or other access way.

• "Governing body" means the Matanuska-Susitna Borough Assembly.

• "Land surveyor" or "surveyor" means a person currently registered as a professional land surveyor with the state of Alaska.

• "Lot" means the least fractional part of subdivided lands having limited fixed boundaries and having an assigned number, or other name through which it may be identified.

- "Meander line" means a traverse of body of water for the purpose of determining the size and location of the body of water. For riparian owners, meander lines do not represent the boundary lines; the body of water where it exists represents the true boundary line. When meander lines are non-riparian, they may become land boundary lines.

- "Monument" means a fixed physical object marking a point [MARKED] on the surface of the earth for commencing or controlling a survey or to establish a property corner.

- "Municipality" means [ANY INCORPORATED CITY, TOWN OR VILLAGE] a political subdivision incorporated under the laws of the state that is home rule or general law city or borough.

- "Offeror" see "Subdivider"

- "Open Space" means any land or area, the preservation of which in its present use would conserve scenic, cultural, or natural resources; protect water bodies or water quality; enhance neighboring parks, forests, wildlife preserves, nature reservations, or sanctuaries; or increase recreation opportunities.

- "Parcel" means a fractional part of land described by metes and bounds or aliquot parts that are

five acres in size or larger and identified in waivers or 40-acre exemptions by document.

• "Petitioner" means a person or a person's representative who submits a formal request or application for a platting action.

• "Plat" means a map [OR DEDICATED REPRESENTATION OF] representing a tract or parcel of land showing the subdivision of such land into lots, blocks and streets, or other divisions, and other information in compliance with the requirements of all applicable sections of this title and of local ordinances, and may include the terms "replat" or "final plat".

• "Platting authority" means the platting board, platting officer, planning and land use director, or other person making a platting decision.

• "Preliminary plat" means a map or delineated representation of a tract or parcel of land showing the prominent features of a proposed subdivision of such land submitted to an approving authority for the purpose of preliminary [CONSIDERATION] approval.

• "Public Improvements" can include but are not limited to: roads, drainage, ditching, signage, cut/fill slopes, trails, bike paths, walkways, public

parks and recreation facilities, monumentation, authorized encroachments, utilities, and areas needed for snow storage and other improvements as necessary.

- "Public Use Easement" provides the rights for ingress, egress, roadways, rights-of-way, public utilities, and slopes for cuts and fills. The rights are to the public in general, and public utilities governed by permits required under federal, state, and local laws and regulations. May also be known as public access easements and rights-of-way.

- "Record Owner" means the person or persons listed as the owner on the property tax records of the borough assessor.

- "Replat" means the redelineation of an existing lot, block or tract of a previously recorded subdivision involving the change of property lines and, after vacation, the altering of dedicated streets, easements or public areas.

- "Right of-way" means a strip of land reserved, used or to be used for a street, alley, walkway, airport, railroad, or other public or private purpose.

• "Slope Easement" means an easement for the construction, repair, or maintenance of a sloped area of ground adjoining a public right-of-way.

• "Snow Storage Easement" means an easement for snow storage and maintenance dedicated or reserved to the municipality.

• "Street" means and includes all access ways for common use, such as traveled ways, roads, lanes, highways, avenues, boulevards, alleys, parkways, viaducts, circles, courts and cul-de-sacs, and includes all the land lying between the right-of-way lines as delineated on a plat showing such streets, whether improved or unimproved.

• "Subdivider" means a person holding any legal or equitable interest in land being subdivided. The term shall also include all heirs, assigns, or successors in interest, or representatives of the subdivider.

• "Subdivision" means the division of a tract or parcel of land into two or more lots, sites or other divisions, or the combining of two or more lots, tracts or parcels into one lot, tract or parcel for the purpose, whether immediate or future, of sale, or lease for more than ten years [EXCEPTING THAT A LEASE OF

COMMERCIAL PROPERTY IS EXEMPT FROM THE REQUIREMENTS OF THIS TITLE,] including any re-subdivision, and, when appropriate to the context, the process of subdividing of the land actually subdivided.

- "Tract" means an area of land which has been defined, but has not been designated by lot and block numbers.

- "Trail" means a traveled way which provides recreational, aesthetic, alternate transportation or educational opportunities and may also provide access for subdividing properties.

- "Useable Building Area" means area outside of minimum useable septic area and easements where building is prohibited, and outside of setbacks from the following: rights-of-way, easements for public use, section line easements, water bodies, and lot lines.

- "Useable Open Space Area" means that [AREA] portion within a plat-designated open space which meets the requirements of MSB 43.20.281. [HAS A SEASONAL HIGH GROUNDWATER TABLE NO CLOSER THAN TWO FEET BELOW THE SURFACE, AND IS OUTSIDE OF EXISTING OR PROPOSED UTILITY, SLOPE, OR PUBLIC USE EASEMENTS AND DOES NOT INCLUDE ANY OTHER EXISTING OR PROPOSED EASEMENTS THAT WOULD NORMALLY DISTURB THE NATURAL VEGETATIVE STATE.]

• "Useable septic area" means[:] that portion of a lot, tract, or parcel that provides septic function on the property and as further defined in MSB 43.20.281.

(1) THAT AREA WHERE SEASONAL HIGH WATER TABLE IS A MINIMUM OF EIGHT FEET BELOW THE SURFACE. WHERE WATER IS ENCOUNTERED AT 10 FEET OR LESS BELOW THE SURFACE, THE SEASONAL HIGH SUBSURFACE WATER IS TO BE DETERMINED BETWEEN MAY 1 AND OCTOBER 30;

(2) THAT AREA WHERE SLOPES ARE LESS THAN 25 PERCENT;

(3) THAT AREA WHICH IS MORE THAN 100 FEET FROM OPEN WATER, SURFACE WATERS, AND WETLANDS;

(4) THAT AREA WHICH IS LOCATED AT LEAST 50 FEET FROM THE TOP OF A SLOPE WHICH IS GREATER THAN 25 PERCENT AND HAS MORE THAN 10 FEET OF ELEVATION CHANGE;

(5) THAT AREA WHICH HAS SOILS WITH A PERCOLATION RATE FASTER THAN 60 MINUTES PER INCH OR LESS;

(6) THAT AREA WHICH IS NOT WITHIN AN AREA DEDICATED TO PUBLIC USE;

(7) THAT AREA WHICH IS OUTSIDE OF UTILITY OR OTHER EASEMENTS THAT WOULD AFFECT THE USE OF THE AREAS FOR ON-SITE SEPTIC INSTALLATION;

(8) THAT AREA WHICH IS OUTSIDE OF A PROTECTIVE WELL RADIUS;

(9) THAT AREA WHICH IS OUTSIDE OF ANY KNOWN DEBRIS BURIAL SITE;

(10) SUBSECTION (1) OF THIS DEFINITION MAY BE CHANGED TO A MINIMUM OF SIX FEET BELOW SURFACE IF THE FOLLOWING CRITERION IS MET:

(A) THERE ARE SPECIAL CONSIDERATIONS WHICH WOULD PRECLUDE REASONABLY CREATING USEABLE AREA BY PLACING SUITABLE FILL TO PROVIDE EIGHT FEET WATER TABLE CLEARANCE;

(B) SOIL TYPES MEET THE REQUIREMENTS GIVEN UNDER MSB 43.20.280(A)(1)(C);

(C) A STANDARD DESIGN IS PROVIDED WHICH IS CERTIFIED TO MEET APPLICABLE ADEC REQUIREMENTS AT THE TIME OF RECORDING BY A STATE OF ALASKA LICENSED PROFESSIONAL ENGINEER;

(D) A NOTE IS PROVIDED ON THE PLAT STATING: "AN ENGINEER DESIGNED AND CERTIFIED WASTEWATER DISPOSAL SYSTEM OR PACKAGED TREATMENT PLANT MEETING ADEC REQUIREMENTS WILL BE REQUIRED ON SUBJECT LOTS (L#B#);" AND

(11) GROUNDWATER LEVELS ARE DETERMINED BETWEEN MAY 1ST AND OCTOBER 30TH.]

• "Utility Easement" means an area in which the rights to construct, install, repair, and maintain utility distribution and service facilities are exercised.

• "Walkway" means a right-of-way or easement dedicated for pedestrian access.

• "Water Body" means a discrete and significant element of surface water, including all or part of lakes, reservoirs, streams, rivers, canals, and coastal waters.

• "Watercourse" means a depression formed by water moving over the earth; any natural or artificial channel through which water flows perennially or intermittently. Includes natural waterways that have been channelized, but does not include manmade channels, ditches, or underground drainage and sewage systems.

Section 3. Amendment of Section. MSB 43.10.030 is hereby amended to read as follows:

43.10.030 COMPENSATION

(A) Board members shall be compensated at a rate [OF \$50 PER MEETING] established by the assembly for regular and special meetings, not to exceed four meetings in a calendar month. All requests for

reimbursement shall be for actual expenses incurred on authorized board business.

Section 4. Amendment of Section. MSB 43.10.050 is hereby amended to read as follows:

43.10.050 ACTION ON APPLICATION OR APPEAL

(A) The board shall take formal action by voting on a motion to approve an application or to grant an appeal from the platting officer's decision at an abbreviated plat hearing. The board's decision shall be recorded in a notice approving or denying the action in question, prepared by the secretary to the board. The notice shall include separate findings of fact supporting the decision, based upon the facts presented to the board and the board's debate on the matter. [THE BOARD CHAIRPERSON SHALL REVIEW THE NOTICES PREPARED BY THE SECRETARY FOR CONFORMITY TO THE FINDINGS AND DECISION OF THE BOARD.] A notice is adopted as a decision of the board when it is signed by the chairperson, or the board's authorized representative if the chairperson is not available [SIGNIFYING THE CHAIRPERSON'S APPROVAL OF THE FORM OF THE NOTICE].

Section 5. Amendment of Section. MSB 43.10.060 is hereby amended to read as follows:

43.10.060 PLATTING [BOARD]AUTHORITY PROCEDURE

(A) The platting board shall act on an application for preliminary plat, variance, public use easement, plat note amendment, or vacation [APPROVAL]of public interest only after holding a public hearing on the application. The platting board shall hear applications for vacations at the hearing on the preliminary plat to which they pertain if an application for plat approval has been filed or is required. The platting board shall consider any preliminary or final plat affected by the vacation of public interest.

(B) The platting [BOARD]authority shall, within 60 [CALENDAR] days of the submission of an application for preliminary plat approval, approve or disapprove the preliminary plat or return it to the applicant for modification or correction. If the platting [BOARD]authority fails to act within a 60 [CALENDAR] day period, the preliminary plat shall be considered approved and a certificate of approval shall be issued on demand, unless the applicant consents to an extension of the 60 [CALENDAR] day period. An application for preliminary plat approval is submitted to the platting [BOARD]authority when it is submitted

in proper form in accordance with MSB [43.15.015] 43.15.016 [AND 43.15.045].

(C) The platting [BOARD] authority shall approve an application after finding that the application conforms to the standards set forth in this title and other applicable statutes and ordinances. The findings of the platting [BOARD] authority shall be set forth in the notice approving or disapproving the application.

(D) The platting [BOARD] authority may approve an application subject to conditions that it finds necessary to implement the purposes of this title. The conditions shall be set forth in the motion and notice approving the application. [WHERE A SUBDIVIDER INTENDS TO DEVELOP A SUBDIVISION IN PHASES, APPROVAL OF THE PRELIMINARY PLAT SHALL BE CONDITIONED UPON THE SUBDIVIDER'S COMPLIANCE WITH A PHASE DEVELOPMENT MASTER PLAN PREPARED BY THE SUBDIVIDER AND APPROVED BY THE PLATTING BOARD.] Covenants, conditions and restrictions may be submitted with the final plat for recordation.

(E) The platting [BOARD OR THE PLATTING OFFICER] authority shall not approve an application where it finds that the property that is the subject

of the application currently is in violation of this title, any condition of approval of a variance, subdivision plat or other land use entitlement granted under this title, or the terms of any other agreement with the borough, unless the conditions of approval resolve the violation, excepting that where multiple violations exist and the platting action is remedying one or more of these violations. This section shall not apply to a legal non-conforming use.

(F) Written notification of platting [BOARD]authority's decision approving or disapproving an application shall be mailed to the applicant within ten [CALENDAR] days of the platting [BOARD]authority meeting at which the decision was made. If the application is approved, a final plat or a resolution setting forth the decision of the [BOARD]platting authority shall be filed with the district recorder after all conditions of approval have been met. The failure of any person to receive any notice required under this section, where borough records indicate the notice was mailed, may not affect the validity of any proceeding under this title.

Section 6. Amendment of Section. MSB 43.10.065 is hereby amended to read as follows:

43.10.065 NOTICE; PUBLIC HEARING

(A) Notice of any public hearing required under this title shall be given in accordance with this section.

(B) Forms of notice are as follows:

(1) publication in a newspaper of general circulation in the borough one week prior to the public hearing;

(2) notices shall be mailed [MAILING] at least [15]21 days before the public hearing to: [ALL RECORD OWNERS OF PROPERTY WITHIN A DISTANCE OF 1,200 FEET OF THE EXTERIOR BOUNDARY OF THE PROPERTY THAT IS THE SUBJECT OF THE APPLICATION, OR TO THE RECORD OWNERS OF THE FIVE TAX PARCELS NEAREST THE PROPERTY THAT IS THE SUBJECT OF THE APPLICATION, WHICHEVER IS THE GREATER NUMBER OF PERSONS, AND, IF THE PROPERTY DESCRIBED IN THE APPLICATION LIES WITHIN A RECORDED SUBDIVISION, TO ALL PROPERTY OWNERS OF RECORD WITHIN THAT SUBDIVISION. AS USED IN THIS SUBDIVISION, "RECORD OWNER" MEANS THE PERSON OR PERSONS LISTED AS THE OWNER ON THE PROPERTY TAX RECORDS OF THE BOROUGH ASSESSOR. THE NOTICE SHALL BE MAILED TO THE RECORD OWNER AT THE ADDRESS STATED IN THE CURRENT PROPERTY TAX RECORDS OF THE BOROUGH ASSESSOR; AND]

(a) all record owners of property within a distance of 1,200 feet of the exterior boundary of the property that is the subject of the application, or to the record owners of at least the five tax parcels nearest the property that is the subject of the application, whichever is the greater number of persons; and

(b) if the property described in the application lies within a recorded subdivision, to all record owners within that subdivision.

(c) Exception for abbreviated plats, right-of-way acquisition plats, waivers, or elimination or modification of easements described in MSB 43.15.032. Public notices shall be mailed to all record owners of property within a distance of 600 feet of the exterior boundary of the property that is the subject of the application, or to the record owners of at least the five tax parcels nearest the property that is the subject of the application, whichever is the greater number of persons.

(i) Mailing notices to all record owners within a recorded subdivision is not a requirement for public hearings involving abbreviated plats, right-of-way acquisition plats, waivers, or

elimination or modification of easements described in MSB 43.15.032.

(d) All notices shall be mailed to the record owner at the address stated in the current property tax record of the borough assessor.

(3) When the property that is the subject of an application lies within the boundaries of a community council recognized by the assembly, notice shall be mailed to the community council at least [15]21 days before the public hearing.

(4) The platting officer may direct that additional notice of the public hearing be given. The platting board, at its discretion, may also direct additional notice of the public hearing be given. However, the failure to give additional notice shall not affect the validity of any proceeding under this title.

(C) Every notice required by this section shall state the date, time, and location of the public hearing, a description of the action requested, a description of the property that is the subject of the application, the names of the applicants, and owners of the subject property.

(D) From the time of filing an application or an appeal until the time of the hearing on the application, the application or appeal, together with all plans, data and other supporting material, shall be available for public inspection at the platting division.

[(E) THE PLATTING BOARD MAY, AT ITS DISCRETION, DIRECT THAT ADDITIONAL NOTICE OF THE PUBLIC HEARING BE GIVEN. HOWEVER, THE FAILURE TO GIVE ADDITIONAL NOTICE SHALL NOT AFFECT THE VALIDITY OF ANY PROCEEDING UNDER THIS TITLE.]

(F) The failure of any person to receive any notice required under this section, where the records of the borough indicate the notice was provided in a timely and proper manner, shall not affect the validity of any proceeding under this title.

(G) Notice of vacation of a public [DEDICATION WHICH IS NOT A SECTION LINE EASEMENT] right-of-way which has been approved and recommended by the platting board shall be sent to the public body having the jurisdiction to approve or veto the vacation. The public body shall make their finding within 30 [CALENDAR] days to approve or veto the platting board

action or the action of the platting board shall automatically be approved.

Section 7. Amendment of Section. MSB 43.15.005 is hereby amended to read as follows:

43.15.005 GENERAL ADMINISTRATION

(A) The platting board shall act upon [AN] applicationss for preliminary plats [APPROVAL, VACATION], variances, public use easements, plat note amendments, and vacations of public interest [VARIANCES OF PLATTING REGULATIONS] within the procedures outlined by A.S. 29.40.110 and this title.

(1) The platting board shall not make conditions of plat approval beyond the authority and specific provisions of this title.

(B) The platting officer shall act upon applications for abbreviated platss [APPROVAL], waivers, [MINOR PLAT AMENDMENTS TO COMBINE LOTS INTO ONE-FOUR LOT(S),] 40-acre exemptions, [AND] right-of-way acquisition plats, and elimination or modification of utility easements as described in MSB 43.15.032.

(1) The platting officer shall determine whether agency, department or public comments provided are within the regulatory authority of this chapter and whether they should apply to a platting action.

(2) The platting officer shall not recommend or impose conditions of approval for platting actions that are not within the specific authority of this title.

(3) The platting officer shall determine whether utility easement requests are reasonable and only require reasonable requests as recommendations to the board or as conditions of approval. The platting officer shall provide final approval on the adequacy of an easement(s) provided for [A] platting actions on final plats and platting actions delegated as by this title, within twenty (20) days of acceptance of submission.

(C) Leaseholds located within [THE WASILLA M]unicipal [A]airports [AND PALMER MUNICIPAL AIRPORT] are exempt from the requirement to plat.

(D) Commercial leases of ten years or greater are exempt from this title.

[(E) PLATS TO REMOVE LOT LINES ARE EXEMPT FROM PROVISIONS OF THE CODE:

- (1) WHICH REQUIRE SOILS REPORT SUBMITTALS;
- (2) REQUIREMENTS FOR ROAD UPGRADES OR CONSTRUCTION; AND
- (3) AS-BUILT SURVEY.]

Section 8. Amendment of Section. MSB 43.15.010 is hereby amended to read as follows:

43.15.010 PREAPPLICATION CONFERENCE

(A) Before submitting an application [FOR PRELIMINARY PLAT]requiring platting authority approval, [WAIVER, PUBLIC USE EASEMENT OR VACATION OR VARIANCE,] a [SUBDIVIDER]petitioner shall attend a conference with the platting [AND PUBLIC WORKS] staff. The purposes of the conference are to inform the staff of the [SUBDIVIDER]petitioner's development plans, and to inform the [SUBDIVIDER]petitioner of the borough's development policies, public improvements, and platting procedures and requirements as they pertain to the proposed application. Borough staff may recommend modifications to conform the proposed application to those policies, procedures, and requirements. The platting officer may waive a preapplication conference if the platting officer finds that it is not necessary to accomplish these purposes.

(B) At least [SEVEN CALENDAR] ten business days before the preapplication conference, the [SUBDIVIDER]petitioner shall submit to the platting staff the proposed platting action with enough detail

so the platting officer can gain a full understanding of the petitioner's intentions [FIVE COPIES OF THE PROPOSED PRELIMINARY PLAT, PLUS ADDITIONAL COPIES AS THE STAFF FINDS NECESSARY TO ALLOW REVIEW BY OTHER AGENCIES].

[(C) AT THE CONFERENCE, THE PLATTING AND PUBLIC WORKS STAFF SHALL REVIEW WITH THE SUBDIVIDER THE BOROUGH'S DEVELOPMENT POLICIES, AND PLATTING PROCEDURES AND REQUIREMENTS, AS THEY PERTAIN TO THE PROPOSED APPLICATION, AND RECOMMEND MODIFICATIONS TO CONFORM THE PROPOSED APPLICATION TO THOSE POLICIES, PROCEDURES, AND REQUIREMENTS.]

(D) The preapplication conference is not intended to be a thorough review, rather to provide the petitioner with the process and steps required to complete their proposed platting action. Staff shall not expend Borough resources on site visits, take site photos or perform extensive departmental and agency reviews for this process.

(E) No proceeding under this section binds the platting [BOARD OR THE PLATTING OFFICER] authority in their review of any plat, or relieves a [SUBDIVIDER] petitioner of the responsibility of independently becoming familiar with the procedures

and standards for approval of an application under this title.

Section 9. Amendment of Section. MSB 43.15.012 is hereby amended to read as follows:

43.15.012 FORTY-ACRE EXEMPTION

(A) *Purpose clause.* The purpose of this section is to allow the land owner to divide large parcels of land by document in an expedited manner.

(B) *Exemptions.* The platting officer shall exempt parcels from the provisions of this title where all the following conditions are met:

(1) [T]the smallest parcel created is 40 acres in size, or is one-sixteenth of a section as defined by "aliquot part;"

(2) [T]the parcel is to be conveyed by deed;

(3) [T]the parcels or tracts created can be described by:

(a) aliquot part; [AND]or

(b) a metes and bounds description, provided the description is under the seal of a land surveyor.

(4) [T]the document does not alter an existing plat of record, including tracts on a cadastral plat;

[(5) THE DOCUMENT CONTAINS SIGNATURES OF CONSENT FROM ALL PARTIES HOLDING A LEGAL OR EQUITABLE INTEREST IN THE PROPERTY;

(6) NO MORE THAN FOUR PARCELS SHALL BE CREATED FROM THE PARENT PARCEL; AND

(7) THE APPLICANT DEMONSTRATES THAT LEGAL ACCESS AS DEFINED BY MSB 43.20.120 EXISTS TO ALL PARCELS OR TRACTS CREATED AND IS SUITABLE FOR FUTURE ROAD CONSTRUCTION.

(A) THE SUITABILITY OF LEGAL ACCESS FOR FUTURE ROAD CONSTRUCTION SHALL BE DOCUMENTED BY THE APPLICANT BASED ON THE FOLLOWING INFORMATION AVAILABLE FROM EXISTING RECORDS WITHIN THE MATANUSKA-SUSITNA BOROUGH:

(I) AIR PHOTOS;

(II) USGS MAPPING;

(III) TOPOGRAPHIC MAPPING; AND

(IV) OTHER AVAILABLE DATA.

(B) THE PLATTING OFFICER SHALL REVIEW WITHIN TEN WORKING DAYS THE LEGAL ACCESS DOCUMENTATION AND ITS "SUITABILITY" FOR FUTURE ROAD CONSTRUCTION.

(C) FOR THE PURPOSE OF THIS SUBSECTION, SUITABILITY IS DEFINED AS THE ABILITY OF THE LEGAL ACCESS TO CONTAIN A BOROUGH STANDARD ROAD.

(I) ACCESS FOR PARCELS LOCATED TWO MILES BEYOND THE LIMITS OF THE CORE COMPREHENSIVE PLANNING AREA MAY BE FROM A TRAIL CONSTRUCTIBLE TRAIL STANDARDS [ARE] LISTED IN MSB 43.20.055(B)(5) [OR A TRAIL.

(D) THE BOROUGH SHALL NOT REQUIRE THE PETITIONER TO PROVIDE A DESIGNED ROAD OR TRAIL TO MEET THE REQUIREMENTS OF THIS SUBSECTION.

(E) THE DECISION OF THE PLATTING OFFICER IN THIS MATTER IS FINAL UNLESS APPEALED TO THE PLATTING BOARD IN WRITING WITHIN 15 DAYS.

(F) THE APPLICANT MAY APPEAL THE DECISION OF THE PLATTING BOARD TO THE BOARD OF ADJUSTMENT AND APPEALS IN ACCORDANCE WITH TITLE 15.]

(8) a certificate to plat shall be required, consistent with the requirements of MSB 43.15.053(E);

(9) signatures of consent are provided on affidavits from all parties holding a legal or equitable interest in the property to be recorded with the document;

(10) no more than four parcels shall be created from the parent parcel; and

(11) the applicant demonstrates that legal access as defined by MSB 43.20.120 exists to all

parcels or tracts created and is suitable for future road construction.

(a) The suitability of legal access for future road construction shall be documented by the applicant based on the following information available from existing records within the Matanuska-Susitna Borough:

(i) air photos;

(ii) USGS mapping;

(iii) topographic mapping; and

(iv) other available data.

(b) The platting officer shall review within ten working days the legal access documentation and its "suitability" for future road construction.

(c) For the purpose of this subsection, suitability is defined as the ability of the legal access to contain a borough standard road.

(i) Access for parcels located two miles beyond the limits of the core comprehensive planning area may be from a trail shown to be constructible to the trail standards listed in MSB 43.20.055(B)(5), however, no trail construction is required for 40-acre exemption approval.

(d) The Borough shall not require the petitioner to provide a designed road or trail to meet the requirements of this subsection.

(C) *Exemption document.* The document exempting a parcel from the provisions of this title shall be reviewed by the platting officer. The platting officer shall approve the exemption document within ten working days once[IF] the exemption submittal meets the conditions of this subsection. [AND SHALL BE ISSUED WITHIN 10 DAYS.] Upon approval of the document, the platting officer shall execute the approved document, signed by the planning director, and it shall be affixed with the platting board seal. It is the responsibility of the applicant to pay all appropriate fees [AND RECORD THE DOCUMENT].

(1) The intent of this provision is to allow prompt approval of a 40-acre exemption.

[(D) CERTIFICATE TO PLAT. A CERTIFICATE TO PLAT SHALL BE REQUIRED, CONSISTENT WITH THE REQUIREMENTS OF MSB 43.15.053(F).]

(E) The decision of the platting officer in this matter is final unless appealed to the platting board in writing within 15 days.

(F) The applicant may appeal the decision of the platting board to the board of adjustment and appeals in accordance with MSB Title 15.

Section 10. Repeal of Section. MSB 43.15.015 is hereby repealed in its entirety:

[43.15.015 PRELIMINARY PLAT

(A) CONTENTS: ALL PLATS, MAPS, DRAWINGS OR OTHER ILLUSTRATIONS REQUIRED FOR CONCEPTUAL REVIEW UNDER THESE REGULATIONS SHALL SHOW THE FOLLOWING:

- (1) TITLE BLOCK;
- (2) SUBDIVISION NAME;
- (3) SCALE;
- (4) NORTH ARROW;
- (5) DATE;
- (6) SUBDIVIDER'S NAME AND ADDRESS;
- (7) SURVEYOR'S OR OTHER PREPARER'S ADDRESS;
- (8) DESCRIPTION OF PARCEL BEING SUBDIVIDED;
- (9) SHEET NUMBER
- (10) FIELD BOOK REFERENCE;
- (11) TOTAL AREA;
- (12) VICINITY MAP WHICH INCLUDES THE

FOLLOWING;

(A) SCALE OF ONE INCH EQUALS ONE MILE SHOWING A 20 SQUARE MILE AREA MINIMUM RURAL; ONE INCH

EQUALS 300 FEET SHOWING A ONE-SIXTEENTH SQUARE MILE AREA, OR AS NECESSARY TO INDICATE THE SUBDIVISION AND ADJACENT PROPERTY (WITHIN URBAN AREA);

(B) TOWNSHIPS, RANGES AND SECTIONS; AND

(C) PRINCIPAL ROAD SYSTEMS, MAJOR WATER BODIES AND WATERCOURSES, AND LOCATION OF SUBDIVISION;

(13) DEDICATED RIGHTS-OF-WAY, PATENT RESERVATIONS, ROAD EASEMENTS, SECTION LINE EASEMENTS AND OTHER EASEMENTS OR RESERVATIONS PUBLIC OR PRIVATE, WITHIN THE PROPOSED SUBDIVISION BOUNDARIES, SHOWING LOCATION, DIMENSIONS AND PURPOSES;

(14) ADJACENT PROPERTY LINES SHALL BE SHOWN WITH DASHED LINES TO SHOW THEIR GENERAL RELATION TO THE PROPOSED PLAT;

(15) PROPOSED LOT LINES, TRACT LINES AND RIGHTS-OF-WAY, INCLUDING APPROXIMATE DIMENSIONS AND AREAS OF ALL LOTS AND TRACTS, APPROXIMATE CURVE RADII, TANGENT LENGTHS, AND SIMILAR INFORMATION;

(16) DESIGNATION OF PROPOSED PUBLIC AREA;

AND

(17) 100-YEAR FLOODPLAIN, WHEN AVAILABLE FROM THE FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA) AND INFORMATION REQUIRED UNDER MSB 17.29.160, GENERAL STANDARDS FOR FLOOD HAZARD REDUCTION WHEN REQUIRED.

(B) WITHIN 10 BUSINESS DAYS OF SUBMITTAL, THE APPLICATION SHALL BE ACCEPTED OR REJECTED FOR FAILURE TO MEET THE REQUIREMENTS OF SUBSECTIONS (A) OF THIS SECTION. THE REJECTION SHALL BE IN WRITING AND SHALL STATE THE DEFICIENT ITEMS. ONCE THE DEFICIENCIES ARE CORRECTED, THE APPLICATION SHALL BE ACCEPTED.

(C) PRELIMINARY PLAT APPROVAL; EFFECT AND DURATION. THE EFFECT OF THE APPROVAL OF THE PRELIMINARY PLAT IS AS FOLLOWS:

(1) THE APPROVAL OF A PRELIMINARY PLAT DOES NOT CONSTITUTE APPROVAL OF THE SUBDIVISION OR THE ACCEPTANCE OF ANY DEDICATION WITHIN THE SUBDIVISION, BUT ONLY AUTHORIZES THE APPLICANT TO PREPARE THE FINAL PLAT. APPLICATION FOR APPROVAL OF A FINAL PLAT, INCLUDING ANY FINAL PLAT SUBMITTED UNDER A PHASED DEVELOPMENT MASTER PLAN, MAY BE SUBMITTED ONLY AFTER APPROVAL OF THE PRELIMINARY PLAT, AND ONLY WHILE THE APPROVAL OF THE PRELIMINARY PLAT REMAINS EFFECTIVE;

(2) APPROVAL OF A PRELIMINARY PLAT EXPIRES 72 MONTHS AFTER THE DATE OF THE WRITTEN NOTICE OF PLATTING BOARD ACTION, UNLESS THE PLATTING BOARD OR THE PLATTING OFFICER FIRST EXTENDS ITS DURATION AT THE REQUEST OF THE APPLICANT. THE PLATTING OFFICER MAY GRANT TWO EXTENSIONS, NOT TO EXCEED TWO YEARS EACH.

ONLY THE PLATTING BOARD HAS AUTHORITY TO GRANT ADDITIONAL EXTENSIONS. THE PLATTING BOARD OR PLATTING OFFICER MAY APPROVE AN EXTENSION ONLY IF IT FINDS THAT THE CONDITIONS SUPPORTING APPROVAL OF THE PRELIMINARY PLAT HAVE NOT MATERIALLY CHANGED. THE 72-MONTH PERIOD SHALL BEGIN ON THE DATE OF THE WRITTEN NOTICE OF THE PLATTING BOARD ACTION. AN APPEAL FROM THE DECISION OF THE PLATTING AUTHORITY REGARDING PRELIMINARY PLAT APPROVAL SHALL BE MADE WITHIN THE TIME SPECIFIED UNDER MSB 15.39.150, APPEALS; COMMENCEMENT. THE 72-MONTH PERIOD SHALL BE EXTENDED UNTIL THE APPEAL IS RESOLVED. A SUBDIVIDER MAY PROCEED UPON AN EXPIRED PRELIMINARY PLAT ONLY WITH A NEW APPLICATION. STAFF REVIEW TIME OF THE SUBMITTED FINAL PLAT SHALL BE DEDUCTED FROM THE 72 MONTHS.

(3) WHERE A SUBDIVIDER INTENDS TO DEVELOP A SUBDIVISION IN PHASES, APPROVAL OF THE PRELIMINARY PLAT SHALL BE CONDITIONED UPON THE SUBDIVIDER'S COMPLIANCE WITH A PHASED DEVELOPMENT MASTER PLAN PREPARED BY A SUBDIVIDER AND APPROVED BY THE PLATTING BOARD. APPROVAL OF A MASTER PLAN FOR PHASED DEVELOPMENT EXPIRES 72 MONTHS AFTER THE DATE OF THE WRITTEN NOTICE OF PLATTING BOARD ACTION UNLESS AN EXTENSION IS APPROVED BY THE PLATTING BOARD OR

PLATTING OFFICER IN THE SAME MANNER EXTENSIONS OF PRELIMINARY PLATS ARE APPROVED UNDER PARAGRAPH (B) (2). AN APPEAL FROM THE DECISION OF THE PLATTING BOARD REGARDING MASTER PLAN APPROVAL SHALL BE TAKEN WITHIN THE TIME SPECIFIED UNDER MSB 15.39.150, APPEALS; COMMENCEMENT. FILING AN APPEAL SHALL EXTEND THE 72-MONTH PERIOD UNTIL THE APPEAL IS RESOLVED. A SUBDIVIDER MAY PROCEED WITH AN EXPIRED MASTER PLAN FOR PHASED DEVELOPMENT ONLY WITH A NEW APPLICATION.

(A) PROVIDING THAT ANY PLAT, (MASTER PLANS FOR PHASED DEVELOPMENT, ABBREVIATED PLATS, REGULAR PLATS) APPROVED UNDER PROVISIONS OF THE FORMER TITLE 16 AND TITLE 27 SHALL BE GRANTED AN ADMINISTRATIVE EXTENSION OF AN ADDITIONAL 5 YEARS EFFECTIVE FROM THE DATE OF ADOPTION OF THIS ORDINANCE. THIS FIVE YEAR EXTENSION IS IN ADDITION TO ALL PREVIOUSLY GRANTED EXTENSIONS AND STARTS AT THE END OF THE PREVIOUSLY APPROVED EXPIRATION DATE OF THE EXTENSION OR ORIGINAL PLAT EXPIRATION DATE, WHICHEVER IS LATER.

(D) AN APPLICANT MAY SEEK MODIFICATION OF A PRELIMINARY PLAT OR PHASED DEVELOPMENT MASTER PLAN PRIOR TO EXPIRATION OF THE PLAN OR PLAN APPROVAL OR PRIOR TO THE EXPIRATION OF AN EXTENSION GRANTED

PURSUANT TO MSB 43.10.060(B). THE APPLICANT SEEKING MODIFICATION SHALL PAY A PUBLIC HEARING FEE AND MEET THE REQUIREMENTS OF MSB 43.10.065. THERE SHALL BE NO PETITIONS TO MODIFY VACATIONS APPROVED BY THE ASSEMBLY UNLESS THE PETITION TO MODIFY INVOLVES AN AREA OF LAND NOT AFFECTED BY THE APPROVED VACATION.]

Section 11. Adoption of Section. MSB 43.15.016 is hereby adopted to read as follows:

**43.15.016 PRELIMINARY PLAT SUBMITTAL AND APPROVAL**

**(A) An application for conceptual plat approval shall be submitted with plat copies as needed, with the following data and appropriate fees:**

**(1) maps of the proposed subdivision and the area, which adequately display surrounding development of the proposed subdivision boundaries (minimum of 50 feet from proposed boundary) to a scale of no less than one inch equals 100 feet, which includes the following information:**

**(a) the location of all property lines, utilizing the preliminary plat as base map;**

**(b) topographic contour intervals of five feet if the ground slope is less than ten percent, and ten feet if the ground slope is greater than ten percent;**

(c) preliminary horizontal location of streets, water supply, sewage disposal systems and other public improvement details, to indicate conformance with borough and state standards;

(d) the location of water bodies and drainage courses, including the location of FEMA mapped special flood hazard areas, and flood hazard information required under MSB 17.29.160, General Standards for Flood Hazard Reduction, when required;

(e) the location of existing facilities and structures within the proposed subdivision, such as roadways, driveways, buildings, sewage systems, wells, utility poles and lines, excavations, bridges and culverts; and

(2) the subdivider shall submit supporting written information including all soils and engineering data as required by this title. Applications proposing community or municipal water supply systems or wastewater disposal systems or both shall submit a conceptual plan. Prior to final plat approval, State of Alaska Department of Environmental Conservation review and approval is required for community or municipal water supply systems and community or municipal wastewater disposal systems.

Final plat approval will require as-builts or record drawings for any community or municipal water and wastewater disposal systems installed.

(B) Contents. All plats, maps, drawings or other illustrations required for conceptual review under these regulations shall show the following:

- (1) title block;
- (2) subdivision name;
- (3) scale;
- (4) north arrow;
- (5) date;
- (6) subdivider's name and address;
- (7) surveyor's or other preparer's address;
- (8) description of parcel being subdivided;
- (9) sheet number;
- (10) field book reference;
- (11) total area;
- (12) vicinity map which includes the

following;

(a) scale of one inch equals one mile showing a 20 square mile area minimum rural; one inch equals 300 feet showing a one-sixteenth square mile area, or as necessary to indicate the subdivision and adjacent property (within urban area);

(b) townships, ranges and sections; and  
(c) principal road systems, major water  
bodies and watercourses, and location of subdivision;

(13) dedicated rights-of-way, patent  
reservations, road easements, section line easements  
and other easements or reservations public or private,  
within the proposed subdivision boundaries, showing  
location, dimensions and purposes;

(14) adjacent property lines shall be shown  
with dashed lines to show their general relation to  
the proposed plat;

(15) proposed lot lines, tract lines and  
rights-of-way, including approximate dimensions and  
areas of all lots and tracts, approximate curve radii,  
tangent lengths, and similar information; and

(16) designation of proposed public area.

(C) Within ten business days of submittal, the  
application shall be accepted or rejected for failure  
to meet the requirements of subsection (A) and (B).  
The rejection shall be in writing and shall state the  
deficient items. Once the deficiencies are corrected,  
the application shall be immediately accepted.

(D) The statutory 60 day period for approval or non-approval begins on the date the application is accepted for approval.

(E) Any hearing for approval shall occur within 45 days of the date the application is accepted.

(F) Public hearings for vacations may occur at the same time as the preliminary plat approval hearing.

(G) The applicant may acquire any required "other agency" review.

(H) Preliminary plat approval; effect and duration. The effect of the approval of the preliminary plat is as follows:

(1) The approval of a preliminary plat does not constitute approval of the subdivision or the acceptance of any dedication within the subdivision, but only authorizes the applicant to prepare the final plat. Application for approval of a final plat, including any final plat submitted under a phased development master plan, may be submitted only after approval of the preliminary plat, and only while the approval of the preliminary plat remains effective;

(2) Approval of a preliminary plat expires 72 months after the date of the written notice of

platting authority action, unless the platting authority first extends its duration at the request of the applicant. The platting officer may grant two extensions, not to exceed two years each. Only the platting board has authority to grant additional extensions. The platting authority may approve an extension only if it finds that the conditions supporting approval of the preliminary plat have not materially changed. The 72-month period shall begin on the date of the written notice of the platting authority action;

(3) Where a subdivider intends to develop a subdivision in phases, approval of the preliminary plat shall be conditioned upon the subdivider's compliance with a phased development master plan prepared by a subdivider and approved by the platting board. Approval of a master plan for phased development expires 72 months after the date of the written notice of platting board action unless an extension is approved by the platting authority in the same manner extensions of preliminary plats are approved under paragraph (L)(2);

(4) An appeal from the decision of the platting authority regarding plat approval shall

follow 43.35, Reconsideration and Appeals. Filing an appeal or reconsideration shall extend the 72-month approval period until the appeal or reconsideration is resolved;

(5) A subdivider may proceed upon an expired preliminary plat or master plan for phased development only with a new application;

(6) An applicant may seek modification of a preliminary plat or phased development master plan prior to expiration of the plan or plan approval or prior to the expiration of an extension granted pursuant to MSB 43.10.060(B). The applicant seeking modification shall pay a public hearing fee and meet the requirements of MSB 43.10.065. There shall be no petitions to modify vacations approved by the assembly unless the petition to modify involves an area of land not affected by the approved vacation;

(7) Staff review time of the submitted final plat shall be deducted from the 72- month approval period; and

(8) A plat, (master plans for phased development, abbreviated plats, regular plats) approved under provisions of the former Title 16 and Title 27 shall be granted an administrative extension

of an additional five years effective from the date of adoption of this ordinance. This five-year extension is in addition to all previously granted extensions and starts at the end of the previously approved expiration date of the extension or original plat expiration date, whichever is later.

(I) The platting authority's action on an approved preliminary plat shall be noted on the final plat, with a reference to the date by which that action was taken.

Section 12. Amendment of Section. MSB 43.15.025 is hereby amended to read as follows:

43.15.025 ABBREVIATED PLATS

(A) The platting officer shall review and act upon all preliminary plats that shall only move or eliminate lot lines, or create no[SUBDIVIDE A SINGLE TRACT, PARCEL OR LOT INTO NOT] more than four tracts or lots, and that shall not:

(1) deny legal and physical access to and from all lots or tracts created by, or adjacent to, the subdivision, or require construction of improvements necessary for access, other than the improvement of an existing, publicly-dedicated right-of-way to current standards; nor

(2) alter a dedicated street or right-of-way, or require any dedication; nor

(3) require a vacation of a public dedication; [AND]nor

(4) require a variance from a subdivision regulation.

[(B) IN ACTING ON AN APPLICATION UNDER THIS SECTION, THE PLATTING OFFICER SHALL USE THE STANDARDS AND PROCEDURES USED BY THE PLATTING BOARD IN ACTING ON APPLICATIONS UNDER MSB 43.10.060. THE PLATTING OFFICER SHALL APPROVE OR DISAPPROVE THE PLAT WITHIN 30 [CALENDAR] DAYS OF THE SUBMISSION OF THE APPLICATION.

(C) APPEALS FROM DECISIONS MADE PURSUANT TO THIS SECTION SHALL BE MADE TO THE PLATTING BOARD.

(D) PUBLIC NOTICE OF ABBREVIATED PLATS SHALL FOLLOW THE PROCEDURES OF MSB 43.10.065, PERTAINING TO ACTIONS REQUIRING A PUBLIC HEARING.]

**(E) Plats to remove lot lines on a subdivision plat of record are exempt from provisions of the code which require:**

**(1) useable area report submittals;**

**(2) legal and physical access;**

**(3) as-built survey; and**

**(4) topographic information.**

(F) In acting on an application under this section, the platting officer shall use the standards and procedures used by the platting board in acting on applications under MSB 43.10.060. The platting officer shall approve or disapprove the plat within 30 days of the submission of the application.

(G) Appeals from decisions made pursuant to this section shall be made to the platting board.

(H) Public notice of abbreviated plats shall follow the procedures of MSB 43.10.065, pertaining to actions requiring a public hearing.

Section 13. Amendment of Section. MSB 43.15.035 is hereby amended to read as follows:

43.15.035 VACATIONS

(A) All applicants and actions for vacations shall conform to A.S. 29.40.120 through A.S. 29.40.160.

(B) A dedication to public use of land or interests in land may be vacated if the dedication is no longer necessary for present or future public use. The [ASSEMBLY]platting board shall review applications for vacations as follows:

(1) {T}the [ASSEMBLY]platting board shall ordinarily approve vacations of public rights-of-way if:

(a) the vacation is conditioned upon the final approval of a plat affecting the same land which provides equal or better access to all areas affected by the vacation; or

(b) the surrounding area is fully developed and all planned or needed rights-of-way and utilities are constructed; [AND]or

(c) the right-of-way is not being used, a road is impossible or impractical to construct, and alternative access has been provided.

(2) The [ASSEMBLY]platting board shall not ordinarily approve vacations of public interests in land if:

(a) the surrounding area in which the vacation is sought is undeveloped or is developing and equivalent or better access is not provided:

(b) the vacation is of a public right-of-way providing access to a lake, river or other area with public interest or value, unless [THE OWNER PROVIDES] alternate or [AND EQUAL] better access is provided or exists.

(3) In other cases, the [ASSEMBLY]planning board shall review requested vacations on a case-by-case basis to determine whether the property is necessary or desirable for present or future public use. Public rights-of-way in areas shall be assumed to have a public use unless proven otherwise; and

(4) The [ASSEMBLY]planning board shall not routinely approve any vacation of a public interest in land where objections to the vacation are made by persons with an interest in land adjacent to or affected by the vacation, or by any government agency or department which has a responsibility to the public which may be affected by the vacation, excepting if the beneficiary of an easement refuses to authorize a vacation, the [ASSEMBLY]planning board may approve the vacation if the following conditions are met:

(a) there are currently no existing improvements within the subject easement of the easement beneficiary or a portion of the easement will remain which includes the improvements;

(b) if necessary a substitute easement is provided by document on the plat; and

(c) findings of facts support granting the vacation.

(C) Title to a vacated area shall be determined as follows:

(1) Title attaches to the lot or lands bordering on the vacated area in proportionate amounts, except that if the area originally was dedicated by different persons, original boundary lines shall be adhered to so that the area which lies on one side of the boundary line shall attach to the abutting property on that side, and the area which lies on the other side of the boundary line shall attach to the property on that side. The portion of a vacated street which lies within the limits of a platted addition attaches to the lots of the platted addition bordering on the area. However, if a public square is vacated, the title to it vests in the city, if it lies within a city, or in the borough if it lies within the borough area outside cities, and if the property vacated is a lot or tract, title vests in the rightful owner.

(2) If the borough or city acquired the vacated area for legal consideration or by express dedication to and acceptance by the borough or city other than as a prerequisite to plat approval, the fair market appraised value of the vacated area shall

be deposited with the platting authority before the final act of vacation, to be paid over to the borough or city upon final vacation.

(3) Other provisions of this subsection notwithstanding, the [ASSEMBLY]platting board may determine all or a portion of a vacated area should be dedicated to another public purpose, and if so, title to the area vacated and held for another public purpose remains in the borough or city, as applicable.

(D) A decision to grant a vacation is not effective unless approved by the city council if the vacated area is a street or public land of a city, or by the assembly in other cases. The platting board shall immediately give notice to the council or assembly of a vacation which is approved. The council or assembly shall have 30 [CALENDAR] days from the date of the notice to either consent to the vacation or veto it. Notice of veto of the vacation shall be immediately given to the platting board. Failure to act on the vacation within 30 [CALENDAR] days shall be considered to be consent to the vacation.

Section 14. Repeal of Subsection. MSB 43.15.045 is hereby repealed in its entirety.

[43.15.045 PLAT APPROVAL

(A) AN APPLICATION FOR PLAT APPROVAL SHALL BE SUBMITTED WITH PLAT COPIES AS NEEDED, WITH THE FOLLOWING DATA AND APPROPRIATE FEES:

(1) TOPOGRAPHIC MAPS OF THE PROPOSED SUBDIVISION AND THE AREA, WHICH ADEQUATELY DISPLAY SURROUNDING DEVELOPMENT OF THE PROPOSED SUBDIVISION BOUNDARIES (MINIMUM OF 50 FEET FROM PROPOSED BOUNDARY) TO A SCALE OF ONE INCH EQUALS 200 FEET OR ONE INCH EQUALS 100 FEET, WHICH INCLUDES THE FOLLOWING INFORMATION:

(A) THE LOCATION OF ALL PROPERTY LINES, UTILIZING THE PRELIMINARY PLAT AS BASE MAP;

(B) CONTOUR INTERVALS OF FIVE FEET IF THE GROUND SLOPE IS LESS THAN 10 PERCENT, AND 10 FEET IF THE GROUND SLOPE IS GREATER THAN 10 PERCENT;

(C) PRELIMINARY HORIZONTAL LOCATION OF STREETS, WATER SUPPLY, SEWAGE DISPOSAL SYSTEMS AND OTHER PUBLIC IMPROVEMENT DETAILS, TO INDICATE CONFORMANCE WITH BOROUGH AND STATE STANDARDS;

(D) THE LOCATION OF WATER BODIES AND DRAINAGE COURSES, INCLUDING THE LOCATION OF FEMA MAPPED SPECIAL FLOOD HAZARD AREAS, AND FLOOD HAZARD INFORMATION REQUIRED UNDER MSB 17.29.160, GENERAL STANDARDS FOR FLOOD HAZARD REDUCTION, WHEN REQUIRED;

(E) THE LOCATION OF EXISTING FACILITIES AND STRUCTURES WITHIN THE PROPOSED SUBDIVISION, SUCH AS ROADWAYS, BUILDINGS, SEWAGE SYSTEMS, WELLS, UTILITY POLES AND LINES, EXCAVATIONS, BRIDGES AND CULVERTS; AND

(2) THE SUBDIVIDER SHALL SUBMIT SUPPORTING WRITTEN INFORMATION INCLUDING ALL SOILS AND ENGINEERING DATA AS REQUIRED BY THIS TITLE. APPLICATIONS PROPOSING COMMUNITY WATER SUPPLY SYSTEMS OR SEWAGE DISPOSAL SYSTEMS OR BOTH SHALL INCLUDE ENGINEERING PLANS, DATA AND RECORD DRAWINGS. STATE OF ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION REVIEW AND APPROVAL IS REQUIRED FOR COMMUNITY WATER SUPPLY SYSTEMS AND COMMUNITY SEWAGE DISPOSAL SYSTEMS;

(B) THE APPLICATION SHALL BE ACCEPTED OR REJECTED FOR FAILURE TO MEET THE REQUIREMENTS OF SUBSECTION (A) THE REJECTION SHALL BE IN WRITING AND SHALL STATE THE DEFICIENT ITEMS. ONCE THE DEFICIENCIES ARE CORRECTED, THE APPLICATION SHALL BE IMMEDIATELY ACCEPTED.

(C) THE STATUTORY 60 CALENDAR DAY PERIOD FOR APPROVAL OR NON-APPROVAL BEGINS ON THE DATE THE APPLICATION IS ACCEPTED FOR APPROVAL.

(D) ANY HEARING FOR APPROVAL SHALL OCCUR WITHIN 45 CALENDAR DAYS OF THE DATE THE APPLICATION IS ACCEPTED.

(E) PUBLIC HEARINGS FOR VACATION, REPLATS, AND ABBREVIATED PLATS MAY OCCUR AT THE SAME TIME AS THE APPROVAL HEARING.

(F) THE APPLICANT MAY ACQUIRE ANY REQUIRED "OTHER AGENCY" REVIEW.

(G) THE PLATTING BOARD'S ACTION ON AN APPROVED PRELIMINARY PLAT SHALL BE NOTED ON THE FINAL PLAT, WITH A REFERENCE TO THE DATE BY WHICH THAT ACTION WAS TAKEN.]

Section 15. Amendment of Section. MSB 43.15.051 is hereby amended to read as follows:

43.15.051 FINAL PLAT; SUBMITTED.

(A) The final plat shall be prepared in substantial conformance with this section and the preliminary plat as approved.

(B) The subdivider shall submit the original of the final plat, which shall be reproducible, drawn to scale, on mylar or equivalent, and be of good drafting in ink, with lettering by template instrument or equivalent.

(C) The sheet sizes shall be 18 inches by 24 inches, 24 inches by 35 inches, or 31.5 inches by 34 inches in accordance with the state recorder's office requirements.

(D) If more than one sheet is necessary to accurately portray the lands subdivided, an index map shall be provided on the first sheet showing the entire subdivision and indicating the portion contained on each sheet. Each sheet shall show the particular number of that sheet and the total number of sheets included, as well as clearly labeled match lines to show where other sheets adjoin. When more than one sheet is submitted, all sheets shall be the same size.

(E) A readable standard scale shall be used of one inch equals 50 feet, 100 feet, or increments of 100, [SHALL BE USED] or as allowed by the platting officer. In all cases, the scale used shall be clearly stated.

(F) The name of the subdivision shall be shown in bold letters in the title block of each sheet included.

(G) A prominent north arrow shall be drawn on every sheet. The basis of bearing shall be clearly stated. No magnetic bearings shall be allowed.

(H) All monuments to be of record shall be adequately described and clearly identified on the plat. Where additional monuments shall be set after the plat is recorded, the location of the additional subordinate monuments shall be shown by a distinct symbol noted on the plat as representing monuments set this survey.

(I) Sufficient survey data shall be shown to positively describe the bounds of every lot, block, street, easement, and other areas shown on the plat, as well as the other boundaries of the lands subdivided.

(J) All distances shall be shown in feet and to the nearest one-hundredth foot, and in accordance with the definition of a United States survey foot adopted by the United States Bureau of Standards. All measurements shall refer to the horizontal plane.

(K) The course of every boundary line shown on the plat shall be indicated by a direct bearing reference. All bearings shown shall be given to the nearest degree, minute and second of arc.

(L) Curve data shall be stated in terms of radius, central angle, tangent, length of curve, and cord bearing. Curve data for streets of uniform width may be shown only with reference to the centerline, and lots fronting on the curves may show only the arc distance of the portion of the curve included in its boundary. In all cases, the curve data shall be shown for the line affected, and the information shall be tabulated with proper reference.

(M) The true boundary shall be clearly indicated on the plat by bold line.

(N) All interior excepted parcels shall be clearly indicated and labeled "not a part of this plat."

(O) All adjoining properties shall be identified, and where the adjoining properties are a part of a recorded subdivision, the name of that subdivision and the plat number shall be shown. If the subdivision platted is a resubdivision of a part or whole of a previously recorded subdivision, sufficient ties shall be shown to controlling lines appearing on the earlier plat to permit an overlay to be made. The fact it is a resubdivision shall be stated as a subtitle

following the name of the subdivision wherever it appears on the plat.

(P) The plat shall clearly show the location, dimension, and uses of all plottable easements created by this plat and those easements of record as indicated in the certificate to plat. If unplottable, the easements shall be referenced within a plat note.

(Q) No strip of land shall be reserved by the subdivider unless the strip of land is of sufficient size and shape to be of some practical use or service, as determined by the platting officer.

(R) All blocks shall be numbered in consecutive order. All lots within each block shall be numbered in consecutive order. All streets shall be named, numbered, or lettered in a manner acceptable to the platting officer and in compliance with MSB 11.20.

(S) The purpose of all area dedicated to the public or private shall be clearly indicated or stated on the plat.

(T) A vicinity map is required which shall include the following:

(1) scale of one inch equals one mile, showing a 20-square-mile area minimum (rural); one inch equals 300 feet showing a one-sixteenth-square-

mile area, or as necessary to indicate the subdivision  
an adjacent property [(WITHIN URBAN AREA)] or as  
approved by the platting officer;

(2) townships, ranges, and sections; and

(3) principal road systems, major water  
bodies and water courses, and location of subdivision  
substantially centered within the vicinity map.

(U) Two blue lines shall be submitted for final  
review.

Section 16. Amendment of Section. MSB 43.15.052 is hereby  
amended to read as follows:

43.15.052 FINAL PLAT; PLAT NOTE

(A) *Written notes.* Written notes may not  
ordinarily appear on any subdivision plat except as  
explicitly provided in this title or as reasonably  
necessary to accomplish the purposes of this title.  
Notes relating to land use may not appear unless  
otherwise required by law. Notes relating to land use  
which appear on any plat shall be effective only to  
the extent that the notes do not conflict with land  
use regulations adopted by the borough.

(B) *Flood hazard area identification.* All lots,  
blocks, tracts or parcels affected by the flood plain  
regulations adopted by the borough shall be noted on

the face of the plat. The notification shall be a written statement, stating the affected lots, blocks, and tracts by description and the reports and date of the reports and date of the report used to make the determination of the flood plain. A flood hazard area, if identified, shall be labeled "Flood Hazard Area" in **bold, solid,** one-inch high letters. The base flood elevation and flood plain shall be shown as required by MSB 17.29.160, General Standards for Flood Hazard Reduction.

(C) *Water supply and sewage disposal note.* No individual water supply system or sewage disposal system shall be permitted on any lot unless the system is located, constructed and equipped in accordance with the requirements, standards and recommendations of the state of Alaska, Department of Environmental Conservation, which governs those systems.

(D) *Other federal, state, or local requirements.* There may be federal, state, and local requirements governing land use. The individual parcel owner shall obtain a determination whether these requirements apply to the development of parcels shown on the plat to be recorded.

(E) *Restrictive covenants.* All reservations or restrictive covenants shall be referenced by the book, page, or serial number and recording district on the plat in the following form:

"Restrictive covenants were recorded in the \_\_\_\_\_ [R] recording district on \_\_\_\_\_, 20\_\_\_\_, in book \_\_\_\_\_, page \_\_\_\_\_ (or serial number) \_\_\_\_\_." [WHERE ANY RESTRICTION OR GRANT OF EASEMENT REQUIRED BY THE GOVERNING BODY IS SHOWN ON THE PLAT, THE RIGHT TO ENFORCE THE RESTRICTION OF EASEMENT SHALL VEST IN THE BOROUGH." ]

Section 17. Amendment of Section. MSB 43.15.053 is hereby amended to read as follows:

43.15.053 FINAL PLAT; CERTIFICATES

(A) *Certificates of ownership.* Each plat of a subdivision filed for record shall contain a certificate of ownership. The certificate shall be signed in black ink and acknowledged by all parties having any legal and equitable interest in the lands subdivided before an officer duly authorized to take acknowledgements of deeds, in the same manner in which deeds are required to be acknowledged. If the title interest is vested in a corporation, it shall also be signed and acknowledged by the designee of the

corporation with the authority of its board of directors. Where any person holding any mortgage, lien or other legal or equitable interest in the lands has not signed the certificate of ownership, the affidavit or title opinion shall be accompanied by the written consent, properly signed and acknowledged, of the person to the approval of the plat. This subsection does not require the signatures of holders of subsurface estate interests in the land being subdivided or dedicated. The ownership and dedication certificate shall be substantially as follows:

"(I) (We) certify that (I am) (we are) the owner(s) of the property shown and described in this plan and that (I) (We) adopt this plan of subdivision by (my)(our) free consent(,)(.) (dedicate) (all rights-of-way)(and public areass)(to the Matanuska-Susitna Borough)[(TO THE CITY OF \_\_\_\_\_)] and (grant all easements to the use shown). (delete inapplicable phrases)

\_\_\_\_\_  
Owner's name and address

\_\_\_\_\_  
Date"

(B) *Notary's Acknowledgments.* A notary acknowledgment shall be substantially as follows:

"NOTARY'S ACKNOWLEDGMENT

This is to certify that on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me, the undersigned, a Notary Public in and for the state of Alaska, duly commissioned and sworn, personally appeared \_\_\_\_\_, to me known to be the persons described in and who executed the above instrument; and who acknowledged to me that they signed the same freely and voluntarily for the uses and purposes therein mentioned.

Witness my hand and official seal the  
day and year in this certificate first above written.

\_\_\_\_\_

Notary for the state of Alaska

My commission expires: \_\_\_\_\_"

Or:

"NOTARY ACKNOWLEDGEMENT

Subscribed and sworn to before me this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, for \_\_\_\_\_.

\_\_\_\_\_

Notary for the state of Alaska

My commission expires:\_\_\_\_\_”

(C) *Surveyor's certificate.* A surveyor's certificate shall be substantially in one of the forms that follow, whichever is appropriate:

“I, (surveyor's name and land surveyor number), hereby certify that I am a registered professional land surveyor in the state of Alaska and that this plat represents a survey made by me or under my direct supervision, and that the monuments shown on the plat actually exist as described, and that all dimensional and other details are true and correct to the best of my knowledge.

(SEAL)

“I, (surveyor's name and land surveyor number), hereby certify that I am a registered professional land surveyor in the state of Alaska and that this plat was prepared by me or under my direct supervision using record dimensions from Plat #\_\_\_\_\_.

(SEAL)

I, (surveyor's name and land surveyor number) hereby certify that I am a registered professional land surveyor in the state of Alaska and that this plat represents a survey made by me or under my direct

supervision, and that the monuments shown on the plat shall be set on or before \_\_\_\_\_, and that all dimensional and other details are true and correct to the best of my knowledge.

(SEAL)"

(D) *Planning and land use director's certificate.*

A certificate of approval for signature by the planning and land use director shall be substantially in a form as follows:

"I certify that this subdivision plan has been found to comply with the land subdivision regulations of the Matanuska-Susitna Borough, and that the plat has been approved by the platting authority by plat resolution number \_\_\_\_\_, dated \_\_\_\_\_

20\_\_\_\_, and that this plat has been approved for recording in the office of the recorder in the \_\_\_\_\_ district, **Third Judicial District, State of Alaska** in which the plat is located.

\_\_\_\_\_, 20\_\_\_\_

\_\_\_\_\_

Planning and Land Use Director

ATTEST:

\_\_\_\_\_

Platting Clerk"

(E) *Certificate to plat.* Every final plat of a subdivision submitted for recording shall be accompanied by a certificate to plat, executed no more than 90 [CALENDAR] days prior to recording, by a title insurance company, confirming that the title of the land described and shown on the plat is in the name of the person, signing the certificate of ownership as it is shown on the plat, or in the name of the corporation as shown in the certificate of ownership.

(F) *Certificate of payment of taxes.* Every final plat of a subdivision submitted for recording shall be accompanied by a certificate from the tax collecting official or city treasurer stating that all special assessments and borough real property taxes levied against the property are paid in full. In the case of real property taxes, if the taxes are not delinquent, taxes are deemed paid in full with respect to this section. The certificate shall be as follows:

"CERTIFICATION OF PAYMENT OF TAXES

I hereby certify that all current taxes and special assessments, through \_\_\_\_\_, 20\_\_\_\_, against the property, included in the subdivision or resubdivision, hereon have been paid.

\_\_\_\_\_, 20\_\_

Tax Collection Official (Borough)

I hereby certify that all current taxes and special assessments through \_\_\_\_\_, 20\_\_, against the property, included in the subdivision or resubdivision, hereon have been paid.

\_\_\_\_\_

Tax Collection Official (City)"

Section 18. Amendment of Section. MSB 43.15.054 is hereby amended to read as follows:

43.15.054 FINAL PLAT; SURVEYOR REQUIREMENTS

(A) *Qualifications of persons making survey and plat; certification.* Any subdivision of land within the borough shall be surveyed by a registered land surveyor or by persons under the surveyor's direct supervision who shall certify on the subdivision plat that the plat is a true and correct representation of the lands surveyed. The certification shall bear the signature, registration number, and the official seal of the surveyor. Nothing in this section shall be construed to prevent the preparation of preliminary plats by any person. In all cases, the certification required on the final plat shall be signed by a registered land surveyor **licensed in Alaska.**

(B) *Monuments of record; permanent control monuments.* Prior to offering any subdivision lot for record, the land surveyor shall establish or confirm the prior establishment of at least two permanent control monuments on the boundaries of the land being subdivided. Permanent control monuments shall consist of a magnetized aluminum or brass-capped pipe, 30 inches in length, and a minimum of two inches in diameter. Drive-in rods and monument caps are allowable when a dig-in type monument is impractical. The monument shall be marked to identify its location, and shown and described on the final plat. The monument shall also have stamped on the cap the registration number of the land surveyor and the year it is set. Other existing monuments such as GLO monuments, rocks and trees, which do not meet these[S] specifications, shall be acceptable only if they can be verified as to location. **This requirement shall not apply when the subdivision is a replat and the boundary has been previously monumented.**

(C) *Other markers.* Additional markers for lot corners may be galvanized iron pipe of no less than one-half inch inside diameter, 24 inches in length, or five-eighths inch by 24 inch steel reinforcing rod

with self-identifying markers that clearly identify marker location, year of setting, and the land surveyor's state of Alaska registration number.

[(D) CADASTRAL SURVEY. WHEN, IN THE COURSE OF CONDUCTING THE CADASTRAL SURVEY NECESSARY FOR PLAT APPROVAL, THE SURVEYOR ENCOUNTERS A GLOBAL POSITIONING SATELLITE MONUMENT OR A MONUMENTED PHOTO-GEODESY ECCENTRIC TO A CADASTRAL MONUMENT, THE SURVEYOR SHALL SURVEY TIE THE MONUMENTS TO THE CADASTRAL MONUMENTATION ENCOUNTERED. IDENTIFICATION OF THE MONUMENTS TO BE SURVEY TIED, SHALL BE MADE BY THE ASSESSMENT DEPARTMENT, GRAPHICS DIVISION.]

(E) *Monuments and markers set after recording of plat.* All monuments or markers, other than the permanent control monuments required in subsection (A), shall be set before the recording of the plat unless the land surveyor includes in the surveyor's certification on the plat that the additional monuments required by this title shall be set on or before a specified later date. This subsection shall only be used with a signed and approved subdivision agreement.

(F) *Additional markers required.* Required additional markers shall be of types prescribed in

subsection (C), and, whether set prior to or subsequent to the recording of the plat, shall be set at all of the following locations:

(1) at every corner and angle point of every lot, block or parcel of land created;

(2) at every point of intersection of the outer boundary of the subdivision with an existing or created right-of-way line of any street, railroad, or other way; and

(3) at every point of curve, point of tangency, point of reversed curve, or point of compounded curve on each and every right-of-way line established.

(G) *Destruction of survey monuments.* Any person who willfully disturbs or destroys a record survey monument shall be responsible for its replacement or be guilty of an infraction punishable by a fine of \$250 for each occurrence.

(H) *Exemption.* A subdivision plat, the sole purpose of which is to eliminate lot lines [BETWEEN LOTS] **on a subdivision plat of record,** [UNDER COMMON OWNERSHIP,] shall be exempt from the survey and monumentation requirements of this section. [THE PLATTING OFFICER SHALL REVIEW AND ADJUDICATE A LOT

LINE ELIMINATION PLATS ADMINISTRATIVELY. A PUBLIC HEARING SHALL BE HELD FOR LOT LINE ELIMINATION PLATS. PUBLIC NOTICE SHALL BE PROVIDED AS REQUIRED BY MSB 43.10.065, NOTICE; PUBLIC HEARING FOR ACTIONS REQUIRING A PUBLIC HEARING.]

Section 19. Amendment of Section. MSB 43.15.055 is hereby amended to read as follows:

43.15.055 FINAL PLAT; DEDICATIONS, IMPROVEMENTS, RECORDING

(A) Offers to dedicate rights-of-ways, roadways, easements or other public areas to the public on a final plat are accepted automatically by the borough upon approval and recordation of the final plat by the borough in compliance with subsection (D) of this section. Unless otherwise provided, by accepting an offered dedication, the borough assumes no obligation to establish, operate or maintain any public service, improvement or facilities in the area dedicated.

(B) Except for plats within [THE CITY OF WASILLA]incorporated cities, the platting officer may not approve the final plat, and no final plat may be recorded until:

(1) the subdivider completes and obtains the borough's or city's final acceptance of all the public improvements required in the subdivision; or

(2) the subdivider has entered into a subdivision agreement with the appropriate municipal government [UNDER MSB 43.55, WHEN APPLICABLE. THE EXECUTION OF A GUARANTEE UNDER MSB 43.55 DOES NOT CHANGE, WAIVE OR EXTEND THE PERIOD OF TIME DURING WHICH THE PRELIMINARY PLAT APPROVAL IS EFFECTIVE]; and

(3) for subdivisions served by a community water and/or sewer system(s) that are subject to regulatory approval by the Regulatory Commission of Alaska (RCA), a certificate of approval to operate from the Alaska Department of Environmental Conservation is provided. This provision applies to subdivisions, phases of master plans, and previously approved master plan phases that are subject to RCA jurisdiction.

[(C) WITHIN THE CITY OF WASILLA, NO PLAT MAY BE GIVEN FINAL APPROVAL BY THE PLATTING OFFICER UNTIL THE CITY HAS CERTIFIED TO THE PLATTING OFFICE THAT ALL REQUIREMENTS OF MSB 17.45 HAVE BEEN SATISFIED, AND THAT GUARANTEES SATISFACTORY TO THE CITY HAVE BEEN

PROVIDED FOR ALL IMPROVEMENTS REQUIRED AS A CONDITION OF APPROVAL OF THE SUBDIVISION PLAT.]

(D) Upon the subdivider's compliance with subsection (B) [AND (C)], and also the acceptance of the dedications offered on the approved final plat, the platting officer shall submit the plat to the district recorder upon approval of the planning and land use director in accordance with A.S. 40.15. The cost of the recording shall be borne by the subdivider.

Section 20. Amendment of Section. MSB 43.15.070 is hereby amended to read as follows:

43.15.070 RIGHT-OF-WAY ACQUISITION PLATS

(A) *Alternate procedure.* A plat for a subdivision created by a government agency's acquisition of a road, street, highway, right-of-way, railroad right-of-way, or airport parcel is subject to approval under this section and is not subject to any other approval procedure for plats under this chapter.

(B) *Submission requirements.* A government right-of-way acquisition plat submitted under this section shall contain the following information:

(1) the location, name, and number of the project for which the acquisition is required;

(2) the proposed timetable for acquisition and construction;

(3) the dimensions and area of the parcels to be acquired and of each remainder parcel; and

(4) the names of the property owners identified by parcel.

(C) *Right-of-way acquisition plat.* A right-of-way acquisition plat shall conform to the submission requirements of subsection (B) of this section and to the other provisions of this title, provided that:

(1) a right-of-way acquisition plat is not subject to any of the other submission requirements for plats under this title;

(2) a right-of-way acquisition is not subject to the Subdivision Construction Manual;

(3) survey requirements of this title are not applicable to a right-of-way acquisition plat unless otherwise provided by written agreement between the borough and the government agency applying for the plat; the borough shall require remonumentation or reference monumentation of subdivision control monuments, aliquot part section corner monuments and government survey control monuments that will be

disturbed, destroyed or lost as a result of the proposed project; and

(4) the state, its agencies, instrumentalities, or political subdivision and the Matanuska-Susitna Borough may acquire or obtain conveyances, including dedication of lots or tracts of a right-of-way acquisition plat, before submittal of a right-of-way acquisition plat for approval by the Matanuska-Susitna Borough. A right-of-way acquisition conveyance may be recorded before approval and recording of the right-of-way acquisition plat.

(D) *Action.* Actions necessary prior to approval of a final plat include:

(1) The platting officer and the appropriate government agency shall review the right-of-way acquisition plat for completeness. If the proposed plat does not meet the requirements of this section, it shall be returned to the submitting agency with an explanation of the deficiencies.

(2) The platting officer shall make the decisions required by this section unless a government agency applying for the plat requests a public hearing before the platting board.

(3) The public notice and hearing requirements applicable to plats submitted for approval by the platting [BOARD]authority apply to right-of-way acquisition plats submitted to the borough for action. If the submitting agency requests a public hearing before the platting board, or if the agency appeals the borough decision under subsection (D)(6) of this section, the public notice and hearing requirements applicable to other plats submitted to the platting board shall apply.

(4) The preliminary approval of a right-of-way acquisition plat is effective for 120 months. The platting [BOARD OR PLATTING OFFICER]authority may grant an extension of up to 120 months for recording the final plat upon the finding that it is in the public interest to do so.

(5) The platting [OFFICER OR PLATTING BOARD]authority, as appropriate, may require as a condition of final plat approval any action it finds appropriate under the circumstances of the proposed plat or project, insofar as those actions are consistent with state law, including, but not limited to, the acquisition of remainder parcels that will not meet the applicable minimum requirements for lot size

or dimensions. The platting [OFFICER OR PLATTING BOARD]authority may also require the realignment or reconstruction of any abutting or intersecting road or street right-of-way adversely affected by the acquisition or project.

(6) All decisions of the platting officer under this section are final unless appealed to the platting board within ten [CALENDAR] days. An appeal under this subsection is treated as an original subdivision application.

(7) Unless otherwise agreed to in writing by the platting officer, all monumentation, remonumentation, right-of-way alignment, and reconstruction and other requirements of the borough or of this title shall be met before approval of the final plat unless it is clearly impractical or legally impossible to accomplish prior to final plat approval. Any action required as a condition of final plat approval, but not to be accomplished prior to the approval, shall be completed under the terms and conditions as are set out in writing by the borough. Any survey markers that control the length or direction of any property line shall be reset according to the new location. [MONUMENTATION SHALL

BE IN ACCORDANCE WITH STANDARDS SET FORTH IN MSB 43.15.054] Secondary monumentation of all property corners, points of curves and angle points along the new right-of-way shall be required.

(E) *Application.* Except to the extent otherwise agreed to in writing by the platting officer, the provisions of this title other than those specifically excepted under this section shall apply to right-of-way acquisition plats.

Section 21. Amendment of Section. MSB 43.20.040 is hereby amended to read as follows:

43.20.040 DEVELOPMENT STANDARDS DISTRICTS

(A) It is the purpose of this section to provide a means of establishing different development requirements for the subdivision of land in recognition of the diverse conditions in the borough, ranging from highly urbanized to undeveloped, remote areas without conventional road access; to provide a means of establishing different development requirements in identified areas that are tailored more to the needs of the areas; and to provide a means in individual cases of reducing certain requirements in remote areas where the requirements are inconsistent with the public need for access,

subdivision improvements and other platting requirements.

(B) Cities to which the assembly has delegated by ordinance the authority to administer specific design and construction standards shall administer the standards pursuant to the delegation.

(C) The assembly, by ordinance, may establish one or more development standards districts in which there are subdivision development standards in addition to, or different from, those specified in this chapter. The ordinance may be adopted only after the planning commission has considered the ordinance and made its recommendation to the assembly, and after a public hearing on the ordinance before the assembly, notice of which shall be given as provided in MSB 43.10.065.

[(1) THERE IS ESTABLISHED A POINT MACKENZIE PORT SPECIAL LAND USE DISTRICT WHICH WILL HAVE DEVELOPMENT STANDARDS AS DEFINED IN MSB 17.23

(A) THE SUBDIVISION OF LAND IN THIS PORT SPECIAL LAND USE DISTRICT IS SUBJECT TO MSB 18.10.030.

(2) THERE IS ESTABLISHED A TALKEETNA SPECIAL LAND USE DISTRICT WHICH WILL HAVE SPECIAL DEVELOPMENT STANDARDS AS DEFINED IN MSB 17.25.

(A) THE PROCESS FOR CONSOLIDATION OF LOTS IN THIS SPECIAL LAND USE DISTRICT IS AS SET FORTH IN MSB 17.25.047 MINOR LOT CONSOLIDATION.]

Section 22. Amendment of Section. MSB 43.20.055 is hereby amended to read as follows:

43.20.055 RURAL AND REMOTE ACCESS

(A) The provisions of this subsection provide different set of access and road construction standards for rural and remote access and supersede other provisions of this title. The following provisions are intended to provide for development of recreational lots and allow homesteaders or families that have access to their property and do not need maintenance, the ability to divide their property to pass on to heirs or others.

(1) If the subject property is intended for use primarily as a recreational or seasonal use subdivision and is outside of a road service area, pioneer roads are allowed for physical access provided that:

(a) a note be placed on the plat that no borough funds will be expended to upgrade the roads; and

(b) before borough maintenance will be provided, the road will have to be upgraded by someone other than the Borough and accepted for maintenance by the public works department; and

(c) for subdivisions greater than 10 lots, a parking area of sufficient size shall be reserved and constructed if no provisions are made for winter maintenance of the subdivision roads.

(2) The petitioner will not be required to upgrade any road prior to the subject parcel that is or has been maintained by the state or an incorporated municipality. The petitioner will not be denied a subdivision approval if there is an existing legal and physical access to the subject parcel.

(3) All subdivisions must contain a 60 foot right-of-way plus a 15 foot utility easement. Only a 50 foot right-of-way is required to access the subject parcel. Any existing legal and physical access to the subject parcel less than 50 feet may be approved with a variance.

(a) The provisions of this subsection are intended for remote areas of the Borough where no or few services are provided. For a plat of 4 lots or less outside of a road service area, legal access

shall be provided to all of the lots and construction of a road is not required, provided that:

(i) a note shall be placed on the plat to state that if any of the lots or parcels are further subdivided which would create more than the 4 original lots created, a road must be constructed to pioneer standards and until accepted by the borough, no borough maintenance will be provided nor any borough funds shall be spent on upgrades.

(b) For a plat or waiver of 4 lots or less within a road service area created for conveyance to heirs, family members or others, physical access to the lots may be by a pioneer standard road within a 50 foot right-of-way provided that:

(i) a note shall be placed on the plat or waiver stating:

(aa) to further subdivide any of the lots or parcels, the road(s) must be constructed to residential standards; and

(bb) until accepted by the borough, no Borough maintenance will be provided nor any borough funds shall be spent on upgrades.

(B) *Remote Subdivision Access for Parcels Outside of a Road Service Area.* The purpose of this

subsection is to allow for recreational use and subdivision of lands outside of road service areas where road access to a proposed remote subdivision is not practicable given the size of the subdivision, the cost of subdividing, assessed value of the property and the cost of providing access due to the location, topographical constraints, terrain, and it is not the desire of the subdivider to have road access, and proposes access is via trails, creeks, rivers, or lakes by snowmobile, on-foot, skis, dog team, off-road vehicle, boat or airplane. The following legal and physical access requirements apply:

(1) Legal access shall be provided for internal roads or trails to all parcels, and internal roads shall be a minimum of 60 feet wide. Legal access can be provided for by plat or by a recorded public use easement document, or other public access easement such as a section line easement.

(2) External legal access to a remote subdivision can be provided by any of the following and shall be a minimum of 100 feet wide for terrestrial access to accommodate reroutes of trails within the right-of-way or easement, excepting that

for subdivisions of ten lots or less may be 50 feet wide;

(a) a navigable waterway;

(b) a float plane accessible lake; or

(c) an airstrip as approved by applicable agencies including FAA, DOT or other agencies; where an airstrip is used, a plat note shall be added that no maintenance or upgrades will be provided by the borough.

(3) *Private Property Rights.* Access routes shall not trespass upon private lands, and shall avoid conflicts with adjoining and nearby private properties.

(4) Sufficient land area shall be dedicated for parking at the permanent public access point unless the applicant demonstrates that it is unnecessary to serve the proposed subdivision. Physical improvement shall be made to a required parking area to handle the average number of vehicles using the area at one time, to include clearing and grubbing, a base constructed of suitable soils, and grading and drainage improvements as necessary.

(5) *Physical Access.*

(a) Internal access roads or trails shall be constructible. Internal and external physical trail access shall meet the following minimum standards:

(i) a minimum of 10 feet wide;

(ii) avoid wetlands where possible;

(iii) be cleared and grubbed;

(iv) have hardened surface with a minimum of one-foot thick gravel base or use existing soils where suitable as determined by an engineer;

(v) be shaped to drain;

(vi) provide drainage improvements such as culverts for water crossings and make grading improvements to avoid ponding in low areas:

(aa) when transiting across unavoidable natural features where improvements will be continually inundated by natural forces, a subdivider will not be required as a condition of plat approval, to provide improvements that cannot be permanent due to natural circumstances. However, a subdivider must demonstrate why such areas are unavoidable, given the size of the subdivision, the expected disruption to access, and the cost of

avoiding such disruption. Except that disruption which is expected to be so frequent as to render the access unusable for any significant part of a season will not be allowed;

(bb) where trails encounter large water crossings such as creeks and rivers and it is not feasible to install culverts or construct a bridge, an open water crossing will be allowed provided that it is approved by the agencies having jurisdiction over the waterway and stream bank stabilization improvements are installed where needed;

(vii) for transit across wetland or marshy conditions, installation of approved matting shall be allowed to be substituted for a hardened surface as specified above.

(6) All subdivisions under this section shall have a plat note which reads: the borough is not responsible for maintenance or upgrades of any access improvements to lots or parcels created under this provision.

(C) *DNR Remote Recreational Projects*. The purpose of this section is to specify the legal and physical access requirements for parcels created under the Alaska Department of Natural (DNR) Resource Remote

Recreational Land Disposal Programs(s) and only these standards shall apply. This program typically consists of large staking area of state land where selected entrants stake their own parcel within the staking area which is subsequently surveyed and conveyed to the entrants by the state.

(1) *Preliminary Plat Approval.* The DNR shall submit a preliminary plat application to the platting officer for review and approval by the platting board containing the following:

(a) boundary of the proposed staking area;

(b) proposed external winter and/or summer access, vehicle parking and staging areas to the staking area;

(c) the maximum number of proposed parcels; and

(d) identify a proposed main trail or means of access through the staking area from the access point or points;

(i) if a trail is the main access within the staking area it shall be within a 60 foot wide right-of-way.

(2) *Final Plat Submittal and Approval.*

(a) The final plat for this section shall conform with provisions of MSB 43.15.051.

(b) The final location of the main trail or access through the staking area may be adjusted by the petitioner from the location shown on the preliminary plat.

(c) Add a plat note: 1) the borough is not responsible for maintenance or upgrades of any access improvements to parcels created under this provision.

[(3) RE-PLATTING REMOTE RECREATIONAL PARCELS. THE PROVISIONS OF THIS SECTION SHALL APPLY TO THE SUBDIVISION OF PARCELS CREATED UNDER DNR LAND DISPOSAL PROGRAMS INCLUDING REMOTE PARCEL, OPEN TO ENTRY (AS 38.05.077), HOMESTEADS (AS 38.09) AND REMOTE RECREATIONAL LAND PROGRAMS WHICH OCCURRED BEFORE AND AFTER ENACTMENT OF THIS CODE PROVISION.

(A) SAID PARCELS MAY BE SUBDIVIDED INTO NOT MORE THAN 3 LOTS WITH EACH HAVING A MINIMUM LOT SIZE OF APPROXIMATELY TWO AND ONE-HALF ACRES (PLUS OR MINUS ONE-HALF ACRE).

(B) LOTS CREATED HEREIN ARE EXEMPT FROM OTHER LEGAL AND PHYSICAL ACCESS PROVISIONS CONTAINED WITHIN THIS CODE.

(C) A NOTE SHALL BE PLACED ON THE PLAT THAT WASTEWATER DISPOSAL SYSTEMS SHALL COMPLY WITH ADEC REGULATIONS.

(D) FOR A RURAL OR REMOTE SUBDIVISION IN A ROAD SERVICE AREA WHERE THE PHYSICAL ACCESS TO A PROPOSED SUBDIVISION WILL BE IMPROVED, CONNECTIVITY WILL BE IMPROVED, AND THE PRIMARY PURPOSE OF THE PROPOSED SUBDIVISION IS FOR SEASONAL OR RECREATIONAL USE.

(1) THE PLATTING BOARD MAY APPROVE A REDUCTION IN ROAD STANDARDS TO A PIONEER STANDARD ROAD WITHIN AND LEADING TO A SUBDIVISION, PROVIDED THAT:

(A) A NOTE BE PLACED ON THE PLAT THAT NO BOROUGH FUNDS WILL BE EXPENDED TO UPGRADE THE ROADS;

(B) BEFORE BOROUGH MAINTENANCE WILL BE PROVIDED, THE ROADS WILL HAVE TO BE UPGRADED AND ACCEPTED FOR MAINTENANCE BY THE PUBLIC WORKS DEPARTMENT; AND

(C) FOR SUBDIVISIONS GREATER THAN TEN LOTS, A PARKING AREA OF SUFFICIENT SIZE SHALL BE RESERVED AND CONSTRUCTED IF NO PROVISIONS ARE MADE FOR WINTER MAINTENANCE OF THE SUBDIVISION ROADS.]

**(E) Re-platting Remote Recreational Parcels. The provisions of this section shall apply to the**

subdivision of parcels created under DNR land disposal programs including Remote Parcel, Open to Entry (AS 38.05.077), Homesteads (AS 38.09) and Remote Recreational land programs which occurred before and after enactment of this code provision.

(1) Said parcels may be subdivided into not more than 3 lots with each having a minimum lot size of approximately two and one-half acres (plus or minus one-half acre).

(2) Lots created herein are exempt from other legal and physical access provisions contained within this code.

(3) A note shall be placed on the plat that wastewater disposal systems shall comply with ADEC regulations.

(F) For a rural or remote subdivision in a road service area where the physical access to a proposed subdivision will be improved, connectivity will be improved, and the primary purpose of the proposed subdivision is for seasonal or recreational use.

(1) The platting board may approve a reduction in road standards to a pioneer standard road within and leading to a subdivision, provided that:

(a) a note be placed on the plat that no borough funds will be expended to upgrade the roads;

(b) before borough maintenance will be provided, the roads will have to be upgraded and accepted for maintenance by the public works department; and

(c) for subdivisions greater than ten lots, a parking area of sufficient size shall be reserved and constructed if no provisions are made for winter maintenance of the subdivision roads.

Section 23. Amendment of Section. MSB 43.20.120 is hereby amended to read as follows:

43.20.120 LEGAL ACCESS

(A) The applicant shall provide the platting division a right-of-way document verifying the existence of legal access. In this title, legal access exists only if one of the following is met:

(1) an unrestricted, public right-of-way connects the subdivision to [THE] a state or municipal highway system or a regularly served public airport and one of the following is met:

(a) [INGRESS AND EGRESS WILL BE PROVIDED OVER SECTION LINE RIGHTS-OF-WAY LOCATED

WITHIN A SURVEYED SECTION, AND THE INGRESS AND EGRESS WAS:] the applicant's registered land surveyor submits to the platting division for review and approval documentation and an opinion demonstrating that the right-of-way exists; or

[(I) OWNED BY OR ACQUIRED FROM THE TERRITORY OF ALASKA AT ANY TIME BETWEEN APRIL 5, 1923 AND JANUARY 18, 1949, OR AT ANY TIME AFTER MARCH 26, 1951; OR

(II) UNRESERVED SURVEYED PUBLIC LAND AT ANY TIME BETWEEN APRIL 6, 1923, AND JANUARY 18, 1949, OR AT ANY TIME AFTER MARCH 21, 1953;]

(b) the applicant provides copies of borough-accepted recorded conveyances creating the public easement or right-of-way where the access is located, or that access or right-of-way is maintained by the [A] state of Alaska or an incorporated municipality [MAINTAINED ROAD]; or

(c) the applicant provides documentation satisfactory to the borough demonstrating the legal access is guaranteed through judicial decree.

(2) the right-of-way is an easement or fee interest at least 50 feet in width dedicated or irrevocably conveyed to the public; or

(3) the applicant proves that the proposed access can be constructed practically and economically within the legal access documented.

Section 24. Repeal of Section. MSB 43.20.280 is hereby repealed in its entirety:

[43.20.280 AREA

(A) UNLESS DESIGNATED OTHERWISE BY ANOTHER AUTHORITY HAVING JURISDICTION, MINIMUM LOT SIZES SHALL BE AS FOLLOWS:

(1) EXCEPT AS ALLOWED UNDER PARAGRAPHS (2), (3), AND (4) OF THIS SUBSECTION, ALL LOTS WITHIN THIS DISTRICT SHALL CONTAIN AT LEAST 40,000 SQUARE FEET OF AREA WITH AT LEAST 10,000 SQUARE FEET OF USEABLE BUILDING AREA AND 10,000 SQUARE FEET OF CONTIGUOUS USEABLE SEPTIC AREA. LOTS HAVING 20,000 SQUARE FEET OR LESS OF THE TOTAL OF USEABLE BUILDING AREA AND USEABLE SEPTIC AREA SHALL HAVE 10,000 SQUARE FEET OF CONTIGUOUS USEABLE SEPTIC AREA SURROUNDED BY A WELL EXCLUSION AREA EXTENDING 100 FEET FROM THE PERIMETER, DELINEATED AND RESERVED ON THE PLAT AT THE DISCRETION OF THE PLATTING BOARD.

(A) WATER TABLE AND ABILITY OF SOILS TO ACCEPT EFFLUENT SHALL BE DETERMINED BY A NUMBER OF BORINGS OR TEST HOLES SUFFICIENT TO INDICATE SUBSURFACE CONDITIONS OVER THE ENTIRE AREA OF THE SUBDIVISION. ALL OF THE BORINGS AND TEST HOLES SHALL BE LOCATED WITHIN THE PERIMETER OF THE PROPOSED SUBDIVISION. BORINGS AND TEST HOLES MUST HAVE THE FOLLOWING MINIMUM DEPTHS BELOW THE GROUND SURFACE;

(I) IN AREAS KNOWN OR SUSPECTED TO CONTAIN PERMAFROST, THE LESSER OF:

(AA) 20 FEET DEEP; OR

(BB) A DEPTH AT WHICH PERMAFROST OR AN IMPERMEABLE LAYER IS ENCOUNTERED; AND

(II) THE LEAST DEPTH ASSOCIATED WITH THE FOLLOWING CONDITIONS, WHERE THEY APPLY;

(AA) TWO FEET BELOW THE DEPTH WHERE THE WATER TABLE IS ENCOUNTERED;

(BB) 12 FEET DEEP FOR SHALLOW TRENCH OR BED SYSTEMS;

(CC) 16 FEET DEEP FOR AREAS WHERE DEEP TRENCH OR SEEPAGE PITS WILL LIKELY BE USED;

OR

(DD) THE DEPTH TO BEDROCK,  
CLAY, OR OTHER IMPERMEABLE STRATA WITH AN EXPECTED  
PERCOLATION RATE SLOWER THAN 120 MINUTES PER INCH;

(EE) AS DETERMINED BY THE  
ENGINEER, A LESSER DEPTH AS REQUIRED TO VERIFY USABLE  
AREAS IS ACCEPTABLE FOR HAND-DUG EXCAVATIONS ON  
PARCELS WITH LIMITED OR NO ACCESS FOR HEAVY EQUIPMENT.

(B) THE MINIMUM NUMBER OF TEST HOLES  
SHALL BE:

(I) DETERMINED BY THE ENGINEER;

(II) WHEN THE WATER TABLE IS  
ENCOUNTERED IN THE TEST HOLES, THE DEPTH TO THE  
SEASONAL HIGH WATER TABLE MUST BE DETERMINED BY:

(AA) MONITORING TEST HOLES OR  
SOIL BORINGS AT TIMES BETWEEN MAY AND OCTOBER  
(INCLUSIVE);

(BB) SOIL MOTTLING OR  
STAINING ANALYSES;

(CC) INTERPRETATION OF LEVELS  
OF STANDING OPEN WATER;

(DD) LOCAL KNOWLEDGE AND  
EXPERIENCE, IF APPROVED BY THE BOROUGH; OR

(EE) A COMBINATION OF THESE  
METHODS.

(III) THE DEPTH TO ANY SEEPS MUST BE NOTED AND MAY REQUIRE SUBSEQUENT MONITORING.

(C) SOILS IN A USEABLE WASTEWATER DISPOSAL AREA MUST BE:

(I) CLEARLY SHOWN TO BE VISUALLY CLASSIFIED AS GW, GP, SW, OR SP, UNDER THE UNIFIED SOILS CLASSIFICATION SYSTEM AND EXPECTED TO HAVE A PERCOLATION RATE OF 15 MINUTES PER INCH OR LESS (FASTER);

(II) CLEARLY SHOWN TO BE GM OR SM UNDER THE UNIFIED SOILS CLASSIFICATION SYSTEM BY A SIEVE ANALYSIS; OR

(III) SHOWN BY A PERCOLATION TEST CONDUCTED IN ACCORDANCE WITH (ADEC) ALASKA STATE DEPARTMENT OF ENVIRONMENTAL CONSERVATION, REGULATIONS TO HAVE A PERCOLATION RATE OF 60 MINUTES PER INCH OR LESS (FASTER).

(D) THESE BORINGS OR TEST HOLES SHALL BE ACCOMPLISHED UNDER THE DIRECT SUPERVISION OF A STATE OF ALASKA REGISTERED CIVIL ENGINEER, WHO SHALL SUBMIT SOIL LOGS AND OTHER FINDINGS IN WRITING TO THE MATANUSKA-SUSITNA BOROUGH CERTIFYING 10,000 SQUARE FEET OF CONTIGUOUS USEABLE AREA FOR SEPTIC DRAIN FIELD USE.

(E) WHERE LOTS, TRACTS, OR PARCELS EXCEED FIVE ACRES IN SIZE OR ARE PROPOSED TO BE COMBINED, THE PLATTING AUTHORITY MAY ACCEPT A REDUCED NUMBER OF TEST HOLES OR OTHER SUPPORTING INFORMATION, ACCOMPLISHED UNDER THE DIRECT SUPERVISION OF A STATE OF ALASKA REGISTERED ENGINEER.

(F) THE PLATTING AUTHORITY SHALL EXEMPT THE SUBMISSION REQUIREMENTS OF MSB 43.15.045(A)(2) FOR PURPOSES OF FULFILLING USEABLE AREA REQUIREMENTS FOR SUBDIVISIONS OF LAND WHERE:

(I) THE SUBDIVISION HAS A MINIMUM LOT SIZE OF 9.183 ACRES OR 400,000 SQUARE FEET; OR

(II) THE EXISTING SUBDIVISION WAS PREVIOUSLY APPROVED BY THE ALASKA STATE DEPARTMENT OF ENVIRONMENTAL CONSERVATION OR BY THE BOROUGH AFTER JULY 1, 1996, AND THE PROPOSED SUBDIVISION ACTION IS LIMITED TO ELIMINATION OF LOT LINES OR MOVING ONE OR MORE LOT LINES A DISTANCE OF 10 FEET OR LESS; OR

(III) AN ALASKA REGISTERED ENGINEER SUBMITS A CERTIFIED REPORT VERIFYING USEABLE AREA ON EACH LOT FOR A WAIVER OF REQUIREMENT MSB 43.15.045(A)(2); OR

(IV) AN ENGINEER OR LAND SURVEYOR SUBMITS A DETAILED TOPOGRAPHIC NARRATIVE FOR A WAIVER OF MSB 43.15.045(A)(1).

(2) LOTS CONTAINING AT LEAST 20,000 SQUARE FEET BUT LESS THAN 40,000 SQUARE FEET MUST BE SERVICED BY AN APPROVED PUBLIC OR COMMUNITY WATER OR PUBLIC OR COMMUNITY SEPTIC SYSTEM. THE PLATTING AUTHORITY MAY APPROVE LOTS HAVING AT LEAST 20,000 SQUARE FEET, PROVIDED EACH LOT IS SERVICED BY AN APPROVED PUBLIC OR COMMUNITY WATER SYSTEM OR PUBLIC OR COMMUNITY WASTE WATER SYSTEM. A COMMUNITY WASTE WATER DISPOSAL SYSTEM SHALL INCLUDE A COMMON WASTEWATER DISPOSAL SITE ON SEPARATE LOT(S) THAT SERVES THE ENTIRE SUBDIVISION.

(3) THE PLATTING AUTHORITY MAY APPROVE LOTS HAVING LESS THAN 20,000 SQUARE FEET BUT AT LEAST 7,200 SQUARE FEET IF SERVED BY A COMMUNITY OR MUNICIPAL WATER SYSTEM AND COMMUNITY OR MUNICIPAL SEWAGE DISPOSAL FACILITIES.

(4) FOR THOSE AREAS NOT SERVED BY MUNICIPAL SEWER AND WATER, LOTS LESS THAN 20,000 SQUARE FEET MUST BE APPROVED BY A PLANNED UNIT DEVELOPMENT AS AUTHORIZED BY MSB 17.36.

(B) WITHIN JURISDICTIONS HAVING AUTHORITY, MINIMUM LOT SIZES AND DIMENSIONS SHALL BE THOSE

ESTABLISHED UNDER OR PURSUANT TO THE APPLICABLE PROVISIONS OF TITLE 17; HOWEVER, WHERE A SIZE OR DIMENSION HAS NOT BEEN ESTABLISHED UNDER OR PURSUANT TO TITLE 17, THE APPLICABLE PROVISION OF TITLE 43 APPLIES.

(C) IF A CONDEMNATION BY A GOVERNMENTAL AGENCY REDUCES THE AREA OF A LOT BELOW THE MINIMUM REQUIRED BY THIS SECTION, THE AREA AFTER CONDEMNATION SHALL BE THE MINIMUM AREA REQUIRED FOR THAT LOT IF THAT LOT MET THE MINIMUM REQUIREMENTS BEFORE THE CONDEMNATION AND THE RESULTING AREA AFTER THE CONDEMNATION IS NOT LESS THAN 80 PERCENT OF THE MINIMUM REQUIRED.

(D) EXCLUSIVE OF OPEN SPACE, LOTS DESIGNATED OR DEDICATED FOR A PUBLIC OR UTILITY PURPOSE WITH NO ON-LOT SEWER SHALL HAVE NO MINIMUM LOT SIZE BUT SHALL HAVE RESTRICTIONS, REQUIREMENTS, DESIGNATIONS, OR DEDICATIONS NOTED ON THE PLAT.

(E) OPEN SPACE INCENTIVE. THE INTENT OF THIS SUBSECTION IS TO SUPPORT THE GOALS, POLICIES, AND OBJECTIVES OF THE MATANUSKA-SUSITNA BOROUGH PARKS, RECREATION, AND OPEN SPACE PLAN.

(1) MINIMUM INDIVIDUAL LOT AREA MAY BE REDUCED UP TO 25 PERCENT BY THE DEDICATION OF AN EQUAL

AREA OF USEABLE OPEN SPACE WITHIN THE SUBDIVISION,  
PROVIDED THAT:

(A) EACH NON-OPEN SPACE LOT HAS 10,000  
SQUARE FEET OF CONTIGUOUS USEABLE SEPTIC AREA  
DELINEATED ON THE PLAT, UNLESS SERVED BY A COMMUNITY  
WASTEWATER SYSTEM;

(B) THE OPEN SPACE AREA IS CONNECTED BY  
PUBLIC ACCESS, OR IS ATTACHED TO AN EXISTING OPEN  
SPACE OR GREENBELT AREA THAT HAS PUBLIC ACCESS. IF IT  
IS PROPOSED TO ATTACH TO AN EXISTING OPEN SPACE OR  
GREENBELT AREA, THE ACCESS MUST BE IN AN AREA THAT IS  
FEASIBLE FOR THE INTENDED USE; AND

(C) OPEN SPACE SHALL BE IRREVOCABLY  
DEDICATED TO THE MUNICIPALITY OR BOROUGH, OR  
IRREVOCABLY DEDICATED TO THE SUBDIVISION OWNERS AND  
CANNOT BE RESUBDIVIDED.

(2) ADDITIONAL NON-USEABLE AREA MAY BE  
ATTACHED TO THE USEABLE OPEN SPACE AREA, BUT SHALL NOT  
BE USED FOR CALCULATIONS IN THE REDUCTION OF LOT SIZE.

(3) OPEN SPACE AREA IS EXEMPT FROM LOT  
CONFIGURATION; HOWEVER, THE MINIMUM WIDTH OF ANY OPEN  
SPACE AREA SHALL BE A MINIMUM OF 20 FEET.

(4) USEABLE OPEN SPACE AREA SHALL BE A  
MINIMUM OF 30,000 CONTIGUOUS SQUARE FEET.

(5) THE PROPOSED OPEN SPACE AREA SHALL CONNECT TO ADJACENT OPEN SPACE AREAS WHEN PRUDENT AND FEASIBLE.

(6) OPEN SPACE AREA SHALL BE DELINEATED AND IDENTIFIED ON THE PLAT.

(7) COMMUNITY WELLS AND COMMUNITY SEPTIC SYSTEMS SHALL NOT BE ALLOWED ON OPEN SPACE DEDICATED TO A MUNICIPALITY OR THE BOROUGH BUT ARE ALLOWED IN OPEN SPACE AREAS IF ACCEPTED BY THE SUBDIVISION OWNERS. PROTECTIVE WELL RADII MAY BE ALLOWED IN OPEN SPACE AREAS.]

Section 25. Adoption of Section. MSB 43.20.281 is hereby adopted to read as follows:

**43.20.281 AREA**

(A) Unless designated otherwise by another authority having jurisdiction, minimum lot sizes shall be as follows:

(1) Except as allowed under paragraphs (2), (3), and (4) of this subsection, all lots within this district shall contain at least 40,000 square feet of area with at least 10,000 square feet of useable building area and 10,000 square feet of contiguous useable septic area. Lots having 20,000 square feet or less of the total of useable building area and

useable septic area shall have 10,000 square feet of contiguous useable septic area surrounded by a well exclusion area extending 100 feet from the perimeter, delineated and reserved on the plat at the discretion of the platting board.

(a) Useable septic area is that area where seasonal high water table is a minimum of eight feet below the surface. Where water is encountered at 10 feet or less below the surface, the seasonal high subsurface water is to be determined between May 1 and October 30;and

(i) that area where slopes are less than 25 percent;

(ii) that area which is more than 100 feet from open water, surface waters, and wetlands;

(iii) that area which is located at least 50 feet from the top of a slope which is greater than 25 percent and has more than 10 feet of elevation change;

(iv) that area which is not within an area dedicated to public use;

(v) that area which is outside of utility or other easements that would affect the use of the areas for on-site septic installation;

(vi) that area which is outside of a protective well radius;

(vii) that area which is outside of any known debris burial site; and

(viii) subsection (a) of this definition may be changed to a minimum of six feet below surface if all of the following criterion is met:

(bb) there are special considerations which would preclude reasonably creating useable area by placing suitable fill to provide eight feet water table clearance;

(cc) a standard design is provided which is certified to meet applicable ADEC requirements at the time of recording by a state of Alaska licensed professional engineer; and

(dd) a note is provided on the plat stating an engineer designed and certified wastewater disposal system or packaged treatment plant meeting ADEC requirements will be required on subject lots (L#B#).

(b) Water table and ability of soils to accept effluent shall be determined by a number of borings or test holes sufficient to indicate subsurface conditions over the entire area of the subdivision. All of the borings and test holes shall be located within the perimeter of the proposed subdivision. Borings and test holes must have the following minimum depths below the ground surface;

(i) in areas known or suspected to contain permafrost, the lesser of:

(aa) 20 feet deep; or

(bb) a depth at which permafrost or an impermeable layer is encountered; and

(ii) the least depth associated with the following conditions, where they apply;

(aa) two feet below the depth where the water table is encountered;

(bb) 12 feet deep for shallow trench or bed systems;

(cc) 16 feet deep for areas where deep trench or seepage pits will likely be used;

(dd) the depth to bedrock, clay, or other impermeable strata with an expected percolation rate slower than 120 minutes per inch; or

(ee) as determined by the engineer, a lesser depth as required to verify usable areas is acceptable for hand-dug excavations on parcels with limited or no access for heavy equipment.

(c) The minimum number of test holes shall be determined by the engineer;

(d) When the water table is encountered in the test holes, the depth to the seasonal high water table must be determined by:

(i) monitoring test holes or soil borings at times between May and October (inclusive);

(ii) soil mottling or staining analyses;

(iii) interpretation of levels of standing open water;

(iv) local knowledge and experience, if approved by the borough; or

(v) a combination of these methods.

(e) The depth to any seeps must be noted and may require subsequent monitoring.

(f) Soils in a useable wastewater disposal area must be:

(i) clearly shown to be visually classified as GW, GP, SW, or SP, under the Unified Soils Classification System and expected to have a percolation rate of 15 minutes per inch or less (faster);

(ii) clearly shown to be GM or SM under the Unified Soils Classification System by a sieve analysis; or

(iii) shown by a percolation test conducted in accordance with (ADEC) Alaska State Department of Environmental Conservation, regulations to have a percolation rate of 60 minutes per inch or less(faster).

(g) These borings or test holes shall be accomplished under the direct supervision of a state of Alaska registered civil engineer, who shall submit soil logs and other findings in writing to the Matanuska-Susitna Borough certifying 10,000 square feet of contiguous useable area for septic drain field use.

(h) Where lots, tracts, or parcels exceed five acres in size or are proposed to be combined, the platting authority may accept a reduced number of test holes or other supporting information,

accomplished under the direct supervision of a state of Alaska registered engineer.

(i) The platting authority shall exempt the submission requirements of MSB 43.15.016(A)(2) for purposes of fulfilling useable area requirements for subdivisions of land where:

(i) the lot size is 400,000 square feet or greater and an engineer or land surveyor submits a detailed topographic narrative; or

(ii) the existing subdivision was previously approved by the Alaska State Department of Environmental Conservation or by the borough after July 1, 1996, and the proposed subdivision action is limited to moving one or more lot lines a distance of 10 feet or less.

(2) Lots containing at least 20,000 square feet but less than 40,000 square feet must be serviced by an approved municipal or community water or municipal or community septic system. The platting authority may approve lots having at least 20,000 square feet, provided each lot is serviced by an approved municipal or community water system or municipal or community waste water system. A community waste water disposal system shall include a

common wastewater disposal site on separate lot(s) that serves the entire subdivision.

(3) The platting authority may approve lots having less than 20,000 square feet but at least 7,200 square feet if served by a community or municipal water system and community or municipal sewage disposal facilities.

(4) For those areas not served by municipal sewer and water, lots less than 20,000 square feet must be approved by a Planned Unit Development as authorized by MSB 17.36.

(B) Within jurisdictions having authority, minimum lot sizes and dimensions shall be those established under or pursuant to the applicable provisions of Title 17; however, where a size or dimension has not been established under or pursuant to Title 17, the applicable provision of Title 43 applies.

(C) If a condemnation by a governmental agency reduces the area of a lot below the minimum required by this section, the area after condemnation shall be the minimum area required for that lot if that lot met the minimum requirements before the condemnation and

the resulting area after the condemnation is not less than 80 percent of the minimum required.

(D) Exclusive of open space, lots designated or dedicated for a public or utility purpose with no on-lot sewer shall have no minimum lot size but shall have restrictions, requirements, designations, or dedications noted on the plat.

(E) Open space incentive. The intent of this subsection is to support the goals, policies, and objectives of the Matanuska-Susitna Borough Parks, Recreation, and Open Space Plan.

(1) Minimum individual lot area may be reduced up to 25 percent by the dedication of an equal area of useable open space within the subdivision, provided that:

(a) each non-open space lot has 10,000 square feet of contiguous useable septic area delineated on the plat, unless served by a community wastewater system;

(b) the open space area is connected by public access, or is attached to an existing open space or greenbelt area that has public access. If it is proposed to attach to an existing open space or

greenbelt area, the access must be in an area that is feasible for the intended use; and

(c) open space shall be irrevocably dedicated to the municipality or borough, or irrevocably dedicated to the subdivision owners and cannot be resubdivided.

(2) Additional non-useable area may be attached to the useable open space area, but shall not be used for calculations in the reduction of lot size.

(3) Open space area is exempt from lot configuration; however, the minimum width of any open space area shall be a minimum of 20 feet.

(4) Useable open space area shall be a minimum of 30,000 contiguous square feet.

(a) Useable open space area has a seasonal high groundwater table no closer than two feet below the surface, and is outside of existing or proposed utility, slope, or public use easements and does not include any other existing or proposed easements that would normally disturb the natural vegetative state.

(5) The proposed open space area shall connect to adjacent open space areas when prudent and feasible.

(6) Open space area shall be delineated and identified on the plat.

(7) Community wells and community septic systems shall not be allowed on open space dedicated to a municipality or the borough but are allowed in open space areas if accepted by the subdivision owners. Protective well radii may be allowed in open space areas.

Section 26. Amendment of Section. MSB 43.20.300 is hereby amended to read as follows:

43.20.300 LOT AND BLOCK DESIGN

(A) For rural districts, the length of a block shall be not less than 400 feet, no more than 3,000 feet, or less than 800 feet along collector or arterial roads.

(B) No lot under two acres in size shall have an average depth of more than three times the average width, except:

(1) lots of 40,000 square feet minimum shall have an average width of at least 125 feet when they exceed the three-to-one ratio due to unusable area or natural ground slope exceeding 25 percent;

(2) lots of 20,000 square feet minimum shall have an average width at least 85 feet when they

exceed the three-to-one ratio due to unusable area or natural ground slope exceeding 25 percent grade.

(C) Lots two acres to ten acres may have an average depth of no more than four times its average width.

(D) *Flag lots:*

(1) Flag lots are allowed with a maximum pole length of 2,640 feet and the flag pole portion shall not count in the width to length ration;

(a) for poles up to 1,320 feet or upon survey where a one-quarter section aliquot part dimension exceeds 1,320 feet, the width of the pole portion must be a minimum of 30-feet wide and sixty foot road frontage requirement does not apply;

(b) for a pole length greater than 1,320 feet and not exceeding 2,640 feet, the pole width must be a minimum of 60 feet wide.

Section 27. Amendment of Section. MSB 43.20.320 is hereby amended to read as follows:

43.20.320 FRONTAGE

(A) Exclusive of flag lots, [L]lots shall contain a minimum of 60 feet of frontage, unless located on a cul-de-sac, in which case minimum frontage may be 45 feet.

Section 28. Amendment of Section. MSB 43.20.340 is hereby amended to read as follows:

43.20.340 LOT DIMENSIONS

(A) Exclusive of flag lots, [L]lots adjacent to a watercourse or body of water shall be a minimum of 125 feet in width at the waterline, as measured directly between property corners at the waterline, or a minimum of 85 feet in width if community sewerage is provided to the lot.

Section 29. Repeal of Subsection. MSB 43.25.015 is hereby repealed in its entirety.

[43.25.015 EXISTING PLATS VALIDATED

(A) ALL PLATS RECORDED PURSUANT TO ANY LAW IN FORCE PRIOR TO SEPTEMBER 5, 1988, AND NOT SUBSEQUENTLY VACATED ARE HEREBY VALIDATED, NOTWITHSTANDING IRREGULARITIES, AND GIVEN THE SAME LEGAL STATUS OF THOSE PLATS RECORDED UNDER THIS TITLE.]

Section 30. Repeal of Subsection. MSB 43.25.020 is hereby repealed in its entirety.

[43.25.020 RECORDED PLATS

(A) THE RECORDING OF ANY PLAT MADE IN COMPLIANCE WITH THIS TITLE SHALL SERVE TO ESTABLISH THE IDENTITY OF ALL LANDS SHOWN ON THE PLAT.]

Section 31. Amendment of Section. MSB 43.55.020 is hereby

amended to read as follows:

43.55.020 COMPLETION DATE

(A) The improvements required under the terms of the subdivision agreement shall be fully completed for final acceptance within two years of the date of execution of the agreement, unless upon a showing of good cause the subdivision agreement is extended by the platting division for an additional one-year period. The Platting Board may grant further extensions following the standards and procedures of MSB 43.10.060. [FURTHER EXTENSIONS APPROVED UNDER THIS SECTION DO NOT CONSTITUTE AN EXTENSION OF THE PERIOD OF TIME DURING WHICH THE PRELIMINARY PLAT APPROVAL IS EFFECTIVE.]

Section 32. Effective date. This ordinance shall take effect upon adoption by the Matanuska-Susitna Borough Assembly.

ADOPTED by the Matanuska-Susitna Borough Assembly this -  
day of -, 2015.

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LARRY DeVILBISS, Borough Mayor

ATTEST:

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LONNIE R. McKECHNIE, CMC, Borough Clerk


(SEAL)

**SUBJECT:** Accepting and appropriating additional grant funds in the amount of \$15,461.92 from the Alaska State Division of Homeland Security and Emergency Management grant program, to fund 425, project number 45158 and approving the amended scope of work and budget to include reimbursement of communications equipment.

**AGENDA OF:** March 17, 2015

**ASSEMBLY ACTION:**

**MANAGER RECOMMENDATION:** Introduce and set for public hearing.

**APPROVED BY JOHN MOOSEY, BOROUGH MANAGER:** 

Route To:	Department/Individual	Initials	Remarks
	Originator/Brodigan	JB	2/27/15
1	Finance Director	G. J. [unclear]	
2	Borough Attorney	D. [unclear]	3/5/15
3	Borough Clerk	JAM	3/9/15

**ATTACHMENT (S) :** Fiscal Note: Yes  No   
 Ordinance Serial No. 15-037 (3pp)  
 Resolution Serial No. 15-033 (3pp)

**SUMMARY STATEMENT:**

On December 3, 2013, with Ordinance 2013-158, the assembly accepted and appropriated State Homeland Security and Emergency Management grant funds in the amount of \$87,667. There was insufficient grant funding in the Equipment category to purchase the Mobile Communications Trailer and Tower and \$15,461.92 of the purchase cost was paid for with borough Areawide funds.

All project objectives have been met, and \$1,952.07 of unspent funding in the Exercise category was de-obligated back to the State with Grant Amendment No. 1, leaving zero remaining grant funds. At the end of the grant period, the State had unspent

funds and solicited requests for reallocations and the Department of Emergency Services submitted a request for reimbursement of the equipment cost overruns. The request for additional funds in the amount of \$15,461.92 was awarded to the Borough in Amendment No. 2 to reimburse project cost overruns on the purchase of the Mobile Communications Trailer and Tower.

**RECOMMENDATION OF ADMINISTRATION:**

The administration supports the grant and recommends approval of the attached legislation, which will accept and appropriate additional grant funds in the amount of \$15,461.92 and approve the amended scope of work and budget to include reimbursement of communications equipment.

**MATANUSKA-SUSITNA BOROUGH  
FISCAL NOTE**

Agenda Date: March 17, 2015

REQUEST Accepting and appropriating additional grant funds in the amount of \$15,461.92 from the Alaska State Division of Homeland Security and Emergency Management grant program, to fund 425, project number 45158 and approving the amended scope of work and budget to include reimbursement of communications equipment.

ORIGINATOR: Dennis Brodigan

FISCAL ACTION (TO BE COMPLETED BY FINANCE)	FISCAL IMPACT <input checked="" type="radio"/> YES <input type="radio"/> NO
AMOUNT REQUESTED \$ <u>15,461.92</u>	FUNDING SOURCE <u>State</u>
FROM ACCOUNT # <u>425 000 000 464 .XXY</u>	PROJECT # <u>45158</u>
TO ACCOUNT #	PROJECT #
VERIFIED BY: <u>Chapman Hendrickson</u>	CERTIFIED BY:
DATE: <u>3/2/15</u>	DATE:

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY15	FY16	FY17	FY18	FY19	FY20
Personnel Services						
Travel						
Contractual						
Supplies						
Equipment						
Land/Structures						
Grants, Claims						
Miscellaneous						
TOTAL OPERATING						

CAPITAL	<u>15.5</u>					
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REVENUE	<u>15.5</u>					
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FUNDING: (Thousands of Dollars)

General Fund						
State/Federal Funds	<u>15.5</u>					
Other						
TOTAL						

POSITIONS:

Full-Time						
Part-Time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

PREPARED BY: \_\_\_\_\_

Phone: \_\_\_\_\_

DEPARTMENT: \_\_\_\_\_  
 APPROVED BY: Chapman Hendrickson for TEC

Date: \_\_\_\_\_

Date: 3/5/15

FIN/NM/FISCAL.NTE

IM No. 15-066  
 Ordinance Serial No. 15- 037  
 Resolution Serial No. 15- 033

NON-CODE ORDINANCE

By: Borough Manager  
Introduced:  
Public Hearing:  
Action:

**MATANUSKA-SUSITNA BOROUGH  
ORDINANCE SERIAL NO. 15-037**

A ORDINANCE OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY ACCEPTING AND APPROPRIATING ADDITIONAL GRANT FUNDS IN THE AMOUNT OF \$15,461.92 FROM THE ALASKA STATE DIVISION OF HOMELAND SECURITY AND EMERGENCY MANAGEMENT GRANT, PROJECT NUMBER 45158, FUND 425, FOR REIMBURSEMENT OF COMMUNICATIONS EQUIPMENT.

WHEREAS, On December 3, 2013, with Ordinance 2013-158, the assembly accepted and appropriated State Homeland Security and Emergency Management grant funds in the amount of \$87,667; and

WHEREAS, there was insufficient grant funding in the Equipment category to purchase the Mobile Communications Trailer and Tower and \$15,461.92 of the purchase cost was paid for with Borough Areawide funds; and

WHEREAS, all project objectives have been met, and \$1,952.07 of unspent funding in the Exercise category was de-obligated back to the State by Grant Amendment No. 1, leaving zero remaining grant funds; and

WHEREAS, at the end of the grant period, the State had unspent funds and solicited requests for reallocations; and

WHEREAS, the Department of Emergency Services submitted a request for reimbursement of the equipment cost overruns; and

WHEREAS, the request for additional funds in the amount of \$15,461.92 was awarded to the Borough in Grant Amendment No. 2 to

reimburse project cost overruns on the purchase of the Mobile Communications Trailer and Tower; and

WHEREAS, the scope of work and budget are contained in Resolution Serial Number 15-033; and

WHEREAS, the borough assembly must accept and appropriate the additional grant funding in the amount of \$15,461.92 from the Alaska State Division of Homeland Security and Emergency Management grant prior to the expenditure of said funds.

BE IT ENACTED:

Section 1. Classification. This is a non-code ordinance.

Section 2. Acceptance. The Matanuska-Susitna Borough Assembly does hereby authorize the acceptance of this grant and agrees to comply with the applicable provisions.

Section 3. Appropriation source. The Matanuska-Susitna Borough Assembly hereby appropriates additional grant funds in the amount of \$15,461.92 from the Alaska State Division of Homeland Security and Emergency Management grant program, to Fund 425, Project Number 45158, for project cost overruns on the purchase of the Mobile Communications Trailer and Tower.

Section 4. Effective date. This ordinance shall take effect upon adoption by the Matanuska-Susitna Borough Assembly.

ADOPTED by the Matanuska-Susitna Borough Assembly this - day of -, 2015.

LARRY DEVILBISS, Borough Mayor

ATTEST:

LONNIE R. MCKECHNIE, CMC, Borough Clerk

(SEAL)

Action:

**MATANUSKA-SUSITNA BOROUGH  
RESOLUTION SERIAL NO. 15-033**

A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY AMENDING THE SCOPE OF WORK AND BUDGET FOR THE ALASKA STATE DIVISION OF HOMELAND SECURITY AND EMERGENCY MANAGEMENT GRANT, PROJECT NUMBER 45158, FUND 425, TO INCLUDE REIMBURSEMENT FOR COMMUNICATIONS EQUIPMENT.

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WHEREAS, On December 3, 2013, with Ordinance 2013-158, the assembly accepted and appropriated State Homeland Security and Emergency Management grant funds in the amount of \$87,667; and

WHEREAS, there was insufficient grant funding in the Equipment category to purchase the Mobile Communications Trailer and Tower and \$15,461.92 of the purchase cost was paid for with borough Areawide funds; and

WHEREAS, all project objectives have been met, and \$1,952.07 of unspent funding in the Exercise category was de-obligated back to the State with Grant Amendment No. 1, leaving zero remaining grant funds; and

WHEREAS, at the end of the grant period, the State had unspent funds and solicited requests for reallocations; and

WHEREAS, the Department of Emergency Services submitted a request for reimbursement of the equipment cost overruns; and

WHEREAS, the request for additional funds in the amount of \$15,461.92 was awarded to the Borough in Grant Amendment No. 2 to reimburse project cost overruns on the purchase of the Mobile Communications Trailer and Tower; and

WHEREAS, the assembly is required to approve and adopt a scope of work and budget for each capital project prior to the expenditure of said funds.

NOW, THEREFORE, BE IT RESOLVED, that the Matanuska-Susitna Borough Assembly approves the amended scope of work and budget for the Alaska State Division of Homeland Security and Emergency Management Grant, Project Number 45158, Fund 425.

**SCOPE OF WORK**

Decontamination Equipment; Portable Communications Tower; HazMat IQ Training; Alaska Shield Exercise 2014, and Reimbursement of Cost Overruns on the Mobile Communications Trailer and Tower.

**BUDGET**

<u>Project/ Account No.</u>	<u>Previously Approved Budgets</u>	<u>Amended Budgets</u>
<b>Equipment, Training, and Alaska Shield Exercise Project No. 45158-4414</b>		
2013 State Homeland Security Grant	\$ 87,667	\$87,667.00
2013 State Homeland Security Grant Amendment No. 1	\$ -0-	\$-1,952.07
2013 State Homeland Security Grant Amendment No. 2	<u>\$ -0-</u>	<u>\$15,461.92</u>
<b>Total Project No. 45158-4414</b>	<b><u>\$ 87,667</u></b>	<b><u>\$101,176.85</u></b>

ADOPTED by the Matanuska-Susitna Borough Assembly this  
- day of -, 2015.

\_\_\_\_\_  
LARRY DEVILBISS, Borough Mayor

ATTEST:

\_\_\_\_\_  
LONNIE R. MCKECHNIE, CMC, Borough Clerk

(SEAL)

**SUBJECT:** Appropriation of the 2015 Series A School Refunding General Obligation Bond Proceeds for Issuance Costs.

**AGENDA OF:** March 17, 2015

**ASSEMBLY ACTION:**

**MANAGER RECOMMENDATION:** Introduce and set for public hearing.

**APPROVED BY** *John* JOHN MOOSEY, BOROUGH MANAGER: *[Signature]*

Route To:	Department/Individual	Initials	Remarks
1	Originator - Fin. Dir.	<i>John TEC</i>	
2	Finance Director	<i>J. Mooney</i>	<i>3/6/15</i>
3	Attorney	<i>[Initials]</i>	
4	Borough Clerk	<i>JMM</i>	<i>3/9/15</i> <i>[Signature]</i>

**ATTACHMENT(S):** Ordinance Serial No. 15-038 (3pp)  
 Fiscal Note: Yes X No     

**SUMMARY STATEMENT:**

Before you is an ordinance of the Matanuska-Susitna Borough Assembly to appropriate funds from the bond proceeds of the 2015 Series A School Refunding General Obligation Bonds for issuance costs.

On January 6, 2015, the assembly adopted Ordinance Serial No. 15-006 which authorized the issuance of bonds to refund certain portions of the Series 2004 D and Series 2006 A and B School General Obligation Bonds. The refunding bonds were issued in February 2015. This resulted in a savings to the taxpayers and the State of Alaska of just under \$3.2 million. It is now necessary to appropriate the issuance costs for those bonds which came from the premium on the bonds.

The attached ordinance will appropriate \$404,304 for issuance costs. The issuance costs include amounts estimated to be paid for the printing of the official statements, paying agent fees, fees to obtain our bond ratings, underwriter's discount, bond counsel, pricing advisor fees, and other miscellaneous costs.

Any funds in excess of the actual issuance costs will be transferred to the School Debt Service Fund for future debt service payments.

**Recommendation of Administration:** Administration recommends approval of the appropriation of the 2015 Series A School Refunding General Obligation Bond proceeds for the issuance costs. Additionally, administration recommends the approval of the transfer of any funds in excess of actual issuance costs for the Series A refunding bonds to the School Debt Service Fund for future debt service payments.

**MATANUSKA-SUSITNA BOROUGH  
FISCAL NOTE**

Agenda Date: March 17, 2015

SUBJECT: Appropriation of the 2015 Series A Issuance Costs.

ORIGINATOR: T. Clayton

FISCAL ACTION (TO BE COMPLETED BY FINANCE)	FISCAL IMPACT YES NO
AMOUNT REQUESTED \$404,304	FUNDING SOURCE Refunding Bond Proceeds
FROM ACCOUNT #	PROJECT #
TO ACCOUNT : 400-000-000-4XX-XXX	PROJECT #
VERIFIED BY: <i>Cherise Head for TEC</i>	CERTIFIED BY:
DATE: <i>3/16/15</i>	DATE:

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019
Personnel Services						
Travel						
Contractual						
Supplies						
Equipment						
Land/Structures						
Grants, Claims						
Miscellaneous						
TOTAL OPERATING						

CAPITAL		404				
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REVENUE						
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FUNDING: (Thousands of Dollars)

General Fund						
State/Federal Funds						
Other		404				
TOTAL		404				

POSITIONS:

Full-Time						
Part-Time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

PREPARED BY: \_\_\_\_\_ PHONE: \_\_\_\_\_

DEPARTMENT: *Cherise Head for TEC* DATE: \_\_\_\_\_

APPROVED BY: \_\_\_\_\_ DATE: *3/16/15*

Non-code Ordinance

By: Borough Manager  
Introduced:  
Public Hearing:  
Adopted:

**MATANUSKA-SUSITNA BOROUGH  
ORDINANCE SERIAL NO. 15-038**

AN ORDINANCE OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY APPROPRIATING \$404,304 TO FUND 400, FOR ISSUANCE COSTS FROM THE PROCEEDS OF THE 2015 SERIES "A" SCHOOL REFUNDING GENERAL OBLIGATION BONDS.

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WHEREAS, On January 6, 2015, the assembly adopted Ordinance Serial No. 15-006 which authorized the issuance of bonds to refund certain portions of the Series 2004 D and Series 2006 A and B School General Obligation Bond; It is now necessary to appropriate the issuance costs for those bonds which came from the premium on the bonds.

and

WHEREAS, the refunding bonds were issued in February 2015; and

WHEREAS, the refunding resulted in a savings to the taxpayers and the State of Alaska of just under \$3.2 million; and

WHEREAS, the bonds were sold at a premium which will be utilized to pay the estimated issuance costs in the amount of \$404,304; and

WHEREAS, any funds remaining in excess of actual issuance costs shall be transferred to the School Facilities Debt Service

Fund for future debt service payments; and

WHEREAS, the funds must be appropriated to the school project funds before they can be expended.

BE IT ENACTED:

Section 1. Classification. This is a non-code ordinance.

Section 2. Issuance Cost Appropriation. There is hereby appropriated \$404,304 to Fund 400 for issuance costs for the 2015 Series A School Refunding General Obligation Bonds.

Section 3. Lapse of funds. Once all issuance costs have been paid, the unexpended portion of the appropriation for issuance costs for the 2015 Series A School Refunding Bonds, shall lapse to the School Facilities Debt Service Fund, Fund 300, for future debt service payments.

Section 4. Effective date. Ordinance Serial No. 15-038 shall take effect upon adoption by the Matanuska-Susitna Borough Assembly.

ADOPTED by the Matanuska-Susitna Borough Assembly this 17th day  
of March, 2015.

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Larry DeVilbiss, Borough Mayor

ATTEST:

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Lonnie McKechnie, CMC, Borough Clerk

(SEAL)

**SUBJECT:** AN ORDINANCE OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY PLACING A MORATORIUM ON THE ACCEPTANCE AND PROCESSING OF APPLICATIONS TO DISPOSE OF FEE SIMPLE INTERESTS OF PREVIOUSLY DISPOSED BOROUGH AGRICULTURAL PROPERTY

**AGENDA OF: March 17, 2015**

**ASSEMBLY ACTION:**

**MANAGER RECOMMENDATION:** Introduce and set for public hearing.

**APPROVED BY JOHN MOOSEY, BOROUGH MANAGER:** \_\_\_\_\_

Route To:	Department/Individual	Initials	Remarks
	Originator	Sykes District 1	
	Community Development Director	EQ	
	Borough Attorney	JMB/ANS	
	Borough Clerk		

**ATTACHMENT (S):** Fiscal Note: NO X YES \_\_\_\_\_  
 Ordinance Serial No. 15-039 (3 pp)

**SUMMARY STATEMENT:** The purpose of this ordinance is to provide the ad hoc agricultural advisory committee sufficient time to consider instituting an Agriculture Advisory Board, and for such Board to work towards a recommendation to provide the Assembly guidance on Borough processes relating to agricultural property, before the Assembly considers additional applications to dispose of any remaining interest it has in properties for which the agricultural rights have already been disposed.

The ordinance itself is simply designed to stop the Borough from processing any applications for the release of the Borough's rights or the disposal of its development rights and fee interest in previously disposed agricultural properties until March 10, 2016. That should provide the Borough sufficient time to put a policy in place that the Assembly can consider in evaluating a proposal after the March 10, 2016 date.

**RECOMMENDATION OF ADMINISTRATION:** Administration respectfully requests approval.

NON-CODE ORDINANCE

Sponsored By: Assemblymember Jim Sykes

Introduced:

Public Hearing:

Adopted:

**MATANUSKA-SUSITNA BOROUGH  
ORDINANCE SERIAL NO. 15-039**

AN ORDINANCE OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY PLACING A MORATORIUM ON THE ACCEPTANCE AND PROCESSING OF APPLICATIONS TO DISPOSE OF FEE SIMPLE INTERESTS OF PREVIOUSLY DISPOSED BOROUGH AGRICULTURAL PROPERTY

WHEREAS, MSB Titles 15, 13, and 23 have governed the disposals of Borough-owned real property or any interests in real property by the Borough over time;

WHEREAS, one of these titles govern the disposal of the Borough's remaining property interests in those properties where the agricultural rights have already been disposed of at lower than the fair market value, and the remaining rights are retained in Borough ownership;

WHEREAS, the Assembly currently acts upon an application from the agricultural rights owner for such disposal without a policy;

WHEREAS, it appears there is a heightened interest from the public requesting the Borough to release all of its rights and/or dispose of the development rights and provide clear fee simple interests of its agriculture land;

WHEREAS, on September 2, 2014, the Assembly passed IM No. 15-019 establishing an ad hoc agricultural advisory committee to

analyze whether or not the Boroughs should institute an Agricultural Advisory Board to consider issues relating to the disposal of Borough agricultural land, among other issues; and

WHEREAS, the ad hoc agricultural advisory committee is still working toward a recommendation to the Assembly;

BE IT ENACTED:

Section 1. Classification. This Ordinance is a non-code ordinance.

Section 2. Moratorium. Notwithstanding any other provisions of Borough code, the Matanuska-Susitna Borough Assembly institutes a moratorium on the Borough accepting and processing new applications under Title 15, 13 or 23 received after March 10, 2015 for the release of the Borough's rights and/or the disposal of the development rights owned by the Borough in previously disposed agricultural properties until March 10, 2016.

Section 3. Effective Date. This ordinance shall take effect upon adoption.

ADOPTED by the Matanuska-Susitna Borough Assembly this - day of -, 2015.

LARRY DeVILBISS, Borough Mayor

ATTEST:

LONNIE R. McKECHNIE, CMC, Borough Clerk

(SEAL)

**SUBJECT:** Administrative report relating to the creation of and improvement to N Westfork Dr Road Paving Local Improvement District No. 562; and consideration of said creation.

**AGENDA OF:** March 17, 2015.

**ASSEMBLY ACTION:**

**MANAGER RECOMMENDATION:** Introduce and set for public hearing on April 21, 2015.

**APPROVED BY JOHN M. MOOSEY, BOROUGH MANAGER:**

Route To:	Department/Individual	Initials	Remarks
	Originator/Marcia vonEhr	MVE	2-19-15
1	Finance Director	JAC	2/23/15
2	Borough Attorney (Also reviewed by Bond Counsel)	AS	
3	Borough Clerk	JM	3/9/15

**ATTACHMENT (S) :** Ordinance Serial No. 15-023 (5 pp)  
 Exhibit A (1 p)  
 Map (1 p)  
 Ballot Tally (1 p) -to be presented at Public Hearing  
 Fiscal Note: Yes \_\_\_\_\_ No X

**SUMMARY STATEMENT:**

A petition has been filed by the record owner of 66 percent in value of the property and signatures of 51 percent of property owners within the proposed N Westfork Dr Road Paving Local Improvement District. The petition has been certified by the borough clerk. The proposed N Westfork Dr Road Paving Local Improvement District is located in Assembly District #6.

As addressed in Section 7 of the Manager's Administrative Report, (listed below) there are 0 properties that do not conform to MSB 3.28.080(B).



5. Profile of proposed properties in local improvement district:

	Total Number of Lots:	<u>27</u>
Ownership type of properties:	Private:	<u>27</u>
	Bank:	<u>0</u>
	Public:	<u>0</u>
	MSB:	<u>0</u>
"Tax" status of properties:	Number Current:	<u>25</u>
	Number Delinquent:	<u>2</u>
	Number in Foreclosure:	<u>0</u>
	Number in Bankruptcy:	<u>0</u>
	Population Estimate:	<u>50</u>
	Estimated Area (Acres):	<u>34.56</u>

This estimate is based on information collected during the 2010 census and current assessment records.

6. Other special assessments effecting this local improvement district: None

7. Properties not conforming to MSB 3.28.080(B) "...An assessment may not exceed 25 percent of the assessed value for real property taxation of the property assessed..": 0.

8. Method of collecting assessments: Semi-annual due dates will be established, with billings sent to each property owner 30-45 days before each due date. Delinquent accounts will be acted upon in the same manner as delinquent tax accounts, including annual foreclosure action.

**IMPROVEMENT PLAN (MSB 3.28.050B)**

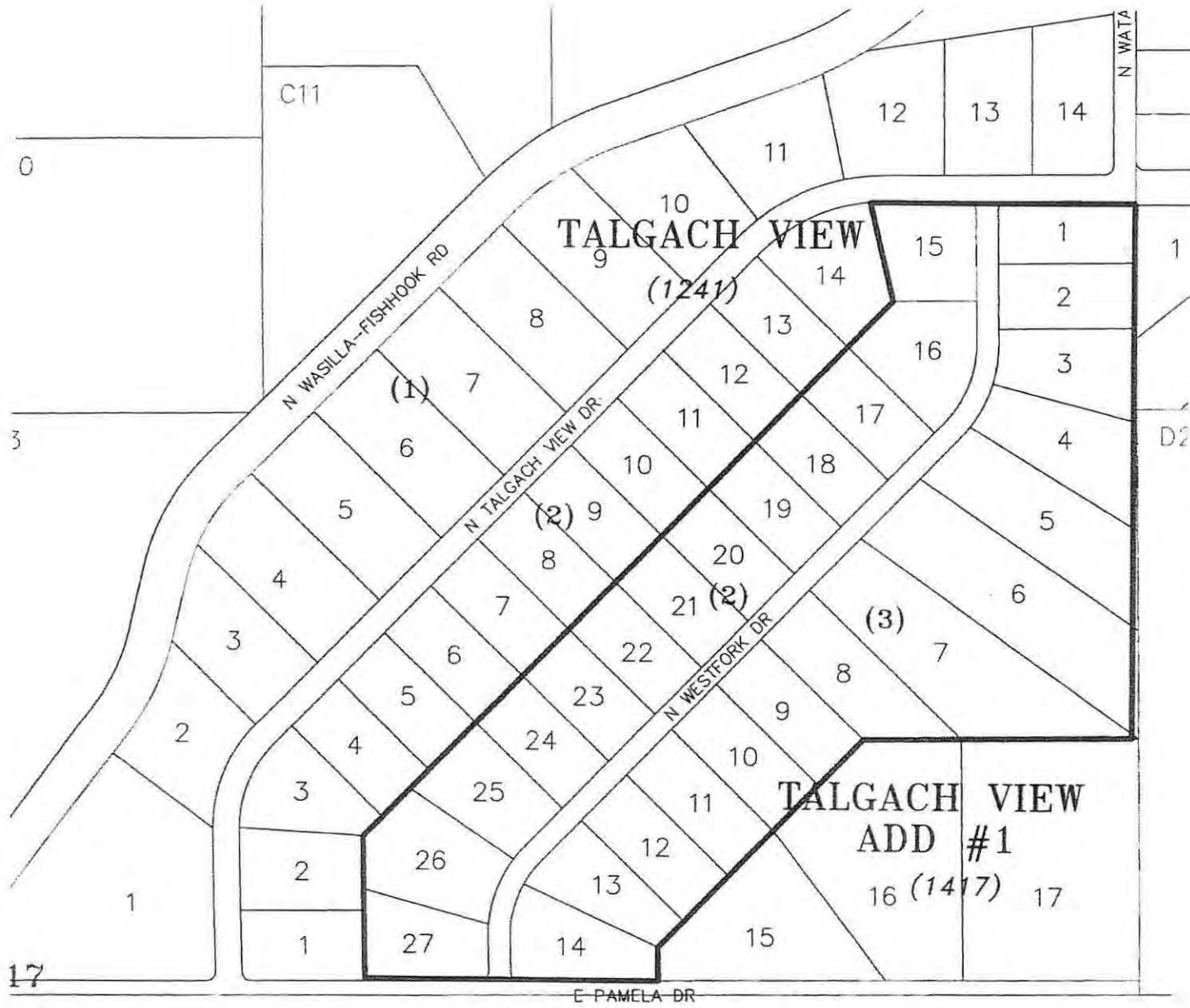
The improvement funding will be obtained by selling a special assessment bond to a bank. Only the proceeds of the special assessments and interest will be pledged as security for payment. The special assessments may be paid by the property owners in semi-annual installments over a ten year period.

The estimated total cost is \$140,700.00. The estimated cost elements are paving \$123,700.00, delinquency reserve of \$11,280.00, and administrative costs of \$5,720.00.

The estimated total cost is to be equally assessed against the properties within the improvement district, including those properties not meeting to MSB 3.28.080(B) criteria.

The estimated special assessment against the 27 lots is \$5,211.11 per lot.

If the entire 50 percent was approved from matching funds the estimated special assessment against the 27 lots with the 50% matching funds would be \$2,721.85.



IM No. 15-047  
 Ordinance Serial No. 15-023

Non-Code Ordinance

Sponsored By:  
Introduced:  
Public Hearing:  
Action:

**MATANUSKA-SUSITNA BOROUGH  
ORDINANCE SERIAL NO. 15-023**

AN ORDINANCE OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY CREATING N WESTFORK DR ROAD PAVING LOCAL IMPROVEMENT DISTRICT NO. 562, APPROVING THE IMPROVEMENT PLAN FOR THE DISTRICT, AUTHORIZING THE MANAGER TO PROCEED WITH THE IMPROVEMENT, AND ASSESSING EQUALLY AMONG THE PROPERTIES WITHIN THE DISTRICT THE COSTS OF THE IMPROVEMENT.

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WHEREAS, a petition has been filed by the owners of at least one-half in value of the property within N Westfork Dr Road Paving Local Improvement District for paving the surface of the roads; and

WHEREAS, the borough clerk has certified the petition; and

WHEREAS, the attached manager's administrative report, including the improvement plan is incorporated in IM No. 15-047; and

WHEREAS, notice of the public hearing was published for two consecutive weeks in a newspaper of general circulation distributed within the borough; and

WHEREAS, notice was mailed CERTIFIED RETURN RECEIPT REQUESTED to each record owner of property within the local improvement district; and

WHEREAS, a public hearing on the creation of the local improvement district and the improvement plan has been held; and

WHEREAS, ballots approving or disapproving the local improvement district were permitted to be filed in writing for 30 calendar days after mailing of notice of the public hearing; and

WHEREAS, ballots marked "yes" from owners of property bearing more than one-half of the estimated cost of the improvements were received; and

WHEREAS, the proposed improvement is a power exercised through a service area, and there is a board of supervisors and the board has recommended the improvement.

BE IT ENACTED:

Section 1. This is a non-code ordinance.

Section 2. The N Westfork Dr Road Paving Local Improvement Plan will increase property values, is necessary, is in the public interest, and the improvement should be made.

Section 3. The petition has sufficient and proper petitioners.

Section 4. Ballots approving the local improvement district were filed timely by the record owners of property within the road paving local improvement district bearing more than one-

half of the estimated cost of the improvement and the assembly can proceed with the improvement.

Section 5. There is hereby created the N Westfork Dr Road Paving Local Improvement District No. 562 as described on the attached legal description marked Exhibit A.

Section 6. The manager is hereby authorized to proceed with the improvement, negotiate for sale of a special assessment bond or similar loan for assembly approval, and such other necessary and proper work as appropriate to accomplish the purpose of the improvement plan upon financing approval by the assembly.

Section 7. Upon completion of the work up to 100 percent of the total cost of the improvement shall be assessed equally against each property within the road paving local improvement district. The amount to be assessed shall be reduced by the amount, if any, of matching funds appropriated for the improvement in the fiscal year 2016 borough budget. The finance director shall prepare a special assessment roll assessing to each property within the road paving local improvement district an amount equal to the actual total improvement cost divided by the number of properties within the local improvement district. The proposed special assessment roll shall be prepared and presented in accordance with the provisions of the Matanuska-

Susitna Borough Code in effect at the time the special assessment roll is prepared.

Section 8. The special assessments against the properties described in Section 5 above are liens upon the property and are prior and paramount to all liens except municipal tax liens and may be enforced as provided for the enforcement of real property tax liens.

Section 9. Special assessments may be paid in 20 semi-annual installments with due dates established by the assembly upon approval of the road paving local improvement district special assessment roll, provided, the assembly may authorize payment terms greater than or less than a ten-year period of time. If no time for payment is established, semi-annual installments are due and payable when property taxes are due and payable. Special assessment installments not paid when due shall have a penalty added equal to the penalty for delinquent second-half real property taxes in effect at the time of the special assessment installment delinquency. Upon full payment of the special assessment, the manager shall issue a release of the lien to the record owner of the property.

Section 10. Notwithstanding the approval of the road paving local improvement district based upon the financing of the cost

through the sale of a special assessment bond or loan, if the assembly determines that the sale of a special assessment bond or loan is not feasible or is not available, the assembly may provide for other means of financing the project cost at its sole discretion.

Section 11. Ordinance Serial Number 15-023 shall take effect upon adoption by the Matanuska-Susitna Borough Assembly.

ADOPTED by the Matanuska-Susitna Borough Assembly this - day of -, 2015.

LARRY DEVILBISS, Borough Mayor

ATTEST:

LONNIE R. McKECHNIE, CMC, Borough Clerk

(SEAL)

LEGAL DESCRIPTION FOR  
N WESTFORK DR #562

**1241**

Lot Fifteen (15), Block Two (2), TALGACH VW, according to Recorded Plat #1976-87; and

**1417**

Lots Sixteen (16) through Twenty Seven (27), Block Two (2), and Lots One (1) through Fourteen (14), Block Three (3), TALGACH VW ADD #1, according to Recorded Plat #1978-12.

THE ABOVE ARE RECORDED IN THE PALMER RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA.


**SUBJECT:** Administrative report relating to the creation of and improvement to Country Ridge Estates Road Paving Local Improvement District No. 563; and consideration of said creation.

**AGENDA OF:** March 17, 2015.

**ASSEMBLY ACTION:**

**MANAGER RECOMMENDATION:** Introduce and set for public hearing on April 21, 2015.

**APPROVED BY JOHN M. MOOSEY, BOROUGH MANAGER:** 

Route To:	Department/Individual	Initials	Remarks
	Originator/Marcia vonEhr	MLE	2-19-15
1	Finance Director	gaw	2/23/15
2	Borough Attorney (Also reviewed by Bond Counsel)	NS	
3	Borough Clerk	JMM	3/9/15 

**ATTACHMENT (S) :** Ordinance Serial No. 15-024 (5 pp)  
 Exhibit A (1 p)  
 Map (1 p)  
 Ballot Tally (1 p) -to be presented at Public Hearing  
 Fiscal Note: Yes \_\_\_\_\_ No  X

**SUMMARY STATEMENT:**

A petition has been filed by the record owners of 91 percent in value of the property and signatures of 90 percent of property owners within the proposed Country Ridge Estates Road Paving Local Improvement District. The petition has been certified by the borough clerk. The proposed Country Ridge Estates Road Paving Local Improvement District is located in Assembly District #6.

As addressed in Section 7 of the Manager's Administrative Report, (listed below) there are 0 properties that do not conform to MSB 3.28.080(B).



5. Profile of proposed properties in local improvement district:

	Total Number of Lots:	<u>11</u>
Ownership type of properties:	Private:	<u>11</u>
	Bank:	<u>0</u>
	Public:	<u>0</u>
	MSB:	<u>0</u>
"Tax" status of properties:	Number Current:	<u>11</u>
	Number Delinquent:	<u>0</u>
	Number in Foreclosure:	<u>0</u>
	Number in Bankruptcy:	<u>0</u>
	Population Estimate:	<u>26</u>
	Estimated Area (Acres):	<u>25.73</u>

This estimate is based on information collected during the 2010 census and current assessment records.

6. Other special assessments effecting this local improvement district: None
7. Properties not conforming to MSB 3.28.080(B) "...An assessment may not exceed 25 percent of the assessed value for real property taxation of the property assessed..": 0.
8. Method of collecting assessments: Semi-annual due dates will be established, with billings sent to each property owner 30-45 days before each due date. Delinquent accounts will be acted upon in the same manner as delinquent tax accounts, including annual foreclosure action.

**IMPROVEMENT PLAN (MSB 3.28.050B)**

The improvement funding will be obtained by selling a special assessment bond to a bank. Only the proceeds of the special assessments and interest will be pledged as security for payment. The special assessments may be paid by the property owners in semi-annual installments over a ten year period.

The estimated total cost is \$124,760.00. The estimated cost elements are paving \$111,600.00, delinquency reserve of \$10,000.00, and administrative costs of \$3,160.00.

The estimated total cost is to be equally assessed against the properties within the improvement district, including those properties not meeting to MSB 3.28.080(B) criteria.

The estimated special assessment against the 11 lots is \$11,341.82 per lot.

If the entire 50 percent was approved from matching funds the estimated special assessment against the 11 lots with the 50% matching funds would be \$5,832.73.

Ordinance Serial No. 15-024  
IM No. 15-048



Non-Code Ordinance

Sponsored By:  
Introduced:  
Public Hearing:  
Action:

**MATANUSKA-SUSITNA BOROUGH  
ORDINANCE SERIAL NO. 15-024**

AN ORDINANCE OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY CREATING COUNTRY RIDGE ESTATES ROAD PAVING LOCAL IMPROVEMENT DISTRICT NO. 563, APPROVING THE IMPROVEMENT PLAN FOR THE DISTRICT, AUTHORIZING THE MANAGER TO PROCEED WITH THE IMPROVEMENT, AND ASSESSING EQUALLY AMONG THE PROPERTIES WITHIN THE DISTRICT THE COSTS OF THE IMPROVEMENT.

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WHEREAS, a petition has been filed by the owners of at least one-half in value of the property within Country Ridge Estates Road Paving Local Improvement District for paving the surface of the roads; and

WHEREAS, the borough clerk has certified the petition; and

WHEREAS, the attached manager's administrative report, including the improvement plan is incorporated in IM No. 15-048; and

WHEREAS, notice of the public hearing was published for two consecutive weeks in a newspaper of general circulation distributed within the borough; and

WHEREAS, notice was mailed CERTIFIED RETURN RECEIPT REQUESTED to each record owner of property within the local improvement district; and

WHEREAS, a public hearing on the creation of the local improvement district and the improvement plan has been held; and

WHEREAS, ballots approving or disapproving the local improvement district were permitted to be filed in writing for 30 calendar days after mailing of notice of the public hearing; and

WHEREAS, ballots marked "yes" from owners of property bearing more than one-half of the estimated cost of the improvements were received; and

WHEREAS, the proposed improvement is a power exercised through a service area, and there is a board of supervisors and the board has recommended the improvement.

BE IT ENACTED:

Section 1. This is a non-code ordinance.

Section 2. The Country Ridge Estates Road Paving Local Improvement Plan will increase property values, is necessary, is in the public interest, and the improvement should be made.

Section 3. The petition has sufficient and proper petitioners.

Section 4. Ballots approving the local improvement district were filed timely by the record owners of property within the road paving local improvement district bearing more than one-

half of the estimated cost of the improvement and the assembly can proceed with the improvement.

Section 5. There is hereby created the Country Ridge Estates Road Paving Local Improvement District No. 563 as described on the attached legal description marked Exhibit A.

Section 6. The manager is hereby authorized to proceed with the improvement, negotiate for sale of a special assessment bond or similar loan for assembly approval, and such other necessary and proper work as appropriate to accomplish the purpose of the improvement plan upon financing approval by the assembly.

Section 7. Upon completion of the work up to 100 percent of the total cost of the improvement shall be assessed equally against each property within the road paving local improvement district. The amount to be assessed shall be reduced by the amount, if any, of matching funds appropriated for the improvement in the fiscal year 2016 borough budget. The finance director shall prepare a special assessment roll assessing to each property within the road paving local improvement district an amount equal to the actual total improvement cost divided by the number of properties within the local improvement district. The proposed special assessment roll shall be prepared and presented in accordance with the provisions of the Matanuska-

Susitna Borough Code in effect at the time the special assessment roll is prepared.

Section 8. The special assessments against the properties described in Section 5 above are liens upon the property and are prior and paramount to all liens except municipal tax liens and may be enforced as provided for the enforcement of real property tax liens.

Section 9. Special assessments may be paid in 20 semi-annual installments with due dates established by the assembly upon approval of the road paving local improvement district special assessment roll, provided, the assembly may authorize payment terms greater than or less than a ten-year period of time. If no time for payment is established, semi-annual installments are due and payable when property taxes are due and payable. Special assessment installments not paid when due shall have a penalty added equal to the penalty for delinquent second-half real property taxes in effect at the time of the special assessment installment delinquency. Upon full payment of the special assessment, the manager shall issue a release of the lien to the record owner of the property.

Section 10. Notwithstanding the approval of the road paving local improvement district based upon the financing of the cost

through the sale of a special assessment bond or loan, if the assembly determines that the sale of a special assessment bond or loan is not feasible or is not available, the assembly may provide for other means of financing the project cost at its sole discretion.

Section 11. Ordinance Serial Number 15-024 shall take effect upon adoption by the Matanuska-Susitna Borough Assembly.

ADOPTED by the Matanuska-Susitna Borough Assembly this - day of -, 2015.

LARRY DEVILBISS, Borough Mayor

ATTEST:

LONNIE R. McKECHNIE, CMC, Borough Clerk

(SEAL)

LEGAL DESCRIPTION FOR  
COUNTRY RIDGE ESTATES #563

**4999**

Lot Five (5), Block Two (2), Lots Two (2) through Four (4), Block Three (3), and Lots Two (2) and Three (3), Block Four (4), COUNTRY RDG EST PH I, according to Recorded Plat #2000-77; and

**5253**

Lots Four (4) and Six (6), Block Two (2), and Lot One (1), Block Three (3), COUNTRY RDG EST PH II, according to Recorded Plat #2002-82; and

**5560**

Lot One-A (1-A) and One-B (1-B), Block Four (4), COUNTRY RDG EST PH III, according to Recorded Plat #2004-101.

THE ABOVE ARE RECORDED IN THE PALMER RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA.


**SUBJECT:** Administrative report relating to the creation of and improvement to E New Field Dr Road Paving Local Improvement District No. 564; and consideration of said creation.

**AGENDA OF:** March 17, 2015.

**ASSEMBLY ACTION:**

**MANAGER RECOMMENDATION:** Introduce and set for public hearing on April 21, 2015.

**APPROVED BY JOHN M. MOOSEY, BOROUGH MANAGER:** 

Route To:	Department/Individual	Initials	Remarks
	Originator/Marcia vonEhr	<i>mv</i>	2-19-15
1	Finance Director	<i>JEL</i>	2/23/15
2	Borough Attorney (Also reviewed by Bond Counsel)	<i>ANS</i>	
3	Borough Clerk	<i>Jmm</i>	3/9/15 

**ATTACHMENT (S) :** Ordinance Serial No. 15-025 (5 pp)  
 Exhibit A (1 p)  
 Map (1 p)  
 Ballot Tally (1 p) -to be presented at Public Hearing  
 Fiscal Note: Yes \_\_\_\_\_ No  X

**SUMMARY STATEMENT:**

A petition has been filed by the record owner of 58 percent in value of the property and signatures of 62 percent of property owners within the proposed E New Field Dr Road Paving Local Improvement District. The petition has been certified by the borough clerk. The proposed E New Field Dr Road Paving Local Improvement District is located in Assembly District #6.

As addressed in Section 7 of the Manager's Administrative Report, (listed below) there are 0 properties that do not conform to MSB 3.28.080(B).

If monies are appropriated in the Fiscal Year 2016 budget for the road program, this LID, if approved, would qualify for up to 50 percent matching funds.

**MANAGER'S ADMINISTRATIVE REPORT**

(MSB 3.28.040)

1. Description of properties to be benefited by the improvement:  
SEE ORDINANCE SERIAL NO. 15-025

2. Evaluation of need and benefit of improvement and proposed allocation of special assessments:

Paving the surface of the road within the E New Field Dr road paving LID will improve the road conditions and make maintenance of the road easier. Properties, including vacant properties, being benefited by paving the surface of the road have a tendency to sell more rapidly when placed on the market than similar properties. It is believed that the benefits will accrue about equally to each property in the improvement district. Therefore, it is proposed that the entire cost of the improvement to be allocated equally to each property within the district, without regard to the front footage, the size of the property, the value of the property or other measures.

3. Estimated total cost of improvement:

The estimated cost by the public works department for the paving is \$56,600.00, if done during the 2015 construction season. It is estimated that administrative costs will amount to approximately \$2,680.00 and the delinquency reserve will be \$5,200.00. The estimated total cost of the improvement as of this date is \$64,480.00. It is recommended that the project be financed by a special assessment bond or bank loan which will be reimbursed from the special assessments on the properties to be benefited. It is anticipated that interest on the loan will be recovered through the interest that will be paid on special assessment installments.

4. Current mill rate: The Fiscal Year 2015 mill rate for the improvement district is 13.962 consisting of 9.662 mills (areawide) plus .520 mills (non-areawide) plus 1.78 mills (FSA#136) and 2.00 mills (RSA #28).

Taxable Property Values:	Real Property:	<u>\$1,753,800.00</u>
	Personal Property:	
	Total:	<u>\$1,753,800.00</u>

5. Profile of proposed properties in local improvement district:

	Total Number of Lots:	<u>8</u>
Ownership type of properties:	Private:	<u>8</u>
	Bank:	<u>0</u>
	Public:	<u>0</u>
	MSB:	<u>0</u>
"Tax" status of properties:	Number Current:	<u>7</u>
	Number Delinquent:	<u>1</u>
	Number in Foreclosure:	<u>0</u>
	Number in Bankruptcy:	<u>0</u>
	Population Estimate:	<u>17</u>
	Estimated Area (Acres):	<u>19.98</u>

This estimate is based on information collected during the 2010 census and current assessment records.

6. Other special assessments effecting this local improvement district: None

7. Properties not conforming to MSB 3.28.080(B) "...An assessment may not exceed 25 percent of the assessed value for real property taxation of the property assessed..": 0.

8. Method of collecting assessments: Semi-annual due dates will be established, with billings sent to each property owner 30-45 days before each due date. Delinquent accounts will be acted upon in the same manner as delinquent tax accounts, including annual foreclosure action.

**IMPROVEMENT PLAN (MSB 3.28.050B)**

The improvement funding will be obtained by selling a special assessment bond to a bank. Only the proceeds of the special assessments and interest will be pledged as security for payment. The special assessments may be paid by the property owners in semi-annual installments over a ten year period.

The estimated total cost is \$64,480.00. The estimated cost elements are paving \$56,600.00, delinquency reserve of \$5,200.00, and administrative costs of \$2,680.00.

The estimated total cost is to be equally assessed against the properties within the improvement district, including those properties not meeting to MSB 3.28.080(B) criteria.

The estimated special assessment against the 8 lots is \$8,060.00 per lot.

If the entire 50 percent was approved from matching funds the estimated special assessment against the 8 lots with the 50% matching funds would be \$4,212.50.



IM No. 15-049  
 Ordinance Serial No. 15-025

Non-Code Ordinance

Sponsored By:  
Introduced:  
Public Hearing:  
Action:

**MATANUSKA-SUSITNA BOROUGH  
ORDINANCE SERIAL NO. 15-025**

AN ORDINANCE OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY CREATING E NEW FIELD DR ROAD PAVING LOCAL IMPROVEMENT DISTRICT NO. 564, APPROVING THE IMPROVEMENT PLAN FOR THE DISTRICT, AUTHORIZING THE MANAGER TO PROCEED WITH THE IMPROVEMENT, AND ASSESSING EQUALLY AMONG THE PROPERTIES WITHIN THE DISTRICT THE COSTS OF THE IMPROVEMENT.

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WHEREAS, a petition has been filed by the owners of at least one-half in value of the property within E New Field Dr Road Paving Local Improvement District for paving the surface of the roads; and

WHEREAS, the borough clerk has certified the petition; and

WHEREAS, the attached manager's administrative report, including the improvement plan is incorporated in IM No. 15-049; and

WHEREAS, notice of the public hearing was published for two consecutive weeks in a newspaper of general circulation distributed within the borough; and

WHEREAS, notice was mailed CERTIFIED RETURN RECEIPT REQUESTED to each record owner of property within the local improvement district; and

WHEREAS, a public hearing on the creation of the local improvement district and the improvement plan has been held; and

WHEREAS, ballots approving or disapproving the local improvement district were permitted to be filed in writing for 30 calendar days after mailing of notice of the public hearing; and

WHEREAS, ballots marked "yes" from owners of property bearing more than one-half of the estimated cost of the improvements were received; and

WHEREAS, the proposed improvement is a power exercised through a service area, and there is a board of supervisors and the board has recommended the improvement.

BE IT ENACTED:

Section 1. This is a non-code ordinance.

Section 2. The E New Field Dr Road Paving Local Improvement Plan will increase property values, is necessary, is in the public interest, and the improvement should be made.

Section 3. The petition has sufficient and proper petitioners.

Section 4. Ballots approving the local improvement district were filed timely by the record owners of property within the road paving local improvement district bearing more than one-

half of the estimated cost of the improvement and the assembly can proceed with the improvement.

Section 5. There is hereby created the E New Field Dr Road Paving Local Improvement District No. 564 as described on the attached legal description marked Exhibit A.

Section 6. The manager is hereby authorized to proceed with the improvement, negotiate for sale of a special assessment bond or similar loan for assembly approval, and such other necessary and proper work as appropriate to accomplish the purpose of the improvement plan upon financing approval by the assembly.

Section 7. Upon completion of the work up to 100 percent of the total cost of the improvement shall be assessed equally against each property within the road paving local improvement district. The amount to be assessed shall be reduced by the amount, if any, of matching funds appropriated for the improvement in the fiscal year 2016 borough budget. The finance director shall prepare a special assessment roll assessing to each property within the road paving local improvement district an amount equal to the actual total improvement cost divided by the number of properties within the local improvement district. The proposed special assessment roll shall be prepared and presented in accordance with the provisions of the Matanuska-

Susitna Borough Code in effect at the time the special assessment roll is prepared.

Section 8. The special assessments against the properties described in Section 5 above are liens upon the property and are prior and paramount to all liens except municipal tax liens and may be enforced as provided for the enforcement of real property tax liens.

Section 9. Special assessments may be paid in 20 semi-annual installments with due dates established by the assembly upon approval of the road paving local improvement district special assessment roll, provided, the assembly may authorize payment terms greater than or less than a ten-year period of time. If no time for payment is established, semi-annual installments are due and payable when property taxes are due and payable. Special assessment installments not paid when due shall have a penalty added equal to the penalty for delinquent second-half real property taxes in effect at the time of the special assessment installment delinquency. Upon full payment of the special assessment, the manager shall issue a release of the lien to the record owner of the property.

Section 10. Notwithstanding the approval of the road paving local improvement district based upon the financing of the cost

through the sale of a special assessment bond or loan, if the assembly determines that the sale of a special assessment bond or loan is not feasible or is not available, the assembly may provide for other means of financing the project cost at its sole discretion.

Section 11. Ordinance Serial Number 15-025 shall take effect upon adoption by the Matanuska-Susitna Borough Assembly.

ADOPTED by the Matanuska-Susitna Borough Assembly this - day of -, 2015.

LARRY DEVILBISS, Borough Mayor

ATTEST:

LONNIE R. McKECHNIE, CMC, Borough Clerk

(SEAL)

LEGAL DESCRIPTION FOR  
E NEW FIELD DR #564

**5560**

Lots One (1) through Five (5), Block One (1) and Lots One (1) through Three (3), Block Two (2), COUNTRY RDG EST PH III, according to Recorded Plat #2004-101.

THE ABOVE ARE RECORDED IN THE PALMER RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA.

**SUBJECT:** Administrative report relating to the creation of and improvements to Portion of West Greensward Dr Natural Gas Local Improvement District No. 549; and consideration of said creation.

**AGENDA OF:** March 17, 2015

**ASSEMBLY ACTION:**

**MANAGER RECOMMENDATION:** Introduce and set for public hearing on April 21, 2015.

**APPROVED BY JOHN M. MOOSEY, BOROUGH MANAGER:**

Route To:	Department/Individual	Initials	Remarks
	Originator/Marcia vonEhr	MUE	2-25-15
1	Finance Director	JW	3/2/15
2	Borough Attorney (Also reviewed by Bond Counsel)	MS	3/4/15
3	Borough Clerk	JM	3/9/15

**ATTACHMENT (S) :** Ordinance Serial No. 15-034 (5 pp)  
 Exhibit A (1 p)  
 Map (1 p)  
 Ballot Tally (1 p) -to be presented at Public Hearing  
 Fiscal Note: Yes \_\_\_\_\_ No  X

**SUMMARY STATEMENT:**

A petition has been filed by the record owners of 68 percent in value of the property and signatures of 60 percent of property owners within the proposed Portion of West Greensward Dr Natural Gas Local Improvement District. The petition has been certified by the borough clerk. The proposed Portion of West Greensward Dr Natural Gas Local Improvement District is located in Assembly District #7.

As addressed in Section 8 of the manager's administrative report, (listed below) there are 4 properties that do not conform to MSB 3.28.080(B).

**MANAGER'S ADMINISTRATIVE REPORT**

(MSB 3.28.040)

1. Description of properties to be benefited by the improvement:  
SEE ORDINANCE SERIAL NO. 15-034

2. Evaluation of need and benefit of improvement and proposed allocation of special assessments:

The installation of natural gas distribution lines makes available to the property owners within the natural gas improvement district a clean energy source that is substantially lower in cost than any other source available. Properties, including vacant properties, served by natural gas have a tendency to sell more rapidly when placed on the market than similar properties in areas not served by natural gas. It is believed that the benefits will accrue about equally to each property in the improvement district. Therefore, it is proposed that the entire cost of the improvement to be allocated equally to each property within the district, without regard to the front footage, the size of the property, the value of the property or other measures.

3. Estimated total cost of improvement:

The estimated cost of the installation by ENSTAR is \$98,063.00 if done during the 2015 construction season. It is estimated that administrative costs will amount to approximately \$7,014.00 and the delinquency reserve will be \$5,550.00. The estimated total cost of the improvement as of this date is \$110,627.00. It is recommended that the project be financed by a special assessment bond or bank loan, which will be reimbursed from the special assessments on the properties to be benefited. It is anticipated that interest on the loan will be recovered through the interest that will be paid on special assessment installments.

4. Current mill rate: The Fiscal Year 2015 mill rate for the improvement district is 13.962 mills consisting of 9.662 mills (areawide) plus .520 mills (non-areawide) plus 1.78 mills (FSA# 136) plus 2.00 mills (RSA#28).

Taxable Property Values:	Real Property:	\$2,549,700.00
	Personal Property:	0
	Total:	<u>\$2,549,700.00</u>

5. Ownership of distribution lines: Enstar Natural Gas Co. is a division of Semco Energy Inc. It will own and be wholly responsible for the service and maintenance of the natural gas lines.

6. Profile of proposed properties in local improvement district:

	Total Number of Lots:	<u>28</u>
Ownership type of properties:	Private:	<u>27</u>
	Bank:	<u>0</u>
	Public:	<u>1</u>
	MSB:	<u>0</u>
"Tax" status of properties:	Number Current:	<u>24</u>
	Number Delinquent:	<u>4</u>
	Number in Foreclosure:	<u>0</u>
	Number in Bankruptcy:	<u>0</u>
	Population Estimate:	<u>56</u>
	Estimated Area (Acres):	<u>44.41</u>

\* This estimate is based on information collected during the 2010 census and current assessment records.

7. Other special assessments effecting this local improvement district: NONE.

8. Properties not conforming to MSB 3.28.080(B) "...An assessment may not exceed 25 percent of the assessed value for real property taxation of the property assessed": 4

9. Method of collecting assessments: Semi-annual due dates will be established, with billings sent to each property owner 30-45 days before each due date. Delinquent accounts will be acted upon in the same manner as delinquent tax accounts, including annual foreclosure action.

**IMPROVEMENT PLAN (MSB 3.28.050B)**

The improvement is the installation of approximately 4,220 linear feet of natural gas distribution lines by ENSTAR to serve and benefit 28 properties within the Portion of West Greensward Dr Natural Gas Local Improvement District as described in Ordinance Serial No. 15-034. The current ENSTAR tariff sets the cost of gas lines at \$22.56 per foot for a cost of \$95,203.00, and Road Bore of \$2,860.00 for a total cost of \$98,063.00.

The improvement funding will be obtained by selling a special assessment bond to a bank. Only the proceeds of the special assessments and interest will be pledged as security for payment. The special assessments may be paid by the property owners in semi-annual installments over a ten-year period.

ENSTAR will engineer, own, install, and maintain the line under an agreement with the borough.

The estimated total cost is \$110,627.00. The estimated cost elements are installation costs of \$98,063.00, delinquency reserve of \$5,550.00, and administrative costs of \$7,014.00.

The estimated total cost is to be equally assessed against the properties within the improvement district, including those properties not meeting to MSB 3.28.080(B) criteria.

The estimated special assessment against the 28 lot is \$3,950.96 per lot.



IM No. 15-063  
 Ordinance Serial No. 15-034

Non-Code Ordinance

By: Borough Manager  
Introduced:  
Public Hearing:  
Action:

**MATANUSKA-SUSITNA BOROUGH  
ORDINANCE SERIAL NO. 15-034**

AN ORDINANCE OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY CREATING PORTION OF WEST GREENSWARD DR NATURAL GAS LOCAL IMPROVEMENT DISTRICT NO. 549, APPROVING THE IMPROVEMENT PLAN FOR THE DISTRICT, AUTHORIZING THE MANAGER TO PROCEED WITH THE IMPROVEMENT, AND ASSESSING EQUALLY AMONG THE PROPERTIES WITHIN THE DISTRICT THE COSTS OF THE IMPROVEMENT.

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WHEREAS, a petition has been filed by the owners of at least one-half in value of the property within Portion of West Greensward Dr Natural Gas Local Improvement District for the installation of natural gas distribution lines; and

WHEREAS, the borough clerk has certified the petition; and

WHEREAS, the manager's administrative report, including the improvement plan is incorporated in IM No. 15-063; and

WHEREAS, notice of the public hearing was published for two consecutive weeks in a newspaper of general circulation distributed within the borough; and

WHEREAS, notice was mailed CERTIFIED RETURN RECEIPT REQUESTED to each record owner of property within the local improvement district; and

WHEREAS, a public hearing on the creation of the local improvement district and the improvement plan has been held; and

WHEREAS, ballots approving or disapproving the local improvement district were permitted to be filed in writing for 30 calendar days after mailing of notice of the public hearing; and

WHEREAS, ballots marked "yes" from owners of property bearing more than one-half of the estimated cost of the improvements were received; and

WHEREAS, the proposed improvement is not a power exercised through a service area and there is not a board of supervisors.

BE IT ENACTED:

Section 1. This is a non-code ordinance.

Section 2. The Portion of West Greensward Dr Natural Gas Local Improvement Plan will increase safety, improve health, increase property values, is necessary, is in the public interest and the improvement should be made.

Section 3. The petition has sufficient and proper petitioners.

Section 4. Ballots approving the local improvement district were filed timely by the record owners of property within the natural gas local improvement district bearing more than one-half of the estimated cost of the improvement and the Assembly can proceed with the improvement.

Section 5. Notwithstanding MSB 3.28.080(B) there are four

properties that do not conform that will be assessed for the improvement.

Section 6. There is hereby created the Portion of West Greensward Dr Natural Gas Local Improvement District No. 549 as described in the attached legal description marked Exhibit A.

Section 7. The manager is hereby authorized to proceed with the improvement, negotiate for sale of a special assessment bond or similar loan for assembly approval, and such other necessary and proper work as appropriate to accomplish the purpose of the improvement plan upon financing approval by the assembly.

Section 8. Upon completion of the work the total cost of the improvement shall be assessed equally against each property within the natural gas local improvement district. The finance director shall prepare a special assessment roll assessing to each property within the natural gas local improvement district an amount equal to the actual total improvement cost divided by the number of properties within the local improvement district. The proposed special assessment roll shall be prepared and presented in accordance with the provisions of the Matanuska-Susitna Borough Code in effect at the time the special assessment roll is prepared.

Section 9. The special assessments against the properties

described in Section 6 above are liens upon the property and are prior and paramount to all liens except municipal tax liens and may be enforced as provided for the enforcement of real property tax liens.

Section 10. Special assessments may be paid in 20 semi-annual installments with due dates established by the assembly upon approval of the natural gas local improvement district special assessment roll, provided, the assembly may authorize payment terms greater than or less than a ten-year period of time. If no time for payment is established, semi-annual installments are due and payable when property taxes are due and payable. Special assessment installments not paid when due shall have a penalty added equal to the penalty for delinquent second-half real property taxes in effect at the time of the special assessment installment delinquency. Upon full payment of the special assessment, the manager shall issue a release of the lien to the record owner of the property.

Section 11. Notwithstanding the approval of the natural gas local improvement district based upon the financing of the cost through the sale of a special assessment bond or loan, if the assembly determines that the sale of a special assessment bond or loan is not feasible or is not available, the assembly may provide

for other means of financing the project cost at its sole discretion.

Section 12. Ordinance Serial Number 15-034 shall take effect upon adoption by the Matanuska-Susitna Borough Assembly.

ADOPTED by the Matanuska-Susitna Borough Assembly this - day of -, 2015.

\_\_\_\_\_  
LARRY DEVILBISS, Borough Mayor

ATTEST:

\_\_\_\_\_  
LONNIE R. McKECHNIE, CMC, Borough Clerk

(SEAL)

LEGAL DESCRIPTION FOR  
Portion of West Greensward Dr #549

**2042**

Lots Two (2) through Six (6), Block Two (2), Lots Three (3) through Eleven (11), Block Three (3), Lots One (1) and Two (2), Block Four (4), Lots One (1) through Three (3), Block Six (6), Lots One (1) through Nine (9), Block Nine (9), GREENSWARD ASLS 79-154, according to Plat #80-102.

THE ABOVE ARE RECORDED IN THE PALMER RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA.

**SUBJECT:** Administrative report relating to the creation of and improvements to Portion of Stepan Lake Noncontiguous Natural Gas Local Improvement District No. 554; and consideration of said creation.

**AGENDA OF:** March 17, 2015

**ASSEMBLY ACTION:**

**MANAGER RECOMMENDATION:** Introduce and set for public hearing on April 21, 2015.

**APPROVED BY JOHN M. MOOSEY, BOROUGH MANAGER:** *[Signature]*

Route To:	Department/Individual	Initials	Remarks
	Originator/Marcia vonEhr	<i>MVE</i>	2-25-15
1	Finance Director	<i>ju</i>	3/2/15
2	Borough Attorney (Also reviewed by Bond Counsel)	<i>[Signature]</i>	3/4/15
3	Borough Clerk	<i>jam</i>	3/9/15 <i>[Signature]</i>

**ATTACHMENT (S) :** Ordinance Serial No. 15-035 (5 pp)  
 Exhibit A (1 p)  
 Map (1 p)  
 Ballot Tally (1 p) -to be presented at Public Hearing  
 Fiscal Note: Yes \_\_\_\_\_ No X

**SUMMARY STATEMENT:**

A petition has been filed by the record owners of 100 percent in value of the property and signatures of 100 percent of property owners within the proposed Portion of Stepan Lake Noncontiguous Natural Gas Local Improvement District. The petition has been certified by the borough clerk. The proposed Portion of Stepan Lake Noncontiguous Natural Gas Local Improvement District is located in Assembly District #5.

As addressed in Section 8 of the manager's administrative report, (listed below) there are 0 properties that do not conform to MSB 3.28.080(B).

**MANAGER'S ADMINISTRATIVE REPORT**

(MSB 3.28.040)

1. Description of properties to be benefited by the improvement:  
SEE ORDINANCE SERIAL NO. 15-035

2. Evaluation of need and benefit of improvement and proposed allocation of special assessments:

The installation of natural gas distribution lines makes available to the property owners within the **Noncontiguous** natural gas improvement district a clean energy source that is substantially lower in cost than any other source available. Properties, including vacant properties, served by natural gas have a tendency to sell more rapidly when placed on the market than similar properties in areas not served by natural gas. It is believed that the benefits will accrue about equally to each property in the improvement district. Therefore, it is proposed that the entire cost of the improvement to be allocated equally to each property within the district, without regard to the front footage, the size of the property, the value of the property or other measures.

3. Estimated total cost of improvement:

The estimated cost of the installation by ENSTAR is \$61,786.00 if done during the 2015 construction season. It is estimated that administrative costs will amount to approximately \$2,410.00 and the delinquency reserve will be \$3,400.00. The estimated total cost of the improvement as of this date is \$67,596.00. It is recommended that the project be financed by a special assessment bond or bank loan, which will be reimbursed from the special assessments on the properties to be benefited. It is anticipated that interest on the loan will be recovered through the interest that will be paid on special assessment installments.

4. Current mill rate: The Fiscal Year 2015 mill rate for the improvement district is 14.532 mills consisting of 9.662 mills (areawide) plus .52 mills (non-areawide) plus 1.78 mills (FSA# 136) plus 2.57 mills (RSA#21).

Taxable Property Values:	Real Property:	<u>\$832,600.00</u>
	Personal Property:	<u>0</u>
	Total:	<u>\$832,600.00</u>

5. Ownership of distribution lines: Enstar Natural Gas Co. is a division of Semco Energy Inc. It will own and be wholly responsible for the service and maintenance of the natural gas lines.

6. Profile of proposed properties in local improvement district:

	Total Number of Lots:	<u>3</u>
Ownership type of properties:	Private:	<u>3</u>
	Bank:	<u>0</u>
	Public:	<u>0</u>
	MSB:	<u>0</u>
"Tax" status of properties:	Number Current:	<u>3</u>
	Number Delinquent:	<u>0</u>
	Number in Foreclosure:	<u>0</u>
	Number in Bankruptcy:	<u>0</u>
	Population Estimate:	<u>7</u>
	Estimated Area (Acres):	<u>2.34</u>

\* This estimate is based on information collected during the 2010 census and current assessment records.

7. Other special assessments effecting this local improvement district: NONE.

8. Properties not conforming to MSB 3.28.080(B) "...An assessment may not exceed 25 percent of the assessed value for real property taxation of the property assessed": 0

9. Method of collecting assessments: Semi-annual due dates will be established, with billings sent to each property owner 30-45 days before each due date. Delinquent accounts will be acted upon in the same manner as delinquent tax accounts, including annual foreclosure action.

**IMPROVEMENT PLAN (MSB 3.28.050B)**

The improvement is the installation of approximately 2,690 linear feet of natural gas distribution lines by ENSTAR to serve and benefit 3 properties within the Portion of Stepan Lake **Noncontiguous** Natural Gas Local Improvement District as described in Ordinance Serial No. 15-035. The current ENSTAR tariff sets the cost of gas lines at \$22.56 per foot for a cost of \$60,686.00 and Additional Winter Trench Cost of \$1,100.00 for a total cost of \$61,786.00.

The improvement funding will be obtained by selling a special assessment bond to a bank. Only the proceeds of the special assessments and interest will be pledged as security for payment. The special assessments may be paid by the property owners in semi-annual installments over a ten-year period.

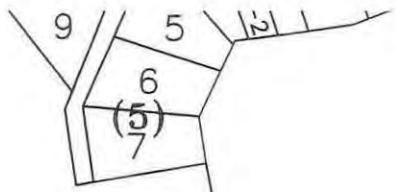
ENSTAR will engineer, own, install, and maintain the line under an agreement with the borough.

The estimated total cost is \$67,596.00. The estimated cost elements are installation costs of \$61,786.00, delinquency reserve of \$3,400.00, and administrative costs of \$2,410.00.

The estimated total cost is to be equally assessed against the properties within the improvement district, including those properties not meeting to MSB 3.28.080(B) criteria.

The estimated special assessment against the 3 lots is \$22,532.00 per lot.

IM No. 15-064  
Ordinance Serial No. 15-035



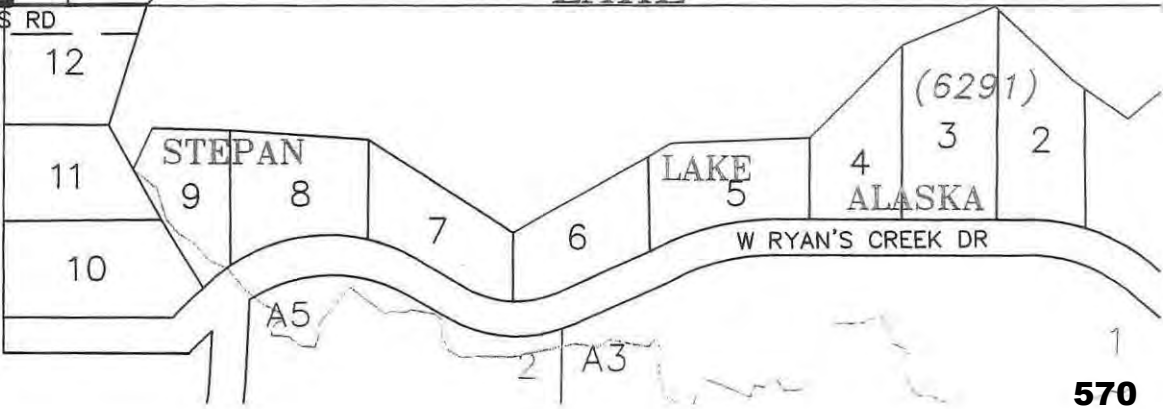
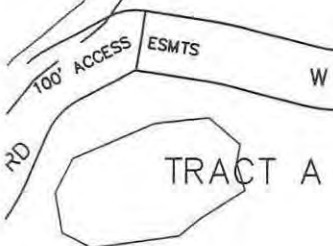
STEPAN

(5974)

HAVER CAMP  
TRACT A  
(880)



LAKE



Non-Code Ordinance  
Manager

By: Borough

Introduced:  
Public Hearing:  
Action:

**MATANUSKA-SUSITNA BOROUGH  
ORDINANCE SERIAL NO. 15-035**

AN ORDINANCE OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY CREATING PORTION OF STEPAN LAKE Non-contiguous NATURAL GAS LOCAL IMPROVEMENT DISTRICT NO. 554, APPROVING THE IMPROVEMENT PLAN FOR THE DISTRICT, AUTHORIZING THE MANAGER TO PROCEED WITH THE IMPROVEMENT, AND ASSESSING EQUALLY AMONG THE PROPERTIES WITHIN THE DISTRICT THE COSTS OF THE IMPROVEMENT.

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WHEREAS, a petition has been filed by the owners of at least one-half in value of the property within Portion of Stepan Lake Non-contiguous Natural Gas Local Improvement District for the installation of natural gas distribution lines; and

WHEREAS, the borough clerk has certified the petition; and

WHEREAS, the manager's administrative report, including the improvement plan is incorporated in IM No. 15-064; and

WHEREAS, notice of the public hearing was published for two consecutive weeks in a newspaper of general circulation distributed within the borough; and

WHEREAS, notice was mailed CERTIFIED RETURN RECEIPT REQUESTED to each record owner of property within the local improvement district; and

WHEREAS, a public hearing on the creation of the local

improvement district and the improvement plan has been held; and

WHEREAS, ballots approving or disapproving the local improvement district were permitted to be filed in writing for 30 calendar days after mailing of notice of the public hearing; and

WHEREAS, ballots marked "yes" from owners of property bearing more than one-half of the estimated cost of the improvements were received; and

WHEREAS, the proposed improvement is not a power exercised through a service area and there is not a board of supervisors.

BE IT ENACTED:

Section 1. This is a non-code ordinance.

Section 2. The Portion of Stepan Lake **Non-contiguous** Natural Gas Local Improvement Plan will increase safety, improve health, increase property values, is necessary, is in the public interest and the improvement should be made.

Section 3. The petition has sufficient and proper petitioners.

Section 4. Ballots approving the local improvement district were filed timely by the record owners of property within the **Non-contiguous** natural gas local improvement district bearing more than one-half of the estimated cost of the improvement and the Assembly can proceed with the improvement.

Section 5. Notwithstanding MSB 3.28.080(B) there are zero properties that do not conform that will be assessed for the improvement.

Section 6. There is hereby created the Portion of Stepan Lake **Non-contiguous** Natural Gas Local Improvement District No. 554 as described in the attached legal description marked Exhibit A.

Section 7. The manager is hereby authorized to proceed with the improvement, negotiate for sale of a special assessment bond or similar loan for assembly approval, and such other necessary and proper work as appropriate to accomplish the purpose of the improvement plan upon financing approval by the assembly.

Section 8. Upon completion of the work the total cost of the improvement shall be assessed equally against each property within the **Non-contiguous** natural gas local improvement district. The finance director shall prepare a special assessment roll assessing to each property within the **Non-contiguous** natural gas local improvement district an amount equal to the actual total improvement cost divided by the number of properties within the **Non-contiguous** local improvement district. The proposed special assessment roll shall be prepared and presented in accordance with the provisions of the Matanuska-Susitna Borough Code in effect at the time the special assessment roll is prepared.

Section 9. The special assessments against the properties described in Section 6 above are liens upon the property and are prior and paramount to all liens except municipal tax liens and may be enforced as provided for the enforcement of real property tax liens.

Section 10. Special assessments may be paid in 20 semi-annual installments with due dates established by the assembly upon approval of the Non-contiguous natural gas local improvement district special assessment roll, provided, the assembly may authorize payment terms greater than or less than a ten-year period of time. If no time for payment is established, semi-annual installments are due and payable when property taxes are due and payable. Special assessment installments not paid when due shall have a penalty added equal to the penalty for delinquent second-half real property taxes in effect at the time of the special assessment installment delinquency. Upon full payment of the special assessment, the manager shall issue a release of the lien to the record owner of the property.

Section 11. Notwithstanding the approval of the Non-contiguous natural gas local improvement district based upon the financing of the cost through the sale of a special assessment bond or loan, if the assembly determines that the sale of a

special assessment bond or loan is not feasible or is not available, the assembly may provide for other means of financing the project cost at its sole discretion.

Section 12. Ordinance Serial Number 15-035 shall take effect upon adoption by the Matanuska-Susitna Borough Assembly.

ADOPTED by the Matanuska-Susitna Borough Assembly this - day of -, 2015.

LARRY DEVILBISS, Borough Mayor

ATTEST:

LONNIE R. McKECHNIE, CMC, Borough Clerk

(SEAL)

LEGAL DESCRIPTION FOR  
Portion of Stepan Lake #554

**4096**

Lot Fifteen A (15A), Block Seven (7), TEXAS RSB B/7 L/15 & 16,  
according to Plat #93-21; and

**5283**

Lot Twenty-one A (21A), Block Seven (7), TEXAS RSB B/7 L/21-  
24, according to Plat #2002-126; and

**5961**

Lot Seventeen A (17A), Block Seven (7), TEXAS RSB B/7 L/16A &  
17, according to Plat #2006-194.

THE ABOVE ARE RECORDED IN THE PALMER RECORDING DISTRICT, THIRD  
JUDICIAL DISTRICT, STATE OF ALASKA.

**BOARD AND COMMISSION VACANCY REPORT    March 17, 2015**

N = New Application    R = Reappointment    \*\*\*Vacant since 12/31/2012    \*\*Vacant since 12/31/2013    \*Vacant since 12/31/2014

Board - Applicant	Applicants Under Consideration by Mayor	Mayor's Appointments for Confirmation by the Assembly
<b>Animal Care &amp; Regulation Board</b> <i>5 members/1 alt. - 1 vacancy</i> Animal Interest		
<b>Board of Adjustment and Appeals</b> <i>5 members/3 alt. - 3 vacancies - (3) 3 year terms</i> ***Alternate 1 ***Alternate 2 ***Member 4		
<b>Board of Equalization</b> <i>15 members - 8 vacancies - (3) 3 year terms</i> **Member 4 *Member 6 **Member 7 *Member 8 ..... Member 9 ..... Member 12 **Member 13 **Member 14	DeKay Bayliffe - N Traci Barickman - N	
<b>Board of Ethics</b> <i>5 members - 11 vacancies</i> *Member 2 *Member 5 **Member 7 **Member 8 **Member 9 ***Member 10 **Member 11 *Member 12 ***Member 13 **Member 14 **Member 15		
<b>Borough Area Schools Site Selection Committee</b> <i>7 or 8 members/3 alt. - 4 vacancies</i> Assembly Alternate Assembly Representative 2 *Community At-Large Planning Commission Rep 2		

Board - Applicant	Applicants Under Consideration by Mayor	Mayor's Appointments for Confirmation by the Assembly
<b>Commission on Salaries and Emoluments</b> <i>5 members – 5 vacancies</i> ***Member 1 (Business Executive) ***Member 2 (General Public) ***Member 3 (Experience in Public Admin) ***Member 4 (Labor Organization) ***Member 5 (Any 1-4 Qualification)		
<b>Emergency Medical Services Board</b> <i>13 members/8 alt. – 8 vacancies</i> *Dive Rescue ***Palmer Ambulance Alternate Sutton Ambulance Alternate **Talkeetna Ambulance Alternate **Trapper Creek Ambulance Alternate *West Lakes Ambulance *West Lakes Ambulance Alternate *Willow Ambulance		
<b>Enhanced 911 Advisory Board</b> <i>5 members/5 alt. – 1 vacancy</i> **City of Houston Alternate City of Palmer Alternate .....	.....	Rebecca Frey - N
<b>Health and Social Services Board</b> <i>15 members - 5 vacancies</i> Member 4-At-Large 3 Member 5-At-Large 4 Member 8-At-Large 5 *Member 11-Senior Center Board, Dist 1, 5 7 *Member 12-Senior Center Board, Dist 2, 3, 4, 6		
<b>Historical Preservation Commission</b> <i>9 members - 1 vacancies</i> Member 3		
<b>Jt. Assembly/School Board Committee on School Issues</b> <i>6 members – 2 vacancies</i> Assembly Member 2 School Board Member 1		
<b>Labor Relations Board</b> <i>5 members - 2 vacancies</i> Member 2 Member 4		



Board - Applicant	Applicants Under Consideration by Mayor	Mayor's Appointments for Confirmation by the Assembly
<b>Marijuana Advisory Committee continued</b> > Jacque Brittain > Tyrel Henkel > Robin Jeffery > Michael Hemmer > Jamie Sadler > Sally Johnson > Lily Harig > Crystal Sunderland > Thomas Rainey Member 12 - Citizen 2 Outside City Limits ..... Member 13 - Citizen 3 Outside City Limits ..... Member 14 - City Government of Houston ..... Member 15 - City Government of Palmer ..... Member 16 - City Government of Wasilla ..... Member 17 - MSB Department Director		Ronda Marcy - N Brandon Montano - N Rebecca Rein - N DeLena Johnson - N Lyn Carden - N
<b>Office of Administrative Hearings</b> <i>5 members – 3 vacancies (2 year terms)</i> ***Seat A ***Seat C ***Seat E		
<b>Parks, Recreation, and Trails Advisory Board</b> <i>11 members – 2 vacancies</i> *District 4 *District 5		
<b>Platting Board</b> <i>7 members/2 alt. – 2 vacancies</i> District 4 District 7		
<b>Butte FSA # 2</b> <i>3 members – 3 vacancies</i> ***Member 1 ***Member 2 ***Member 3		
<b>Sutton FSA # 4</b> <i>3 members – 3 vacancies</i> ***Member 1 ***Member 2 ***Member 3		

Board - Applicant	Applicants Under Consideration by Mayor	Mayor's Appointments for Confirmation by the Assembly
<b>Talkeetna FSA # 24</b> <i>3 members – 3 vacancies</i> **Member 1 **Member 2 *Member 3		
<b>Bogard RSA # 25</b> <i>3 members – 1 vacancy</i> Member 3		
<b>Gold Trail RSA # 28</b> <i>3 members – 1 vacancy</i> Member 3		
<b>Lazy Mountain RSA # 19</b> <i>3 members – 1 vacancy</i> *Member 1		
<b>Midway RSA # 9</b> <i>3 members – 1 vacancy</i> *Member 3		
<b>North Colony RSA # 23</b> <i>3 members – 2 vacancies</i> ***Member 1 ***Member 2		
<b>Trapper Creek RSA # 30</b> <i>3 members – 1 vacancy</i> Member 3		
<b>Talkeetna Flood Control Service Area # 7</b> <i>3 members – 3 vacancies</i> ***Member 1 ***Member 2 ***Member 3		
<b>Talkeetna Sewer &amp; Water Service Area # 36</b> <i>5 members – 3 vacancies</i> Member 1 Member 2 *Member 4		

MATANUSKA-SUSITNA BOROUGH - CLERK'S OFFICE  
350 E. Dahlia Avenue Palmer, AK 99645  
Phone: 861-8683 Fax: 861-7845

DATE RECEIVED: **RECEIVED**  
**FEB 27 2015**  
**CLERKS OFFICE**

**BOARD, COMMISSION, AND COMMITTEE APPLICATION FORM**

**INSTRUCTIONS**

**Complete and sign the application.** Do not leave any blank fields. Type or print legibly in ink. Specify exactly what board and position you are seeking. Completed applications may be emailed to [debra.wetherhorn@matsugov.us](mailto:debra.wetherhorn@matsugov.us) or delivered or mailed to the Borough Clerk's Office, 350 E. Dahlia Avenue, Palmer, or faxed to 861-7845. If you have questions, please call 861-8683.

Board and position for which I am applying: BOARD OF EQUALIZATION  
(For example, Board of Equalization, Member 3)

Applicant Name: DEKAY BAYLIEFF

Residence Address: 2030 E. BRADLEY CIRCLE, WASILLA, AK 99654

Mailing Address: SAME

Home phone: 907-376-6264 Work phone: 907-373-8258 Email: bayliffe@hotmail.com

Name and Address of Employer: BAYLIEFF APPRAISAL SERVICES

Can you regularly attend meetings? Yes  No  (Pursuant to (MSB 4.05.030, "A vacancy occurs on the board when the member is absent from three (3) consecutive regular board meetings without the board excusing the absence for good cause.")

Do you or any family member have a personal or financial interest with the Borough? Yes  No

If yes, list positions and or interest: \_\_\_\_\_  
(For example: employee, emergency responder, RSA or FSA area supervisor, board member, contractor etc.)

How long have you lived in the Borough? 1980-1987 (7yrs) 2003-PRESENT (11yrs)

Briefly explain, why you are you interested in serving on the board in which you are applying? TO BECOME A PART OF THE COMMUNITY/BOROUGH IN AN AREA I HAVE KNOWLEDGE OF.

List professional or personal experiences that qualify you for membership on the board? You may attach a brief resume to highlight your qualifications: CERTIFIED REAL ESTATE APPRAISER IN AK AND OR. PRIDE OWNER OF R.E APPRAISAL SCHOOLS. APPRAISER SUPERVISOR. OWNER OF APPRAISAL COMPANY.

List three professional or personal references: Name: CHARITY MASSIE Phone: 357-7468  
Name: ROB TRACY Phone: 376-5943  
Name: CLINTON MEZIN Phone: 376-8270

Applicant Signature: DeKay Bayliffe **(N)** Date: 2/26/15

Office Use Only: Precinct: 12-200 Assembly District: 3 Service Area: NA  
Position on Board: BOE member B Term Ends: 12/31/2016  
Residence Checked:  Yes Map Checked:  Yes Code Checked: 1<sup>st</sup>  2<sup>nd</sup>  (D)

Applicant Name: DEKAY BAYLIFFE

---

1. Do you have any civil judgment against you within the last 10 years, whether monetary, non-monetary, declarative, injunctive, or any other form or manner?  NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

---

2. Do you have any judgments against you in a criminal case within the last 10 years, whether upon finding of guilt, plea of no contest, suspended, or any form of judgment other than dismissal or not guilty?  NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

---

MATANUSKA-SUSITNA BOROUGH - CLERK'S OFFICE  
350 E. Dahlia Avenue Palmer, AK 99645  
Phone: 861-8683 Fax: 861-7845

DATE RECEIVED: **RECEIVED**  
**FEB 27 2015**  
**CLERKS OFFICE**

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**Board and position for which I am applying:** Board of Equalization  
*(For example, Board of Equalization, Member 3)*

Applicant Name: Traci J. Barickman

Residence Address: 18260 E. Wishbone Pl., Sutton Ak 99674

Mailing Address: 18260 E. Wishbone Pl., Sutton Ak 99674

Home phone: 745-3375 Work phone: 315-0324 Email: tjb@mtaonline.net

Name and Address of Employer: Century 21 Realty Solutions

Can you regularly attend meetings? Yes  No  *(Pursuant to (MSB 4.05.030, "A vacancy occurs on the board when the member is absent from three (3) consecutive regular board meetings without the board excusing the absence for good cause.")*

Do you or any family member have a personal or financial interest with the Borough? Yes  No

If yes, list positions and or interest: My husband is an employee in O&M  
*(For example: employee, emergency responder, RSA or FSA area supervisor, board member, contractor etc.)*

How long have you lived in the Borough? 42 years

Briefly explain, why you are you interested in serving on the board in which you are applying? I wish to participate in my community. I have years of previous experience serving on this board & will bring value to this process.

List professional or personal experiences that qualify you for membership on the board? You may **attach a brief resume** to highlight your qualifications: As a real estate professional in the MSB for over 22 years, I have extensive knowledge in this market, including 15+ years as a broker, 12+ years as a trainer. In addition, I am a subject matter expert for Pearson Vue, both state and national, and have been appointed to the real estate commission.

List three **professional or personal** references: Name: Lloyd Smith, MSB Phone: 861-8649  
Name: Krystal Rogers, Local Business Phone: 355-8455  
Name: Harley Tessier, Ret. USN Phone: 745-4012

DocuSigned by: Traci J. Barickman  
Applicant Signature:  Date: 2/26/2015

Office Use Only: Precinct: 09-645 Assembly District: 1 Service Area: NA  
Position on Board: BOE member 9 Term Ends: 12/31/2017  
Residence Checked:  Yes Map Checked:  Yes Code Checked: 1<sup>st</sup>  2<sup>nd</sup>  JN

Applicant Name: Traci J. Barickman

---

1. Do you have any civil judgment against you within the last 10 years, whether monetary, non-monetary, declarative, injunctive, or any other form or manner?     NO     YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

---

2. Do you have any judgments against you in a criminal case within the last 10 years, whether upon finding of guilt, plea of no contest, suspended, or any form of judgment other than dismissal or not guilty?  
 NO     YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

---

Traci J. Barickman, ABR, CRB, CRS, GRI, ePRO  
Broker and Trainer



*I believe the key to a successful real estate career is honesty, involvement, and education. My mission is to provide education to real estate practitioners that will give them the tools needed to be successful in their careers while protecting their clients and customers. Born on Guam into a naval family, I have traveled throughout the world and experienced military life as a child and as the mother of a deployed soldier. My husband and I have been blessed with two successful sons and seven grandchildren.*

*I enjoy life in Alaska with my family and dogs, I am a published author of a children's book, licensed pilot, owner of Alaska Real Estate Education, real estate license for over 21 years and a successful broker 14 of those years.*

*I have extensive education specifically in the real estate field and have earned the following designations: Accredited Buyer Representative; Council of Residential Brokerage Managers; Certified Residential Specialist; Graduate REALTOR Institute; ePRO.*

**Business Management** - Proficient in business management and education related to all aspects of real estate. Licensed real estate broker and state certified instructor. I have served as President for the local board of REALTORS®, served positions on the State Board, experienced in committee participation including positions as chairperson for numerous different organizations. I have served several years as chairperson for the Mat-Su Borough Board of Equalization. I have a good understanding of Robert's Rules of Order.

**Educator; Adult Professional Development** - As a real estate trainer I travel throughout the state instructing on many advanced real estate topics, including ethics, risk management, contract law, real estate law & prohibited conduct, business development, personal and client safety, real estate investments, technology and communication, and negotiating skills. I have developed over 135 hours of state-certified courses related to all aspects of business in the real estate industry.

**Course Developer** - I develop courses that are required education for real estate brokers and salespersons to maintain their occupational licenses. I have developed pre-license & post-license education and broker training education courses that comply with the State of Alaska Real Estate Commission requirements. I also develop & teach courses for all 3 of the GRI modules. All courses are accredited by the Alaska Real Estate Commission & are approved for numerous types of delivery, including classroom, correspondence, and internet.

**Education Advisor** - Subject Matter Expert (SME) for Pearson Vue: State & National - I assist in the review of Alaska's state real estate license exam. Accuracy and relevance of each question is reviewed biennially and amended as needed. I assist in the process of creating and testing new questions. In addition to state participation, I participate in the national content of the real estate exam as an SME on the national level.

**Mergers and Acquisitions** - For RE/MAX I was instrumental in acquiring the Valley office of Northern Trust Real Estate in 2009 and successfully integrated staff and associates into our existing culture. We merged with the largest independent Valley office, Dynamic Properties, in 2011 to create the largest Valley real estate office and capture the majority of market share. In 2014 I accepted a position as the regional broker for all Century 21 Realty Solutions offices in Southcentral Alaska.

**Computer and Technology** - Proficient in Microsoft Office applications, including Excel and Power-point. Able to create and manipulate spreadsheets and write basic functions and develop effective presentations. Proficient in all industry related programs; familiar with many business software programs including cloud storage. Able to learn new business programs quickly and efficiently. Capable and comfortable working independently or with a team.

[www.AlaskaRealEstateEducation.com](http://www.AlaskaRealEstateEducation.com)

**Strengths** - *Risk Management* –adept at anticipating and avoiding legal complications, and resolving issues and threats, typically through mediation efforts. *Skillful researcher* – able to research and analyze data whether using public records or organization tools. *Strong leadership skills* – ability to work within a group or team and encourage production by keeping group on task, and as a team leader, delegating tasks and encouraging team members to effectively maximize production. Experienced and comfortable speaking to large groups and audiences.

**Mentor** - As a state certified instructor and knowledgeable broker, I mentor numerous other associates, specifically brokers, throughout the state of Alaska. I confer with these brokers via Skype, phone, or email as needed. I have developed a website for my education business that offers student resources and is available to all licensees.

**Appointments** – 2015 I have been appointed by Governor Walker to serve a 4 year term on the State of Alaska Real Estate Commission. I am currently the chair person for the Commission’s Education Committee.

DATE RECEIVED  
**RECEIVED**  
FEB 11 2015  
**CLERKS OFFICE**

**BOARD, COMMISSION, AND COMMITTEE APPLICATION FORM**

**INSTRUCTIONS**

**Complete and sign the application. Do not leave any blank fields.** Type or print legibly in ink. Specify exactly what board and position you are seeking. Completed applications may be emailed to **debra.wetherhorn@matsugov.us** or delivered or mailed to the Borough Clerk's Office, 350 E. Dahlia Avenue, Palmer, or faxed to 861-7845. If you have questions, please call 861-8683.

Board and position for which I am applying: E-911 Advisory Board  
*(For example, Board of Equalization, Member 3)*

Applicant Name: Rebecca Frey

Residence Address: 3331 N. Aoki Dr, Ste A Wasilla, AK 99654

Mailing Address: 3331 N. Aoki Dr, STE A Wasilla, AK 99654

Home phone: 907-232-9480 Work phone: 907-745-4811 Email: rfrey@palmerpolice.com

Name and Address of Employer: City of Palmer, Police Dept. 423 S. Valley Way  
Palmer, AK 99645

Can you regularly attend meetings? Yes  No  *(Pursuant to (MSB 4.05.030, "A vacancy occurs on the board when the member is absent from three (3) consecutive regular board meetings without the board excusing the absence for good cause.")*

Do you or any family member have a personal or financial interest with the Borough? Yes  No

If yes, list positions and or interest: N/A  
*(For example: employee, emergency responder, RSA or FSA area supervisor, board member, contractor etc.)*

How long have you lived in the Borough? 30yrs

Briefly explain, why you are you interested in serving on the board in which you are applying? Service on  
the board is directly related to my career and current job position

List professional or personal experiences that qualify you for membership on the board? You may **attach a brief resume** to highlight your qualifications: \_\_\_\_\_

List three professional or personal references: Name: Thomas Remaley Phone: 745-4811  
Name: Carl Hereford Phone: 982-5558  
Name: Donna Anthony Phone: 775-4162

Applicant Signature: [Signature] Date: 2/10/15

Office Use Only: Precinct: 10-055 Assembly District: k Service Area: FSA - Central mt SU  
RSA - BOARD  
Position on Board: E911 City of Palmer Alternate Term Ends: 12/31/2016  
Residence Checked:  Yes Map Checked:  Yes Code Checked: 1<sup>st</sup>  2<sup>nd</sup>  (N)

Applicant Name: Rebecca Frey

---

Do you have any civil judgment against you within the last 10 years, whether monetary, non-monetary, declarative, injunctive, or any other form or manner?     NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

---

Do you have any judgments against you in a criminal case within the last 10 years, whether upon finding of guilt, plea of no contest, suspended, or any form of judgment other than dismissal or not guilty?

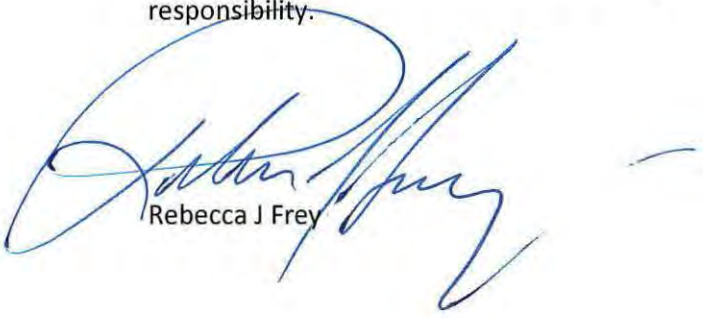
NO     YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

---

3AN-10-01006SC

Small claims action for non-payment of a flooring bill that was overlooked during the process of building our home. The judgment was ordered in May of 2010; I entered into a payment agreement through wage garnishment and then made one lump sum payment in June of 2012 meeting the financial responsibility.



Rebecca J Frey

## REBECCA J FREY

---

3331 N Aoki Dr, Ste A · Wasilla, Alaska 99654 · (907) 232-9480 · rfrey@palmerpolice.com

### EMPLOYMENT

DISPATCHER II JUNE 2003-PRESENT  
*City of Palmer, Palmer Police Department* *Palmer, Alaska*  
Receive routine and emergency calls for service in a primary public safety answering point. Determine appropriate emergency service providers and dispatch via radio Police, Fire, and EMS agencies. Provide pre-arrival instructions consistent with emergency medical dispatch practices. Generate copies of tapes for evidence and training purposes upon request. Perform quality assurance reviews, created and maintained standard operating procedures of quality assurance program. As a Communications training Officer conduct on the job training and perform daily performance evaluations. As a Terminal Security Officer provide support to staff in reference to APSIN functions, and maintain APSIN security files, and conduct routine APSIN audits for accuracy. Currently provide these functions on an on-call basis.

OFFICE MANAGER APRIL 2012 - PRESENT  
*Gibson Roofing Inc.* *Wasilla, Alaska*  
Provide general office support for the construction company. Answer phones, schedule job orders, Conduct routine clerical duties: filing, faxing, report writing. Schedule work load for various crews. Complete billing and maintain accounts receivable. Assist in completing payroll when requested. Provide employee support/human relations.

MEMBER SUPPORT DESK SPECIALIST AUGUST 2014-PRESENT  
*The Alaska Club* *Wasilla, Alaska*  
Welcome guests as they enter the club. Oversee Member Support Team and operations. Provide answers to inquiries from club members. Schedule member appointments. Maintain cash drawer and sales. Assist in food and beverage orders and stocking. Act as point of contact between Member Support Team and upper management. Assist in hiring process for new hires. Responsible for scheduling staff to provide appropriate coverage for club hours.

### EDUCATION

*University of Alaska, Anchorage* MAY 2003  
Bachelors of Arts Psychology, minor Criminal Justice *Anchorage, AK*

*University of Alaska, Anchorage* December 1998  
Associates Applied Science Human Services

*WASILLA HIGH SCHOOL* MAY 1995  
High School Diploma *Wasilla, Alaska*

#### Skills and Professional training

- Proficient in Word, WordPerfect, Outlook and Excel
- Typing speed of 58 WPM with 98% accuracy
- CPR Certification obtained, valid through October 2015
- Advanced Emergency Medical Dispatch Certification obtained May 2004
- Communications Training Officer certification obtained 2004

All Certifications are current to present date.



BOARD, COMMISSION, AND COMMITTEE APPLICATION FORM

INSTRUCTIONS

Complete and sign the application. Do not leave any blank fields. Type or print legibly in ink. Specify exactly what board and position you are seeking. Completed applications may be emailed to **debra.wetherhorn@matsugov.us** or delivered or mailed to the Borough Clerk's Office, 350 E. Dahlia Avenue, Palmer, or faxed to 861-7845. If you have questions, please call 861-8683.

Board and position for which I am applying: Marijuana Advisory Board  
(For example, Board of Equalization, Member 3)

Applicant Name: Darryl Dreher  
member 1  
member 9

Residence Address: 4260 Old Glenn Hwy Palmer AK 99645

Mailing Address: P.O. Box 3713 Palmer AK 99645

Home phone: 745-1672 Work phone: 745-1672 Email: Beans@MTAOLINK.NET

Name and Address of Employer: Darryl Dreher 4260 Old Glenn Hwy

Can you regularly attend meetings? Yes  No  (Pursuant to (MSB 4.05.030, "A vacancy occurs on the board when the member is absent from three (3) consecutive regular board meetings without the board excusing the absence for good cause.")

Do you or any family member have a personal or financial interest with the Borough? Yes  No

If yes, list positions and or interest: Butte Community Council Board Member  
(For example: employee, emergency responder, RSA or PSA area supervisor, board member, contractor etc.)

How long have you lived in the Borough? 28 years

Briefly explain, why you are you interested in serving on the board in which you are applying? I believe the input I can provide will prove to be invaluable.

List professional or personal experiences that qualify you for membership on the board? You may attach a brief resume

to highlight your qualifications: President BCC over 12 years, I have been in contact with almost every Senator and Representatives for the state on various issues. I have knowledge of medical and legislative impacts. Considered by many to be one of the foremost authorities on Cannabis varieties and nuances.

List three professional or personal references: Name: Jerry Kallam Phone: 745-6208  
Name: Bob Bryson Phone: 745-70769  
Name: Don Barberich Phone: 745-0262

Honorary lifetime member FFA. I have an understanding of mj statutes, current case law concerning Ravin. I have been keeping abreast of legalities occurring →

Applicant Signature: Darryl Dreher Date: 2/2/2015

Office Use Only: Precinct: 12-220 Assembly District: 1 Service Area: PSA-BUTTE  
PSA-GR BUTTE  
Position on Board: member 1. Interested marijuana grower Term Ends: 6/30/2018  
Residence Checked:  Yes Map Checked:  Yes Code Checked: 1st  2nd

Applicant Name: Darryl Dreher

---

Do you have any civil judgment against you within the last 10 years, whether monetary, non-monetary, declarative, injunctive, or any other form or manner?  NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

---

Do you have any judgments against you in a criminal case within the last 10 years, whether upon finding of guilt, plea of no contest, suspended, or any form of judgment other than dismissal or not guilty?

NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

---

In other legalized States.

MATANUSKA-SUSITNA BOROUGH - CLERK'S OFFICE  
350 E. Dahlia Avenue Palmer, AK 99645  
Phone: 861-8683 Fax: 861-7845

DATE RECEIVED: **RECEIVED**  
**JAN 26 2015**  
**CLERKS OFFICE**

**BOARD, COMMISSION, AND COMMITTEE APPLICATION FORM**

**INSTRUCTIONS**

**Complete and sign the application.** Do not leave any blank fields. Type or print legibly in ink. Specify exactly what board and position you are seeking. Completed applications may be emailed to [debra.wetherhorn@matsugov.us](mailto:debra.wetherhorn@matsugov.us) or delivered or mailed to the Borough Clerk's Office, 350 E. Dahlia Avenue, Palmer, or faxed to 861-7845. If you have questions, please call 861-8683.

**Board and position for which I am applying:** Municipal Advisory Committee, Member 1  
*(For example, Board of Equalization, Member 3)*

**Applicant Name:** Jason Coe

**Residence Address:** 3800 N. McCormick Ln, Wasilla, AK 99654

**Mailing Address:** same as above

**Home phone:** (907) 373-7323 **Work phone:** (907) 336-0282 **Email:** ajcoe@alaska.com

**Name and Address of Employer:** self-employed - Coe's Plant Care LLC - 3800 N. McCormick Ln, Wasilla, AK 99654

**Can you regularly attend meetings?** Yes  No  *(Pursuant to (MSB 4.05.030. "A vacancy occurs on the board when the member is absent from three (3) consecutive regular board meetings without the board excusing the absence for good cause.")*

**Do you or any family member have a personal or financial interest with the Borough?** Yes  No

**If yes, list positions and or interest:** N/A  
*(For example: employee, emergency responder, RSA or FSA area supervisor, board member, contractor etc.)*

**How long have you lived in the Borough?** ten years

**Briefly explain, why you are you interested in serving on the board in which you are applying?** I'm interested in being a legal marijuana prober in the Matanuska Valley and would like to have input on creating smart, practical regulations for a healthy, successful

**List professional or personal experiences that qualify you for membership on the board? You may attach a brief resume to highlight your qualifications:** see attached resume

**List three professional or personal references:**  
Name: Stuart Bond Phone: 907-743-5507  
Name: Margaret DeGrote Phone: 907-644-2017  
Name: Melissa Emerton Phone: 907-241-5147

**Applicant Signature:** [Signature]

**Date:** 1/23/15

**(N)**

CENTRAL MAT-SU

**Office Use Only:** Precinct: 10-015 Assembly District: 6 Service Area: GOLD TRAIL  
Position on Board: \_\_\_\_\_ Term Ends: \_\_\_\_\_  
Residence Checked:  Yes Map Checked:  Yes Code Checked: 1<sup>st</sup>  2<sup>nd</sup>

Applicant Name: Jason Coe

Do you have any civil judgment against you within the last 10 years, whether monetary, non-monetary, declarative, injunctive, or any other form or manner?  NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

N/A

Do you have any judgments against you in a criminal case within the last 10 years, whether upon finding of guilt, plea of no contest, suspended, or any form of judgment other than dismissal or not guilty?

NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

N/A

Resume of Qualifications for Serving on the Marijuana Advisory Committee for the  
Matanuska-Susitna Bureau

- I have owned and operated a successful horticulture company in Alaska for approximately thirteen years. Our main areas of expertise are in commercial interior and exterior plant services and commercial greenhouse crop production.
- I have owned and operated commercial production greenhouses in the Matanuska Valley for approximately ten years. We specialize in growing high quality flowers, vegetables, and herbs.
- I currently have a medical grow license, so I have experience growing marijuana as a medicine and understand the needs of medical patients in Alaska for needing to have a practical and functional medical marijuana system.
- I also believe in smart regulation for recreational marijuana that creates a viable legal system for growing, producing, and distributing legal marijuana for personal use.
- I have young children and deeply understand the concern of keeping legal marijuana away from minors and especially the need for labeling and deterring edibles from being accessed by minors.
- I have a balanced personality and appreciate the value of each perspective in determining how to regulate marijuana responsibly and successfully.

Thanks for your consideration,

Jason Coe

RECEIVED  
DATE RECEIVED:  
FEB 03 2015  
CLERKS OFFICE

BOARD, COMMISSION, AND COMMITTEE APPLICATION FORM

INSTRUCTIONS

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Board and position for which I am applying: Marijuana advisory board  
(For example, Board of Equalization, Member 3)

Applicant Name: Jeanine Erickson INTERESTED MARIJUANA GROWER 1 MEMBER 9

Residence Address: 4260 Old Glenn Hwy. Palmer AK 99645

Mailing Address: P.O. Box 3713 Palmer AK 99645

Home phone: 745-1672 Work phone: 775-1565 Email: JERickson1@Hotmail.com

Name and Address of Employer: Odom Corporation 125W. 3rd Ave. Anch.  
TEXT ONLY

Can you regularly attend meetings? Yes  No  (Pursuant to (MSB 4.05.030, "A vacancy occurs on the board when the member is absent from three (3) consecutive regular board meetings without the board excusing the absence for good cause.")

Do you or any family member have a personal or financial interest with the Borough? Yes  No

If yes, list positions and or interest: Butte Community Council Board Member  
(For example: employee, emergency responder, RSA or FSA area supervisor, board member, contractor etc.)

How long have you lived in the Borough? 28 years

Briefly explain, why you are you interested in serving on the board in which you are applying? I believe I can provide both valuable and reasonable input.

List professional or personal experiences that qualify you for membership on the board? You may **attach a brief resume** to highlight your qualifications: I possess knowledge of both marijuana and its present legalities. I also have knowledge in horticulture working both in a nursery setting and landscape maintenance for more than 10 years.

List three professional or personal references: Name: Dottie Kallam Phone: 745-6205  
Name: Jerry Kallam Phone: 745-6205  
Name: Don Thompson Phone: 717-6761  
I am also familiar with medical marijuana break throughs concerning marijuana please see other side ->

Applicant Signature: Jeanine Erickson Date: 2/2/2015

(N)

Office Use Only: Precinct: 12-220 Assembly District: 1 Service Area: FSA-Butte RDA-62 Butte  
Position on Board: \_\_\_\_\_ Term Ends: \_\_\_\_\_  
Residence Checked:  Yes Map Checked:  Yes Code Checked: 1<sup>st</sup>  2<sup>nd</sup>

Applicant Name: Jeanine Erickson

---

Do you have any civil judgment against you within the last 10 years, whether monetary, non-monetary, declarative, injunctive, or any other form or manner?  NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

---

Do you have any judgments against you in a criminal case within the last 10 years, whether upon finding of guilt, plea of no contest, suspended, or any form of judgment other than dismissal or not guilty?  NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

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I have knowledge of current nj case law and appellate court decisions. I am an honorary life time member of FFA. I have been keeping myself <sup>abreast</sup> of the legalities occurring in other states.

MATANUSKA-SUSITNA BOROUGH - CLERK'S OFFICE  
350 E. Dahlia Avenue Palmer, AK 99645  
Phone: 861-8683 Fax: 861-7845



**BOARD, COMMISSION, AND COMMITTEE APPLICATION FORM**

**INSTRUCTIONS**

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**Board and position for which I am applying:** Marijuana Advisory Board member 1,3, 11-13  
*(For example, Board of Equalization, Member 3)*

Applicant Name: Mark Weeks

Residence Address: 2644 Holobinko rd Wasilla ak 99654

Mailing Address: Same

Home phone: 907-373-5664 Work phone: 907-982-1554 Email: markw@chazltd.com

Name and Address of Employer: Chaz limited collision 1581 East Financial Dr Wasilla Ak

Can you regularly attend meetings? Yes  No  *(Pursuant to (MSB 4.05.030, "A vacancy occurs on the board when the member is absent from three (3) consecutive regular board meetings without the board excusing the absence for good cause.")*

Do you or any family member have a personal or financial interest with the Borough? Yes  No

If yes, list positions and or interest: I would like to be on the marijuana advisory board  
*(For example: employee, emergency responder, RSA or FSA area supervisor, board member, contractor etc.)*

How long have you lived in the Borough? 21 years

Briefly explain, why you are you interested in serving on the board in which you are applying? I would like to help see or approach to governing this new industry done responsibly and effectively with everyones interest in mind. I feel the Matsu boroughs balanced approach is correct

List professional or personal experiences that qualify you for membership on the board? You may **attach a brief resume** to highlight your qualifications: Operations Director Chaz ltd since 2013, Chaz limited store manager since 2007, Borough Resident since 1994, Police officer Merrimac Ma 1987-1994 Father of two.

List three **professional or personal** references: Name: Dan Degraffenried Phone: 907-632-5411  
Name: Tiffany Wholers Phone: 907-631-1053  
Name: Joe Beckham Phone: 907-376-7352

Applicant Signature: Mark Weeks Date: 2-3-15

Digitally signed by Mark Weeks  
DN: cn=Mark Weeks, o, ou, email=markw@chazltd.com, c=US  
Date: 2015.02.03 13:28:27 -0500

N

**Office Use Only:** Precinct: 10-015 Assembly District: b Service Area: FSA - West Lakes  
RSA - Gold Trail  
Position on Board: \_\_\_\_\_ Term Ends: \_\_\_\_\_  
Residence Checked:  Yes Map Checked:  Yes Code Checked: 1<sup>st</sup>  2<sup>nd</sup>

Applicant Name: Mark Weeks

---

Do you have any civil judgment against you within the last 10 years, whether monetary, non-monetary, declarative, injunctive, or any other form or manner?     NO     YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

---

Do you have any judgments against you in a criminal case within the last 10 years, whether upon finding of guilt, plea of no contest, suspended, or any form of judgment other than dismissal or not guilty?

NO     YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

---

RECEIVED  
DATE RECEIVED:  
FEB 09 2015  
CLERKS OFFICE

BOARD, COMMISSION, AND COMMITTEE APPLICATION FORM

INSTRUCTIONS

Complete and sign the application. Do not leave any blank fields. Type or print legibly in ink. Specify exactly what board and position you are seeking. Completed applications may be emailed to [debra.wetherhorn@matsugov.us](mailto:debra.wetherhorn@matsugov.us) or delivered or mailed to the Borough Clerk's Office, 350 E. Dahlia Avenue, Palmer, or faxed to 861-7845. If you have questions, please call 861-8683.

Board and position for which I am applying: Marajuana Advisory Committee - Member 11, 12, 13, 1, 3  
(For example, Board of Equalization, Member 3)

Applicant Name: Casey Steinau (Kathrine) = VREMS 1st name

Residence Address: 14063 Halston Avenue, Big Lake

Mailing Address: PO Box 521329, Big Lake, AK 99652

Home phone: 892-7653 Work phone: 841-9830 Email: caseysteinau@gmail.com

Name and Address of Employer: US Senate/self-employed

Can you regularly attend meetings? Yes  No  (Pursuant to (MSB 4.05.030, "A vacancy occurs on the board when the member is absent from three (3) consecutive regular board meetings without the board excusing the absence for good cause.")

Do you or any family member have a personal or financial interest with the Borough? Yes  No

If yes, list positions and or interest: property owner  
(For example: employee, emergency responder, RSA or FSA area supervisor, board member, contractor etc.)

How long have you lived in the Borough? 13+ years

Briefly explain, why you are you interested in serving on the board in which you are applying? I am interested in contributing to the responsible growth of this new industry as well the development of reasonable regulation. It would be my pleasure to serve my community.

List professional or personal experiences that qualify you for membership on the board? You may attach a brief resume to highlight your qualifications: see attached vitae

List three professional or personal references: Name: Cora Carleson Phone: 982-5700  
Name: Janice Strong Phone: 223-5284  
Name: Senator Mark Begich Phone: on request

Applicant Signature: Casey St Date: January 31, 2014

(N)

Office Use Only: Precinct: OB-155 Assembly District: 5 Service Area: FSA - West Lakes  
RSA - Big Lake  
Position on Board: \_\_\_\_\_ Term Ends: \_\_\_\_\_  
Residence Checked:  Yes Map Checked:  Yes Code Checked: 1<sup>st</sup>  2<sup>nd</sup>

Applicant Name: Casey Steinau

---

Do you have any civil judgment against you within the last 10 years, whether monetary, non-monetary, declarative, injunctive, or any other form or manner?  NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

---

Do you have any judgments against you in a criminal case within the last 10 years, whether upon finding of guilt, plea of no contest, suspended, or any form of judgment other than dismissal or not guilty?  
 NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

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As evidenced by my 20-year career in real estate and my work as field representative for U.S. Senator Mark Begich, I am a self-initiating worker and effective team member. A love of complex problem solving and experience in the use of tact have allowed me to successfully create relationships in a variety of arenas and across perceived divides be they economic, educational, racial or social. I strive to be well informed and knowledgeable in the areas I work while continuing to embrace learning as a lifetime goal. I am proud to fulfill my responsibilities to my employers and my community.

It is my genuine concern for the well-being of all peoples and belief that it is a function of society to ensure that all its members are served that have led me to seek a position as a member of the Marijuana Advisory Committee. As a member Senator Begich's staff I have been fortunate to develop a variety of relationships across the state and U.S. These interpersonal connections, combined with a long and successful business career and lifetime of community activism, would make me a strong asset to the committee.

## Experience

### **Field Representative, U.S. Senator Mark Begich, Mat-Su.** Feb 2013- January 2015.

- Managed Mat-Su Valley office while acting as a field representative of the Senator. Studied to be well-informed and knowledgeable of current issues while fostering professional relationships, private and public sectors. Coordinated with security and organize private and public meetings.
- Directly supervised interns.
- Staffed senator and other federal dignitaries on official visits.
- Prepared briefing materials, issued advisories and informational reports for state and DC offices.
- Responsible for managing and facilitating constituent requests, opinions and inquiries, and processing of case work on behalf of the Senator maintaining a high level of confidentiality via written, telephonic, electronic and in person process.
- In-state point person for Senator on Agriculture issues
  - Worked on Farm Bill implementation, worked with Farm Service Agency (FSA), Cooperative Extension, implement farmer and rancher outreach statewide.
  - Representative at Circumpolar Agricultural Meeting, Sustainable Agriculture Conference, Farmer's Union, Mat-Su ACES Summit.
- Attended community councils and Advisory Boards
  - Talkeetna, Willow, Big Lake, Knik, Point McKenzie, Glacier View, Sutton, Butte, Lazy Mountain; Mat-Su Borough (MSB) Assembly; MSB Health and

Human Services, Aviation, Transportation, and Wastewater Septage advisory boards.

- Spoke publically routinely presenting letters and information to the community from the Senator at events great and small, 10-20 events per month; used strong leadership and communication skills to explain policy positions and federal procedures to a diverse range of audiences.
- Functioned as liaison to the Mayors' offices and Chambers of Commerce in Houston, Palmer and Wasilla. Effectively performed outreach to local Native corporations and Tribal governments, Mat-Su School District, Job Corp, USDA agencies. Regularly attended local private-public coalitions for both transportation and senior issues as well as Mat-Su Area Partnership for non-profit agencies.

**Real Estate Sales: Re/Max Dynamic of the Valley, Wasilla, Alaska 2001 – 2013**

(Through a series of acquisitions, office was also Coldwell Banker & Dynamic Properties)

- Self-directed position selling commercial and residential real estate included: Marketing; Networking; Data collection; On-line research; Documentation.
- Communicated with clients and general public via telephone, email and text; Worked with other agents on team projects.
- Negotiated and Mediated on clients' behalf;
- Helped clients and customers navigate finance options through various government agencies and lending bodies, including public, private, and non-profit.
- Performed complex problem solving; Demonstrated ability to comfortably deal with people from varied socio- economic and cultural backgrounds with tact and respect.
- Gained excellent geographical knowledge of Mat-Su Valley and its individual communities.
- Performed daily office tasks.

**Licensed Real Estate Salesperson 1992-2002 Illinois, 1991-1992 New York**

**Owner, Big Lake Self Storage, Big Lake, Alaska 2008 – present**

- Bookkeeping; public outreach; advertising; collections.

**Education and Additional Experience**

- BA, General Studies Philosophy, Shimer College, Waukegan, Illinois 1989
- Graduate Studies, Philosophy/Ethics, Roosevelt University, Chicago, Illinois 1990
- Additional Studies: Oxford, England and Belize, Central America
- Graduate of Realtor Institute
- Certified Commercial Investment Member Courses
- At Home With Diversity Certified

MATANUSKA-SUSITNA BOROUGH - CLERK'S OFFICE  
350 E. Dahlia Avenue Palmer, AK 99645  
Phone: 861-8683 Fax: 861-7845

RECEIVED  
DATE RECEIVED:  
FEB 04 2015  
CLERKS OFFICE

BOARD, COMMISSION, AND COMMITTEE APPLICATION FORM

MAC MEMBER 10  
SALES

INSTRUCTIONS

MAC MEMBER 1 GROWER.

**Complete and sign the application.** Do not leave any blank fields. Type or print legibly in ink. Specify exactly what board and position you are seeking. Completed applications may be emailed to [debra.wetherhorn@matsugov.us](mailto:debra.wetherhorn@matsugov.us) or delivered or mailed to the Borough Clerk's Office, 350 E. Dahlia Avenue, Palmer, or faxed to 861-7845. If you have questions, please call 861-8683.

Board and position for which I am applying: MARIJUANA ADVISORY COMMITTEE / MAC MEMBER 11 TO 13  
(For example, Board of Equalization, Member 3)

Applicant Name: TERRY L. GOOSEN CITIZEN OUTSIDE CITY

Residence Address: 9193 W. MARGIN WAY

Mailing Address: 9193 W. MARGIN WAY

Home phone: 8924435 Work phone: 8924435 Email: ALASKANARTIST@MTAONLINE.NET

Name and Address of Employer: SELF EMPLOYED ARTIST

Can you regularly attend meetings? Yes  No  (Pursuant to (MSB 4.05.030, "A vacancy occurs on the board when the member is absent from three (3) consecutive regular board meetings without the board excusing the absence for good cause.")

Do you or any family member have a personal or financial interest with the Borough? Yes  No

If yes, list positions and or interest: \_\_\_\_\_  
(For example: employee, emergency responder, RSA or FSA area supervisor, board member, contractor etc.)

How long have you lived in the Borough? 24 YEARS

Briefly explain, why you are you interested in serving on the board in which you are applying?  
FAIRNESS TO ALL ALASKAN MEDICAL CARD HOLDER.

List professional or personal experiences that qualify you for membership on the board? You may attach a brief resume to highlight your qualifications: 4 YEARS IN ALASKA, 8 YEARS SALES, 10 YEAR REAL ESTATE 25 YEARS ARTIST, MEDICAL CARD HOLDER AND GROWER FOR ME.

List three professional or personal references: Name: WILL ATTWOOD Phone: 907-3547142  
Name: JERRY GALESPY Phone: 907-5633877  
Name: SENATOR FRED DYSON Phone: 907-6943744 - HM. 907-465-2199 - WK.

Applicant Signature: Terry L. Goosen Date: 02/02/2015

(N)

Office Use Only: Precinct: DB-135 Assembly District: 7 Service Area: RSA MADONN LAKES / FSA WEST LAKES  
Position on Board: \_\_\_\_\_ Term Ends: \_\_\_\_\_  
Residence Checked:  Yes Map Checked:  Yes Code Checked: 1<sup>st</sup>  2<sup>nd</sup>

Applicant Name: TERRY L. GOOSEN

---

Do you have any civil judgment against you within the last 10 years, whether monetary, non-monetary, declarative, injunctive, or any other form or manner?  NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

---

Do you have any judgments against you in a criminal case within the last 10 years, whether upon finding of guilt, plea of no contest, suspended, or any form of judgment other than dismissal or not guilty?

NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

---

RECEIVED

DATE RECEIVED: FEB 17 2015 CLERKS OFFICE

MATANUSKA-SUSITNA BOROUGH - CLERK'S OFFICE
350 E. Dahlia Avenue Palmer, AK 99645
Phone: 861-8683 Fax: 861-7845

BOARD, COMMISSION, AND COMMITTEE APPLICATION FORM

INSTRUCTIONS

Complete and sign the application. Do not leave any blank fields. Type or print legibly in ink. Specify exactly what board and position you are seeking. Completed applications may be emailed to debra.wetherhorn@matsugov.us or delivered or mailed to the Borough Clerk's Office, 350 E. Dahlia Avenue, Palmer, or faxed to 861-7845. If you have questions, please call 861-8683.

Board and position for which I am applying: Marijuana Advisory Board, Member 3, 7, or 1 (respectively)
(For example, Board of Equalization, Member 3)

Applicant Name: Carol Zo Herriges

Residence Address: 6471 N Talgach View Drive

Mailing Address: 6471 N Talgach View Drive Wasilla 99654

Home phone: 907-864-0160 Work phone: 907-351-5786 Email: czherriges@gmail.com

Name and Address of Employer: Self - I own Wise Sisters Wizardry, an Herbs and Crafts shop.

Can you regularly attend meetings? Yes [X] No [ ] (Pursuant to (MSB 4.05.030, "A vacancy occurs on the board when the member is absent from three (3) consecutive regular board meetings without the board excusing the absence for good cause.")

Do you or any family member have a personal or financial interest with the Borough? Yes [ ] No [X]

If yes, list positions and or interest:
(For example: employee, emergency responder, RSA or FSA area supervisor, board member, contractor etc.)

How long have you lived in the Borough? 8 years

Briefly explain, why you are you interested in serving on the board in which you are applying? As an Herbalist
I have a vested interest in helping insure herbs grown and distributed here are safe for human consumption

List professional or personal experiences that qualify you for membership on the board? You may attach a brief resume to highlight your qualifications: Practicing Herbalist who understands both the plant and the issues surrounding it. 34yr Alaskan with experience in government. Please see attached qualifications.

List three professional or personal references:
Name: Diane Lytle/ Business Owner Phone: 907-315-0360
Name: Leslie Turner/ Client Phone: 907-441-1937
Name: Connie McAffrey/ Client Phone: 907-522-4720

Applicant Signature: [Signature] Date: 02/13/2015

Office Use Only: Precinct: 09-628 Assembly District: 6 Service Area: SA-62.Palmer SA-60.Gold Trail
Position on Board: Term Ends:
Residence Checked: [X] Yes Map Checked: [X] Yes Code Checked: 1st [X] 2nd [ ]

Applicant Name: CAROL ZO HERRIGES, AK DL # 0721934

1. Do you have any civil judgment against you within the last 10 years, whether monetary, non-monetary, declarative, injunctive, or any other form or manner?  NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

2. Do you have any judgments against you in a criminal case within the last 10 years, whether upon finding of guilt, plea of no contest, suspended, or any form of judgment other than dismissal or not guilty?  NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

# CAROL Z. HERRIGES

6471 N Talgach View Drive • Wasilla, AK 99654 • 907-864-0164 • [czherriges@gmail.com](mailto:czherriges@gmail.com)

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## Brief Resume of Public Service Qualifications

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- Current Mat-Su Business Owner. Practicing Herbalist specializing in Boreal Forest Herbs. Mat-Su Borough Resident for 8 years. Mat-Su property owner for 11 years. Alaska Resident for 34 years.

*I am an Alaskan with a vested interest in keeping Alaskans safe, healthy, and employed.*

- 15 years of experience serving on boards and commissions in Alaska:

*While a resident of the City of Wrangell, Alaska (18 years), I was an elected City Council-member for Seat E on the Wrangell City Council; Wrangell's voting Member to the Project Management Committee (PMC) for the Four Dam Pool Hydroelectric Projects; President of the Board for KSTK Radio/Wrangell Radio Group; and an advising member on both Port and Parks and Recreation committees. I acted for 5 years as a registered, unpaid lobbyist for the City of Wrangell. All positions were unpaid, volunteer positions. I understand how government functions, its constraints, and its obligations.*

- University of Alaska 2010 graduate, *cum laude*, with a vocational degree in Business Administration.

*Coursework focused on Interpersonal Relationships, Business Law, and Financial and Managerial accounting.*

- Small Business Manager and occasional consultant for multiple businesses in Alaska over the past 20 years.

*I understand the needs of small business in Alaska.*

- Proven record of willingness to commit the time required by the position.

*I know what I am getting into should I be chosen as a member of the Marijuana Advisory Board*

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## Key Skills

Governmental Processes/ Interpersonal Management / Financial Accounting

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DATE RECEIVED  
**RECEIVED**  
**FEB 20 2015**  
**CLERKS OFFICE**

**BOARD, COMMISSION, AND COMMITTEE APPLICATION FORM**

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**Board and position for which I am applying:** Marijuana Advisory MAC Member 2 - Non Marijuana Farmer  
(For example, Board of Equalization, Member 3)

**Applicant Name:** Mark Rempel

**Residence Address:** 17909 E. Plumtree Rd. Palmer, AK 99645

**Mailing Address:** Same

**Home phone:** 907 745 5554      **Work phone:** Same      **Email:** mrtempel@mtaonline.net

**Name and Address of Employer:** Self

**Can you regularly attend meetings?** Yes  No  (Pursuant to (MSB 4.05.030, "A vacancy occurs on the board when the member is absent from three (3) consecutive regular board meetings without the board excusing the absence for good cause.")

**Do you or any family member have a personal or financial interest with the Borough?** Yes  No

**If yes, list positions and or interest:** \_\_\_\_\_  
(For example: employee, emergency responder, RSA or FSA area supervisor, board member, contractor etc.)

**How long have you lived in the Borough?** 50 yrs

**Briefly explain, why you are you interested in serving on the board in which you are applying?** I understand Certified Organic Growing so I bring Understanding of that kind of Process

**List professional or personal experiences that qualify you for membership on the board? You may attach a brief resume to highlight your qualifications:** Certified Organic Farmer (15+ yrs); Charter Member of Alaska Organic Assn (helped start it)

**List three professional or personal references:**

Name: <u>Arthur Keyes</u>	Phone: <u>354-5833</u>
Name: <u>Alex Davis</u>	Phone: <u>746-0038</u>
Name: <u>Bob Lee</u>	Phone: <u>745-4321</u>

**Applicant Signature:** Mark Rempel      **Date:** 2/20/2015

(N)

**Office Use Only:** Precinct: 1a-220      Assembly District: 1      Service Area: FSA-BUTK RSA-62 BUTK  
Position on Board: MAC member 2 - NON MARIJUANA FARMER      Term Ends: 6/30/2018  
Residence Checked:  Yes      Map Checked:  Yes      Code Checked: 1<sup>st</sup>  2<sup>nd</sup>

Applicant Name: Mark Rempel

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Do you have any civil judgment against you within the last 10 years, whether monetary, non-monetary, declarative, injunctive, or any other form or manner?  NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

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Do you have any judgments against you in a criminal case within the last 10 years, whether upon finding of guilt, plea of no contest, suspended, or any form of judgment other than dismissal or not guilty?

NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

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MATANUSKA-SUSITNA BOROUGH - CLERK'S OFFICE  
350 E. Dahlia Avenue Palmer, AK 99645  
Phone: 861-8683 Fax: 861-7845

RECEIVED  
DATE RECEIVED: JAN 22 2015  
CLERKS OFFICE

BOARD, COMMISSION, AND COMMITTEE APPLICATION FORM

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Board and position for which I am applying: Marijuana Advisory Council  
(For example, Board of Equalization, Member 3)

Applicant Name: Sara Williams

Residence Address: 4425 E Birchwood Dr., Wasilla AK 99654

Mailing Address: 4425 E Birchwood Dr. Wasilla AK 99654

Home phone: 907-887-6130 Work phone: \_\_\_\_\_ Email: midnightgreenery@gmail.com

Name and Address of Employer: Self Employed/Midnight Greenery ACC / Anchorage AK  
4425 E Birchwood Dr. Wasilla AK 99654

Can you regularly attend meetings? Yes  No  (Pursuant to (MSB 4.05.030, "A vacancy occurs on the board when the member is absent from three (3) consecutive regular board meetings without the board excusing the absence for good cause.")

Do you or any family member have a personal or financial interest with the Borough? Yes  No

If yes, list positions and or interest: \_\_\_\_\_  
(For example: employee, emergency responder, RSA or FSA area supervisor, board member, contractor etc.)

How long have you lived in the Borough? 10 months

Briefly explain, why you are you interested in serving on the board in which you are applying? I want to give back to the process of fair rulemaking for marijuana legalization and represent the industry professionals in a professional and representative capacity.  
List professional or personal experiences that qualify you for membership on the board? You may attach a brief resume

to highlight your qualifications: My education with a BA in Political Science and an MBA coupled with entrepreneurship experience are my strongest qualifiers. See attached Resume.

List three professional or personal references: Name: Bee Bokelman Phone: 813-957-0936  
Name: Hilary Hodges Phone: 907-223-1118  
Name: Linus Bentley Phone: 907-317-9464

Applicant Signature: Sara Williams Date: 1/21/2015

(N)

Office Use Only: Precinct: 10-055 Assembly District: 6 Service Area: NA  
Position on Board: MAC Member 3 Interested Retailer Term Ends: 6/30/2018  
Residence Checked:  Yes Map Checked:  Yes Code Checked: 1<sup>st</sup>  2<sup>nd</sup>

Applicant Name: Sara Williams

Do you have any civil judgment against you within the last 10 years, whether monetary, non-monetary, declarative, injunctive, or any other form or manner?  NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

Do you have any judgments against you in a criminal case within the last 10 years, whether upon finding of guilt, plea of no contest, suspended, or any form of judgment other than dismissal or not guilty?

NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

Dear Mayor Larry DeVilbiss,

It is with great pleasure and excitement that I offer my application for the Marijuana Advisory Council Board. I have attached to my application an extensive resume outlining my experience in many fields, my education and my community involvement.

I have lived in Alaska since 2009 and quickly fell in love with the fiercely independent nature of the Alaskan individual. I received my Bachelor's Degree in Political Science from Western Oregon University and have always been more interested in the local political process than that of the national level.

I believe that I can be an excellent asset to the MAC for a number of reasons:

1. My business acumen, education and innovative entrepreneurial personality have prepared me to accurately represent professionals in this monumental creation of a new industry in Alaska and in the Valley.
2. I grew up in a heavily supportive of law enforcement family and was raised by parents who were drug and alcohol counselors. I was raised to believe that marijuana users were drug addicts and weak. It took until just 2011 when I fell in love with a man who used it for medicinal purposes to help him cope with his PTSD and social anxiety received from 4 deployments in the Army. I then educated myself and learned of the medicinal benefits of marijuana and it took lots of convincing to even try it myself because of my internal programming. What I learned was there was a product out there, albeit illegal that could help me live a functional life and overcome my own PTSD received from a school shooting my senior year of high school. While not a current user, I look forward to a changing of the tides so that I may.  
I mention all of this to say that I can be an effective collaborator because I can see where both sides of the issue are coming from.
3. I believe in consumer protection first and foremost and quality control. One of the reasons I am advocating for "seed to sale" control is because we want to be able to control the product to provide the safest quality to the consumer. While we may elect to create relationships with other production facilities and other cultivation facilities we want to make sure that we can guarantee the safety of our product in everything from quality to packaging.

It is my mission, if selected as part of this council, to represent the Dispensaries position. I will work to create a cohesive front between members and support an open mind to all opinions throughout this process. I appreciate your consideration.

Thank you for your time.

Sara Williams  
CEO Midnight Greenery

**Sara M. Williams**  
907-887-6130 email: midnightgreenery@gmail.com

4425 E. Birchwood Dr  
Wasilla, AK 99654

*Seeking a position utilizing my*  
**DEVELOPMENT, TEAMWORK, AND COLLABORATION SKILLS**

*That includes the following experience and achievements:*

**Training and Educating an Average of 20 Adult Learners per Five Week Module  
Certified Post-Secondary Instructor, Senior Instructor Level**

Developing Curriculum and Learning Activities for Adult Learners in addition to Developing and  
Conducting Training Modules and Manuals for the 30+ Full and Part time Instructors

**Managing Branch Servicing of 9,800 Accounts with \$29.4 Billion in Deposits  
Being Awarded for Outstanding Sales, Increasing Customer Retention 20% & Profits 5%**

Supervising Branch Operations in Absence of Senior Management  
Managing Cash Operations Totaling \$1.5 Million Annually  
Training & Leading 4-Member Team

**Career Counseling and Coaching an Average Client Base of 20 Clients per Month  
Own and Operate Career Counseling Firm that Develops Professionals**

Began Start Up Company that Services 100+ Professionals in Developing Their Career  
Built Vendor Relationships with State and Non Profit Organizations to Offer Career Counseling Services Develop  
an average of 5 New Business Plans per 6 month period

**Supervising Day to Day Performance of Group Employees**

**Ensuring Annual Action Plans Are Implemented, Measured & Improvement Plans Are Achieved**

Coordinating the Management of Human Resource Functions to Maximize Organizational Growth  
Leading Teams in Completing Financial Processes in a Timely & Cost Effective Manner

*Midnight Greenery 12/14 to Current*

**CEO**

**CREATING A NEW LEGACY**— Developing the business planning process towards creating and operating a full service cultivation, production and dispensary facility of quality cannabis products. Committing to respecting the regulatory rulemaking process and influencing that process as an industry professional.

*Alaska Career College 09/2013 to Current*

**INSTRUCTOR/EXTERNSHIP COORDINATOR**

**SUPPORT STUDENT CAREER SUCCESS**—Instruct classrooms of 15-35 students regarding marketing themselves for professional success in their career. Prepare and adapt curriculum to changing employment environment. Professionally network with a variety of industries to effectively staff them with 10-25 externs every 4-6 weeks. Collaborate interdepartmentally to ensure student success.

*WorkStart Employment Services 03/2011-Current*

**OWNER/CAREER COUNSELOR**

**DEVELOP CLIENTS TOWARDS PROFESSIONAL SUCCESS**—Developed and created a professional development career counseling firm that offers services ranging from job searching and resume building to career exploration, credit counseling, and professional development training. Market the business efforts and develop vital business relationships in the community. Manage employees and independent consultants.

*Denali Business Development 12/2008-06/2012*

**OWNER/BUSINESS DEVELOPER**

**COACH CLIENTS REGARDING IMPROVING EFFICIENCY**—Consult with an average of 5 clients per month regarding improving their business efficiency, beginning their new business, and helping them develop their business plans. Assist in writing business plans and form creation. Manage business operations and marketing of the organization.

*Charter College 05/2010-04/2011*

**INSTRUCTOR**

**INSTRUCT AND EMPOWER ADULT LEARNERS TO SUCCESS**—Instructed college level students from a 100 to 400 course level. Specialized in instructing Business Administration classes that focused on creating skilled managers, writers, communicators. Received consistent positive feedback from students regarding instruction style. Actively involved in committees that support success for the organization such as the Information Literacy Assignment Consistency Project and the New Instructor Orientation project. Conducted training for fellow instructors on company software such as Citrix, Web Based Portals, and CampusVue.

**Sara M. Williams**  
907-887-6130 email: midnightgreenery@gmail.com

4425 E. Birchwood Dr  
Wasilla, AK 99654

*Charter College 10/2010-05/2010*  
**FINANCIAL AID PLANNER**

**DEVELOPED AND MANAGED FINANCIAL AID ACCOUNTS**—Committed to a thorough and efficient financial aid process for each student. Processed an average of 50 students per five week module. Excelled in process and paperwork management and compliance for each account. Attention to detail in student files. Quickly built rapport with students and possess excellent customer service skills. Effectively educated each student about the financial aid process and surrounding expectations. Developed presentations about money management and financial aid for Student Success Seminars.

*Professional Problem Solvers LLC 7/2007-12/2010*

**OWNER / TENANT RELATIONS / CONTRACT NEGOTIATION & SALES**

**INCREASED ASSETS FROM \$0 TO \$670,000 ... in 1<sup>st</sup> Year of Operation** – Launched and managed business assisting homeowners needing to escape crippling mortgages. Successfully negotiated mortgages and built a portfolio with real estate valued at \$670,000 in 1<sup>st</sup> year of operation. Negotiate rental contracts with tenants, collect and account for all rental monies. Hired licensed contractors for rehab work. Network, market and promote the business as needed to gain future investments.

*Prosperity Financial LLC, Self-Employed 1/2007-6/2008*

**OWNER / CUSTOMER ADVISOR / BUSINESS OPERATIONS MANAGER**

**PROVIDED MONEY MANAGEMENT CONSULTING** – Launched and managed financial consulting firm. Developed and implemented Money Management 101 Personal Coaching Program, developing a base of 25 clients. Analyzed each client's financial situation and emotional relationships with money and created financial plans and habits around better financial education. Assisted clients in paying off lines of credit within a short-time frame by creating budgets and plans of action. Hired and supervised office operations staff in administration, appointment setting, time management and customer service skills. Also, sold mortgages, insurance and securities to assist clients in achieving financial goals.

*Foresters Financial Services 8/2005-12/2006*

**FINANCIAL REPRESENTATIVE**

**GENERATED COMMISSIONS ... Ranging up to \$5,000 Per Month & Receiving 7 Sales Awards** – Successfully generated commission exceeding \$5,000 per month at peak sales levels. Provided financial plans for clients and assisted them in purchase of life, disability, or long-term care insurance products and securities products as well. Developed 150 accounts with an affluent and professional clientele comprised of attorneys, CEOs, business owners and Directors of non-profit organizations. Received 7 awards for exceptional sales performance. Foresters is a non-profit financial services company with revenues of over \$570 million annually.

*Washington Mutual Bank 8/2002-7/2005*

**LICENSED PERSONAL FINANCIAL REPRESENTATIVE**

**MANAGED SERVICING OF 9,800 ACCOUNTS ... with \$29.4 Billion in Deposits** – Directed team responsible for servicing 9,800 accounts annually with \$29.4 billion in deposits and supervised branch operations in absence of senior management. Managed cash operations totaling \$1.5 million per year. Ensured highest level of customer service was provided to clients. Organized branch files and paperwork to streamline operations and productivity. Opened accounts, ran banking transactions for clients, and assisted clients in purchase of mutual funds and annuities. WaMu was a \$220 billion company, ranked as one of the largest financial institutions in the country.

**Team Training & Leadership ... Increased Customer Retention 20% & Profits 5%** – Supervised and trained team of 4 Tellers in proper cash handling procedures, customer service, and compliance training for banking regulations. Through personal efforts and by building a high performing team, increased branch customer retention by 20% and increased profitability by 5%.

**Awarded for Outstanding Sales ... Generating 45 Referrals Per Month** – Recognized for outstanding sales by generating 45 referrals per month to banking products, consistently over a 6 month period. Received significant monthly bonuses for achieving top sales of new accounts and cross-selling banking products to existing customers.

**Sara M. Williams**  
907-887-6130 email: midnightgreenery@gmail.com

4425 E. Birchwood Dr  
Wasilla, AK 99654

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### **EDUCATIONAL BACKGROUND**

2002: BA in Political Science, Minor in Legal Studies, Western Oregon University, GPA 3.43 Monmouth OR

2010: Masters in Business Administration with a Global Management concentration, University of Phoenix, Online Program  
GPA 3.91

### **COMMUNITY LEADERSHIP**

Mentor and Educator, Career Seminar Series – Blooms Home for Girls, Anchorage AK

Treasurer-Toastmasters International, Spotlight Speakers Chapter at Charter College

Member of Anchorage Chamber of Commerce

Committee Chair – ‘Party Like a Rockstar’ Event for YWCA Salem Outreach Shelter

Executed Fundraising Event & Raised over \$10,000 for Shelter

Loaned Executive for United Way of Mid Willamette Valley

Consulted Businesses in Running Employee Campaigns

Volunteer – Adult Coach & Mentor for At-Risk High School Students through Life Directions

Member of Salem Young Professionals Networking Group through Salem Area Chamber of Commerce

### **COMPUTER & SOFTWARE SKILLS**

Microsoft Office Suites 2007 and 2010, Internet Research, Technologically Savvy, Quickly adapts to and learns new computer programs, Typing: 70 wpm, 10 key by touch

### **CERTIFICATIONS**

**October 2010:** NCCT Certified Post-Secondary Instructor Certification

**December 2010:** Senior Instructor Level, Cengage Adult Learning Modules



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Board and position for which I am applying: Interested Marijuana Retailer  
(For example, Board of Equalization, Member 3)

Applicant Name: Annett Sue Thompson

Residence Address: 6299 S. Aurora Dr. Wasilla AK 99654

Mailing Address: P.O. Box 877958 Wasilla AK 99687

Home phone: 373-7202 Work phone: 352-8918 Email: Susie4359@icloud.com

Name and Address of Employer: SOA DCS 695 E Parks Hwy #3 Wasilla AK

Can you regularly attend meetings? Yes  No  (Pursuant to (MSB 4.05.030, "A vacancy occurs on the board when the member is absent from three (3) consecutive regular board meetings without the board excusing the absence for good cause.")

Do you or any family member have a personal or financial interest with the Borough? Yes  No

If yes, list positions and or interest: \_\_\_\_\_  
(For example: employee, emergency responder, RSA or FSA area supervisor, board member, contractor etc.)

How long have you lived in the Borough? 28 yrs.

Briefly explain, why you are you interested in serving on the board in which you are applying? \_\_\_\_\_

Interested due to health benefits and regulation needed for growing & retail selling of product.

List professional or personal experiences that qualify you for membership on the board? You may attach a brief resume to highlight your qualifications: I have worked in a wide range of jobs from

Industrial Construction, Assisted Living Homes, Child Support & office of children's services. Where I am on the team IFAD, Alaska.com office.

List three professional or personal references: Name: Jennifer Clark Phone: 232-9024  
Name: Jennifer Hansen Phone: 355-1359  
Name: Andrew Benson Phone: 715-9633

Applicant Signature: Annett Sue Thompson Date: 1/28/15



Office Use Only: Precinct: 08-140 Assembly District: 5 Service Area: Knik RSA  
Position on Board: \_\_\_\_\_ Term Ends: \_\_\_\_\_  
Residence Checked:  Yes Map Checked:  Yes Code Checked: 1<sup>st</sup>  2<sup>nd</sup>

Applicant Name: Annett Sue Thompson

Do you have any civil judgment against you within the last 10 years, whether monetary, non-monetary, declarative, injunctive, or any other form or manner?  NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

Do you have any judgments against you in a criminal case within the last 10 years, whether upon finding of guilt, plea of no contest, suspended, or any form of judgment other than dismissal or not guilty?

NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

MATANUSKA-SUSITNA BOROUGH - CLERK'S OFFICE  
350 E. Dahlia Avenue Palmer, AK 99645  
Phone: 861-8683 Fax: 861-7845

DATE RECEIVED: **RECEIVED**  
**FEB 20 2015**  
**CLERKS OFFICE**

**BOARD, COMMISSION, AND COMMITTEE APPLICATION FORM**

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Board and position for which I am applying: Marijuana Advisory Committee  
*(For example, Board of Equalization, Member 3)*

Applicant Name: Ed D Gravley *(Eddy-VREMS)*

Residence Address: 3820 Teakwood Dr *Way Palmer*

Mailing Address: PO Box 568, Palmer, AK 99645

Home phone: 746-5863 Work phone: 745-9108 Email: ed@mvfcuonline.org

Name and Address of Employer: Matanuska Valley Federal Credit Union

Can you regularly attend meetings? Yes  No  *(Pursuant to (MSB 4.05.030, "A vacancy occurs on the board when the member is absent from three (3) consecutive regular board meetings without the board excusing the absence for good cause.")*

Do you or any family member have a personal or financial interest with the Borough? Yes  No

If yes, list positions and or interest: \_\_\_\_\_  
*(For example: employee, emergency responder, RSA or FSA area supervisor, board member, contractor etc.)*

How long have you lived in the Borough? 29 years

Briefly explain, why you are you interested in serving on the board in which you are applying? To provide input to the Marijuana Advisory Committee on how the financial industry is handling funds on deposits by businesses in the marijuana industry.

List professional or personal experiences that qualify you for membership on the board? You may attach a brief resume to highlight your qualifications: 37 years in the financial industry

List three professional or personal references: Name: Al Strawn Phone: 745-9140  
Name: Chad Bostick Phone: 761-4648  
Name: Carl Serencha Phone: 376-0665

Applicant Signature: *[Signature]* *(N)* Date: 2-20-2015

Office Use Only: Precinct: 11-055 Assembly District: 1 Service Area: FSA - Central Mat-Su  
PSA - South Colony  
Position on Board: MAC member 4 - Financial Community Term Ends: 6/30/2018  
Residence Checked:  Yes Map Checked:  Yes Code Checked: 1<sup>st</sup>  2<sup>nd</sup>

Applicant Name: ED. D GRAVLEY

1. Do you have any civil judgment against you within the last 10 years, whether monetary, non-monetary, declarative, injunctive, or any other form or manner?  NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

2. Do you have any judgments against you in a criminal case within the last 10 years, whether upon finding of guilt, plea of no contest, suspended, or any form of judgment other than dismissal or not guilty?  NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

MATANUSKA-SUSITNA BOROUGH - CLERK'S OFFICE  
350 E. Dahlia Avenue Palmer, AK 99645  
Phone: 861-8683 Fax: 861-7845



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Board and position for which I am applying: Marijuana Advisory Committee  
(For example, Board of Equalization, Member 3)

Applicant Name: Crystal Mygard

Residence Address: 200 N Lauren Lane, Palmer, AK 99645

Mailing Address: P.O. Box 876744

Home phone: 444-5828 Work phone: 373-6622 Email: crystal@promotematsugov.com

Name and Address of Employer: MSBA - 3161 E. Palmer - Wasilla Hwy Suite 1A

Can you regularly attend meetings? Yes  No  (Pursuant to (MSB 4.05.030, "A vacancy occurs on the board when the member is absent from three (3) consecutive regular board meetings without the board excusing the absence for good cause.")

Do you or any family member have a personal or financial interest with the Borough? Yes  No

If yes, list positions and or interest: \_\_\_\_\_  
(For example: employee, emergency responder, RSA or FSA area supervisor, board member, contractor etc.)

How long have you lived in the Borough? 9 yrs.

Briefly explain, why you are you interested in serving on the board in which you are applying? Small business owner for 15 yrs, MOM with teenagers, and employer.

List professional or personal experiences that qualify you for membership on the board? You may attach a brief resume to highlight your qualifications: see attached

List three professional or personal references: Name: Kay Slack Phone: 354-0331  
Name: Deena Paramo Phone: 746-9245  
Name: Greg Bell Phone: 227-0789

Applicant Signature: Crystal Mygard Date: 2/3/15

Office Use Only: Precinct: <u>11-085</u>	Assembly District: <u>2</u>	Service Area: <u>FSA central mat-su RSA midway</u>
Position on Board: <u>MAC members LOCAL BUS ORG.</u>	Term Ends: <u>6/30/2018</u>	
Residence Checked: <input checked="" type="checkbox"/> Yes	Map Checked: <input checked="" type="checkbox"/> Yes	Code Checked: 1 <sup>st</sup> <input checked="" type="checkbox"/> 2 <sup>nd</sup> <input checked="" type="checkbox"/>



Applicant Name: Crystal Nygard

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Do you have any civil judgment against you within the last 10 years, whether monetary, non-monetary, declarative, injunctive, or any other form or manner?  NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

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Do you have any judgments against you in a criminal case within the last 10 years, whether upon finding of guilt, plea of no contest, suspended, or any form of judgment other than dismissal or not guilty?  
 NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

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**Crystal J. Nygard**  
**Managing Director, MRI**  
**CEO, MSBA**

200 N Lauren Lane  
Palmer, AK 99645  
(907) 444-5828  
crystal@promotematsu.com

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**Summary**

Ms. Nygard has over 23+ years of experience in the environmental industry and business development professions, including owning and operating her own consulting businesses in the State of Alaska since early 1999. She has strong marketing and strategic planning skills that has been instrumental in building companies, building teams (including four division in Anchorage, Fairbanks, Kenai, and Wasilla) managing finances & cost centers, and increasing profit margin and minimizing risk while building strong networks of help. Overall her aspirations are to continue learning to build on knowledge and be innovative in a global marketplace. As one of the few 8(a) graduates from the SBA government program she understands the mechanisms necessary to procure, contract, and manage contracts for various agencies.

Over the past 20+ years she has been responsible for recruiting, sales, account management, employee hiring, organization, and direction, marketing, regulatory compliance programs, and field operations. Ms. Nygard has also been involved in project development from the marketing and bid stage through project management and closeout.

Ms. Nygard has most recently worked to establish the MSBA in the Matsu Borough by opening the conversations around industry and the benefits to the community as a whole. She is a strong advocate for development, industry and private-public partnerships that move the State of Alaska forward to be more globally competitive. She has a strong network of both private and public sectors.

**Areas of  
Expertise/Training  
Certificates**

- All phases of Business Management including startup, accelerated growth and selling;
- Government Contracting, including local, state and federal;
- Marketing and Sales for products and service;
- Contract Negotiations and Development;
- Asset Management;
- Fleet Management;
- Project Management;
- B.A. Communications from Western Washington University;
- AJI/Hech & Associates Graduate 2-year Professional Business Course;
- 29 CFR 1910.120 40-hour HAZWOPER Training;
- 29 CFR 1910.120 8-hour Supervisory Training;
- 49 CFR 172, Subpart H, Hazardous Materials Transportation Training;
- GasTech Certified Instrument Repair Technician;
- Certified, First Aid and CPR;
- Implemented a complete service center for environmental and safety equipment representing 17 global instrumentation companies

**Experience**

MatSu Business Alliance (MSBA), Inc.

2009-present

**Acting CEO, and co-founder**

- Created one of the first ever *for Profit Corporation* to education and advocate for business development, promote family wage jobs, and require local responsible government. She was responsible for creating a successful model with other business owners and leaders in the community for operating the business including management resources, organizational structure, sales, and targeted margins.
- Responsible for marketing, sales, and project management for new contracts and services.
- Established and promoted an advisory board that meets twice a year to ensure direction of issues and advocacy priorities;
- Co-created a plan to systemize the company with a strong CRM, communication platform, and information intel to increase the capacity of the company and decrease labor costs.
- Generated annual revenue for the company from \$20,000 the first year to over six figures in two years with a consistent positive net profit for the shareholders.
- Recruit and encourage business leaders to engage in policy positions to bring their knowledge and skills to the conversation.

MRI Palmer

2011 - present

**Managing Director, Founder**

- Own and operate an international recruiting company that has over 790 offices worldwide, specializing in energy and environmental solutions. Responsible for the design, implementation of technology, and management of staff, sales/marketing, and business development. Overall responsible for the increased top end growth and consistent bottom line margin control.
- Responsible for establishing policies, managing finances, and capturing market share in a global marketplace.
- Accustomed to working in multiple time zones and a number of clients in various states and countries with a large investment in energy projects.
- Currently traveled overseas and met with MRI office in the energy business.

Tutka, LLC

1999-2010

**Managing Member, co-founder**

- Created new models for operating the business including management resources, organizational structure, sales, and targeted margins. Secured exclusive territory contracts with industry manufacturers. Recruited and retained key personnel.
- Responsible for marketing, sales, and project management for new contracts and services.
- Established and developed a web-based reservation system;
- Managed and secured long-term contracts with customers and vendors to provide a strong inventory management system and maintain a sustained company growth;
- Generated annual revenue for the company from \$20,000 the first year to over \$2.0 million in 2007 an average compounded growth rate of over 25%.

**COMMUNITY INVOLVEMENT**

- AIDEA, Public Board Member
- Top 40 Under 40 Recipient
- Business Professional Graduate, AJI Network 2 year certification
- Past Board of Director, Alaska 8(a) Association
- Valley Youth Basketball Association, current and past coach for youth sports;
- Local Area Representative for ASSE (foreign exchange students)

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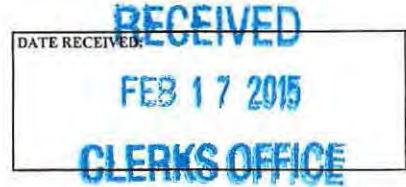
**-Crystal Nygard**  
**February 3, 2015**  
**References**

**Kay Slack**  
**Capital Idea, Inc.**  
**(907) 354-0331**

**Deena Paramo**  
**Matsu Borough School District Superintendent**  
**(907) 746-9245**

**Greg Bell**  
**Small Business Owner**  
**(907) 227-0789**

MATANUSKA-SUSITNA BOROUGH - CLERK'S OFFICE  
350 E. Dahlia Avenue Palmer, AK 99645  
Phone: 861-8683 Fax: 861-7845



**BOARD, COMMISSION, AND COMMITTEE APPLICATION FORM**

**INSTRUCTIONS**

Complete and sign the application. Do not leave any blank fields. Type or print legibly in ink. Specify exactly what board and position you are seeking. Completed applications may be emailed to [debra.wetherhorn@matsugov.us](mailto:debra.wetherhorn@matsugov.us) or delivered or mailed to the Borough Clerk's Office, 350 E. Dahlia Avenue, Palmer, or faxed to 861-7845. If you have questions, please call 861-8683.

Board and position for which I am applying: Marijuana Advisory Board (Alternate for City of Palmer)  
*(For example, Board of Equalization, Member 3) 2/17/15 p.c. w/Lance*

Applicant Name: Lance Ketterling

Residence Address: 423 S. Valley Way, Palmer, AK, 99645

Mailing Address: Same as Above

Home phone: 907-745-4811 Work phone: 907-746-9402 Email: ketterling@palmerpolice.com

Name and Address of Employer: City of Palmer. 231 W. Evergreen Avenue, Palmer AK, 99645

Can you regularly attend meetings? Yes  No  (Pursuant to (MSB 4.05.030, "A vacancy occurs on the board when the member is absent from three (3) consecutive regular board meetings without the board excusing the absence for good cause.")

Do you or any family member have a personal or financial interest with the Borough? Yes  No

If yes, list positions and or interest: Spouse is a Borough employee and I serve on the E911 Board  
*(For example: employee, emergency responder, RSA or FSA area supervisor, board member, contractor etc.)*

How long have you lived in the Borough? 17 years

Briefly explain, why you are you interested in serving on the board in which you are applying? \_\_\_\_\_

To assist in the efficient and impartial development and enforcement of marijuana policy.

List professional or personal experiences that qualify you for membership on the board? You may **attach a brief resume** to highlight your qualifications: 17+ years of law enforcement experience including supervision and management.

I have a Master's degree in Public Administration and experience in policy development and implementation.

List three professional or personal references:

Name: <u>Tom Remoley</u>	Phone: <u>745-4811</u>
Name: <u>Joe Hanan</u>	Phone: <u>745-3271</u>
Name: <u>Tom Healey</u>	Phone: <u>745-3400</u>

Applicant Signature:  N Date: 2-17-15

Office Use Only: Precinct: <u>11-070</u>	Assembly District: <u>2</u>	Service Area: <u>City Palmer</u>
Position on Board: <u>MAC member b Law Enforcement</u>	Term Ends: <u>6/30/2018</u>	
Residence Checked: <input checked="" type="checkbox"/> Yes	Map Checked: <input checked="" type="checkbox"/> Yes	Code Checked: 1 <sup>st</sup> <input type="checkbox"/> 2 <sup>nd</sup> <input checked="" type="checkbox"/>

Applicant Name: Lance Ketterling

---

1. Do you have any civil judgment against you within the last 10 years, whether monetary, non-monetary, declarative, injunctive, or any other form or manner?     NO     YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

---

2. Do you have any judgments against you in a criminal case within the last 10 years, whether upon finding of guilt, plea of no contest, suspended, or any form of judgment other than dismissal or not guilty?  
 NO     YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

---



**BOARD, COMMISSION, AND COMMITTEE APPLICATION FORM**

**INSTRUCTIONS**

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**Board and position for which I am applying:** Marijuana Advisory Committee Member 8 OR 11-13  
(For example, Board of Equalization, Member 3)

Applicant Name: Savon A Duchain

Residence Address: 239 Brimar St Palmer Alaska 99645

Mailing Address: 239 Brimar St Palmer Alaska 99645

Home phone: 746-1864

Work phone: 715-4326

Email: s.duchain@yahoo.com

Name and Address of Employer: Self/Savon's Creations

Can you regularly attend meetings? Yes  No  (Pursuant to (MSB 4.05.030, "A vacancy occurs on the board when the member is absent from three (3) consecutive regular board meetings without the board excusing the absence for good cause.")

Do you or any family member have a personal or financial interest with the Borough? Yes  No

If yes, list positions and or interest: \_\_\_\_\_  
(For example: employee, emergency responder, RSA or FSA area supervisor, board member, contractor etc.)

How long have you lived in the Borough? 15 Years

Briefly explain, why you are you interested in serving on the board in which you are applying? I believe I have unique insight into the issues facing this board. I have been a medical marijuana card holder for eight years, and have helped draft legislation in Alaska with the exception of last year since 2000.

List professional or personal experiences that qualify you for membership on the board? You may **attach a brief resume** to highlight your qualifications: I have operated a nonprofit, free service in the valley for seven years working with Doctors nurses and other health care professionals in helping patients access Medical Marijuana cards, Doctors and care givers. Please see Resume.

List three professional or personal references: Name: Susan Jones Phone: 746-4751 Name: Bonnie Troidal Phone: 746-5135 Name: Linda Ronan Phone: 907-244-0582

Applicant Signature: Savon A Duchain Date: 01/22/2015

Office Use Only: Precinct: 12-220 Assembly District: 1 Service Area: GR. Butte RSA Butte FSA  
Position on Board: MAC member of Health Community Term Ends: 6/30/2018  
Residence Checked:  Yes Map Checked:  Yes Code Checked: 1<sup>st</sup>  2<sup>nd</sup>

Applicant Name: Savon . A . Duchein

---

Do you have any civil judgment against you within the last 10 years, whether monetary, non-monetary, declarative, injunctive, or any other form or manner?     NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

---

Do you have any judgments against you in a criminal case within the last 10 years, whether upon finding of guilt, plea of no contest, suspended, or any form of judgment other than dismissal or not guilty?     NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

---

## Savon Duchein

239 Brimar St

Palmer AK 99645

907-746-1864

s.duchein@yahoo.com

### Objective

To serve on the board of Marijuana advisory committee

### Professional Profile

Started Alaska Medical Marijuana in 2007

- Working with local Doctors Nurses and other health providers in the Matanuska Valley providing free information on Doctors, laws regarding Medical permits, and to facilitate care giver and patient interaction.
- Have facilitated patient and caregivers to assist terminally ill patients
- Designed and set up a website to facilitate information to the public regarding laws and regulations in the state of Alaska. Medical and Ravin vs State.
- Totally free, nonprofit information center.
- [www.alaskamedicalmarijuana.net](http://www.alaskamedicalmarijuana.net)

Participated in drafting legislation and bills for legalization since 2000

- Have worked with local and national organizations since 2000 I have served on committees that have drafted bills, campaigned and collected signatures in every election that has included legislation regarding marijuana in Alaska
- I have attended conferences in Colorado on legalization before and after.

I have been a medical marijuana card holder since 2001

### Work History

Service Oil and Gas ,Palmer AK

Information referral specialist with the state of Alaska ,Wasilla AK

McCarthy Lodge, McCarthy AK

Kennicott Glacier Lodge, Kennecott AK

DATE RECEIVED: **RECEIVED**  
**JAN 26 2015**  
**CLERKS OFFICE**

**BOARD, COMMISSION, AND COMMITTEE APPLICATION FORM**

**INSTRUCTIONS**

**Complete and sign the application.** Do not leave any blank fields. Type or print legibly in ink. Specify exactly what board and position you are seeking. Completed applications may be emailed to **debra.wetherhorn@matsugov.us** or delivered or mailed to the Borough Clerk's Office, 350 E. Dahlia Avenue, Palmer, or faxed to 861-7845. If you have questions, please call 861-8683.

Board and position for which I am applying: MARIJUANA Advisory Committee, Member 7  
(For example, Board of Equalization, Member 3) or Member 11-13

Applicant Name: Michael C Coons

Residence Address: 5200 N Dorothy Dr Palmer AK 99645

Mailing Address: SAME AS ABOVE

Home phone: 7456779 Work phone: N/A Email: MCOONS@mtaonline.net

Name and Address of Employer: N/A

Can you regularly attend meetings? Yes  No  (Pursuant to (MSB 4.05.030, "A vacancy occurs on the board when the member is absent from three (3) consecutive regular board meetings without the board excusing the absence for good cause.")

Do you or any family member have a personal or financial interest with the Borough? Yes  No

If yes, list positions and or interest: \_\_\_\_\_  
(For example: employee, emergency responder, RSA or FSA area supervisor, board member, contractor etc.)

How long have you lived in the Borough? 20 YEARS

Briefly explain, why you are you interested in serving on the board in which you are applying? As a retired Paramedic & Firefighter very concerned on safety.

List professional or personal experiences that qualify you for membership on the board? You may **attach a brief resume** to highlight your qualifications: 22 YEARS AS A Paramedic, 12 YEARS AS Firefighter 10 YEARS AS JBER Entry control officer

List three professional or personal references: Name: John Norton Phone: 907930-6945  
Name: JEFF LATHAM Phone: 907306-3934  
Name: John Baker Phone: 907393-2118

Applicant Signature: Michael C Coons Date: 1/25/15

(N)

Office Use Only: Precinct: 11-099 Assembly District: 1 Service Area: Gr Palmer FSA Lazy Mt RSA  
Position on Board: \_\_\_\_\_ Term Ends: \_\_\_\_\_  
Residence Checked:  Yes Map Checked:  Yes Code Checked: 1<sup>st</sup>  2<sup>nd</sup>

Applicant Name: Michael C Coors

---

Do you have any civil judgment against you within the last 10 years, whether monetary, non-monetary, declarative, injunctive, or any other form or manner?  NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

---

Do you have any judgments against you in a criminal case within the last 10 years, whether upon finding of guilt, plea of no contest, suspended, or any form of judgment other than dismissal or not guilty?

NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

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MATANUSKA-SUSITNA BOROUGH - CLERK'S OFFICE  
350 E. Dahlia Avenue Palmer, AK 99645  
Phone: 861-8683 Fax: 861-7845



BOARD, COMMISSION, AND COMMITTEE APPLICATION FORM

INSTRUCTIONS

Complete and sign the application. Do not leave any blank fields. Type or print legibly in ink. Specify exactly what board and position you are seeking. Completed applications may be emailed to [debra.wetherhorn@matsugov.us](mailto:debra.wetherhorn@matsugov.us) or delivered or mailed to the Borough Clerk's Office, 350 E. Dahlia Avenue, Palmer, or faxed to 861-7845. If you have questions, please call 861-8683.

Board and position for which I am applying: Marijuana Advisory Committee,  
(For example, Board of Equalization, Member 3)

Applicant Name: Emily Hardy Wasilla citizen

Residence Address: 2051 Pinnacle Court Wasilla, AK 99654

Mailing Address: 2051 Pinnacle Court, Wasilla, AK 99654

Home phone: 907 7076799 Work phone: \_\_\_\_\_ Email: aandernhardy@gmail.com

Name and Address of Employer: N/A

Can you regularly attend meetings? Yes  No  (Pursuant to (MSB 4.05.030), "A vacancy occurs on the board when the member is absent from three (3) consecutive regular board meetings without the board excusing the absence for good cause.")

Do you or any family member have a personal or financial interest with the Borough? Yes  No

If yes, list positions and or interest: \_\_\_\_\_  
(For example: employee, emergency responder, RSA or FSA area supervisor, board member, contractor etc.)

How long have you lived in the Borough? 11 years total

Briefly explain, why you are you interested in serving on the board in which you are applying? I would like to be involved in decisions that are made regarding the regulation of marijuana in the Mat-Su Borough.

List professional or personal experiences that qualify you for membership on the board? You may attach a brief resume to highlight your qualifications: I have a background in massage therapy and nutritional therapy, and have seen firsthand the benefits of marijuana for medicinal purposes, and take time to research things properly before decisions.

List three professional or personal references: Name: Carleen Hall Phone: 841-55-23  
Name: Bob Kuntz Phone: 775-0243  
Name: Julia Crane Phone: 414-7164

Applicant Signature: Emily K. Hardy

Date: 1/20/15

Office Use Only Precinct: 07-125 Assembly District: 4 Service Area: FSA-contral mat-su RSA-City Wasilla  
Position on Board: \_\_\_\_\_ Term Ends: \_\_\_\_\_  
Residence Checked:  Yes Map Checked:  Yes Code Checked: 1<sup>st</sup>  2<sup>nd</sup>

Applicant Name: Emily Hardy

Do you have any civil judgment against you within the last 10 years, whether monetary, non-monetary, declarative, injunctive, or any other form or manner?  NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

Do you have any judgments against you in a criminal case within the last 10 years, whether upon finding of guilt, plea of no contest, suspended, or any form of judgment other than dismissal or not guilty?

NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

RECEIVED  
FEB 17 2015  
CLERKS OFFICE

Dear Mayor DeVilbiss,

As per our conversation earlier today, I have faxed over some of my documents regarding my healthcare field background. I hope you find them useful in considering my application for the committee. I wanted to take the time to tell you as well that I feel I would be an excellent candidate for the advisory committee because I represent a large and varied group of people in that I am someone with religious views, yet unlike most of my peers and family members, voted for the regulation of marijuana, have experience in using cannabis as an alternative to prescription medication, I have homeschooled and public schooled my children, and have a healthcare field background. I have also served on several boards and committees in the community both religious and secular. You looked a bit overwhelmed today in taking on yet another responsibility with organizing this committee and I know you have a lot on your plate already. Thank you for your time and efforts. I hope this letter and my resume makes your job a little easier in choosing another committee member who will help make things run smoothly. Feel free to call me if you have any questions or concerns.

Sincerely,

Emily K. Hardy  
907-707-6799

**Emily K. Hardy**

907-707-6799

2051 Pinnacle Court Wasilla, AK 99654

**Profile:**

Community service oriented citizen with years of experience serving in various positions throughout the community. Held licenses/certifications in the field of massage therapy and nutritional therapy.

**Community Service Experience:**

Hold position on APC board at Twindly Bridge Charter School 2015

Member of Conservative Patriots Group 2010-present

Held position on Parent's Guild at Birchtree Charter School 2009/2010

Served as Sunday school teacher and children's choir pianist in community church 2004-present.

**Professional Experience:**

Licensed Massage Therapist at Mountain View Chiropractic, Larson Chiropractic 2008-2014

Licensed Massage Therapist at Mountainview Family Medical 2002, 2005

Nutritional Therapy Practitioner at Nutritional Art 2007-2008

**Education:**

Certificate of completion Nutritional Therapy Association 2008

Certificate of completion Nevada School of Massage Therapy 2001

Colony High School graduate 1999

# Nevada School of Massage Therapy

The Administration of  
the Nevada School of Massage Therapy  
does hereby declare that

## Emily Kaye Farnsworth

has completed the 42 Credit hour  
Professional Massage Therapy Program.



Given on this twenty-fourth day of May, two thousand one.

*Kakula Awa'i*

DIRECTOR



*J. J. Galpin*

EDUCATION COORDINATOR

*Certified*

**NUTRITIONAL THERAPY  
PRACTITIONER™**

*Emily Hardy, NTP*

Is hereby awarded the designation Nutritional Therapy Practitioner™, NTP.

Having successfully completed the Nutritional Therapist Training course of study and duly passed all the required examinations, the recipient is certified by the Nutritional Therapy Association, Inc., and authorized by its Board of Directors to use the designation of Nutritional Therapy Practitioner™.

*Certified Since June 2008*



**Nutritional Therapy  
Association, Inc.®**

Gray Graham, BA, NTP  
Director of Public Policy

#000673

Certificate Expires July 31<sup>st</sup>, 2012

# BOHLER INSTITUTE

for

## Continuing Education

Certifies that

*Emily K. Hardy*

Has Satisfactorily Completed a Course in

## MEDICAL TERMINOLOGY

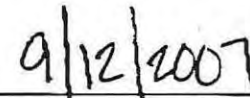
and has obtained 50 Hours of

NCBTMB Category A Continuing Education.

In Witness Whereof, the Director of Education at this Facility has Affixed an Authorized Signature.



DIRECTOR OF EDUCATION, Karen E. Bohler



Completion Date

MATANUSKA-SUSITNA BOROUGH - CLERK'S OFFICE  
350 E. Dahlia Avenue Palmer, AK 99645  
Phone: 861-8683 Fax: 861-7845

RECEIVED  
DATE RECEIVED: FEB 12 2015  
CLERKS OFFICE

BOARD, COMMISSION, AND COMMITTEE APPLICATION FORM

INSTRUCTIONS

Complete and sign the application. Do not leave any blank fields. Type or print legibly in ink. Specify exactly what board and position you are seeking. Completed applications may be emailed to [debra.wetherhorn@matsugov.us](mailto:debra.wetherhorn@matsugov.us) or delivered or mailed to the Borough Clerk's Office, 350 E. Dahlia Avenue, Palmer, or faxed to 861-7845. If you have questions, please call 861-8683.

Board and position for which I am applying: Marijuana Advisory Committee, Member 6  
*(For example, Board of Equalization, Member 3)*

Applicant Name: Lisa Albert-Konecky

Residence Address: 1210 S. Felton Street, Palmer, AK 99645

Mailing Address: Same as above

Home phone: 745-7819 Work phone: 352-5447 Email: lkonecky@ci.wasilla.ak.us

Name and Address of Employer: Wasilla Police Dept., 1800 E. Parks Hwy, Wasilla, 99654

Can you regularly attend meetings? Yes  No  *(Pursuant to (MSB 4.05.030, "A vacancy occurs on the board when the member is absent from three (3) consecutive regular board meetings without the board excusing the absence for good cause.")*

Do you or any family member have a personal or financial interest with the Borough? Yes  No

If yes, list positions and or interest: C.O.W./Mat-Su Youth Court receives funding from MSB  
*(For example: employee, emergency responder, RSA or FSA area supervisor, board member, contractor etc.)*

How long have you lived in the Borough? 31 years (January, 1984)

Briefly explain, why you are you interested in serving on the board in which you are applying? I work with teens in the MSB and am concerned about their marijuana use/access with the new law.

List professional or personal experiences that qualify you for membership on the board? You may attach a brief resume to highlight your qualifications: I have worked in the juvenile justice field for over 35 years. Seven plus years with institutionalized youth and 19 years w/ Youth Court.

List three professional or personal references: Name: Matthew Beck Phone: 907-355-3223  
Name: Gene Belden (WPD Chief) Phone: 907-352-5401  
Name: Jana Engle Phone: 907-761-7221

Applicant Signature: Lisa Albert-Konecky N Date: 2-12-15

Office Use Only: Precinct: 11-075 Assembly District: 2 Service Area: City Palmer  
Position on Board: MAE member B - Education Comm Term Ends: 6/30/2018  
Residence Checked:  Yes Map Checked:  Yes Code Checked: 1<sup>st</sup>  2<sup>nd</sup>

Applicant Name: Lisa Albert-Konecky

---

1. Do you have any civil judgment against you within the last 10 years, whether monetary, non-monetary, declarative, injunctive, or any other form or manner?  NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

---

2. Do you have any judgments against you in a criminal case within the last 10 years, whether upon finding of guilt, plea of no contest, suspended, or any form of judgment other than dismissal or not guilty?  NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

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# Lisa Konecky

Youth Court Director at Mat-Su Youth Court

lkonecky@zei.wasilla.ak.us

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## Summary

I coordinate a non profit program that consists of 50+ teens who run court hearings for their peers who have committed a first time offense. I also coordinate adult attorneys and judges who volunteer to be legal advisers for the program. Conduct Intakes with teens and families and work with them until program completion. I love working with teenagers! They keep me motivated and hopeful. Love working with all aspects of the juvenile justice world: teens, families, law enforcement, attorneys and judges.

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## Experience

### **Youth Court Director at Mat-Su Youth Court**

July 1996 - Present (18 years 8 months)

Writing grants, managing groups of volunteers, coordinating events, promoting the program, meeting with clients and families.

### **Juvenile Justice Specialist at State of Alaska**

July 1987 - May 1994 (6 years 11 months)

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## Skills & Expertise

**Community Outreach**

**Nonprofits**

**Public Speaking**

**Policy**

**Program Development**

**Government**

**Leadership Development**

**Staff Development**

**Fundraising**

**Volunteer Management**

**Event Planning**

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## Education

**Gonzaga University**

Bachelor of Arts (BA), Criminal Justice and Psychology, 1977 - 1981

**Susitna Valley High School**

1973 - 1977

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# Lisa Konecky

Youth Court Director at Mat-Su Youth Court

lkonecky@ci.wasilla.ak.us

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Contact Lisa on LinkedIn



BOARD, COMMISSION, AND COMMITTEE APPLICATION FORM

INSTRUCTIONS

Complete and sign the application. Do not leave any blank fields. Type or print legibly in ink. Specify exactly what board and position you are seeking. Completed applications may be emailed to debra.wetherhorn@matsugov.us or delivered or mailed to the Borough Clerk's Office, 350 E. Dahlia Avenue, Palmer, or faxed to 861-7845. If you have questions, please call 861-8683.

Board and position for which I am applying: Marijuana Advisory Committee (For example, Board of Equalization, Member 3)

Applicant Name: John Anderson

Residence Address: 10425 Hardship Lane Willow 99688

Mailing Address: Box 1072 Willow, AK 99688

Home phone: 495-6510 Work phone: 232-1921 Email: john.anderson.andy@yahoo.com

Name and Address of Employer: Anderson + Associates

Can you regularly attend meetings? Yes [X] No [ ] (Pursuant to (MSB 4.05.030, "A vacancy occurs on the board when the member is absent from three (3) consecutive regular board meetings without the board excusing the absence for good cause.")

Do you or any family member have a personal or financial interest with the Borough? Yes [ ] No [X]

If yes, list positions and or interest: position #4 #5 (For example: employee, emergency responder, RSA or FSA area supervisor, board member, contractor etc.)

How long have you lived in the Borough? 36 Years

Briefly explain, why you are you interested in serving on the board in which you are applying? position #1, #5, #9

I can lend a view from different perspectives - Business - financial

List professional or personal experiences that qualify you for membership on the board? You may attach a brief resume to highlight your qualifications: member Mat. Su Boro Planning Commission, Rce official - IDITAROD Chair WACO (Willow Area Community Org) MAT. Su Homebuilders Assn

List three professional or personal references: Name: Vern Halter Phone: 745-4861 Name: John Moosey Phone: 745-4801 Name: Jim Sykes Phone: 745-4861

Applicant Signature: John Anderson Date: 2/10/15

(N)

Office Use Only: Precinct: 10-045 Assembly District: 7 Service Area: FSA - Willow RSA - GR Willow Position on Board: MAC member 9 Planning/Zoning Exp. Term Ends: 6/30/2018 Residence Checked: [X] Yes Map Checked: [X] Yes Code Checked: 1st [ ] 2nd [X]

Applicant Name: John Anderson

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Do you have any civil judgment against you within the last 10 years, whether monetary, non-monetary, declarative, injunctive, or any other form or manner?  NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

---

Do you have any judgments against you in a criminal case within the last 10 years, whether upon finding of guilt, plea of no contest, suspended, or any form of judgment other than dismissal or not guilty?  
 NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

---

DATE RECEIVED: **RECEIVED**  
**FEB 09 2015**  
**CLERKS OFFICE**

**BOARD, COMMISSION, AND COMMITTEE APPLICATION FORM**

**INSTRUCTIONS**

**Complete and sign the application. Do not leave any blank fields.** Type or print legibly in ink. Specify exactly what board and position you are seeking. Completed applications may be emailed to **debra.wetherhorn@matsugov.us** or delivered or mailed to the Borough Clerk's Office, 350 E. Dahlia Avenue, Palmer, or faxed to 861-7845. If you have questions, please call 861-8683.

Board and position for which I am applying: Marijuana Advisory Board  
*(For example, Board of Equalization, Member 3)*

Applicant Name: John Norris

Residence Address: 23503 W. Susitna Parkway Biglake AK

Mailing Address: Same 99623

Home phone: 892-1717 Work phone: N/A Email: N/A

Name and Address of Employer: N/A

Can you regularly attend meetings? Yes  No  *(Pursuant to (MSB 4.05.030, "A vacancy occurs on the board when the member is absent from three (3) consecutive regular board meetings without the board excusing the absence for good cause.")*

Do you or any family member have a personal or financial interest with the Borough? Yes  No

If yes, list positions and or interest: N/A  
*(For example: employee, emergency responder, RSA or FSA area supervisor, board member, contractor etc.)*

How long have you lived in the Borough? 18 years

Briefly explain, why you are you interested in serving on the board in which you are applying? I have studied cannabis as a medicinal plant for 30 years, and want to help alaskans and educate people, provide medical relief

List professional or personal experiences that qualify you for membership on the board? You may **attach a brief resume** to highlight your qualifications: \* See Attachment

List three professional or personal references: Name: Dan Walsh Phone: 892 8335  
Name: Jeff Carney Phone: 376-5333  
Name: Mariene Westland Phone: 892-8007

Applicant Signature: John D. Norris Date: Feb. 5 2015

Office Use Only: Precinct: OB-155 Assembly District: 5 Service Area: FSA-NONE  
RA Biglake  
Position on Board: MAC member ID SALES/Marketing Term Ends: 6/30/2018  
Residence Checked:  Yes Map Checked:  Yes Code Checked: 1<sup>st</sup>  2<sup>nd</sup>

Applicant Name: John Morris

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Do you have any civil judgment against you within the last 10 years, whether monetary, non-monetary, declarative, injunctive, or any other form or manner?  NO  YES \*

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

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Do you have any judgments against you in a criminal case within the last 10 years, whether upon finding of guilt, plea of no contest, suspended, or any form of judgment other than dismissal or not guilty?

NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

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\* I declared bankruptcy in December 2014  
and have final hearing Feb. 11 2015.

I graduated High School with honors in 1978 from Lowell High School, in Indiana. I studied advanced math, Spanish, Latin and music. Upon graduation I was awarded the Hoosier Scholar award for achievement on the SAT exams. I then enlisted in the United States Marine Corps. I graduated at the top of my Battalion and was meritoriously promoted. I served in Guantanamo Bay Cuba where I was promoted again. I then trained with special forces and was involved in the American Embassy crisis in Iran where I served with Navy Seal team 6. I then volunteered to work with military intelligence in Kenya Africa as part of an observation and studies group. I went into areas near Nairobi to make contact with people involved in the manufacturing of Opium. and did liaison work with Kenyan police.

Upon honorary discharge I immediately began studying at Indiana University where my father was a professor of psychology. I studied Anthropology, Philosophy, Music Spanish and law. I became deeply interested in Constitutional and family law. I also studied the decisions of the U.S. Supreme Court that relate to the Constitution.

\* Attachment

page 2

I have studied cannabis for over 30 years, and have used it medicinally for relief of injuries and PTSD. I have educated myself in the cultivation and propagation of this plant, including its genetics, chemistry and biology. I am a hydroponics expert and I have studied the effects of THC and observed directly its uses, and the response of many people to its exposure. As my father was a Professor of psychology at I.U. I completed college classes while still in High School. I read the works of B.F. Skinner who did groundbreaking studies of the effects of environment on human development. I have since studied the psychology and psychopathology of addiction. I lost my son Jason to a drug overdose so this subject is very important to me. My goal is to help Alaskan families avoid this terrible tragedy and to address the Epidemic of addiction & overdose our state is experiencing. I believe medical cannabis can replace many existing therapies. I feel that I can provide assistance and common sense to our new legislation and its implementation. Thank you for your consideration.

John D. Norris

DATE RECEIVED: **RECEIVED**  
**FEB 02 2015**  
**CLERKS OFFICE**

**BOARD, COMMISSION, AND COMMITTEE APPLICATION FORM**

**INSTRUCTIONS**

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**Board and position for which I am applying:** Marijuana Advisory Committee Member 11, 12, or 13  
*(For example, Board of Equalization, Member 3)*

Applicant Name: Link C Fannon

Residence Address: 8418 Murphy's Bluff Road, Meadow Lakes

Mailing Address: 520978, Big Lake, Alaska 99652

Home phone: N/A Work phone: 800.662.0593 Email: N/A

Name and Address of Employer: Self Employed, Oracle Investigations, Address Same

Can you regularly attend meetings? Yes  No  *(Pursuant to (MSB 4.05.030, "A vacancy occurs on the board when the member is absent from three (3) consecutive regular board meetings without the board excusing the absence for good cause.")*

Do you or any family member have a personal or financial interest with the Borough? Yes  No

If yes, list positions and or interest: N/A  
*(For example: employee, emergency responder, RSA or FSA area supervisor, board member, contractor etc.)*

How long have you lived in the Borough? 15 Years

Briefly explain, why you are you interested in serving on the board in which you are applying? I am a member of this community, and a father of four, I would like to work with other community members in ensuring the cultivation, distribution and recreational use of marijuana is done in a respectful and responsible manner

List professional or personal experiences that qualify you for membership on the board? You may **attach a brief resume** to highlight your qualifications: As a former Houston City Council Member I was able to successfully work with both the community as well as council members in ensuring a responsible and effective city government. I also believe my professional career has aided me greatly in contributing in an advisory committee capacity. Please see attached CV

List three **professional or personal** references: Name: Steve Colligan Phone: 907.562.1500  
Name: Archie Giddings Phone: 907.373.9018  
Name: Windy Hannaman Phone: 907.830.8750

Applicant Signature: *Link C Fannon* Date: January 30, 2015  
**(N)**

Office Use Only: Precinct: OB-135 Assembly District: 7 Service Area: FSA - West Lakes  
RSA - meadow lakes  
Position on Board: mac member 11 - citizen 1 outside city Term Ends: 6/30/2018  
Residence Checked:  Yes Map Checked:  Yes Code Checked: 1<sup>st</sup>  2<sup>nd</sup>

Applicant Name: Link C Fannon

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Do you have any civil judgment against you within the last 10 years, whether monetary, non-monetary, declarative, injunctive, or any other form or manner?     NO     YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

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Do you have any judgments against you in a criminal case within the last 10 years, whether upon finding of guilt, plea of no contest, suspended, or any form of judgment other than dismissal or not guilty?

NO     YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

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## Link Fannon, Oracle Investigations Crime Scene Analyst & Private Investigator

PO Box 520978  
Big Lake, Alaska 99652  
(ph) 1-800-662-0593  
(email) [oracleinvestigations907@gmail.com](mailto:oracleinvestigations907@gmail.com)

### EXPERIENCE

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- Private Investigation Services, Oracle Investigations 2005- present
- Crime Scene Reconstruction and Analysis Services 2010—present
- Statewide Homicide Investigations 2006-2012  
State of Alaska, Office of Public Advocacy  
Appeals and Statewide Defense
- Elder Fraud Supplemental Investigations 2006-2012  
State of Alaska Office of Public Advocacy, Elder Fraud
- Adult and Juvenile Representation Supplemental Investigations 2006-2012  
State of Alaska, Office of Public Advocacy
- Child-In-Need-of-Aid, Supplemental Investigations 2006—2012  
State of Alaska, Office of Public Advocacy
- Post-Conviction Relief Investigation 2008—2012  
State of Alaska, Office of Public Advocacy  
Appeals and Statewide Defense

### EXPERT WITNESS

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- Qualified as an expert in Crime Scene Reconstruction and Bloodstain Pattern Analysis  
*SOA v. Chesley L Greeno*, 3AN-09-04599CR Anchorage Superior Court
- Qualified as an expert in Crime Scene Reconstruction and Bloodstain Pattern Analysis  
*SOA v. Tidiane Kone*, 3AN-12-08971CR Anchorage Superior Court
- Qualified as an expert in Crime Scene Reconstruction/Shooting Incident Reconstruction,  
*SOA v. William Robinson*, 3PA-13-00487CR Palmer Superior Court

## MEMBERSHIPS/PROFESSIONAL ORGANIZATIONS

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- Alaska Investigators Association 2005-present (association inactive)
- Association of Crime Scene Reconstruction 2010-present
- International Association of Bloodstain Pattern Analysis 2011-present
- National Rifle Association, Life Time Member 2011—present

## TRAINING/SEMINARS

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### 2006

- The future and ethics of pretexting Paul Kulas and Skip Tracy, Founders  
Telecommunications tracking and identification, false caller identification signaling, and commonly employed phone line trapping.
- Computer Evidence Recovery, Inc. Kevin Ripa,  
Director  
Data recovery systems, email tracking, and methodology of internet profiling
- Columbia International Forensic Laboratory Gaylan Warren  
Shooting incident reconstruction, case profile, methodology and the scientific method,

### 2009

- Interviewer questions and content analysis of children's statements of sexual abuse Dr. David Raskin  
Girdwood, AK
- Basic Crime Scene Reconstruction and Analysis Bevel Gardner and Associates  
Norman Police Department and Training Center Norman, OK
- Advanced Crime Scene Reconstruction and Analysis Bevel Gardner and Associates  
Norman Police Department and Training Center Norman, OK

### 2010

- Basic Bloodstain Pattern Analysis Bevel Gardner and Associates  
Flower Mound Police Department, TX
- Advanced Bloodstain Pattern Analysis Bevel Gardner and Associates  
Lakewood Police Department, CO
- Proctored Forensic Proficiency exam in Bloodstain Pattern Analysis

## 2011

- Shooting Incident Reconstruction Michael Haag, Forensic Science Consultants, LLC  
Los Angeles County Sheriff's Department
- Proctored Forensic exam, Ballistics and Shooting Reconstruction
- Shooting Incident Reconstruction Bevel Gardner and Associates  
Norman Police Department and Training Center  
Norman, OK
- Proctored Forensic Exam, Shooting Incident Reconstruction

## 2012

- Alaska Bar Association approved instructor, two hour CLE  
Crime Scene Reconstruction, Bloodstain Pattern Analysis, and Shooting Incident  
Reconstruction.
- Instructed Crime Scene Reconstruction and Case Review  
Approved for Alaska Bar Association CLE credits
- Completed Criminal Investigation Jim Wolfe, Ret. Supervising Criminalist  
15 week Course Alaska State Crime Lab

## 2013

- Association of Crime Scene Reconstruction Annual Training Conference Atlanta, GA
- Alternative Light Source Utilization, Workshop
- Human Factors in Crime Scene Reconstruction, Workshop

## LICENSES

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- State of Alaska Private Investigator Business License #728924
- City of Fairbanks Private Detective License #4561 (no longer required per code change)
- Municipality of Anchorage Private Detective License #PD1101

## EDUCATION

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- Western Oregon University, B.S.  
Major in Business Administration, Focus Finance  
Minor in Economics

DATE RECEIVED  
**RECEIVED**  
**FEB 06 2015**  
**CLERKS OFFICE**

**BOARD, COMMISSION, AND COMMITTEE APPLICATION FORM**

**INSTRUCTIONS**

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**Board and position for which I am applying:** Marijuana Advisory Comm. 10 Sales/marketing member  
*(For example, Board of Equalization, Member 3) member 11-13 Citizen 3*

**Applicant Name:** Jacque J. Brittain

**Residence Address:** 13706 Grassland Cr. Palmer, AK 99645

**Mailing Address:** same

**Home phone:** 746-7810 **Work phone:** \_\_\_\_\_ **Email:** jjbbrittain@yahoo.com

**Name and Address of Employer:** \_\_\_\_\_

Can you regularly attend meetings? Yes  No  *(Pursuant to (MSB 4.05.030, "A vacancy occurs on the board when the member is absent from three (3) consecutive regular board meetings without the board excusing the absence for good cause.")*

Do you or any family member have a personal or financial interest with the Borough? Yes  No

If yes, list positions and or interest: \_\_\_\_\_  
*(For example: employee, emergency responder, RSA or FSA area supervisor, board member, contractor etc.)*

How long have you lived in the Borough? 5 years

Briefly explain, why you are you interested in serving on the board in which you are applying? Interested in initiative & helping with new laws

List professional or personal experiences that qualify you for membership on the board? You may **attach a brief resume** to highlight your qualifications: experience with medicinal use

List three professional or personal references: Name: Cindy Dunlap Phone: 775-315-8286  
Name: Sharon Charrette Phone: 907-360-1479  
Name: Bustin Dunlap Phone: 530-721-2701

**Applicant Signature:** Jacque J. Brittain **Date:** 2-6-2015

(N)

**Office Use Only:** Precinct: 11-005 Assembly District: 2 Service Area: FSA - GR Palmer  
FSA - South Colony  
Position on Board: \_\_\_\_\_ Term Ends: \_\_\_\_\_  
Residence Checked:  Yes Map Checked:  Yes Code Checked: 1<sup>st</sup>  2<sup>nd</sup>

Applicant Name: Jacque J. Brittain

---

Do you have any civil judgment against you within the last 10 years, whether monetary, non-monetary, declarative, injunctive, or any other form or manner?  NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

---

Do you have any judgments against you in a criminal case within the last 10 years, whether upon finding of guilt, plea of no contest, suspended, or any form of judgment other than dismissal or not guilty?  
 NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

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MATANUSKA-SUSITNA BOROUGH - CLERK'S OFFICE  
350 E. Dahlia Avenue Palmer, AK 99645  
Phone: 861-8683 Fax: 861-7845

RECEIVED  
DATE RECEIVED  
JAN 23 2015  
CLERKS OFFICE

BOARD, COMMISSION, AND COMMITTEE APPLICATION FORM

INSTRUCTIONS

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Board and position for which I am applying: MARIJUANA ADVISORY COMMITTEE  
(For example, Board of Equalization, Member 3)

Applicant Name: TYREL R. HENKEL

Residence Address: 1932 S. CREEKSIDE DR, WASILLA ALASKA 99654

Mailing Address: 1932 S. CREEKSIDE DR, WASILLA, ALASKA 99654

Home phone: 907-982-8475 Work phone: 907-746-2999 Email: TYREL.HENKEL@ME.COM

Name and Address of Employer: T&J GRAVEL PRODUCTS, INC. 7070 E. FIREWEED RD, PALMER AK 99645

Can you regularly attend meetings? Yes  No  (Pursuant to (MSB 4.05.030), "A vacancy occurs on the board when the member is absent from three (3) consecutive regular board meetings without the board excusing the absence for good cause.")

Do you or any family member have a personal or financial interest with the Borough? Yes  No

If yes, list positions and or interest: N/A  
(For example: employee, emergency responder, RSA or FSA area supervisor, board member, contractor etc.)

How long have you lived in the Borough? 20 years

Briefly explain, why you are you interested in serving on the board in which you are applying? I believe the borough needs regular citizens to be involved in marijuana regulation and I think I can help.

List professional or personal experiences that qualify you for membership on the board? You may attach a brief resume to highlight your qualifications: 6 years of experience in the Navy, I grew up in the valley and am familiar with the issue, I work at a family run business, I feel I can bring common sense to the committee.

List three professional or personal references:  
Name: Lynn Grathis Phone: 907-373-0380  
Name: Shawn Hewiser Phone: 907-222-1134  
Name: Robert Springer Phone: 907-575-3712

Applicant Signature: [Signature] Date: 1/23/15

(N)

Office Use Only: Precinct: 12-205 Assembly District: 3 Service Area: Central Mat Su Fairview  
Position on Board: member Term Ends: 6/30/2018  
Residence Checked:  Yes Map Checked:  Yes Code Checked: 1<sup>st</sup>  2<sup>nd</sup>

Applicant Name: TYREL R. HENKEL

Do you have any civil judgment against you within the last 10 years, whether monetary, non-monetary, declarative, injunctive, or any other form or manner?  NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

Do you have any judgments against you in a criminal case within the last 10 years, whether upon finding of guilt, plea of no contest, suspended, or any form of judgment other than dismissal or not guilty?

NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

DATE RECEIVED: **RECEIVED**  
**JAN 29 2015**  
**CLERKS OFFICE**

**BOARD, COMMISSION, AND COMMITTEE APPLICATION FORM**

**INSTRUCTIONS**

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Board and position for which I am applying: Marijuana Advisory Committee - <sup>outside</sup> city limits  
(For example, Board of Equalization, Member 3)

Applicant Name: Robin Jeffery

Residence Address: 13875 W Acro Lane Big Lake

Mailing Address: PO 520672 99652

Home phone: 907-892-1301 Work phone: NA Email: maryschilol@gmail

Name and Address of Employer: NA

Can you regularly attend meetings? Yes  No  (Pursuant to (MSB 4.05.030, "A vacancy occurs on the board when the member is absent from three (3) consecutive regular board meetings without the board excusing the absence for good cause.")

Do you or any family member have a personal or financial interest with the Borough? Yes  No

If yes, list positions and or interest: NA  
(For example: employee, emergency responder, RSA or FSA area supervisor, board member, contractor etc.)

How long have you lived in the Borough? Jan 1 - 1993 - 22 yrs

Briefly explain, why you are you interested in serving on the board in which you are applying? As a medical retiree my concerns would be basic public health + safety in MatSu.

List professional or personal experiences that qualify you for membership on the board? You may attach a brief resume to highlight your qualifications: Extensive history in hospitality, 15 years as a liquor licensee in MatSu, Volunteer with Depts of Revenue & Corrections

List three professional or personal references:  
Name: Jeff + P.J. Ross Phone: 232-0321  
Name: Laura Castleman Phone: 892-8162  
Name: Nanette Rucker Phone: 376-3555

Applicant Signature: [Signature] Date: 1-29-15

Office Use Only: Precinct: 08-155 Assembly District: 5 Service Area: FSA West Lakes RSA Big Lake  
Position on Board: \_\_\_\_\_ Term Ends: \_\_\_\_\_  
Residence Checked:  Yes Map Checked:  Yes Code Checked: 1<sup>st</sup>  2<sup>nd</sup>

Applicant Name: Robin S. Jeffery

---

Do you have any civil judgment against you within the last 10 years, whether monetary, non-monetary, declarative, injunctive, or any other form or manner?    NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

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Do you have any judgments against you in a criminal case within the last 10 years, whether upon finding of guilt, plea of no contest, suspended, or any form of judgment other than dismissal or not guilty?

NO    YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

---

Robin S. Jeffery

Jan 29 '15

Two civil judgments, both arising out of the same event. Employee P.S. had a wreck and subsequent D.U.I., Oct. 2009., Two hours after work and testified she had gotten herself drunk at work. Plaintiff's discovered I had insurance and I was next. These people were injured by P.S.

Kasheena Radner v. R.J. DBA Robins Landing  
Personal Injury 3AN-11-10782 CI  
Settled (OOC) Jan. 2013 \$20K

Terrence Radner v. R.J. DBA Robins Landing  
Personal Injury 3AN-14-09703 CI  
Settled (OOC) Jan 2015 \$5K

MATANUSKA-SUSITNA BOROUGH - CLERK'S OFFICE  
350 E. Dahlia Avenue Palmer, AK 99645  
Phone: 861-8683 Fax: 861-7845

**RECEIVED**

DATE RECEIVED: <b>JAN 29 2015</b> <b>CLERKS OFFICE</b>
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**BOARD, COMMISSION, AND COMMITTEE APPLICATION FORM**

**INSTRUCTIONS**

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**Board and position for which I am applying:** MAC Member 11 - Citizen 1 Outside City Limits  
*(For example, Board of Equalization, Member 3)*

**Applicant Name:** Michael W. Hemmer

**Residence Address:** 252 N. Brimar St. Palmer, AK 99645

**Mailing Address:** 252 N. Brimar St. Palmer, AK 99645

**Home phone:** (907)745-4320 **Cell phone:** (907)240-7773 **Email:** aklabman@gmail.com

**Name and Address of Employer:** Retired DOT-FAA

Can you regularly attend meetings? Yes  No  *(Pursuant to (MSB 4.05.030, "A vacancy occurs on the board when the member is absent from three (3) consecutive regular board meetings without the board excusing the absence for good cause.")*

Do you or any family member have a personal or financial interest with the Borough? Yes  No

If yes, list positions and or interest: \_\_\_\_\_  
*(For example: employee, emergency responder, RSA or FSA area supervisor, board member, contractor etc.)*

How long have you lived in the Borough? 10 Yrs.

Briefly explain, why you are you interested in serving on the board in which you are applying? I want to be involved in the process of implementing and sucessfully creating a regulatory framework for the possible future financial health of the Mat Su Borough and it's citizens.

List professional or personal experiences that qualify you for membership on the board? You may **attach a brief resume** to highlight your qualifications: See Attached

List three **professional or personal** references:

Name: <u>Robert Phillips</u>	Phone: <u>(907)376-1382</u>
Name: <u>Kody Bull</u>	Phone: <u>(907)223-0898</u>
Name: <u>Robert Maloney</u>	Phone: <u>(907)727-1047</u>

**Applicant Signature:**  **Date:** 01/29/2015

(N)

<b>Office Use Only:</b> Precinct: <u>12-220</u> Assembly District: <u>1</u> Service Area: <u>FSA - BUTTE RSA GR. BUTTE</u>
Position on Board: _____ Term Ends: _____
Residence Checked: <input checked="" type="checkbox"/> Yes Map Checked: <input checked="" type="checkbox"/> Yes Code Checked: 1 <sup>st</sup> <input checked="" type="checkbox"/> 2 <sup>nd</sup> <input checked="" type="checkbox"/>

Applicant Name: Michael W. Hemmer

---

Do you have any civil judgment against you within the last 10 years, whether monetary, non-monetary, declarative, injunctive, or any other form or manner?  NO  YES *Red light violation 2/13/15 in Anacapa*

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

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Do you have any judgments against you in a criminal case within the last 10 years, whether upon finding of guilt, plea of no contest, suspended, or any form of judgment other than dismissal or not guilty?  
 NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

---

## Michael Hemmer

252 N Brimar Street  
Palmer, AK 99645  
mhemmer@mtaonline.net

Landline phone: 907 745-4320

### Profile

**Able to prioritize and operate proactively. Able to coordinate several tasks simultaneously. Able to lead others in high-demand situations. Commended for reliability and trustworthiness.**

### Experience

#### AVIATION TECHNOLOGY

**Air Traffic Control Specialist, FAA Academy Instructor. USAF/FAA/DOT.** 1978 - 2007. Primary duties are to control flow of air traffic so that it is most efficient and safe as can be. To achieve this objective, the following job tasks are/can be required: direct pilots to the runway, alert pilots as to additional ait traffic in the area, issue instructions for takeoff and landing, direct airplane pilots while enroute to their destinations and maintain contact with the pilots during travel to aid pilots in reaching their destination. In the event of an emergency or should an airplane encounter problems, provide flight path changes for bad weather and in extreme circumstances, direct pilots to a specific area for emergency landings. Job duties also include the efficient hand over of control to the airplane's destination traffic control tower by maintaining clear concise contact. Certain clerical tasks my include analyzing weather reports and fuel requirements, compile pilots reports and flight plan documentation, complete daily logs, keep messages from the aircraft and review all reports for clarity and completeness.

- ✦ Elevated standards of ATC performance by submitting accepted suggestions of change to then current air traffic control operation procedures.
- ✦ Recieved numerous timeoff awards and Superior Contribution pay increases for these efforts.
- ✦ Worked as Air Traffic Control Trainer at FAA Academy, Oklahoma City, OK.
- ✦ I was chosed as part of a hand selected group of US air traffic controllers who developed the present intra and inter facility radio communication system that is currently in use here in the United States and throughout the world.

### Education

**Air Traffic Controller.** Lowry AFB, Denver CO, 1978.

**Air Traffic Control.** Green River Community College, Auburn WA, 1981. GPA: 3.0 Out of 4.5.

**Instrument Pilot Ground School.** Anchorage Community College, Anchorage AK, 1985.

**Academy Instructor Training.** FAA Academy, Oklahoma City, OK, 1991.

**Elem Russian.** UAA, Anchorage AK, 1990.

**Management by Objectivies.** FAA Chief ATCT, Anchorage AK, 1987.

**A Positive Approach To Discipline.** FAA Chief ATCT, Anchorage AK, 1987.

**Human Relations In Supervision.** FAA Chief ATCT, Anchorage AK, 1987.

MATANUSKA-SUSITNA BOROUGH - CLERK'S OFFICE  
350 E. Dahlia Avenue Palmer, AK 99645  
Phone: 861-8683 Fax: 861-7845

RECEIVED  
DATE RECEIVED:  
JAN 27 2015  
CLERKS OFFICE

BOARD, COMMISSION, AND COMMITTEE APPLICATION FORM

INSTRUCTIONS

Complete and sign the application. Do not leave any blank fields. Type or print legibly in ink. Specify exactly what board and position you are seeking. Completed applications may be emailed to [debra.wetherhorn@matsugov.us](mailto:debra.wetherhorn@matsugov.us) or delivered or mailed to the Borough Clerk's Office, 350 E. Dahlia Avenue, Palmer, or faxed to 861-7845. If you have questions, please call 861-8683.

Board and position for which I am applying: Marijuana Advisory Committee, Member 11-13  
*(For example, Board of Equalization, Member 3) City Limits*

Applicant Name: Jamie Sadler

Residence Address: 5125 E Big Rock Dr. Wasilla AK 99654

Mailing Address: PO Box 4317 Palmer AK 99645

Home phone: 8541399 Work phone: 771 2832 Email: Jamie.Sadler@me.com

Name and Address of Employer: Nana Wortey Parsons 3700 Centerpoint Dr. Anchorage 99503

Can you regularly attend meetings? Yes  No  *(Pursuant to (MSB 4.05.030, "A vacancy occurs on the board when the member is absent from three (3) consecutive regular board meetings without the board excusing the absence for good cause.")*

Do you or any family member have a personal or financial interest with the Borough? Yes  No

If yes, list positions and or interest: NA  
*(For example: employee, emergency responder, RSA or FSA area supervisor, board member, contractor etc.)*

How long have you lived in the Borough? 7 years

Briefly explain, why you are you interested in serving on the board in which you are applying? I may decide to farm this in the future and I would like to help w/ the regulations if possible.

List professional or personal experiences that qualify you for membership on the board? You may attach a brief resume to highlight your qualifications: See attached resume.

List three professional or personal references: Name: Hugo Gutierrez *(he lives outside u.s.)* Phone: hugo\_eg@cox.net  
Name: MIKE HUDSON Phone: 343-5434  
Name: Vickie Westphal Phone: 232-2331

Applicant Signature: Jamie Sadler Date: 27 Jan 2015

(N)

Office Use Only: Precinct: 09-628 Assembly District: 6 Service Area: GOLD TRAIL GR. PALMER FSA  
Position on Board: \_\_\_\_\_ Term Ends: \_\_\_\_\_  
Residence Checked:  Yes Map Checked:  Yes Code Checked: 1<sup>st</sup>  2<sup>nd</sup>

Applicant Name: Jamie Sadler

---

Do you have any civil judgment against you within the last 10 years, whether monetary, non-monetary, declarative, injunctive, or any other form or manner?  NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

NA

---

Do you have any judgments against you in a criminal case within the last 10 years, whether upon finding of guilt, plea of no contest, suspended, or any form of judgment other than dismissal or not guilty?

NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

NA

---

Jamie M Sadler  
Po Box 4317 Palmer Ak 99645  
907-854-1399, jamiesadler@me.com

**Accomplished Supply Chain Manager, with 16 years' of experience in cutting cost, team leadership, organization, budget controls and training with a strong ability to focus on meeting customer expectations, often exceeding them.**

## Education

**Masters Business Administration, University of Phoenix**

**Bachelor of Science, Integrated Supply Chain Management, University of Phoenix**

**Six Sigma Lean/DFSS Certification**

## Experience

**Field Buyer/Material Specialist II, NANA WorleyParsons** **Nov 13- Pres**

*Procurement duties as required for ExxonMobil, Pt. Thomson Project*

**Purchasing and Warehouse Manager, Era Aviation** **May 11-Nov 13**

*Managed a team of 5-12 employees, responsible for a \$5.5 million inventory, \$500,000 annual purchases*

- *Reduced shipping costs by 10% annually*
- *Decreased repair turn time on parts to less than 30days, 90% of the time*
- *Reorganized warehouse layout for better optimization and work flow*
- *Implemented process flow for accounting documents to ensure expeditious payment*
- *Created inventory flow and departmental procedures to accommodate the purchase of two additional aircraft and spare parts*

**Buyer, Ryan Air** **Dec 09- May 11**

- *Identified surplus inventory for sale, approximately \$100,000*
- *Conducted annual inventory at remote locations with 95% accuracy*
- *General purchasing duties as required*

Jamie M Sadler  
Po Box 4317 Palmer Ak 99645  
907-854-1399, jamiesadler@me.com

**Logistics Manager, Northern Air Maintenance**

**Sept 07-Sept 09**

- *Reorganized warehouse layout for better optimization of \$7 million inventory*
- *Performed annual inventory audit with over 98% accuracy*
- *Created inventory flow to accommodate the purchase of two additional aircraft*

**Supervisor Material Control, HMV, US Airways**

**Sept 05-Sept 07**

- *Travelled to multiple locations to aid in heavy check materials processing*
- *Integral part of implementation of processes and procedures during merger with America West*

**Buyer and Material Control Specialist, TIMCO**

**Nov 98-Mar 01 & June 02-Sept 05**

- *Identified surplus inventory for sale*
- *Managed multiple aircraft types for numerous customers*
- *Handled procurement functions for multiple customers and contracts upwards of 20 million dollars.*

**Other**

- *Proficient in various MRP systems, including AS400, Trax, Sceptre, SPM*
- *Microsoft Office Business and Apple iWork suites*
- *Strong communication, negotiating, team building, and leadership skills.*
- *Willing to travel up to 90% of the time, domestic and international*
- *Completed the Point Thomson Safety and Leadership Course 2014*
- *NSTC / Arctic Pass Tier II qualified, July 2014*
- *OSHA 10 Hour- Construction Safety Course*

MATANUSKA-SUSITNA BOROUGH - CLERK'S OFFICE  
350 E. Dahlia Avenue Palmer, AK 99645  
Phone: 861-8683 Fax: 861-7845

RECEIVED  
DATE RECEIVED  
FEB 03 2015  
CLERKS OFFICE

BOARD, COMMISSION, AND COMMITTEE APPLICATION FORM

INSTRUCTIONS

Complete and sign the application. Do not leave any blank fields. Type or print legibly in ink. Specify exactly what board and position you are seeking. Completed applications may be emailed to [debra.wetherhorn@matsugov.us](mailto:debra.wetherhorn@matsugov.us) or delivered or mailed to the Borough Clerk's Office, 350 E. Dahlia Avenue, Palmer, or faxed to 861-7845. If you have questions, please call 861-8683.

Board and position for which I am applying: Marijuana Advisory Board  
(For example, Board of Equalization, Member 3)

Applicant Name: Sally L. Johnson

Residence Address: 13293 Ellis White Circle Wasilla, AK 99623

Mailing Address: Same

Home phone: 376-2855 Work phone: 352-9500 Email: Sj92659@yahoo.com

Name and Address of Employer: Mat Su Borough School District 501 N. Gulkana Palmer, AK 99645

Can you regularly attend meetings? Yes  No  (Pursuant to (MSB 4.05.030, "A vacancy occurs on the board when the member is absent from three (3) consecutive regular board meetings without the board excusing the absence for good cause.")

Do you or any family member have a personal or financial interest with the Borough? Yes  No

If yes, list positions and or interest: N/A  
(For example: employee, emergency responder, RSA or TSA area supervisor, board member, contractor etc.)

How long have you lived in the Borough? 55 years

Briefly explain, why you are you interested in serving on the board in which you are applying? I am very passionate about this issue. I do not want to see this over-regulated!

List professional or personal experiences that qualify you for membership on the board? You may attach a brief resume to highlight your qualifications: Homesteaded in Knik 1960. Grew up in AK during the decriminalization. Have waited for the legalization for years. Would like to help build the guidelines for success during this transition.

List three professional or personal references: Name: Lisa Jensen Phone: 315-8180  
Name: Chrissy Mulheaux Phone: 355-7842  
Name: Candee Cottle Phone: 376-3795

Applicant Signature: Sally L. Johnson Date: 1/28/15

(N)

Office Use Only: Precinct: 08-140 Assembly District: 5 Service Area: FSA-Central Mat-Su  
RSA-Knik  
Position on Board: \_\_\_\_\_ Term Ends: \_\_\_\_\_  
Residence Checked:  Yes Map Checked:  Yes Code Checked: 1<sup>st</sup>  2<sup>nd</sup>

Applicant Name: Sally L. Johnson

Do you have any civil judgment against you within the last 10 years, whether monetary, non-monetary, declarative, injunctive, or any other form or manner?  NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

Do you have any judgments against you in a criminal case within the last 10 years, whether upon finding of guilt, plea of no contest, suspended, or any form of judgment other than dismissal or not guilty?  NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

RECEIVED  
DATE RECEIVED:  
FEB 10 2015  
CLERKS OFFICE

BOARD, COMMISSION, AND COMMITTEE APPLICATION FORM

INSTRUCTIONS

Complete and sign the application. Do not leave any blank fields. Type or print legibly in ink. Specify exactly what board and position you are seeking. Completed applications may be emailed to [debra.wetherhorn@matsugov.us](mailto:debra.wetherhorn@matsugov.us) or delivered or mailed to the Borough Clerk's Office, 350 E. Dahlia Avenue, Palmer, or faxed to 861-7845. If you have questions, please call 861-8683.

Board and position for which I am applying: Marijuana Advisory Board  
*(For example, Board of Equalization, Member 3)*

Applicant Name: Lily Harig

Residence Address: 2680 Terrace Loop

Mailing Address: 2680 Terrace Loop Wasilla, Ak 99623

Home phone: 440-2628 Work phone: \_\_\_\_\_ Email: pittnrotths@yahoo.com

Name and Address of Employer: unemployed

Can you regularly attend meetings? Yes  No  *(Pursuant to (MSB 4.05.030, "A vacancy occurs on the board when the member is absent from three (3) consecutive regular board meetings without the board excusing the absence for good cause.")*

Do you or any family member have a personal or financial interest with the Borough? Yes  No

If yes, list positions and or interest: \_\_\_\_\_  
*(For example: employee, emergency responder, RSA or FSA area supervisor, board member, contractor etc.)*

How long have you lived in the Borough? 1991

Briefly explain, why you are you interested in serving on the board in which you are applying? Matsu Valley has a unique ability to progress and prosper with prop #2, applied properly. I listen.

List professional or personal experiences that qualify you for membership on the board? You may attach a brief resume to highlight your qualifications: The personal experience of cultivating and applying it to medical use.

The knowledge of marijuana and hemp practical uses. I listen to others for their solutions, ideas.

List three professional or personal references:  
Name: Steve Hodgdon Phone: 242-4472  
Name: Stephanie Michel Phone: 229-3422  
Name: Kelle Huntsman Phone: 317-8739

Applicant Signature: Lily Harig (N) Date: 2/10/15

Office Use Only: Precinct: 08-140 Assembly District: 5 Service Area: FSA - Central Mat-Su  
Position on Board: \_\_\_\_\_ Term Ends: \_\_\_\_\_  
Residence Checked:  Yes Map Checked:  Yes Code Checked: 1<sup>st</sup>  2<sup>nd</sup>

Applicant Name: Lily Harig

---

1. Do you have any civil judgment against you within the last 10 years, whether monetary, non-monetary, declarative, injunctive, or any other form or manner?     NO     YES

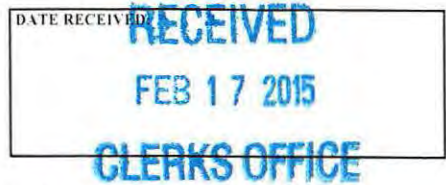
If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

---

2. Do you have any judgments against you in a criminal case within the last 10 years, whether upon finding of guilt, plea of no contest, suspended, or any form of judgment other than dismissal or not guilty?     NO     YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

---



BOARD, COMMISSION, AND COMMITTEE APPLICATION FORM

INSTRUCTIONS

Complete and sign the application. Do not leave any blank fields. Type or print legibly in ink. Specify exactly what board and position you are seeking. Completed applications may be emailed to debra.wetherhorn@matsugov.us or delivered or mailed to the Borough Clerk's Office, 350 E. Dahlia Avenue, Palmer, or faxed to 861-7845. If you have questions, please call 861-8683.

Board and position for which I am applying: Marijuana Advisory Control board (For example, Board of Equalization, Member 3)

Applicant Name: Crystal Sunderland

Residence Address: 729 N Marley Dr. Apartment B, Palmer AK 99645

Mailing Address: PS ABOVE

Home phone: 907-982-6005 Work phone: Email: theflora-factory@gmail.com

Name and Address of Employer: The flora factory 729 N Marley Dr. Palmer AK

Can you regularly attend meetings? Yes [X] No [ ] (Pursuant to MSB 4.05.030, "A vacancy occurs on the board when the member is absent from three (3) consecutive regular board meetings without the board excusing the absence for good cause.")

Do you or any family member have a personal or financial interest with the Borough? Yes [ ] No [X]

If yes, list positions and or interest: (For example: employee, emergency responder, RSA or FSA area supervisor, board member, contractor etc.)

How long have you lived in the Borough? 10 years perm. resident

Briefly explain, why you are you interested in serving on the board in which you are applying? I believe my knowledge would benefit the community board & Community

List professional or personal experiences that qualify you for membership on the board? You may attach a brief resume to highlight your qualifications: I studied botany in college, Im a master gardener and have been working in the agri. buisness for 8 years breeding photosensitive varieties for Alaska

List three professional or personal references: Name: Savon Durbine Phone: 907-715-4326 Name: Susan Jones Phone: 907-232-9805 Name: Pat Tremaine Phone: 907-746-4623

Applicant Signature: Crystal Sunderland Date: 2-17-15

Office Use Only: Precinct: 12-220 Assembly District: 1 Service Area: FSA - BULTC PSA - GR BULTC Position on Board: Term Ends: Residence Checked: [X] Yes Map Checked: [X] Yes Code Checked: 1st [X] 2nd [X]

Applicant Name: Crystal Sunderland

---

Do you have any civil judgment against you within the last 10 years, whether monetary, non-monetary, declarative, injunctive, or any other form or manner?  NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

---

Do you have any judgments against you in a criminal case within the last 10 years, whether upon finding of guilt, plea of no contest, suspended, or any form of judgment other than dismissal or not guilty?

NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

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MATANUSKA-SUSITNA BOROUGH - CLERK'S OFFICE  
350 E. Dahlia Avenue Palmer, AK 99645  
Phone: 861-8683 Fax: 861-7845

RECEIVED  
DATE RECEIVED  
JAN 28 2015  
CLERKS OFFICE

BOARD, COMMISSION, AND COMMITTEE APPLICATION FORM

INSTRUCTIONS

Complete and sign the application. Do not leave any blank fields. Type or print legibly in ink. Specify exactly what board and position you are seeking. Completed applications may be emailed to [debra.wetherhorn@matsugov.us](mailto:debra.wetherhorn@matsugov.us) or delivered or mailed to the Borough Clerk's Office, 350 E. Dahlia Avenue, Palmer, or faxed to 861-7845. If you have questions, please call 861-8683.

Board and position for which I am applying: Marijuana Reform Committee  
(For example, Board of Equalization, Member 3)

Applicant Name: Thomas (Tom) J Rainey living outside of  
3 cities

Residence Address: 8580 E. Highlander Circle

Mailing Address: Same cell # 715-9992

Home phone: 745-7487 Work phone: 907-8786-7423 Email: alaska.muster@  
gmail.com

Name and Address of Employer: U.S.G.S. 4210 University Dr. Anchorage

Can you regularly attend meetings? Yes  No  (Pursuant to (MSB 4.05.030, "A vacancy occurs on the board when the member is absent from three (3) consecutive regular board meetings without the board excusing the absence for good cause.")

Do you or any family member have a personal or financial interest with the Borough? Yes  No

If yes, list positions and or interest: \_\_\_\_\_  
(For example: employee, emergency responder, RSA or FSA area supervisor, board member, contractor etc.)

How long have you lived in the Borough? 20 years

Briefly explain, why you are you interested in serving on the board in which you are applying? I bring a  
"child of the 60's" view & want to make sure minds are open

List professional or personal experiences that qualify you for membership on the board? You may attach a brief resume to highlight your qualifications: Born in Washington D.C. Teenager during  
the 60's, 3 years in ANTI-POI grows Law enforcement, U.S. Coast Guard

List three professional or personal references: \* Name: Kat Wheeler Phone: 786-7074  
\* Currently out of town Name: Chris Cady Phone: 786-7116  
Name: Heidi Frost Phone: 269-3567  
Shirley Nowak 355-2686

Applicant Signature: Thomas J Rainey Date: 1/28/15

(N)

Office Use Only: Precinct: 09-628 Assembly District: 6 Service Area: FSA - Gr. Palmer  
RSA - South colony  
Position on Board: \_\_\_\_\_ Term Ends: \_\_\_\_\_  
Residence Checked:  Yes Map Checked:  Yes Code Checked: 1<sup>st</sup>  2<sup>nd</sup>

Applicant Name: Thomas J. Rainey

---

Do you have any civil judgment against you within the last 10 years, whether monetary, non-monetary, declarative, injunctive, or any other form or manner?  NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

---

Do you have any judgments against you in a criminal case within the last 10 years, whether upon finding of guilt, plea of no contest, suspended, or any form of judgment other than dismissal or not guilty?  
 NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

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MATANUSKA-SUSITNA BOROUGH - CLERK'S OFFICE  
350 E. Dahlia Avenue Palmer, AK 99645  
Phone: 861-8683 Fax: 861-7845

DATE RECEIVED **RECEIVED**  
**FEB 10 2015**  
**CLERKS OFFICE**

**BOARD, COMMISSION, AND COMMITTEE APPLICATION FORM**

**INSTRUCTIONS**

**Complete and sign the application.** Do not leave any blank fields. Type or print legibly in ink. Specify exactly what board and position you are seeking. Completed applications may be emailed to **debra.wetherhorn@matsugov.us** or delivered or mailed to the Borough Clerk's Office, 350 E. Dahlia Avenue, Palmer, or faxed to 861-7845. If you have questions, please call 861-8683.

Board and position for which I am applying: Marijuana Advisory Board 1, 11, 12, 13, 2, 3, 5,  
(For example, Board of Equalization, Member 3) any of above

Applicant Name: Ronda L. Marcy

Residence Address: 4751 N Wasilla Fishhook Road, Wasilla, Ak 99654

Mailing Address: Same

Home phone: 376-2232 Work phone: Same Email: marcy@lawcorner.net

Name and Address of Employer: Self, Professional Paralegal Services, 4751 N Wasilla Fishhook Rd, Wasilla

Can you regularly attend meetings? Yes  No  (Pursuant to (MSB 4.05.030, "A vacancy occurs on the board when the member is absent from three (3) consecutive regular board meetings without the board excusing the absence for good cause.")

Do you or any family member have a personal or financial interest with the Borough? Yes  No

If yes, list positions and or interest: \_\_\_\_\_  
(For example: employee, emergency responder, RSA or FSA area supervisor, board member, contractor etc.)

How long have you lived in the Borough? 25 years

Briefly explain, why you are you interested in serving on the board in which you are applying? I have education & experience concerning the topic (in all of it's aspects) that will add to the knowledge to help the Mat-Su.

List professional or personal experiences that qualify you for membership on the board? You may **attach a brief resume** to highlight your qualifications: See Resume. Also Member of Hemp Industries Association and Member of International Hemp Builder's Association

List three professional or personal references: Name: Mrs. Cynthia Erbey  
Name: Hon. Pam Washington  
Name: Mr. Grady Wagner

**Confidential**

Applicant Signature: Ronda L Marcy **(N)**

Date: February 10, 2015

Office Use Only: Precinct: <u>10-055</u>	Assembly District: <u>6</u>	Service Area: <u>FSA - Central Mat-Su RSA - GOLD TRAIL</u>
Position on Board: <u>MAC member 12 - outside city limits</u>	Term Ends: <u>6/30/2018</u>	
Residence Checked: <input checked="" type="checkbox"/> Yes	Map Checked: <input checked="" type="checkbox"/> Yes	Code Checked: 1 <sup>st</sup> <input checked="" type="checkbox"/> 2 <sup>nd</sup> <input checked="" type="checkbox"/>

Ronda L. Marcy

Applicant Name: \_\_\_\_\_

---

1. Do you have any civil judgment against you within the last 10 years, whether monetary, non-monetary, declarative, injunctive, or any other form or manner?     NO     YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

---

2. Do you have any judgments against you in a criminal case within the last 10 years, whether upon finding of guilt, plea of no contest, suspended, or any form of judgment other than dismissal or not guilty?  
 NO     YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

---

**RONDA LYNN MARCY**

"Marcy"

4751 N. Wasilla Fishhook Rd.  
Wasilla, Alaska 99654  
Telephone: 907-376-2232  
Facsimile: 907-376-0530

d.o.b. 04/25/1962

P.O. Box 3771  
Palmer, Alaska 99645  
Cell: 907-227-0020

**Employment:**

**Email: marcy@lawcorner.net**

- 02/1993 – Present, **Professional Paralegal Services**, Address above. Provide contract paralegal services, including but not limited to: Notary Public services, large document litigation, research to support proposed procedural and substantive motions for pre-trial, trial, and post-trial pleadings, video deposition, trial strategy, jury selection and full trial support on a variety of civil and criminal cases, in several states, and in both state and federal jurisdictions. Recent MOOC and CLE's: Surveillance Law, Stanford University, December 23, 2014; Constitutional Law, Yale University, May 14, 2014; Property and Liability: An Introduction to Law and Economics, Wesleyan University, May 6, 2013; Think Again: How to Reason and Argue, Duke University, March 27, 2013; The Probate Process for Alaska Paralegals: From Start to Finish, Institute for Paralegal Education, September 12, 2003; and Scientific Evidence: The Past, Present, and Future with Edward J. Imwinkelreid, Alaska Bar Association, May 15, 2002.
- 08/1991-01/1993, Paralegal. **Richard Jameson & Associates**, 500 L Street, Ste. 502, Anchorage, Alaska 99501. Perform all phases of paralegal duties in pre-trial preparation activities on Exxon Valdez litigation, and other civil and domestic law cases. Provided computerized bookkeeping and law office management services.
- 03/1990-10/1990, Trial Support Coordinator/Paralegal. **CACI, Commercial Inc.**, 645 G. Street, Anchorage, Alaska 99502. Supervisory Paralegal in pre-trial preparation activities on federal civil matters for litigation contractor to the federal government regarding Exxon Valdez oil spill.
- 01/1989-04/1989, Paralegal. **Lynch, Crosby and Sisson**, 550 W, 7<sup>th</sup> Avenue, Anchorage, Alaska 99502. Provide paralegal duties for insurance defense and personal injury litigation firm.
- 07/1984-12/1988, Paralegal. **Hellen, Partnow & Condon**, 510 L. Street, Ste. 500, Anchorage, Alaska 99501. Responsible for installation, maintenance and performance of 220,000 evidentiary document database in *State of Alaska v. Amereda Hess, et. al.*, litigation using BASIS on IBM 3708. Provide user support on a 15 terminal Alloy networking IBM PC AT; Duties include hardware, software and systems maintenance, and supervised others.
- From 01/1985-05/1986 with of counsel, **Montgomery, Purdue, Blankenship & Austin**, 701 5<sup>th</sup> Avenue, Seattle, Washington, 98103. Maintained 60,000 evidentiary document database; worked in all phases of civil litigation.
- 1981 – **Veteran** U. S. Navy, Honorable Discharge, E-3, Yeoman. One of the first of ten women stationed aboard an Aircraft Carrier pre-Commission Unit, **USS Carl Vinson, CVN 70**.

**Education:**

**M.A.** Communication and Leadership Studies, **Gonzaga University**, 12/2006

**B.A.**, Justice, with a minor in Communications- **University of Alaska**, 05/2003

Candidate for a B.S. in Computer Science (100+ hours).

**Certification** in Plant Based Nutrition, T. Colin Campbell, **Center for Nutrition Studies**, 01/2015

**Certification** in Nutrition for Health Promotion and Disease Prevention, **University of California**, San Francisco, Cousera 03/2013

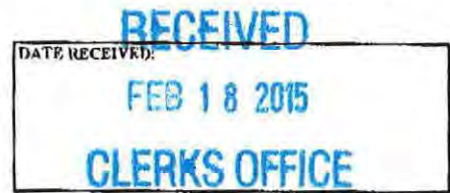
**Certification** as Computer Programming Specialist – **PBMI**, Norfolk, VA 08/1982

**Diploma**, **Robert Service High School**, Anchorage, Alaska 12/1979

Letters in **Debate & Drama**, Member-National Forensic League.

Personal and Professional references available upon request.

MATANUSKA-SUSITNA BOROUGH - CLERK'S OFFICE  
350 E. Dahlia Avenue Palmer, AK 99645  
Phone: 861-8683 Fax: 861-7845



**BOARD, COMMISSION, AND COMMITTEE APPLICATION FORM**

**INSTRUCTIONS**

**Complete and sign the application.** Do not leave any blank fields. Type or print legibly in ink. Specify exactly what board and position you are seeking. Completed applications may be emailed to [debra.wetherhorn@matsugov.us](mailto:debra.wetherhorn@matsugov.us) or delivered or mailed to the Borough Clerk's Office, 350 E. Dahlia Avenue, Palmer, or faxed to 861-7845. If you have questions, please call 861-8683.

**Board and position for which I am applying:** Marijuana Advisory Committee, Member Outside City Limits <sup>11-13</sup>  
(For example, Board of Equalization, Member 3)

**Applicant Name:** Brandon N. Montano

**Residence Address:** 5900 W. Raspberry Loop Wasilla 99623

**Mailing Address:** Same As Above

**Home phone:** 373-4566 **Work phone:** 414-3815 **Email:** bmontano68@gmail.com

**Name and Address of Employer:** Alaska DOC (GCCC) 22301 West Alsop Road Wasilla AK 99654 Wasilla

Can you regularly attend meetings? Yes  No  (Pursuant to (MSB 4.05.030, "A vacancy occurs on the board when the member is absent from three (3) consecutive regular board meetings without the board excusing the absence for good cause.")

Do you or any family member have a personal or financial interest with the Borough? Yes  No

If yes, list positions and or interest: \_\_\_\_\_  
(For example: employee, emergency responder, RSA or FSA area supervisor, board member, contractor etc.)

How long have you lived in the Borough? 3 Years

Briefly explain, why you are you interested in serving on the board in which you are applying? I want to be part of the solution, serve my community, and secure a future for our posterity.

List professional or personal experiences that qualify you for membership on the board? You may **attach a brief resume** to highlight your qualifications: Served four years in the US Navy, Bachelors Degree in Political Science w/emphasis is American Government, two years as a Correctional Officer, Husband & Father of two.

List three professional or personal references: Name: Madison M. Lorentzen Phone: 907-350-9594  
Name: Mike Cuckler Phone: 859-396-9156  
Name: Savannah L. Montano Phone: 907-414-3804

**Applicant Signature:** [Signature] **Date:** 2/18/2015

**Office Use Only:** Precinct: 07-130 Assembly District: 4 Service Area: FSA - West Lakes  
RSA - meadow Lakes  
Position on Board: MAC member 13 - citizen 3 outside Term Ends: 6/30/2018  
Residence Checked:  Yes Map Checked:  Yes Code Checked: 1<sup>st</sup>  2<sup>nd</sup>

Applicant Name: Brandon N. Montano

1. Do you have any civil judgment against you within the last 10 years, whether monetary, non-monetary, declarative, injunctive, or any other form or manner?  NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.

2. Do you have any judgments against you in a criminal case within the last 10 years, whether upon finding of guilt, plea of no contest, suspended, or any form of judgment other than dismissal or not guilty?  NO  YES

If yes, please provide on a separate page the following: (1) case name, (2) nature of action, (3) year of judgment, and (4) a brief description of the judgment entered and/or sentence imposed.



MEMORANDUM

Date: January 27<sup>th</sup>, 2015  
To: City of Houston Council  
From: Virgie Thompson, Mayor  
Subject: Appointment of Rebecca Rein, Deputy City Clerk to the Marijuana Advisory Committee

On Tuesday January 20<sup>th</sup> the Matanuska-Susitna Borough Assembly voted to approve a 17 member Marijuana Advisory Committee, with members to include representatives from local governments.

I have selected Deputy City Clerk Rebecca Rein to represent the City of Houston on this Committee.

The purpose of this committee is to gather information and advise the local governing bodies on aspects of the new laws.

If you have any questions or would like more information, please contact the Clerk's Office.

Thank you,

*Virgie Thompson*

Virgie Thompson, Mayor

*Sonya Dukus, City Clerk*

MAC member 14 City Gov't  
Houston  
6/30/2018

**Debra Wetherhorn**

---

**From:** Rachael Richardson  
**Sent:** Friday, February 20, 2015 9:32 AM  
**To:** Debra Wetherhorn  
**Subject:** FW: Marijuana Committee Designee

FYI☺

Thank you!

*Rachael Richardson*

MAC member 15 - City Gov't  
6/30/2018  
Palmer

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**From:** DeLena Johnson [mailto:djohnson@palmerak.org]  
**Sent:** Tuesday, February 10, 2015 11:06 AM  
**To:** Rachael Richardson  
**Subject:** Re: Marijuana Committee Designee

It sounds like the other mayors are participating so I will also be participating. Thanks.

DeLena Johnson  
(907)355-8866

On Feb 10, 2015, at 9:07 AM, Rachael Richardson <Rachael.Richardson@matsugov.us> wrote:

Hi DeLana!

I have not heard back on your designee for the Marijuana Advisory Committee. Please let me know who you would like to nominate☺

Thank you!

*Rachael Richardson*

---

**From:** Rachael Richardson  
**Sent:** Tuesday, January 27, 2015 10:34 AM  
**To:** 'Bert Cottle'; 'Virgie Thompson'; 'DeLana Johnson'  
**Cc:** 'Alyssa Farrar'; Debra Wetherhorn; Larry DeVilbiss  
**Subject:** Marijuana Committee Designee  
**Importance:** High

Hello All!

Mayor DeVilbiss would like to remind you that we need to know who will be appointed to the committee to represent your city. Either a City employee or an Elected Official can be on the committee. I have cc'd Deb Wetherhorn from the clerk's office, she will be the one who takes that information. Please let me know if you have any questions. Thank you!

<image002.png>

*Rachael Richardson*  
Administrative Assistant to the Mayor  
Matanuska-Susitna Borough

## Debra Wetherhorn

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**From:** Alyssa Farrar [afarrar@ci.wasilla.ak.us]  
**Sent:** Tuesday, January 27, 2015 3:47 PM  
**To:** Rachael Richardson; Bert Cottle  
**Cc:** Debra Wetherhorn; Lyn Carden  
**Subject:** RE: Marijuana Committee Designee

Please list Lyn Carden, Deputy Administrator for the City of Wasilla, as our Committee Designee.

ALYSSA FARRAR  
OFFICE OF THE MAYOR  
CITY OF WASILLA  
DIRECT: 907-373-9055

MAC member 16 City Gov't  
Wasilla  
06/30/2018

---

**From:** Rachael Richardson [mailto:Rachael.Richardson@matsugov.us]  
**Sent:** Tuesday, January 27, 2015 10:34 AM  
**To:** Bert Cottle; Virgie Thompson; DeLana Johnson  
**Cc:** Alyssa Farrar; Debra Wetherhorn; Larry DeVilbiss  
**Subject:** Marijuana Committee Designee  
**Importance:** High

Hello All!

Mayor DeVilbiss would like to remind you that we need to know who will be appointed to the committee to represent your city. Either a City employee or an Elected Official can be on the committee.

I have cc'd Deb Wetherhorn from the clerk's office, she will be the one who takes that information.

Please let me know if you have any questions. Thank you!



*Rachael Richardson*  
Administrative Assistant to the Mayor  
Matanuska-Susitna Borough  
350 E. Dahlia Ave.  
Palmer, AK 99645  
ph 907-861-8688  
[rachael.richardson@matsugov.us](mailto:rachael.richardson@matsugov.us)

**I. CALL TO ORDER**

The regular meeting of the Matanuska-Susitna Borough Assembly was held on February 17, 2015, at the Borough Assembly Chambers, 350 E. Dahlia Avenue, Palmer, Alaska. The meeting was called to order at 6 p.m. by Mayor Larry DeVilbiss.

**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 6:04 p.m.*)
- Mr. Dan Mayfield, Assembly District No. 5
- Ms. Barbara J. Doty, Assembly District No. 6
- Mr. Vern Halter, Assembly District No. 7

Staff in attendance were:

- Ms. Lonnie R. McKechnie, Borough Clerk
- Mr. George Hays, Assistant Borough Manager
- Mr. Nicholas Spiropoulos, Borough Attorney
- Ms. Brenda J. Henry, Assistant Clerk
- Mr. Terrance Dolan, Public Works Director
- Mr. Dennis Brodigan, Emergency Services Director
- Mr. Eric Phillips, Community Development Director
- Mr. Michael Brown, Capital Projects Director
- Mr. Eric Wyatt, Information Technology Director
- Mr. Alex Strawn, Development Services
- Ms. Hilary Schwaderer, Administrative Secretary I

**III. APPROVAL OF AGENDA**

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

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

**IV. PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by Assemblymember Doty.

## **V. MINUTES OF PRECEDING MEETINGS**

Mayor DeVilbiss inquired if there were any corrections to the special meeting minutes of January 29, 2015, the regular meeting minutes of February 3, 2015, or the special meeting minutes of February 5, 2015, 5 p.m.

- A. Special Assembly Meeting: 01/29/15
- B. Regular Assembly Meeting: 02/03/15
- C. Special Assembly Meeting: 02/05/15
- D. Special Assembly Meeting: 02/05/15

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

## **VI. REPORTS/CORRESPONDENCE**

### **A. AGENCY REPORTS**

- 1. Reports from cities

*(There were no reports provided.)*

- 2. Matanuska-Susitna Borough School District

*(There was no report provided.)*

### **B. COMMITTEE REPORTS**

- 1. Joint Assembly/School Board Committee on School Issues

*(There was no report provided.)*

- 2. Joint MSB Assembly/MOA Assembly Transportation Subcommittee

*(There was no report provided.)*

- 3. Assembly Public Relations

*(There were no reports provided.)*

### **C. MANAGER COMMENTS**

- 1. State/Federal Legislation
- 2. Strategic Planning Issues
- 3. Home Owners Insurance Premium Reduction Due to Positive Change In The ISO Rating – West Lakes Fire Service Area

Mr. Dennis Brodigan, Emergency Services Director, reported on the positive change to the ISO rating for the West Lakes Fire Service Area.

Mr. Eric Wyatt, Office of Information Technology Director, provided an overview of the new Borough website.

D. ATTORNEY COMMENTS

1. Statewide Marijuana Issues Update and Direction

Mr. Spiropoulos:

- provided an update regarding statewide marijuana issues; and
- reported on the status of the Public Employees Retirement System (PERS) litigation.

E. CLERK COMMENTS

Ms. McKechnie spoke regarding the upcoming meeting schedule.

MOTION: Assemblymember Mayfield moved to schedule a special meeting for March 17, 2015, at 4:30 p.m. to discuss the incorporation efforts of the town of Big Lake.

MOTION: Assemblymember Halter moved a primary amendment by striking “4:30” and inserting “5:30” in its place.

VOTE: The primary amendment failed with Assemblymember Halter in support.

VOTE: The main motion passed without objection.

F. CITIZEN AND OTHER CORRESPONDENCE

1. MSB Board/Committee Minutes:

- a. Caswell FSA Board of Supervisors: 08/13/14
- b. Central Mat-Su FSA Board of Supervisors: 06/09/14, 12/15/14
- c. Emergency Medical Services Board: 04/02/14
- d. Planning Commission: Resolution Serial Nos. 15-02, 15-03, 15-06

2. Community Council Minutes:

- a. Big Lake Community Council: 12/09/14
- b. Chase Community Council: 07/17/14
- c. Fishhook Community Council: 02/20/14, 05/01/14, 08/14/14, 10/30/14

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

G. INFORMATIONAL MEMORANDUMS

1. **IM No. 15-009:** Reporting Of Conclusion Of Contract For Bid No. 13-100C To Collins Construction, Inc. For Valley Pathways School Construction, Project No. 40188, For The Final Contract Amount Of \$16,124,150.

The informational memorandum was presented and no comments were noted.

**VII. SPECIAL ORDERS**

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

*(There were no persons to be heard.)*

- B. PUBLIC HEARINGS (Three minutes per person.)

1. **Ordinance Serial No. 15-022:** An Ordinance Accepting And Appropriating The Fiscal Year 2015 Community Revenue Sharing Program Funds In The Amount Of \$424,200 To Fund 475, Project No. 47033.
  - a. **Resolution Serial No. 15-010:** A Resolution Approving The Scope Of Work And Budget For The Fiscal Year 2015 Community Revenue Sharing Program, Project No. 47033.
    - (1) IM No. 15-034

Mayor DeVilbiss 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 Arvin moved to adopt Ordinance Serial No. 15-022 and Resolution Serial No. 15-010.

VOTE: The motion passed without objection.

- C. AUDIENCE PARTICIPATION (Three minutes per person.)

The following person spoke to the need for a wastewater septage treatment facility and welcomed Assemblymember Doty: Ms. Helen Munoz.

The following person spoke to concerns with the public process: Mr. Eugene Haberman.

- D. CONSENT AGENDA

1. RESOLUTIONS

d. **Resolution Serial No. 15-014:** A Resolution Approving The Amended Scope Of Work For Project No. 47517, Purchase Versalift Bed; Project No. 47500, Purchase Vehicle Hoist; And Project No. 30092, Purchase Backhoe, Operations And Maintenance Shop Lights, Traffic Safety Equipment, 6-Inch Diesel Pump, 4-Inch Gas Pump, To Include The Purchase Of A Stellar Shuttle Hitch And Accessories For The Steam Thaw Unit, Project No. 30092.

(1) IM No. 15-043

e. **Resolution Serial No. 15-015:** A Resolution Amending The Scope Of Work For The Fiscal Year 2014 Capital Projects For The Land For Septage Facility, Project No. 25013, To Add Engineering, Design And Financial Feasibility Studies For The Septage And Leachate Facility.

(1) IM No. 15-044

## 2. ACTION MEMORANDUMS

*(There were no action memorandums presented.)*

Ms. McKechnie read the above legislation into the record.

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

VOTE: The motion passed without objection.

a. **Resolution Serial No. 15-011:** A Resolution Establishing Fees For Applications Under MSB 17.67, Tall Structures.

(1) IM No. 15-033

MOTION: Assemblymember Sykes moved to adopt Resolution Serial No. 15-011.

VOTE: The motion passed without objection.

b. **Resolution Serial No. 15-012:** A Resolution Establishing Fees For Applications Under MSB 17.06, Electrical Generating And Delivery Facility.

(1) IM No. 15-036

MOTION: Assemblymember Arvin moved to adopt Resolution Serial No. 15-012.

MOTION: Assemblymember Sykes moved a primary amendment to Resolution Serial No. 15-012, by inserting the following language to the fee title: "If the permit processing needs a third party consultant, the applicant may be required to reimburse the Borough for the fees. Prior to hiring a consultant, an estimated cost will be obtained and provided to the applicant who may then agree to repaying the cost or withdrawing the permit with full refund."

MOTION: Assemblymember Sykes moved a secondary amendment as follows:

- by inserting the words “from three potential consultants” after the word “obtained;”
- by inserting the words “select which consultant to use and” after the words “may then;
- by inserting the words “the applicant may” after the words “the cost;”
- by striking the word “withdrawing” and inserting “withdraw” in its place to read: “Conditional Use Permit for Electrical Generating Facility. If the permit processing needs a third party consultant, the applicant may be required to reimburse the Borough for fees. Prior to hiring a consultant an estimated costs will be obtained from three potential consultants and provided to the applicant who may then select which consultant to use and agree to repaying the costs, or the applicant may withdraw the permit with full refund.”

VOTE: The secondary amendment passed with Assemblymember Colligan opposed.

VOTE: The primary amendment passed as amended with Assemblymembers Colligan and Mayfield opposed.

VOTE: The main motion passed as amended with Assemblymember Colligan opposed.

c. **Resolution Serial No. 15-013:** A Resolution Supporting The Reinstatement Of A Full \$60 Million Into The Revenue Sharing Fund On A Yearly Basis With A One-Year Appropriation Of \$8 Million To The Fund With An Effective Date Of July 1, 2015.

(1) IM No. 15-041

MOTION: Assemblymember Arvin moved to adopt Resolution Serial No. 15-013.

VOTE: The motion failed with Assemblymembers Halter and Mayfield in support.

## VIII. UNFINISHED BUSINESS

*(There was no unfinished business.)*

## IX. VETO

*(There were no vetoes presented.)*

## X. NEW BUSINESS

A. INTRODUCTIONS (For public hearing – 03/03/15 Assembly Chambers)

1. **Ordinance Serial No. 15-026:** An Ordinance Accepting And Appropriating \$40,000 For A Portion Of Grant Funds From The Alaska State Department Of Commerce, Community, And Economic Development 2015 Designated Legislative Grant Projects For The Butte Fire Service Area.
  - a. **Resolution Serial No. 15-016:** A Resolution Approving The Scope Of Work And Budget For A Portion Of The Alaska State Department Of Commerce, Community, And Economic Development Grants For The Butte Fire Service Area.
    - (1) IM No. 15-037
2. **Ordinance Serial No. 15-027:** An Ordinance Approving A Supplemental Appropriation Of \$11,000 Of Revenues From Public Donations To The Fiscal Year 2015 Animal Care And Regulation Division Operating Budget, For Medical And Disinfectant Supplies.
  - a. IM No. 15-038
3. **Ordinance Serial No. 15-028:** An Ordinance Accepting And Appropriating Additional Funds For Revision No. 2 In The Amount Of \$270,000 For The Replacement Of Up To 17 Culverts As Part Of The Fish Passage Improvements Project, Project No. 30114.
  - a. **Resolution Serial No. 15-017** A Resolution Amending The Budget For Revision No. 2 In The Amount Of \$270,000 For Replacement Of Up To 17 Culverts As Part Of The Fish Passage Improvements Project, Project No. 30114.
    - (1) IM No. 15-042
4. **Ordinance Serial No. 15-029:** An Ordinance Authorizing The Borough To Issue Areawide General Obligation Bonds, In One Or More Series, To Finance The Acquisition, Design, Construction, Major Renovation And Renewal Of Educational Capital Improvement Projects And Related Capital Improvements In The Borough; Fixing Certain Details Of Such Bonds; And Authorizing Their Sale.
  - a. IM No. 15-045
5. **Ordinance Serial No. 15-030:** An Ordinance Authorizing the Borough To Issue Areawide General Obligation Bonds, In One Or More Series, To Finance The Construction, Additions, Improvements, Betterments, Repair, Reconstruction, Or Acquisition Of Public Roads And Facilities Related Thereto In The Borough Together With All Necessary Equipment And Transportation Facilities Including Improving School Access, And The Acquisition Of Lands Or Rights In Lands In Connection Therewith; Fixing Certain Details Of Such Bonds; And Authorizing Their Sale.
  - a. IM No. 15-046

Ms. McKechnie read the above legislation into the record.

MOTION: Assemblymember Arvin moved to introduce the legislation as read into the record by the Clerk and set the public hearings for March 3, 2015.

VOTE: The motion passed without objection.

## MAYORAL NOMINATIONS AND APPOINTMENTS

### 1. VACANCY REPORT

Mayor DeVilbiss requested confirmation of the following appointments and resignation:

Board of Equalization  
Tait Zimmerman, resignation  
Local Emergency Planning Committee  
Amy Kearns

MOTION: Assemblymember Arvin moved confirm the Mayor's resignation and appointments.

VOTE: The motion passed without objection.

### C. OTHER NEW BUSINESS

*(There was no other new business.)*

D. REFERRALS (For referral to the Planning Commission for 90 days or other date specified by the Assembly)

*(There were no referrals presented.)*

## XI. RECONSIDERATION

*(There was no reconsideration presented.)*

## XII. MAYOR, ASSEMBLY, AND STAFF COMMENTS

Mr. Hays stated that staff is looking forward to working with Assemblymember Doty.

Ms. McKechnie welcomed Assemblymember Doty.

Mr. Spiropoulos advised that Mr. Aschenbrenner will be attending the March 3, 2015, Assembly meeting in his place, as he will be in Washington, D.C.

Assemblymember Sykes:

- welcomed Assemblymember Doty;
- stated that he looks forward to working with her over the coming years; and
- spoke to concerns with the State limiting a person's ability to work with more than a single marijuana facility and the State's proposed definition of "assist."

Assemblymember Mayfield:

- noted that he shares the concerns of Assemblymember Sykes; and
- welcomed Assemblymember Doty.

Assemblymember Halter:

- noted that the Meadow Lakes Community Council voted unanimously in support of the Borough's selected route for Phase II for the Seldon Road Extension project;
- opined that the Assembly should not take a position on the incorporation of Big Lake;
- spoke in opposition to the State's proposed definition of "assist;" and
- opined that it is unenforceable.

Assemblymember Beck:

- spoke to travelling to Juneau with athletes from the Borough for the Alaska Age Group Championships, which are swim meets;
- stated that there were over 300 athletes who all had family members in attendance;
- noted the local funds that were generated by the swim meet;
- advised that it could not be held in the Borough as there are not adequate facilities; and
- opined that the Borough needs to consider building such a facility.

Assemblymember Colligan:

- explained why he voted in opposition to the fees amendment for electrical facilities;
- stated that he was recently in Juneau for personal business; and
- spoke to the need for the Assembly to be fiscally responsible for the coming budget season.

Assemblymember Doty:

- thanked the body for the warm welcome;
- stated that she is pleased to represent the constituents of Assembly District 6;
- noted that she appreciated the report regarding the ISO rating;
- spoke in support of the efficiency of the meeting; and
- spoke to the need to be attentive to the need to protect fetuses while addressing legal marijuana use.

Assemblymember Arvin:

- noted that his confusion with the State's definition of "assist;" and
- spoke to concerns with a statement that the State could scale back school funding.

Mr. Spiropoulos:

- advised that it is a legal possibility; and
- stated that the political possibility is something that he cannot speak to.

Assemblymember Arvin:

- stated that he would like a status report on school bonding projects regarding how many bonds have been sold and what State reimbursements have occurred;
- further stated that he would like to have a report regarding any potential liabilities for projects that are not yet completed and how they could be impacted if reimbursements from the State do not occur.

Mayor DeVilbiss stated that it is clear that the Borough would have to pay for all of the unfinished projects should that occur.

Assemblymember Arvin:

- welcomed Assemblymember Doty; and
- related that he has been receiving a lot of messages thanking him for supporting the selection of Assemblymember Doty for Assembly District 6.

Mayor DeVilbiss:

- spoke to the history of gender on the Assembly;
- stated that he is looking forward to working with Assemblymember Doty;
- spoke to his surprise that Resolution Serial No. 15-013 was defeated;
- related that he has been working diligently to fill the vacancies for the Marijuana Advisory Committee;
- spoke in support of the State's definition of "assist;"
- opined that municipalities should be able to regulate marijuana within their areas;
- spoke to concerns with the State taking that right away from municipalities;
- spoke to concerns that villages do not have the right to ban marijuana; and
- stated that he believes that issue is being dealt with through legislation.

### **XIII. EXECUTIVE SESSION**

*(There was no executive session held.)*

### **XIV. ADJOURNMENT**

The regular meeting adjourned at 7:37 p.m.

**I. CALL TO ORDER**

The special meeting of the Matanuska-Susitna Borough Assembly was held on February 21, 2015, at Evangelo's Restaurant, 2530 E Parks Highway, Palmer, Alaska. The meeting was called to order at 9 a.m. by Mayor Larry DeVilbiss for the purpose of holding an Assembly Planning Session.

**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  
Mr. Dan Mayfield, Assembly District No. 5  
Mr. Vern Halter, Assembly District No. 7

Assembly members absent and excused were:

Mr. Vern Halter, Assembly District No. 7

Staff in attendance were:

Ms. Lonnie R. McKechnie, Borough Clerk  
Mr. John Moosey, Assistant Manager  
Mr. Nicholas Spiropoulos, Borough Attorney  
Mr. George Hayes, Assistant Borough Manager  
Ms. Jamie Newman, Deputy Clerk  
Ms. Tammy Clayton, Finance Director  
Mr. Mike Brown, Capital Projects Director  
Mr. James Wilson, Internal Auditor

**III. APPROVAL OF AGENDA**

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

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

**IV. PLEDGE OF ALLEGIANCE**

The pledge of allegiance was led by Wasilla Mayor Bert Cottle.

**V. AUDIENCE PARTICIPATION**

The following person spoke to concerns with public process: Mr. Eugene Haberman.

## VI. ITEMS OF BUSINESS

### A. COMMITTEE OF THE WHOLE

#### 1. ASSEMBLY PLANNING SESSION

MOTION: Assemblymember Arvin moved to enter into a Committee of the Whole.

VOTE: The motion passed without objection.

Ms. Karen Kirk of Synergistic Solutions facilitated the meeting and the Assembly proceeded to establish priorities.

*(The meeting recessed at 12:05 p.m. and reconvened at 12:25 p.m.)*

*Assemblymember Colligan exited the meeting at 1:10 p.m.*

MOTION: Assemblymember Arvin moved to exit the Committee of the Whole.

VOTE: The motion passed without objection.

MOTION: Assemblymember Arvin moved to adopt the 2015 Assembly priorities as follows:

#### 1<sup>st</sup> Priority Focus

- Tax shift
- Fiscal solvency and mill rate
- Full funding for Administrative restructure

#### 2<sup>nd</sup> Priority Focus

- Partnerships (with people taking ownership)
- Public Safety
- Land Management
- Economic development and Tourism
- Revisit University-Medical district

#### 3<sup>rd</sup> Priority Focus

- Infrastructure (ie: broadband /wireless)
- Staffing economic development
- Communications / Leadership
- Mill rate / School district
- Transparency
- Town site
- Land use and private property interest
- Farming / Agriculture
- Re-orient Lobbyist
- Road bond

VOTE: The motion passed without objection.

## VII. MAYOR, ASSEMBLY, AND STAFF COMMENTS

Mr. Moosey:

- thanked the Assembly for establishing the priorities; and
- remarked that he and his staff strive to develop the government services that are important to the Assembly.

Ms. McKechnie:

- spoke to the agenda management software solution she is pursuing for implementation at the Borough; and
- noted the intent is to get the software package up and running by the summer of 2015.

Mr. Spiropoulos:

- thanked the Assembly for the good meeting;
- spoke to the value of the established priorities in terms of prioritizing work provided by this office; and
- spoke to developments in the lawsuit filed by the Ketchikan Gateway Borough regarding the State's education funding formula.

Assemblymember Beck:

- thanked Ms. Kirk for facilitating the planning session;
- remarked that he found the session helpful; and
- thanked staff for their hard work in serving the residents of the Borough.

Assemblymember Mayfield:

- thanked Ms. Kirk for her assistance in facilitating the planning session;
- spoke to his experience in dealing with national and local catastrophes; and
- expressed his belief that local government should provide the very best emergency services available.

Assemblymember Sykes:

- thanked Ms. Kirk for her assistance in facilitating the planning session;
- thanked everyone for coming to the planning session;
- stated that he hoped more would have been accomplished today;
- expressed that he does not feel like the Assembly has a realistic picture of Borough finances;
- stated he wants a clear financial picture before budget deliberations begin;
- spoke in support of forward funding;
- added that big projects like the port and rail expansion need to generate more wealth than they cost;
- further added that big projects do not always generate the anticipated wealth; and
- spoke in favor of scheduling an annual planning session soon after the regular election.

Assemblymember Doty:

- expressed that she found today's planning session useful;
- spoke in favor of scheduling an annual planning session;
- added it is important for staff to be able to prepare for the planning session based on other deadlines;
- spoke in favor of learning more about a potential road bond package;
- spoke to the value of coordinated disaster planning and point of care delivery services; and
- spoke to the value of partnerships, coordinated communication, and interaction between emergency service providers.

Assemblymember Arvin:

- spoke to a recently released Gallup Poll in which Alaska jumped 15 spots to seize the title of happiest state in America;
- spoke to the benefits of Assembly planning sessions;
- remarked that discussion on how to fund priorities was lost today; and
- spoke to how emergency service and fire service are funded.

Mayor DeVilbiss:

- spoke to the recent legalization of marijuana in Alaska;
- thanked Ms. Kirk for facilitating the planning session;
- spoke to the Port Mackenzie Townsite; and
- spoke to the cost of operating government and the cost to taxpayers.

## **VIII. ADJOURNMENT**

The special meeting adjourned at 2:38 p.m.

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LARRY DeVILBISS, Borough Mayor

ATTEST:

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LONNIE R. McKECHNIE, CMC, Borough Clerk

**I. CALL TO ORDER**

The regular meeting of the Matanuska-Susitna Borough Assembly was held on March 3, 2015, at the Borough Assembly Chambers, 350 E. Dahlia Avenue, Palmer, Alaska. The meeting was called to order at 6 p.m. by Mayor Larry DeVilbiss.

**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. Steve Colligan, Assembly District No. 4 (*attended telephonically*)  
Mr. Dan Mayfield, Assembly District No. 5  
Ms. Barbara Doty, Assembly District No. 6  
Mr. Vern Halter, Assembly District No. 7

Assemblymembers absent and excused were:

Mr. Ronald Arvin, Assembly District No. 3 (*Deputy Mayor*)

Staff in attendance were:

Ms. Lonnie R. McKechnie, Borough Clerk  
Mr. George Hays, Assistant Borough Manager  
Mr. John Aschenbrenner, Assistant Borough Attorney  
Ms. Jamie Newman, Deputy Borough Clerk  
Mr. Mike Brown, Capital Projects Director  
Ms. Patty Sullivan, Public Affairs Director  
Mr. Eric Phillips, Community Development Director  
Mr. Michael Brown, Capital Projects Director  
Mr. Eric Wyatt, Information Technology Director  
Ms. Cheyenne Heindel, Financial Analyst  
Ms. Hilary Schwarderer, Administrative Assistant I

**III. APPROVAL OF AGENDA**

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

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

**IV. PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by Ms. Helen Woodings, a member of the audience.

## V. MINUTES OF PRECEDING MEETINGS

*(There was no meeting minutes.)*

## VI. REPORTS/CORRESPONDENCE

### A. AGENCY REPORTS

#### 1. Reports from cities

##### Palmer City

Mr. Joe Hannan, City Manager:

- thanked Mayor DeVilbiss for testifying against troop draw-down at Joint Base Elmendorf-Richardson (JBER);
- added he is hopeful that there will not be any cuts to the military at JBER;
- spoke to the soft opening of “The Annex” business center on Alaska Street;
- added that The Annex offers short and long-term collaborative space options for small business needs;
- related that the non-profit Neighbor Works has expanded operations from Anchorage to Palmer;
- invited the Assembly to attend the organization’s upcoming open house; and
- spoke to the Alaska Municipal League’s Winter Legislative Conference that he recently attended in Juneau.

##### Wasilla City

Mayor Bert Cottle:

- thanked Mayor DeVilbiss for testifying against troop draw-down at Joint Base Elmendorf-Richardson;
- spoke to items under consideration by the Wasilla City Council and the Wasilla Planning Commission;
- added that a Legislative Town Hall Meeting is scheduled to take place on March 7 beginning at 9:30 a.m. at the Wasilla Senior Center; and
- spoke in support of Resolution Serial No. 15-022.

#### 2. Matanuska-Susitna Borough School District

*(There was no report provided.)*

### B. COMMITTEE REPORTS

#### 1. Joint Assembly/School Board Committee on School Issues

*(There was no report provided.)*

2. Joint MSB Assembly/MOA Assembly Transportation Subcommittee

*(There was no report provided.)*

3. Assembly Public Relations

*(There were no reports provided.)*

C. MANAGER COMMENTS

1. State/Federal Legislation

2. Strategic Planning Issues

*(There was no report provided.)*

D. ATTORNEY COMMENTS

*(There was no report provided.)*

E. CLERK COMMENTS

Ms. McKechnie:

- spoke regarding the upcoming meeting schedule; and
- spoke to the proposed budget meeting dates as noted in the Clerks Report.

Assemblymember Halter requested that the location of the May 4, budget public hearing be moved from Palmer to Willow.

There was no objection noted.

Mayor DeVilbiss inquired if there was any objection to the budget meeting schedule.

There was no objection noted.

F. CITIZEN AND OTHER CORRESPONDENCE

1. MSB Board/Committee Minutes:

a. Aviation Advisory Board: 10/16/14

b. Big Lake RSA Board of Supervisors: Resolution  
Serial No. 14-04

c. Caswell FSA Board of Supervisors: 10/08/14

d. Caswell Lakes RSA Board of Supervisors: 08/11/14, 10/13/14

e. Enhanced 911 Advisory Board: 11/12/14

- f. Health and Social Services Board: 04/21/14, 06/02/14, 06/19/14, 12/18/14, Resolution Serial Nos. 14-001, 14-002, 14-003, 14-004
- g. Local Emergency Planning Committee: 10/15/14
- h. Platting Board: 11/06/14
- i. Wastewater & Septage Advisory Board: 10/14/14

2. Community Council Minutes:

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

G. INFORMATIONAL MEMORANDUMS

*(There were no informational memorandums presented.)*

**VII. SPECIAL ORDERS**

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

*(There were no persons to be heard.)*

B. PUBLIC HEARINGS (Three minutes per person.)

- 1. **Ordinance Serial No. 15-007:** An Ordinance Creating North Sorrelwood Natural Gas Local Improvement District No. 509, Approving The Improvement Plan For The District, Authorizing The Manager To Proceed With The Improvement, And Assessing Equally Among The Properties Within The District The Costs Of The Improvement.
  - a. IM No. 15-011
  
- 3. **Ordinance Serial No. 15-009:** An Ordinance Creating West Coghlan Circle Natural Gas Local Improvement District No. 557, Approving The Improvement Plan For The District, Authorizing The Manager To Proceed With The Improvement, And Assessing Equally Among The Properties Within The District The Costs Of The Improvement.
  - b. IM No. 15-013

Mayor DeVilbiss 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 Doty moved to adopt Ordinance Serial Nos. 15-007 and 15-009.

VOTE: The motion passed without objection.

2. **Ordinance Serial No. 15-008:** An Ordinance Creating A Portion Of Waxwing Street Natural Gas Local Improvement District No. 535, Approving The Improvement Plan For The District, Authorizing The Manager To Proceed With The Improvement, And Assessing Equally Among The Properties Within The District The Costs Of The Improvement.
  - a. IM No. 15-012
  
4. **Ordinance Serial No. 15-010:** An Ordinance Creating A Portion Of Dawn Lake Drive Natural Gas Local Improvement District No. 559, Approving The Improvement Plan For The District, Authorizing The Manager To Proceed With The Improvement, And Assessing Equally Among The Properties Within The District The Costs Of The Improvement.
  - a. IM No. 15-014

Mayor DeVilbiss 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 Mayfield moved to adopt Ordinance Serial Nos. 15-008 and 15-010.

VOTE: The motion failed unanimously.

5. **Ordinance Serial No. 15-026:** An Ordinance Accepting And Appropriating \$40,000 For A Portion Of Grant Funds From The Alaska State Department Of Commerce, Community, And Economic Development 2015 Designated Legislative Grant Projects For The Butte Fire Service Area.
  - a. **Resolution Serial No. 15-016:** A Resolution Approving The Scope Of Work And Budget For A Portion Of The Alaska State Department Of Commerce, Community, And Economic Development Grants For The Butte Fire Service Area.
    - (1) IM No. 15-037

Mayor DeVilbiss 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 Sykes moved to adopt Ordinance Serial No. 15-026 and Resolution Serial No. 15-016.

VOTE: The motion passed without objection.

6. **Ordinance Serial No. 15-027:** An Ordinance Approving A Supplemental Appropriation Of \$11,000 Of Revenues From Public Donations To The Fiscal Year 2015 Animal Care And Regulation Division Operating Budget, For Medical And Disinfectant Supplies.
  - a. IM No. 15-038

Mayor DeVilbiss 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 Beck moved to adopt Ordinance Serial No. 15-027.

VOTE: The motion passed without objection.

7. **Ordinance Serial No. 15-028:** An Ordinance Accepting And Appropriating Additional Funds For Revision No. 2 In The Amount Of \$270,000 For The Replacement Of Up To 17 Culverts As Part Of The Fish Passage Improvements Project, Project No. 30114.
  - a. **Resolution Serial No. 15-017:** A Resolution Amending The Budget For Revision No. 2 In The Amount Of \$270,000 For Replacement Of Up To 17 Culverts As Part Of The Fish Passage Improvements Project, Project No. 30114.
    - (1) IM No. 15-042

Mayor DeVilbiss 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 Halter moved to adopt Ordinance Serial No. 15-028 and Resolution Serial No. 15-017.

VOTE: The motion passed without objection.

8. **Ordinance Serial No. 15-029:** An Ordinance Authorizing The Borough To Issue Areawide General Obligation Bonds, In One Or More Series, To Finance The Acquisition, Design, Construction, Major Renovation And Renewal Of Educational Capital Improvement Projects And Related Capital Improvements In The Borough; Fixing Certain Details Of Such Bonds; And Authorizing Their Sale.
  - a. IM No. 15-045

Mayor DeVilbiss 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 Halter moved to adopt Ordinance Serial No. 15-029.

VOTE: The motion passed without objection.

9. **Ordinance Serial No. 15-030:** An Ordinance Authorizing the Borough To Issue Areawide General Obligation Bonds, In One Or More Series, To Finance The Construction, Additions, Improvements, Betterments, Repair, Reconstruction, Or Acquisition Of Public Roads And Facilities Related Thereto In The Borough Together With All Necessary Equipment And Transportation Facilities Including Improving School Access, And The Acquisition Of Lands Or Rights In Lands In Connection Therewith; Fixing Certain Details Of Such Bonds; And Authorizing Their Sale.
  - a. IM No. 15-046

Mayor DeVilbiss opened the public hearing.

The following person spoke in favor of Ordinance Serial No. 15-030: Mr. Garvin Bucaria.

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

MOTION: Assemblymember Halter moved to adopt Ordinance Serial No. 15-030.

VOTE: The motion passed without objection.

C. AUDIENCE PARTICIPATION (Three minutes per person.)

The following person spoke in opposition to Resolution Serial No. 15-021: Mr. Todd Pettit.

The following person spoke to concerns regarding the site plan for the new Iditarod School: Mr. Garvin Bucaria.

The following person spoke to concerns regarding public process: Mr. Eugene Haberman.

D. CONSENT AGENDA

1. RESOLUTIONS

- a. **Resolution Serial No. 15-018:** A Resolution Supporting And Approving The Recommendations Of The Human Services Transportation Coordination Plan; To Allow Participants To Qualify For Federal Transit Administration Funding Passed Through The Alaska State Department Of Transportation And Public Facilities Transit Office.
  - (1) IM No. 15-050

- b. **Resolution Serial No. 15-019:** A Resolution Amending The Scopes Of Work For The Fiscal Year 2010 - 2012 Capital Project, Locker Room Improvements And Refrigeration

System Repairs, Project No. 10157 And Fiscal Year 2015 Capital Project, Vented Skate Sharpener For The Brett Memorial Ice Arena, Project No. 10157.

(1) IM No. 15-053

c. **Resolution Serial No. 15-020:** A Resolution In Support Of The Selection Of The "Fishback" Alignment As The Preferred Alignment For Phase II Of The Seldon Road Extension Project, Project No. 35411.

(1) IM No. 15-054

e. **Resolution Serial No. 15-022:** A Resolution Supporting The Governor's Proposed Budget Amount of \$57 Million Into The Revenue Sharing Fund For Fiscal Year 2016. *(Sponsored by Assemblymember Sykes)*

(1) IM No. 15-060

g. **Resolution Serial No. 15-024:** A Resolution Supporting House Bill 107 Regarding The Composition And Residency Requirements Of The Board Of Regents For The University Of Alaska. *(Sponsored by Assemblymember Doty)*

(2) IM No. 15-062

### 3. ACTION MEMORANDUMS

a. **AM No. 15-018:** Award Of Bid No. 15-092B To Diversified Construction, Inc. In The Contract Amount Of \$347,214 To Design and Construct The Crystal Lake Warm Storage Public Safety Building.

Ms. McKechnie read the above legislation into the record.

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

VOTE: The motion passed without objection.

d. **Resolution Serial No. 15-021:** A Resolution Authorizing Eminent Domain To Acquire Property Interests Needed For The Port Mackenzie Rail Extension Project.

(1) IM No. 15-056

MOTION: Assemblymember Mayfield moved to adopt Resolution Serial No. 15-021.

VOTE: The motion passed unanimously.

f. **Resolution Serial No. 15-023:** A Resolution Testing A New Seating Arrangement For The Assembly. *(Sponsored by Assemblymember Sykes)*

(1) IM No. 15-061

MOTION: Assemblymember Sykes moved to adopt Resolution Serial No. 15-023.

MOTION: Assemblymember Sykes moved to postpone Resolution Serial No. 15-023 to a time certain of March 17, 2015.

VOTE: The motion passed with Assemblymembers Mayfield and Halter opposed.

*(The meeting recessed at 7 p.m. and reconvened at 7:12 p.m.)*

## **VIII. UNFINISHED BUSINESS**

*(There was no unfinished business.)*

## **IX. VETO**

*(There were no vetoes presented.)*

## **X. NEW BUSINESS**

### **A. INTRODUCTIONS (For public hearing – 03/17/15 Assembly Chambers)**

1. **Ordinance Serial No. 15-031:** An Ordinance Amending MSB 4.58, Health And Social Services Board.
  - a. IM No. 15-051
  
2. **Ordinance Serial No. 15-032:** An Ordinance Authorizing The Issuance Of State Of Alaska Lease Revenue Refunding Bonds, Series 2015 (Goose Creek Correctional Center Project) In An Amount Not To Exceed \$195,000,000; Approving The Form And Substance Of A First Supplement To Trust Indenture, A Second Amendment To Lease Purchase Agreement, A Refunding Trust Agreement And A Bond Purchase Agreement; Authorizing An Offering Document; Making Certain Findings And Determinations; Authorizing The Execution Of Documents And Instruments Necessary Or Convenient To Accomplish The Foregoing; And Containing Other Provisions Relating To The Subject.
  - a. IM No. 15-059

Ms. McKechnie read the above legislation into the record.

MOTION: Assemblymember Halter moved to introduce the legislation as read into the record by the Clerk and set the public hearing for March 17, 2015.

VOTE: The motion passed without objection.

## **MAYORAL NOMINATIONS AND APPOINTMENTS**

### **1. VACANCY REPORT**

Mayor DeVilbiss requested the following appointments for confirmation and resignations:

Emergency Medical Services Board  
Mindy Bickle  
Enhanced 911 Advisory Board  
Alaina Anderson, resignation  
Historical Preservation Commission  
James Cole  
Karen Bloxsom  
Mark Murray

MOTION: Assemblymember Halter moved to confirm the Mayor's appointments and resignation.

VOTE: The motion passed without objection.

#### C. OTHER NEW BUSINESS

*(There was no other new business.)*

D. REFERRALS (For referral to the Planning Commission for 90 days or other date specified by the Assembly)

1. **Ordinance Serial No. 15-033:** An Ordinance Amending MSB 17.19.045, Sheep Mountain Sub District, To Allow For 3 Acre Lots In Cases Where A Waterbody, Easement, Or Roadway Splits An Existing Parcel. *(Sponsored by Assemblymember Sykes)*

a. IM No. 15-055

MOTION: Assemblymember Sykes moved to refer Ordinance Serial No. 15-033 to the Planning Commission for 90 days.

VOTE: The motion passed without objection.

#### XI. RECONSIDERATION

*(There was no reconsideration presented.)*

#### XII. MAYOR, ASSEMBLY, AND STAFF COMMENTS

Ms. McKechnie spoke regarding the purchase and installation of a new podium in Assembly Chambers to better accommodate persons with disabilities.

Assemblymember Sykes:

- stated that he supports acquiring a new podium for Assembly Chambers;
- thanked the body for an efficient and productive meeting;
- spoke to the Assembly Planning Session on February 21;

- requested that the Manger produce a cost of community services analysis by April 17; and
- added that the Assembly must have a realistic and clear understanding of Borough finances to make reasoned decisions moving forward.

Assemblymember Doty:

- thanked the body for an efficient and well run meeting;
- related that she continues the orientation process;
- noted she recently toured road service areas in Assembly District 6;
- spoke to floodplains and drainage in terms of the cost of maintenance by the Borough when roads are not constructed properly by private developers; and
- thanked the body for their support of Resolution Serial No. 15-024.

Assemblymember Mayfield:

- thanked the public for attending tonight's Assembly meeting; and
- wished everyone a great evening.

Assemblymember Beck:

- thanked the public for attending tonight's Assembly meeting;
- thanked staff for their ongoing work and commitment to the residents of the Borough; and
- gave a shout-out to the Palmer Fire Department and the Central Mat-Su Rescue unit that helped respond to an emergency that he was a part of this past weekend.

Assemblymember Halter:

- thanked Mr. Brown for bringing forward AM No. 15-018;
- spoke to friction between Willow firefighters and the Willow Fire Service Area Board;
- added that he hopes the issues can be resolved;
- congratulated the competitors in the 2015 Junior Iditarod Sled Dog Race for their efforts; and
- added that the race was moved to the Denali Highway due to unfavorable weather conditions.

Assemblymember Colligan:

- noted that the MSB Fish and Wildlife Commission has been working hard on a new fish document that will be released soon; and
- thanked Patty Sullivan and Stefan Hinman for their excellent work in public relations.

Assemblymember Sykes thanked the body for their support of Resolution Serial No. 15-022.

Mayor DeVilbiss:

- spoke to the Talkeetna Community Council meeting he attended on March 2; and
- spoke to the Willow Fire Service area.

### **XIII. EXECUTIVE SESSION**

*(There was no executive session held.)*

#### **XIV. ADJOURNMENT**

The regular meeting adjourned at 7:34 p.m.