



MATANUSKA-SUSITNA BOROUGH TALKEETNA SEWER & WATER BOARD

for
SERVICE AREA NO. 36

Andrew Haag, Chair
James Kellard

Jane Steere, Vice Chair

Ryan Sheldon
Vacant

MINUTES

REGULAR MEETING

Talkeetna Public Library
24645 Talkeetna Spur Road
Talkeetna, AK 99676

Microsoft Teams
Meeting ID: 219 084 064 569
Passcode: Rwkjk6

June 3, 2026
1:00pm-2:42pm

I. CALL TO ORDER

This regular meeting of the Talkeetna Sewer & Water Board for Service Area No. 36 was held on Wednesday, June 3, 2026, at the Talkeetna Public Library at 24645 Talkeetna Spur Road in Talkeetna, Alaska and via Microsoft Teams. The meeting was called to order at 1:00pm by Drew Haag.

II. ROLL CALL

Talkeetna Sewer & Water Board members present and establishing a quorum were:

Mr. Andrew Haag – present and on-time
Ms. Jane Steere – present and on-time
Mr. Ryan Sheldon – present and on-time
Mr. James Kellard – present and on-time

III. APPROVAL OF AGENDA

Motion to adopt the agenda by Ryan Sheldon. Seconded by Jane Steere.

No objections, agenda approved as presented.

IV. APPROVAL OF MINUTES OF PRECEDING MEETINGS

A. Regular Meeting:

Minutes for the May 6, 2026, regular meeting were reviewed by the Board. Motion to approve the May minutes by Jane. Seconded by Ryan.

No objections, minutes approved as presented.

V. STAFF REPORT

A. TSW Supervisor (Amanda Fleming)

- The Annual Consumer Confidence Report will be mailed out to customers this month. The report summarizes our water quality results from 2025. Reports will also be sent to TCCI.
- Customer leak was repaired this week. Utility leak repaired helped but as we go into summer, production at the WTP is increasing. Operators continue to search for leaks.
- The WWTP came online on May 1st, and water quality results came back looking great. Start up was a bit tricky with the late ice.
- To date, our metered usage is greater than this time last year. This is a combination of customers running water this winter to prevent freeze ups and new customers added.
- Issues with the primary well pump again so town is on the fire pump only.

B. MSB Engineer (Mike Campfield)

- Working on the agreement for the CDS grant. An RFP will be issued for design when that grant gets accepted.
- Erosion issues – less than 100' from the Spur Rd on the southern part of the system. Working on solutions.

VI. AUDIENCE PARTICIPATION

- A. Drew addressed audience that during the Unfinished Business section primary communication be between the Board and the stakeholders. Members from the public can raise their hand if there are specific questions that come up.
- B. Jon Korta with TCCI – asked Mike C. if there is a trigger point for the MSB to take action for the erosion. Mike indicated the ROW line but that has yet to be determined. TSW operators are monitoring erosion but river levels have remained low so no significant changes have occurred since fall.

VII. UNFINISHED BUSINESS

- A. **Service Area Rule & Rate Changes** – topic referred to the July meeting.

B. Land Acquisition for New Headworks and Storage Tank Project – introduction of stakeholders.

- Tom Adams, MSB, Public Works Director
- Chad Fry, MSB, O&M Division Manager
- Amanda Fleming, MSB, TSW Supervisor
- Mike Campfield, MSB, Engineer
- Joe Metzger, MSB, Land & Resource Management Division Manager
- Megan Clemons, ARRC, External Affairs Director
- Christy Terry, ARRC, Vice President of Real Estate
- Kristen Gratrix, ARRC, Real Estate Contracts
- John Korta, TCCI, Chair
- John King, DNR, Natural Resource Specialist
- Hannah Uherkoch, DNR, Natural Resource Manager
- Rachel Longacre, DNR, Chief of Operations for Division of Mining, Land and Water
- Representative Kevin McCabe, District 30
- Senator George Rauscher, District 0

Q: Can the SRF loan program be utilized if the property is not owned by the utility/MSB?

A: Via Drew w/ SRF Program – if the project design was for less time than the lease or permit then ownership was not required. *Clarifying questions could not be asked as a SRF program representative was not available.*

Q: Would ARRC sell land to the MSB for utility use? Would ARRC trade land to the MSB for utility use? Would ARRC permit land to the MSB for utility use and what would be the cost?

ARRC: ARRC is open to permitting this project but no formal permit application has been received. To determine the permit cost, either utilizing the tax assessed value or outside appraisal of the property to determine fair market value then the lease rate would be the standard 8%. Selling and trading is a much larger conversation (can take years) as lease/permit revenues help sustain ARRC operational and maintenance costs.

Q: Is lease to own an option?

ARRC: Nothing is out of the question, however any kind of conversation to that matter would need to start with a lease/permit application.

Q: Is the 8% the same for for-profit entities?

ARRC: Yes.

Q: What is the ARRC's mission statement?

ARRC: In brief, it boils down to safety, service and profitability. ARRC should deliver safe, efficient, and reliable rail transportation services as well as real estate services for Alaskan businesses and communities to support economic development. This is all done outside of the State budget – the main factor in why real estate assets are essential to help sustain

operations.

Q: Do you know the percentage of revenue that Talkeetna bring to ARRC (real estate, commerce, tourism)?

ARRC: Talkeetna is an important destination for ARRC, but numbers are not readily available for this meeting.

Q: There has been discussion that permitting this facility was contingent on the MSB taking over maintenance responsibilities for the pedestrian bridge over the Talkeetna River. Is this true?

ARRC/MSB: While there was conversation with the MSB several years ago about maintenance responsibilities, the two projects were/are separate.

Q: Will ARRC subdivide properties?

ARRC: Permitting would only be applicable for the acreage necessary – not the whole parcel.

Q: Is there room to add a storage tank on the existing property off C Street?

ARRC: There has been no formal application for this property so until there is an application that triggers the ARRC internal review process (engineering, maintenance, ROW), there is no definitive answer.

Q: Would ARRC be opposed to doing a shallow test well at the current site on C St?

ARRC/MSB: MSB has not asked to drill a test well at the current site, but it would require an application. Ultimately, the MSB would prefer to own the site of the future infrastructure and while the MSB is still engaged in conversations with ARRC about this project, the MSB has focused on looking at several sites in and outside the Service Area that could be owned by the MSB. Ownership is not MSB mandate but preference and keeps options open for future funding opportunities including from the SRF program.

Q: Is there an update on the land acquisition application with DNR?

DNR: The preliminary decision was distributed for public notice for a minimum of 30 days. Public comment closed Wednesday, May 27th. Comments have been collected and the next step is to summarize the comments, respond to the comments, and issue a final finding and decision. There is no timeline for the final finding and decision.

Q: The preliminary decision states that the decision to convey the property to the MSB can be rescinded if the land is not used for the purpose defined in the application, is this correct? Does it have to be for a water/wastewater utility?

DNR: Yes. The State could take the land back from the MSB if it is not used for public and charitable purposes. Typically, the application just defaults to public and charitable purposes and not the project specifically but that likely would be another discussion if that occurred.

Q: Who initiates the application process with ARRC? How long does it take?

MSB: The MSB via the Public Works Department would initiate the application. An application would open the door to more conversations.

Q: Are the 5 or 6 sites from the HDR study a firm no or is there potential to utilize any of them?

MSB: Yes, they are all a no. Either the entities didn't want to sell the land, be burdened by the facility on their property, land contaminations, outside the service area, etc.

Q: Is 95 years a negotiable term for a permit?

ARRC: Yes. The current permit is for 40 years but longer terms could be considered.

Q: How long is the current SRF loan term?

MSB: 20 years.

Q: Do you know what the design longevity of this upgrade project would be?

MSB: Anticipated to be 50 years. However, in terms of whether land ownership vs. permit terms would satisfy the SRF program requirements, that is still to be determined as the communications between the MSB and SRF program suggest land ownership is necessary.

Q: Is there a different application to purchase ARRC land? What would the process be to ask the question?

ARRC: Land sale requires board approval. Per statute, it's a multi-step process. One of those requirements is that the property be sold at fair market value, which is an expense to the MSB. There is no formal process however, it's never ARRC's first option. This process also requires legislative action.

Q: What does the permit process look like? Does it need to be engineered? Ground tested and surveyed? What is the fee?

ARRC: Depends on the kind of permit but from what we already know of the project plus the working relationship with the MSB, it would be a one-page document with a scope of work that could be one paragraph to several pages. It does not need to be fully engineered. As for ground tests and surveying, it all depends. Fee is \$500.

Q: What does land purchase from ARRC look like?

Rep. McCabe/ARRC: In reference to the current Nenana and Whittier land purchases, it requires a bill. A representative would submit the bill which goes through committee, gains support, and gets voted on both in the House and Senate. Once passed, the governor signs it. After that, ARRC is authorized to negotiate. The bill is very specific to the negotiating terms. There is no formal process however, negotiations between ARRC and the community/local government typically spans years.

Q: Is land trade with ARRC an option?

ARRC: It is an option. For example, in the Whittier legislation it specifies that fair market value could be provided in cash or equal value land. The land would have to meet ARRC's leasing needs and require board approval.

Q: Is the groundwater contaminated property the 2.3 acres owned by David Tisch?

MSB/TSWB: Possibly, but MSB Land Management did extensive property search within the service area. The property is listed for over \$500,000 so there is a significant cost to purchasing the land.

Motion to apply for an ARRC land use permit at the test well site to keep all options on the table while the DNR process continues made by Ryan. Seconded by Jane.

Confirmation from ARRC that the application does not commit the MSB to a lease but would allow the internal ARRC process to go through proper review to determine costs.

From ARRC, the current permit that expires in 2028 is a blanket utility permit from the 1980s that has underground and the wellhouse included. The wellhouse should not be included in that permit. Regardless of current use, any expansion would require a new permit application, not renewal. The current permit would be split into two permits, one with underground and one with the current wellhouse. The current site, when decommissioned, would be terminated. The new well site would be a separate permit.

From DNR, a permit application with ARRC will not interfere with the DNR decision process.

No objections, the motion passes as presented.

Tom Adams confirmed an application would be submitted with board request. Ryan will send a letter to Public Works.

Q: How many wells are at the current site? Can one of the current wells be used as a test well? Would the future site need two wells.

MSB: There are two wells. One is the primary and the other is the backup/fire pump. Both wells source the same aquifer and would be difficult to reliably test. Design of the future site has not started so determination of one or two wells is still TBD.

Q: The DNR parcels are between two parcels with private septic systems and 200' separation. Is there room for a well?

MSB: The parcels are 400' total, so there is room to have a 200' radius.

Q: Now that public comment is closed, what is the next step?

DNR: A Final Finding and Decision will be made. Then there is the opportunity to request for reconsideration. This can be made by anyone who made a comment during public comment. Timeline will be specified in the FFD but typically either 20 or 30 days. There is a fee.

Q: Is the only reason to move the wellhouse to get away from Arsenic?

MSB: That's not the only reason but one of the top reasons. Other reasons include rehabilitation costs of the current site as well as difficulty rehabbing while in operation, and fire department access is difficult to the current site.

Q: Do the permit fees get adjusted with inflation?

ARRC: Yes, there are several ways to do this. Appraisal adjustment, 3% increases, etc.

VIII. NEW BUSINESS

A. None.

IX. COMMENTS FROM THE BOARD

A. Ryan – appreciate everyone for making the effort to attend, we'll get to the bottom of this. Everyone is going to have an issue of it somewhere so hopefully we can find a site because this project is needed.

Drew – thank you everyone, great turnout. Thanks for the clarification and hopefully we move forward and work together.

Jane – thank you for the information and listening to us.

X. NEXT MEETING

A. Regular Meeting: July 1, 2026, 1:00pm, Talkeetna Warm Storage & Teams

- Motion to move the next meeting to the Talkeetna Public Library by Ryan. Seconded by Jane.

No objections, motion unanimously approved.

XI. ADJOURNMENT

Motion to adjourn Ryan. Seconded by Jane.

No objections, meeting adjourned at 2:42 pm.



Mr. Andrew Haag, Chair

ATTESTED:



Ms. Amanda Fleming, Board Administrative Support