

Action:

**MATANUSKA-SUSITNA BOROUGH
RESOLUTION SERIAL NO. 24-097**

A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY APPROVING
2025 STATE LEGISLATIVE PRIORITIES.

Borough Action Priorities:

**A. SUPPORT FOR DEPARTMENT OF TRANSPORTATION AND PUBLIC
FACILITIES ROAD PROJECTS:**

- **Community Transportation Program (CTP Award 2019)**
 - Hemmer Road Upgrade and Extension (\$9.9M)
 - Hermon Road Upgrade and Extension (\$14.0M)
 - Seldon Road Extension: Windy Bottom/Beverly Lakes Road to Pittman (\$20.5M)
 - Trunk Road (Nelson Road) Rehabilitation and Bridge Replacement (\$5.4M)
- **Community Transportation Program (CTP Award 2023) - \$58.3 Million**
 - Bogard Road Safety and Capacity Improvements (\$35.9M)
 - Seldon Road Reconstruction: Wasilla-Fishhook Road to Lucille Street (\$22.4M)
- **Transportation Alternatives Program (TAP Award 2023)**
 - Inner and Outer Springer Loop Separated Pathway (\$2.1M)
 - Palmer-Fishhook Separated Pathway: Trunk Road to Edgerton Parks Road (\$13.0M)
 - Knik River Wayside Gold Star Families Memorial (\$1.7M)
- **Highway Safety Improvement Projects**
 - Bogard Road at Engstrom Road/Green Forest Drive
 - Church Road and Spruce Avenue intersection flashing beacon
 - Palmer-Fishhook Road and Trunk Road roundabout
 - Wasilla-Fishhook Road and Spruce Avenue/Peck Street Roundabout
- **Resurfacing (1R) Projects**
 - Bogard Road Pavement Preservation
 - Church Road Pavement Preservation
 - Glenn Highway MP 66.5 to 92 Pavement Preservation

- o Old Glenn Highway, Outer Springer Loop, and Inner Springer Loop Pavement Preservation
 - o Palmer-Fishhook Road MP 7-17 Pavement Preservation
 - o Victory Road Pavement Preservation
 - o Wasilla-Fishhook Road (Seldon Road to Tex-Al Drive)
- **Big Lake Road Rehabilitation - \$25.8 Million**
 This project will rehabilitate the roadway from Milepost 0 to Milepost 9.1 and select portions of the shared-use pathway. Work includes drainage improvements, upgrades to roadside hardware, bridge improvements, and utilities.
- **Fairview Loop Road Rehabilitation & Pathway - \$40 Million**
 Rehabilitate and construct safety improvements along Fairview Loop Road from Top of the World Circle to Cotton Drive in Wasilla. Construct a new multi-use pathway from Top of the World Circle to Fern Street. Work includes shoulder widening, roadside hardware, drainage improvements, and utilities.
- **Glenn Highway: Arctic Avenue to Palmer-Fishhook Road Safety and Capacity Improvements - \$46.7 Million**
 Construct safety and capacity improvements on the Glenn Highway, Arctic Avenue to Palmer-Fishhook Road. Work may include improvements to the Palmer Fishhook intersection, pedestrian accommodations, and safety features. This effort will include analysis to evaluate safety and capacity on the corridor and will reconstruct approximately 1.75 miles of the existing two-lane rural road from Arctic Ave (Old Glenn/Bogard Rd) to Palmer-Fishhook Road to address capacity and safety deficiencies.
- **Knik-Goose Bay Road Reconstruction: Fairview Loop to Settler's Bay - \$40 Million**
 Widen the road to a divided four-lane facility from Fairview Loop to Settler's Bay. Scope includes separated bike/pedestrian facilities, appropriate safety engineering strategies such as rumble strips, and reducing/combining access points that are determined to be most effective at reducing crashes along the road.
- **Old Glenn Highway, Milepost 1 to 18**
 The Borough requests the DOT&PF designate the Old Glenn Highway as a highway safety corridor and fund the planning, design, and construction of a multi-phased improvement project to address traffic safety concerns and ensure

adequate alternative access to interior Alaska. Resolutions from the Butte and South Knik River Community Councils support this action.

- **Parks Highway MP 52-57 Big Lake to Houston Reconstruction - \$60 Million**
- **Parks Highway MP 57-70 Rehabilitation - \$29 Million**
- **Parks Highway MP 99-163 Improvements and Railroad Creek Bridge Replacement - \$50.8 Million**
- **Petersville Road Milepost 7 Moose Creek Bridge Reconstruction - \$10.4 Million**

- **Vine Road Reconstruction: Knik-Goose Bay Road to Hollywood Road - \$13.9 Million**

Rehabilitate the existing two-lane rural road from Hollywood Road to Knik-Goose Bay Road. The road will be designed to accommodate ongoing traffic growth. Scope includes repairing the roadbed, drainage improvements, repaving, pedestrian accommodations, and possible Highway Safety Improvement Projects (HSIP).

- **Wasilla-Fishhook Main Street Reconstruction - \$84.7 Million**

Construct a one-way couplet in downtown Wasilla bounded by Bogard Road, Knik-Goose Bay/Main Street, Yenlo/Talkeetna Street, and the Palmer-Wasilla Highway. Work will include new road construction, lane reconfigurations, signals, new pavement, signing and striping, and sidewalks.

- **West Susitna Access Road - \$76.4 Million**

Construct a new road to and across the Susitna River, connecting the contiguous highway system to State recreation lands west of the Susitna River. Construct a boat launch facility accessing the Susitna River.

- B. ALASKA STATE TROOPER STAFFING** - The State Department of Public Safety within the Mat-Su Borough has 81 total commissioned positions: 63 are filled, and 18 are vacant. Specific to Alaska State Troopers B Detachment within the Mat-Su Borough, there are 49 positions, with 13 vacant. B Detachment includes the patrol function and their responsibilities at the Palmer Court. The other 32 positions in the Borough, from the 81 positions noted above, include Troopers assigned to the

Wildlife Troopers, Major Crimes Investigations, Child Crimes Investigations, Special Crimes, and positions assigned to the Statewide Drug Enforcement Unit. The Borough supports efforts to maintain staffing for current positions and adjustments over time as our population grows.

- C. SUPPORT FOR STATE FORESTRY TO IMPLEMENT A PROGRAM TO HARVEST/REMOVE BEETLE-KILLED SPRUCE TO REDUCE FIRE HAZARD -** The spruce bark beetle has killed thousands of acres of spruce trees within the Borough, causing residents to experience significant economic, physical, and emotional loss due to several devastating wildfires over the last several years. The Borough fully supports the State in seeking State and Federal funding for the harvesting/removing of these trees as quickly as possible to reduce the danger of fire to Borough residents and businesses.
- D. SUPPORT FOR USER-FRIENDLY TRANSPARENT HEALTHCARE PRICING, INCLUDING ADOPTION OF A STATE ALL-PAYER CLAIMS DATABASE -** An All-Payer Claims Database (APCD) in Alaska, was introduced in the State Legislature in 2021. The Alaska Health Transformation Project identified the establishment of an APCD in Alaska as a critical step in helping understand health spending trends, utilization, and pricing variation. Insurers and providers must submit non-identifying health data to be aggregated for policy analysis and cost trends. There have been attempts at the national level to make healthcare pricing more transparent, including the recently adopted Hospital Price Transparency Rule, which took effect in January 2021 and requires medical providers to make pricing information available publicly. However, to date, many providers are not disclosing information or have done it in formats on their websites that are time-consuming, difficult to use, and not easily comparable to other providers.
- E. SUPPORT FOR THE ALASKA LONG TRAIL -** The Assembly adopted Resolution Serial No. 24-056 on May 21, 2024, supporting the proposed Alaska Long Trail, while maintaining Borough land authority and management where applicable, Borough retention of the right to exercise existing and future management plans and economic development opportunities, and Borough jurisdiction of management of all Borough trails and uses, and retention of traditional uses of existing trails that are motorized use.
- F. SUPPORT FOR THE JONESVILLE PUBLIC USE AREA MANAGEMENT PLAN AND AGREEMENT -** The Alaska State Legislature established the

Jonesville Public Use Area. The Assembly supports the Alaska State Department of Natural Resources in creating and implementing a management plan for the Jonesville Public Use Area, including a management agreement with the Borough and a shooting range.

- G. SUPPORT FOR MODIFYING ALASKA STATUTE 34.08 - COMMON INTEREST OWNERSHIP ACT** - Support to require common interest communities to conform with local platting authority subdivision regulations. Alaska Statute 34.08 allows for the subdivision of land into "units" and "common elements" without any oversight by the local government. Units resemble lots and can ignore minimum sizes for the safe attenuation of septic generated. Common elements resemble roadways and often do not provide interconnectivity and create unsafe conditions due to substandard widths and geometric design.
- H. SUPPORT FOR CORPORATE TAX HOLIDAY FOR THE PORT MACKENZIE DISTRICT** - The Assembly supports incentivizing private investment into the Port MacKenzie District through tariff rates and local tax incentives and is also requesting State support for creating a state corporate tax holiday for up to 15 years for companies that choose to invest in Port MacKenzie.
- I. SUPPORT FOR ALASKA DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES (ADOT&PF) MAINTENANCE FACILITY IN THE BOROUGH** - The Assembly supports the construction of a new ADOT&PF maintenance facility in the core area. The new shared Maintenance and Operations (M&O)/State Equipment Fleet facility (SEF) planned to be constructed on South Endeavor Street at approximately mile three of Knik-Goose Bay Road will significantly enhance the capabilities of the ADOT&PF M&O section by providing the right-size vehicle equipment stalls, bays, storage rooms and shared common areas, as well as a location more central to the Borough's population. The services provided by M&O and SEF have significantly outgrown the existing facility size, resulting in inefficiencies in operations. By constructing a new facility, current asset maintenance technology systems will be incorporated, providing enhanced safety features and energy efficiency technologies, allowing for significantly reduced costs per square foot for occupancy. With the largest increase in population forecasted in the state of Alaska occurring in the Borough, the construction of this new facility will result in the optimum service level to fleet customers in the Borough

and ensure the movement of goods and services throughout the valley.

- J. ENERGY POLICY GOALS** - The Borough Assembly supports the following energy-related action items: 1) Programs that incentivize improving energy efficiency in residential, commercial, and municipal buildings; 2) Programs to develop renewable energy sources, including energy storage solutions, to balance supply and demand; 3) Support investments in modernizing existing energy infrastructure to enhance reliability, efficiency, and capacity and ensure it meets current and future energy demands; and 4) Support the development of microgrids and decentralized energy systems to increase energy reliability and independence, particularly in remote areas.
- K. KNIK ARM CROSSING** - Pursue an alternate transportation corridor between the Anchorage Bowl and points north across the Knik Arm to ensure adequate safety, food security, emergency response, and economic opportunities for the region. The Knik Arm Crossing (KAC) will connect the State's two largest population centers and their road networks, ports, airports, and rail corridors. The KAC will provide a more direct, alternate route from the Borough (Point MacKenzie and beyond) to Anchorage and stimulate growth in the southern portion of the Borough. Socioeconomic studies performed for the Borough indicate that this area will experience significant growth, and investment in infrastructure to support that growth should begin now to avoid costly highway expansion as is currently being experienced on Knik-Goose Bay Road, Parks Highway, and Glenn Highway corridors.
- L. STATE LAND TRANSFERS TO THE MATANUSKA-SUSITNA BOROUGH** - The Borough continues to see major growth in its land and natural resources development. Borough lands are used for public facilities and schools and to generate revenue through land and resource sales, leases, and permits. Along with the population increases within the Borough, we have witnessed increasing demand for land for public facilities and schools, public/private partnerships for commercial lease sites, agricultural parcels, and residential and recreational subdivisions. Furthermore, there is a demand for resources such as timber, rock, and gravel materials. As a result, the Borough has disposed of most of its developable acreage along the road system, primarily in core growth areas near and within the communities of Palmer, Wasilla, Houston, and

Willow. Currently, most remaining Borough-owned entitlement lands are in remote, inaccessible areas of the Borough that will likely never be developed due to the Alaska Department of Natural Resources survey requirements, accessibility, and high construction costs. To meet demand and provide the public with opportunities to develop Borough land, the Borough seeks to acquire additional State-owned land, namely developable properties on the road system near infrastructure and utilities. The Borough has aggressively managed its lands regarding material resource sales, spruce bark beetle mitigation, and recreation area development. We propose the following two changes to State law.

- 1) Increase the amount of the general grant land entitlement to the Borough; and
- 2) Reduce administrative burdens to obtaining general grant land entitlement land.

M. FISHERY MANAGEMENT

- Support collaboration between the State and Federal fisheries management to reduce bycatch.
- Maintain/increase funding and support for fish weirs in the Matanuska-Susitna Borough, coho genetic sampling to improve salmon management, and invasive species suppression programs.
- Fully match Federal funds from license fees to maximize Federal dollars for fish and game.
- Maintain the conservation corridor for Northern-bound salmon.
- Ensure adequate ADF&G staffing to efficiently and effectively execute fishery-related programs.
- List Susitna king salmon and Little Susitna coho salmon as stocks of yield concern and develop corresponding management action plans.
- Hold Alaska Board of Fisheries meetings at a neutral site such as Anchorage, rather than in the Matanuska-Susitna Borough or Kenai Peninsula Borough.

N. OPPOSE PROPOSED CHANGES TO ALASKA STATE PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS) UNLESS MUNICIPALITIES ARE ALLOWED TO ELECT CHANGES AFFIRMATIVELY - The Assembly opposes any bills amending the PERS of Alaska allowing for plan design changes unless such bills contain a provision that changes only apply to participating municipalities if the municipalities affirmatively elect to allow the changes to apply to its municipal employees. Proposed changes from the current

defined contribution payments to defined benefit payments may result in a 69 percent increase in retirement expenses paid by a municipality. Assembly Resolution Serial No. 23-018 supports this.

- O. **REQUEST THE STATE OF ALASKA KEEP VOTER REGISTRATION ACCURATE** - The Borough does not and cannot legally maintain a list of voter registrations. The State of Alaska should review and update the processes and procedures to keep voter registration accurate, emphasizing a more prompt and effective method for removing inactive voters, voters who have moved, and voters who do not vote. Assembly Resolution Serial No. 23-038 supports this.
- P. **SUPPORT FOR ESTABLISHING THE ALASKA ENERGY INDEPENDENCE PROGRAM AND THE ALASKA ENERGY INDEPENDENCE FUND** - The Assembly supports establishing the Alaska Energy Independence Program and the Alaska Energy Independence Fund. This fund, often referred to as the "Green Bank," would fund sustainable energy projects statewide and benefit the residents and businesses of the Borough by lowering the cost of energy, increasing discretionary income, and creating jobs. These projects could include renewable energy, energy efficiency, smart grid, distributed generation, electric vehicle infrastructure, and sustainable agriculture. Assembly Resolution Serial No. 23-050 supports this.
- Q. **ADOPT A STANDARD FOR OPERATING A VEHICLE WHILE UNDER THE INFLUENCE OF MARIJUANA OR A STANDARD FOR THE PRESUMPTION OF BEING UNDER THE INFLUENCE OF MARIJUANA** - Marijuana, like alcohol, can cause impairment to mental and physical functions, and raises the probability of injury to people and property, constituting a public safety hazard. There is no level of criminality or presumption of being under the influence of marijuana while driving. A standard will enable the Borough to evaluate better whether local onsite consumption standards need to be set considering the limits, presumptions, and risks. This is supported by Assembly Resolution Serial No. 23-004.
- R. **SUPPORT PROPOSED CHANGES TO THE LAW REGARDING SEX OFFENDERS, SEX TRAFFICKING, AND SEX CRIMES** - The Assembly supports Governor Dunleavy's proposed changes to the law regarding sex offenders, sex trafficking, and sex crimes that increase penalties for human and sex trafficking and sex offender registration requirements. Increasing registration requirements to include additional information and requiring

more people with out-of-state registration requirements to register if they move to Alaska better protects the community and its citizens. The proposed changes aim to help prevent sex trafficking by increasing the penalties and making it a more serious crime. This is also supported by Assembly Resolution Serial No. 23-024.

- S. SUPPORT OF LEGISLATION RELATING TO PARENTAL RIGHTS IN EDUCATION** - The Borough supports legislation that ensures parental rights in their child's education and opposes legislation intended to limit the inclusion of parents. The Borough supports amendments to State law to provide required notice and affirmative written consent before any activity, class, or program that includes sensitive and personal content involving gender identity, human reproduction, or sexual matters; rights of parents to designate the official name used by schools when addressing or referring to enrolled students; and prevent school districts from refusing to release sensitive and personal student records to the child's legal parent or guardian. The Borough opposes legislation where medical, mental, or behavioral health services are available to students at school without the express written consent of the parent. Similarly, the Borough opposes legislation permitting non-medical personnel to refer students for any medical, mental, or behavioral health services within the school environment. This is supported by Assembly Resolution Serial No.23-046.
- T. SUPPORT LEGISLATION WHICH ESTABLISHES A PROGRAM FOR SCHOOL DISTRICT-SELECTED INDIVIDUALS TO BE PERMITTED TO CARRY A FIREARM ON SCHOOL PROPERTY** - The safety and well-being of students are of paramount concern. The Borough supports establishing a program to support school districts in implementing strategies to prevent and address the most severe forms of school violence. Providing legislative measures to limit liability and require appropriate training and support thorough evaluation will assist schools across the State in maintaining safe learning environments.
- U. OPPOSE STATE LEGISLATION ENACTING MAJOR CHANGES TO MANDATORY MUNICIPAL TAX EXEMPTIONS** - The Assembly opposes any major changes to mandatory tax exemptions. The Borough is not opposed to optional exemptions that give local governments the authority to adopt them. In this time of higher costs and uncertain fiscal assistance from the State, the Assembly urges the State not to pass mandatory tax exemptions that

take away the local government's ability to refrain from enacting local taxes.

- V. SUPPORT FOR ALASKA DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES WINTER ROAD MAINTENANCE IMPROVEMENTS** - Borough Road Service Area (RSA) maintenance contractors often travel on State roads to reach the Borough roads that they are maintaining. The Assembly requests that the ADOT&PF utilize Borough RSA contractors to make initial snow removal passes on key roadways as those contractors are making their way to maintain Borough roads. This would be a cost-effective way to improve services to State priority level 3 and 4 level roads. Examples include but are not limited to the following roads: Big Lake, Bogard, Church, Fairview Loop, Hollywood, Palmer-Fishhook, Seldon, Vine, and Wasilla-Fishhook.

- W. AMEND STATE LAW TO ALLOW EXPENDITURES OF THE E-911 SURCHARGE REVENUES TO SUPPORT A BROADER RANGE OF EMERGENCY COMMUNICATIONS NETWORK** - Currently, the E911 statute is narrowly written to limit what those funds can be expended on. As an example, E911 funds may only be spent on call taking of the 911 call, and the initial transfer to a dispatcher for the 911 call. 911 funds cannot be spent on follow-up dispatching, radio traffic, or administration of the 911 call (documenting, updating, closing the call, etc.). So a 911 dispatcher may take the call and send the call notification, but any further time dispatching, coordination, etc., related to that 911 call is not an eligible expense under the current E911 Statute. Some infrastructure can also not be purchased, maintained, or upgraded under the current Statute and interpretation. An example would be paying for upgrading infrastructure to grid power systems to increase the resiliency and redundancy of radio communication towers that first responders utilize to respond to 911 calls. Currently, the Statute does not allow for this type of expenditure. A robust call-taking system is of little help without a robust dispatching and response system to fulfill the mission.

The Matanuska-Susitna Borough seeks to broaden the allowable use of the funds under the Statute, by allowing funding for all emergency communications, systems, staffing related to 911 calls to be allowed under the Statute, and limit the need for interpretation to determine allowable expenses. This would allow all E911 communities to use the E911 funds the same way.

- X. AMEND STATE LAW REGARDING APPORTIONMENT OF THE BOROUGH PLANNING COMMISSION WHERE A BOROUGH HAS DELEGATED PLANNING POWERS TO CITIES** - State law currently mandates that Borough Planning Commission membership be apportioned so that a resident of either Palmer or Wasilla get a seat. However, the Borough has already delegated planning and land use power to the cities of Palmer and Wasilla. The Borough Planning Commission does not consider planning and land use regulations inside the cities, and the Palmer and Wasilla Planning commissions do not consider planning and land use regulations outside the cities. The Assembly supports a change to State law to exempt a borough from the mandated proportionality requirement when a borough has delegated planning and land use power to a city. Assembly Resolution Serial No. 24-017 supports this.
- Y. AMEND STATE LAW TO ALLOW BEVERAGE DISPENSARY LICENSES TO BE TRANSFERABLE FROM AN AREA WITHIN A CITY TO AN AREA WITHIN THE BOROUGH** - AS 04.11.400(k) allows a relocation of an existing beverage dispensary license from a borough into a city in the borough. However, there is no reciprocal mechanism to allow for the relocation of an existing beverage dispensary license from a city into an area of the borough outside of a city. The Assembly supports a change to State law to allow this reciprocal flexibility.
- Z. AMEND STATE LAW TO ALLOW FOR ONLINE PUBLICATION OF NOTICE FOR MEETINGS TO SATISFY THE ALASKA OPEN MEETINGS ACT** - The Alaska Open Meetings Act requires notice of public meetings and is restricted that it "be given using print or broadcast media." The largest newspaper in the State is now only publishing two days a week, and other local newspapers publish intermittently. The Assembly supports changes to State law to allow timely notice on a municipal website to satisfy the public notice requirement of the Open Meetings Act.
- AA. AMEND STATE LAW TO ALLOW FOR FOUR-YEAR TERMS FOR LOCAL ELECTED SCHOOL BOARD MEMBERS** - At the local level, elected officials include the Mayor, Governing Body, and School Board. State law sets a default term length of three years for each of these. For the Mayor and the Governing Body, State law allows the municipality to change the length of the term up to a maximum of four years. However, there is no such language in the State law pertaining to School Board member terms. State and Federal elections are held every two years, and historical voter turnout records indicate significantly more turnout in the Matanuska-Susitna Borough on even-numbered years. In

2024, the Matanuska-Susitna Borough Assembly passed Ordinance 24-009 and IM 24-012 to change the Assembly and Mayor to four-year terms. By changing terms to four years and having Borough Mayor and Assembly elections coincide with the State of Alaska elections, more Borough voters will be involved in selecting their local representatives. Local government should have the flexibility to do the same with School Boards. State law must first be changed to allow a municipality, if it chooses, to vary the length of school board terms up to a maximum of four years.

- BB. AMEND STATE LAW TO ALLOW FOR TERM LIMITS FOR SCHOOL BOARD MEMBERS** - At the local level, elected officials include the Mayor, Governing Body, and School Board. For Mayor and the Governing Body, State law allows the voters to decide if there should be term limits. However, there is no such language in the State law pertaining to School Board member term limits. In 2007, voters in the Kenai Peninsula Borough attempted to impose term limits on School Board members. After a lawsuit about the legality of the term limits, the Alaska Superior Court in Kenai held that State law does not allow for term limits for School Board Members. See Alliance of Concerned Taxpayers v. Kenai Peninsula Borough, 3KN-07-896CI (Order on Summary Judgment, August 14, 2008). As with the Governing Body and Mayor, there should be a mechanism in State law to allow voters to decide if term limits for the School Board are appropriate in their community.
- CC. AMEND STATE LAW TO ALLOW FOR FOUR-YEAR TERMS FOR LOCAL PLANNING COMMISSION** - State law sets a default term length of three years for a municipal Governing Body and Mayor as well as a borough Planning Commission. For the Mayor and the Governing Body, State law allows the municipality to change the length of the term up to a maximum of four years. However, there is no such language in the State law pertaining to Planning Commission terms. In the Matanuska-Susitna Borough, Assembly and Mayor terms are currently four years. Being able to align Planning Commission terms would ensure consistency from the Governing Body and Planning Commission because the terms can be made to coincide. State law should be changed to allow a municipality, if it chooses, to vary the length of Planning Commission terms up to a maximum of four years.

BOROUGH FUNDING PRIORITIES:

- 1. FULL FUNDING FOR SCHOOL BOND DEBT REIMBURSEMENT - \$14,887,997 (HD 25-30)**

The school bond ballot passed in 2011 permitted the Matanuska-Susitna Borough to construct a new secondary school in the Knik community; a new alternative high school in Palmer; a new school in the Wasilla area to meet the needs of Special Education students; an addition to the Career and Technical High School; two new elementary schools in Wasilla and the Knik community; and address many deferred maintenance items. New school construction was necessary to address significant population growth. Due to this ballot measure, the Borough's debt service payments continue through 2035.

One of our greatest challenges to developing an economic budget that delivers the services our citizens demand is the unpredictability of fully funding State school bond debt reimbursement in previous years. The Borough appreciates the State's repayment of previous years this past fiscal year, and requests continued support for fully funding this program. This represents \$14,887,997 for the Mat-Su this coming fiscal year.

2. STATE MATCH FOR VOTER-APPROVED TRANSPORTATION INFRASTRUCTURE PACKAGE (TIP) 2023 - \$31,715,210

In response to Borough voter approval at the November 7, 2023 election authorizing the issuance of bonds for the Transportation Infrastructure Program 2023 (TIP23), the Borough is seeking a 50 percent (50%) match from the State of Alaska to pay for projects that aim to reduce traffic congestion, support economic development, improve connectivity, enhance pedestrian and vehicle safety, increase reliability, and provide transportation choices for residents. Many of these projects are identified in MSB's Long Range Transportation Plan (LRTP), Official Highway and Streets Plan (OSHP), and Safe Routes to Schools Plan (SRTS). Project nominations for TIP23 came from various sources, including Borough residents, Borough staff, the Matanuska-Susitna Borough School District, the Transportation Advisory Board (TAB), the cities of Palmer, Wasilla, and Houston, and the Local Road Service Area Advisory Board (LRSAAB).

With a population of over 111,000 and an annual growth of 2.4%, there is an increasing need for new and improved public infrastructure. This is supported by Assembly Ordinance No. 23-077 and accompanying Information Memorandum No. 23-163.

Project Name	50% Match	District
Edgerton Parks Rd./Mtn Trails, PH2	\$1,087,000	HD 29
Hemmer Road Extension South	\$2,945,000	HD 25

Green Forest Drive Reconstruction	\$3,110,500	HD 28
Museum Drive Extension	\$3,068,500	HD 27
Burma Road Upgrades	\$5,792,500	HD 30
Shaw Elementary Access	\$6,000,000	HD 29
King Arthur Drive Reconstruction	\$3,267,500	HD 30
Yoder Road Reconstruction	\$2,619,500	HD 30
Jolly Creek Drainage Improvement	\$976,500	HD 30
West Lakes Blvd Trail Crossing	\$1,375,000	HD 30
Earl Drive Rehabilitation	\$246,500	HD 28
Gershmel Loop Rehabilitation	\$323,500	HD 26
Finger Lake Elementary Access	\$742,000	HD 28
Big Lake Boat Launch Access	\$161,000	HD 30

3. PORT MACKENZIE RAIL EXTENSION (PMRE) PROJECT (HD 30)

The Borough is requesting funding to complete the PMRE construction. The PMRE will construct a new railroad approximately 32 miles long, extending from the railroad mainline near Houston, Alaska, to Port MacKenzie (Port), a deep draft seaport serving the world's largest ships. Port MacKenzie is strategically located on the opposite side of the Upper Cook Inlet from Anchorage and has ample landside space for bulk commodity storage, multimodal transfers, and unit train capabilities. The State of Alaska has already invested \$184 million in funding for this project.

The requested funding would complete the construction of the rail extension to the Port, resuming work that halted in 2017 owing to a depletion of available funds. The Port is currently served only by truck. The PMRE would establish rail service at Port MacKenzie, the closest deepwater port to Interior Alaska, a region experiencing significant economic growth. This would enable exports of raw materials from Alaska to move by rail through the Port to global markets.

4. NON-BOROUGH CERTIFIED ROADS UPGRADES - \$10 MILLION (HD 25-30)

The Borough is the fastest-growing area in Alaska. Many miles of roads constructed over the past several decades were not built to Borough standards, have substandard gravel bases, lack sufficient right-of-way and sight distance, and are not designed or constructed for traffic they carry. Improvements to these roads will ensure that the functionality and safety of the roads meet the proper classification and design standards. Funding would be utilized to upgrade various unmaintained roads and certify them for Borough maintenance. Unmaintained roads within each of the Borough's Assembly

Districts are provided here:
<https://www.matsugov.us/unmaintainedroads>.

5. JONESVILLE PUBLIC SHOOTING RANGE AND RESTROOM FACILITIES DESIGN AND CONSTRUCTION - \$4 MILLION (HD 29)

This is a new project for the State of Alaska Moose Range Jonesville Public Use Area. This high-priority recreation facility will provide safety for recreational shooters, other users, and community members neighboring the Jonesville area.

The State of Alaska Department of Natural Resources has built similar facilities in the Matanuska-Susitna Borough by creating Knik Public Use Shooting Range.

The Jonesville Public Use Area is a highly visited, multi-use area used year-round. Currently, shooting occurs in and around undesignated campsites, through main access trails and tracks, and along the Slipper Lake water body. The design and development of a designated shooting area or range with restrooms would provide critical human health and safety facilities to this recreation area.

6. EDUCATION SUPPORT:

- **Increase funding for K-12 public education programs.**

- **Increase Foundation Formula funding**
- **Increase funding for Pupil Transportation**
- **Increase funding for the Alaska Reads Act**
- **Increase funding through the Correspondence Factor**

Sustainable and predictable funding for K-12 public education programs remains a priority. Transportation funding, while recently increased, has no inflation-proofing or cost-escalation language. The Alaska Reads Act continues to be a powerful educational expectation but without needed funding to support its effective implementation. Correspondence students continue to receive funding below their peers. The Borough supports increases in a multi-year, sustainable, and comprehensive fiscal plan with tangible educational outcomes.

- **New School Construction for Charter Schools (3 sites) American Charter Academy, Birchtree Charter School, and Academy Charter High School** - With the suspension of the School Bond Debt Reimbursement Program, the Mat-Su Borough School District seeks a 70% match from the State of Alaska for the new school construction for American Charter Academy, Birchtree Charter School, and Academy Charter School. The existing building and infrastructure are

inadequate to accommodate the school population or expansion plans. In two cases, lease agreements are set to expire within the next few years, and the Mat-Su Borough has designated land for each of the projects above.

- **American Charter Academy - \$10,608,500 (70% of project cost) (HD 27).** The new location is a 20-acre parcel near the Church and Seldon Roads intersection. The approved location allows for improved traffic circulation, student safety, and adequate outdoor space to accommodate recreational needs. The proposed building will be 24,000 SF, two-story, light commercial construction, and house an estimated 288 students.
- **Birchtree Charter School - \$18,618,040 (70% of project cost) (HD 29).** The new location is a 68-acre parcel adjoining Shaw Elementary School. The location is in a large, wooded area that would allow for improved traffic flow and accommodate outdoor learning opportunities. The proposed building will be 45,000 SF, two-story, light commercial construction, and house approximately 530 students.
- **Academy Charter High School - \$11,476,080 (70% of project cost) (HD 25).** In 2022, the MSBSD School Board and State Board of Education approved expanding Academy Charter School to include grades 9-12. Academy's current classroom space is used to instruct 258 Kindergarten through 8th grade students. A new facility is needed to house the high school program. The proposed building will be 39,500 SF, light commercial construction, and house a total of approximately 446 students. The existing site is large enough to accommodate the expansion and additional parking.
- **Support for Ending the School Bond Debt Reimbursement Moratorium** - The Borough supports ending the moratorium on school bond debt reimbursement that went into effect on January 1, 2015. Schools, including construction and major renovation of school buildings, comprise a major portion of local expenditures. Ending the moratorium and allowing local governments to again engage in 70% State - 30% Borough split for qualified school bond debt reimbursement projects. Cost sharing with the State will return to the historical framework that was in place for decades, provide safe and efficient schools for children in Alaska, and restore a portion of the Alaska Legislature's

constitutionally mandated duty to provide for public schools.

7. WILLOW FIRE/EMS STATION - \$5 MILLION (HD 30)

Willow needs a joint public safety building in the core area of the community along the Parks Highway corridor. The current facility, Station 12-1, consists of antiquated apparatus bays and a small classroom building recently condemned and deemed unsafe. This new facility would be a joint complex to house the Willow Fire Department, a full-time Willow-based ambulance, and rescue services. This would also provide an area for law enforcement to utilize as needed. The Borough Assembly has appropriated \$3.5 million for this project. The Borough is requesting a state match to assist the Borough in completing this facility. Otherwise, funding is only adequate to address EMS needs and will not allow the project's construction as designed. Additionally, the Borough has received \$700,000 in funds for project design work from a State Legislative appropriation.

The current facility is inadequate for our existing public safety needs and cannot support the services required for the area's projected growth. Currently, there is no EMS support facility in the Willow area, and the fire station lacks necessary support facilities for responders. There is no training room, common living spaces, dorm rooms, or adequate showering facilities to clean up following an incident. An essential component of our cancer risk reduction plan for our fire-rescue responders is immediate decontamination of personnel and equipment following fires and related responses. A key element to reducing emergency response times is having a facility that responders reside in and can respond from immediately. The proposed facilities would fulfill this need well into the future. Rather than building two separate buildings, a single combined facility will save taxpayer funding and improve efficiency. Currently, the nearest EMS unit must respond to emergencies in Willow from the Big Lake area.

The proposed location is on the current lot occupied by Fire Station 12-1. The proposed design will incorporate the existing apparatus bays and other systems to reduce the total project cost. The Borough already owns this 16-acre lot with Parks Highway frontage in the heart of Willow. Using this location represents savings, as utilities and site work are already completed. Awarding the requested funding in conjunction with existing funding would complete the design

phase and allow the construction of this facility, enhancing public safety for the community of Willow and the Parks Highway corridor.

8. RECYCLING MATERIAL TIPPING FLOOR AND REUSE CENTER - \$2.5 MILLION (HD 25-30)

Build a tipping floor and reuse store to increase recycling collection collected from commercial and residential customers for the MSB community. This is an environmentally friendly measure that increases recycling opportunities and reuse of recyclable items, supports less use of the landfill by increasing the life of existing Municipal Solid Waste (MSW) disposal cells, and allows Vally Community for Recycling Solutions (VCRS) to focus more on specific types of recycling and reuse opportunities. This building will be similar in size and scope to the newly designed solid waste tipping floor. The concept is that recycling material collected from the Mat-Su Valley community will go to this building, bailed, and bundled for shipment. Some items will be reused in the Mat-Su Valley reuse store. Similar models are used elsewhere, generating revenue while decreasing landfill MSW cell space.

9. FISHERY PROTECTION - \$2.5 MILLION (HD 25-30) - In 2015, a strategic Research, Monitoring, and Evaluation Plan for Upper Cook Inlet was conducted, resulting in improved resource management through genetic stock analysis, economic impact studies, and improved funding of Northern District weirs. In 2025, the plan will be a decade old, five years beyond its stated relevant time horizon. Since the last plan, there have been significant declines in salmon populations in the Matanuska-Susitna Borough (MSB). An update to this plan would provide an accurate list of prioritized goals and strategies that support healthy salmon populations and habitat, and would provide an opportunity for collaborative public and agency engagement in guiding strategies for the future.

Additionally, this funding would be utilized to support ongoing work on the MSB's nationally recognized fish passage program, secure more consistent funding and operations of Northern District weirs and genetic studies, execute pike suppression efforts, resume operation of the Upper Cook Inlet commercial test net fishery, operate a Susitna River Sockeye Salmon Mark/Recapture Abundance Estimate, provide an update to the 'Economic Contributions of Sportfishing on the Cook Inlet Region in 2017' study, and ensure additional cataloging of local streams, rivers, and habitat essential for healthy

fish and wildlife populations, specifically those potentially impacted by the proposed West Susitna Access Road.

Quality fisheries management for Upper Cook Inlet should not only prioritize the procurement of funding for projects, but should also ensure adequate staffing to operate and execute the programs efficiently. In a region with such extensive and essential anadromous fish habitat surrounding a rapidly growing population center, and with declining salmon stocks, it is necessary for our region to continue monitoring and investing in tools, data, and information that supports healthy local salmon populations and productive Northern Cook Inlet and Mat-Su fisheries.

10. FLOOD AND EROSION MITIGATION FOR SUSCEPTIBLE ROADS - \$2 MILLION

There are roads within the Borough that are susceptible to annual flooding and erosion. These roads have been identified and are too large of a project to be improved using road service area funds. They range from subdivision roads to large collector roads, which provide vital transportation links to homes and businesses. Funding for this project would allow for flooding and erosion mitigation through road realignment, raising the road embankment, installing armoring, installing larger culverts, and providing adequate ditches and drainage easements.

11. ASPHALT AND FENCING TO ENVIRONMENTALLY STORE ABANDONED VEHICLES - \$500,000 (HD 25-30)

This request is to build a safe area where contaminants can be environmentally controlled while vehicles are temporarily stored. We collect approximately 120 vehicles annually abandoned in the Borough right-of-way. These vehicles are then brought to the landfill and stored while the owner is contacted to pick up or pay the costs to be picked up, stored, and destroyed. The asphalt ensures that possible leaks from these vehicles do not get into the groundwater system. The fence protects vehicles from theft of tires, fuel, catalytic converters, etc.

12. TALKEETNA SEWER & WATER HYDRANT EXPANSION TO IMPROVE FIRE PROTECTION COVERAGE - \$350,000 (HD 30)

Talkeetna Sewer & Water (TSW) and the Talkeetna Fire Department are seeking to add fire hydrants to the Talkeetna service area to increase safe, reliable, and timely fire protection of people and property, strengthen the Fire Department's ISO fire rating (the national standard for

ability to suppress fires), improve drinking water quality, and efficiently identify and repair water leaks at a cost savings to ratepayers.

TSW currently has 35 fully operational fire hydrants within the service area that provide primary fire protection for homes and businesses, including three Mat-Su Borough-owned facilities and Talkeetna Elementary School. The hydrants are also used for annual distribution system flushing and leak detection. Several sections of the Service Area do not meet the National Fire Protection Association's minimum required distance of 800' or 500' between hydrants for non-residential structures. Adding hydrants within the Service Area will improve response time, ensure proper fire flow to extinguish a fire, improve the safety of fire personnel, and increase the likelihood of protecting people and property. Additional hydrants will assist TSW personnel by enhancing flushing procedures, improving water quality, and increasing the coverage area for leak detection equipment, resulting in faster leak identification and cost savings from water waste.

13. MATANUSKA RIVER PARK AND CAMPGROUND UTILITY REPLACEMENT AND UPGRADES: PHASE 1 - \$3 MILLION (HD 25)

The Matanuska River Park and Campground, located at Mile 17 Old Glenn Highway, is a popular destination offering eighty-six (86) spaces for tents or RVs, a central comfort station, an RV dump station, picnic tables, grills, four (4) pavilions, playground equipment, a sand volleyball court, trails, 'pump park' for bike riding, river access, an observation deck, parking areas, a campfire area, and a group camping area.

Proposed upgrades include:

- Replacement of the electrical system, which has reached the end of its service life and is now characterized by frequent failures and increasing maintenance challenges. This system's age and the consistent breakdowns highlight the urgent need for replacement, which cannot be deferred any longer. The planned upgrades will involve designing and implementing new, reliable system for electric service.
- Address the failing water facilities, including a thorough assessment of the current systems, which have become increasingly difficult and costly to maintain. The planned upgrades will involve designing and implementing new, reliable water service systems.
- Develop a forest management plan and provide sustained forestry services to support an FAA-approved safe glide path for the City of Palmer Airport operations. Land

Management has the staff expertise to provide the necessary planning but will require forestry contractors to execute contract services. This will include felling, stump grinding, and replacement of ornamental and native tree species to maintain the park's traditional character.

- Expand and reconfigure the 'back-in' RV campsites to provide more space for campers. Additionally, significant tree felling in this area is required to support City of Palmer Airport safe glide path. Upgrades to the RV sites will allow rehabilitation of these impacted landscaped areas to maintain the traditional character of the park.
- Install an ADA-compliant bathroom upgrade to support visitor use.
- Connect to the City of Palmer's water and sewer systems to ensure more reliable utility services to the park.
- Additional project components will include obtaining necessary permits, coordinating with local utility providers, and restoring any areas of the park affected by the construction.

These improvements are essential for modernizing the park's infrastructure, ensuring reliable utility services, and enhancing the overall experience for all visitors.

14. NATURAL GAS TRANSMISSION LINE TO WILLOW - \$47.6 MILLION (HD 30)

Currently, ENSTAR Natural Gas Company provides gas service to customers across southcentral Alaska, with their northernmost customers near the southern edge of Houston, off Cheri Lake Road. To serve the remaining customers in the Houston area, ENSTAR could continue to extend its distribution (low pressure) mains to the north far enough to serve the remaining Houston customers that are not currently served. However, extending the distribution system farther north of Houston to serve additional customers in that direction is not feasible as the system would have difficulty meeting demand during winter heating. The ENSTAR distribution system as it exists today in the Houston area is near its full capacity. Growth to the north that would complete service to all the Houston area, would require additional reinforcement of large diameter mains to help ensure that system pressures can be maintained during peak heating loads.

To extend gas service farther north to Willow, a transmission (high pressure) pipeline would be required to bring gas from ENSTAR's 20-inch diameter Beluga Pipeline north to the Willow

area. With a transmission line to Willow, ENSTAR foresees installing a pressure regulator station (reg station) to drop the high-pressure gas to distribution pressures and feed into a local distribution system in Willow. If gas service to Willow should occur, then a second reg station could be constructed in Houston, as the new transmission line would pass through this area to feed into a new distribution system in the Houston area. This would also provide a redundant feed for gas to both current and new customers in the Houston and Big Lake areas. The existing system is fed only from ENSTAR's farthest north reg station near the Vine Road and Parks Highway intersection. Having a second station in Houston, would provide a second and redundant feed and significantly boost the reliability of service in a particularly cold part of ENSTAR's system.

ENSTAR has done a quick study to determine where distribution pipelines will be installed in the Houston and Willow areas and developed a pipeline alignment to route transmission pipelines through or to both areas. These cost estimates provided are non-binding and high-level estimates. Another noteworthy assumption for this estimate, is that there will be no significant unforeseen right-of-way or environmental challenges for underlying property owners along the proposed alignment that could impact schedule or costs. For example, the route for the Phase 1 portion of the project assumes that an alignment would be granted that is adjacent to the railroad bed currently owned by the Borough. If a permit is granted for this alignment and it is within the right-of-way, that could eventually become under the control of the Alaska Railroad Corporation, there could be costs that are not included in this estimate. In other words, ENSTAR has not included costs for a leasing fee or extra depth installation and assumes that it will not be asked to pay a leasing fee in the future for this right-of-way.

The estimate also assumes that ENSTAR will manage the work to the extent possible and reasonable, and utilize its workforce for the project's design, permitting, procurement, surveying, construction, and management.

It is best to look at the project in two phases to understand the costs.

Phase 1 - Gas to Houston \$23,000,000:

- Construct an 8-inch diameter transmission line from Beluga Pipeline (near ENSTAR's MP39 facility on Ayrshire Road) to

near the Parks Highway just south of the Little Susitna River (via railroad corridor; approximately 18.8 miles). This line would be rated for the same pressure (or higher) as the existing Beluga Pipeline and could move 30-40 million standard cubic feet per day (mmscfd) of gas to customers. The installation of this line in this portion of the route would be alongside the existing roadbed that is the intended location of a future railroad track. The land in this area is mostly swamp and black spruce, so a pipeline constructed here would be completed during winter months and would utilize the adjacent and existing gravel road prism as a construction work pad that would assist with construction traffic, material laydowns to help reduce construction challenges that would otherwise occur along a remote route where a road would be required to be built, or along an active road where precaution would be required to coexist safely with traffic.

- Install a large reg station in Houston near the intersection of the Parks Highway and the proposed railroad alignment. This station would be large enough to provide service to any new Houston area customers and other neighborhoods to the south.
- Construct a low-pressure distribution pipeline system in the Houston area. It is assumed that this area will serve all customers immediately north of the Cheri Lake Rd portion of ENSTAR's system to the Little Susitna River and continue north along the Parks Highway right-of-way, crossing the Little Susitna and serving businesses and residences along the highway corridor for approximately one mile. ENSTAR's estimate of mains to serve approximately 400 lots in this area will require 2, 4, and 8-inch pipe lengths of 15.5, 4.0, and 3.0 miles, respectively.

Phase 2 - Gas to Willow (contingent on completion of Phase 1)
\$24,600,000:

- Construct an 8-inch diameter transmission line from Houston to Willow following the Parks Highway corridor (approximately 13.7 miles). The pipeline would be installed within the Parks Highway ROW via a utility permit. The line would operate at the same pressure as the Beluga Pipeline and the Phase 1 pipeline and would be able to deliver up to 30 mmscfd of gas to Willow.

- Install a large Reg Station in Willow near the intersection of the Parks Highway and Willow Fishhook Road. This station would be large enough to serve any Willow area customers and accommodate growth in any direction.
- Construct a low-pressure distribution pipeline system in the Willow area. It is assumed that this area will comprise all customers within and around the perimeter of Willow Creek Parkway, N Crystal Lake Road, Long Lake Road, Winter Park Road, and the Parks Highway. ENSTAR's estimate of mains to serve approximately 530 lots in this area will require 2, 4, and 8-inch pipe lengths of 40.8, 10.8, and 4.0 miles, respectively.

This is supported by Assembly Resolution Serial No. 21-115.

ADOPTED by the Matanuska-Susitna Borough Assembly this - day
of -, 2024.

EDNA DeVRIES, Borough Mayor

ATTEST:

LONNIE R. McKECHNIE, CMC, Borough Clerk

(SEAL)