

I. CALL TO ORDER

The regular meeting of the Matanuska-Susitna Borough Assembly was held on May 3, 2005, at the Borough Assembly Chambers, 350 E. Dahlia Avenue, Palmer, Alaska. The meeting was called to order at 6 p.m. by Mayor Timothy L. Anderson.

II. ROLL CALL

Assembly members present and establishing a quorum were:

- Ms. Lynne Woods, Assembly District No. 1
- Mr. Bill Allen, Assembly District No. 2
- Mr. Talis J. Colberg, Assembly District No. 3
- Ms. Mary Kvalheim, Assembly District No. 4
- Ms. Jody Simpson, Assembly District No. 5
- Mr. Jim Colver, Assembly District No. 6 (*Deputy Mayor*)
- Ms. Betty Vehrs, Assembly District No. 7

Staff in attendance were:

- Ms. Michelle M. McGehee, CMC, Borough Clerk
- Mr. John Duffy, Borough Manager
- Ms. Teresa S. Williams, Borough Attorney
- Ms. Lonnie R. McKechnie, Executive Assistant to the Borough Clerk
- Ms. Marian Romano, Assistant Borough Manager
- Ms. Tammy Clayton, Finance Director
- Mr. Don Shiesl, Public Works Director
- Mr. Dennis Brodigan, Emergency Services Director
- Mr. Ron Swanson, Community Development Director
- Mr. Murph O'Brien, Planning and Land Use Director
- Mr. Marc Van Dongen, Port Director

III. APPROVAL OF AGENDA

Mayor Anderson:

- advised that Ordinance Serial Nos. 05-065 and 05-066, relating to the proposed sales tax, and Ordinance Serial Nos. 05-069 and 05-067, relating to the proposed severance tax, would be pulled from introduction and would be introduced on June 7, 2005; and
- proposed having a work session on May 24, 2005, to discuss the severance and sales tax.

Mr. Duffy:

- advised that the State Legislature would be amending coastal zone management;
- advised that there is no need to move forward with Resolution Serial No. 05-057; and
- requested that Resolution Serial No. 05-057 be pulled from the agenda.

Assemblymember Simpson requested an update regarding the public comment period in front of the Planning Commission on coastal zone management.

Mr. O'Brien advised that the public would have the opportunity to comment regarding coastal zone management at the Planning Commission meeting on May 16, 2005.

Mayor Anderson inquired if there were any other changes to the agenda. No additional changes were noted.

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

IV. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mr. Ron Cox, Wasilla City Council Member.

V. MINUTES OF PRECEDING MEETINGS

A. Special Assembly Meeting: 04/19/05

Assemblymember Colver noted that the minutes were not included in his packet.

Ms. McGehee advised that she would bring the minutes forward at the May 17, 2005, regular meeting for approval.

VI. REPORTS/CORRESPONDENCE

A. AGENCY REPORTS

1. Reports from cities

Wasilla City

Councilmember Cox:

- spoke regarding the city's preliminary meeting on the sales tax issue;
- advised that city of Wasilla is finalizing their budget; and
- requested that the Assembly vote against Resolution Serial No. 05-055.

2. Matanuska-Susitna Borough School District

Ms. Kim Floyd:

- advised that two Wasilla High School students have received gold medals at the final judging of the National Russian Essay contest in Moscow;
- spoke regarding teacher appreciation week;
- advised that Ms. Sharon Russell, a Sherrod Elementary School teacher, was named the Walmart Regional Teacher of the Year;
- invited the Assembly to attend the Sutton Elementary School Science Fair on May 12;

- spoke regarding the School Board meeting scheduled for May 4, 2005;
- spoke regarding the creation of a Parent Advisory Council that will be working on issues that affect the School District;
- advised that the Alaska School Activities Association improved and expanded on the eligibility requirements for student athletes; and
- noted that the state wrestling tournament will be held at the Wasilla Sports Complex for the next two years.

3. HDR Alaska Re: Wasilla Rail Realignment Alternatives –
Mr. John McPherson, Project Manager

Mr. John McPherson:

- provided an overview of the Wasilla Rail Realignment Alternatives project;
- advised that they looked for contiguous areas for the rail realignment;
- spoke regarding the two corridors that have been identified;
- advised that the north corridor is 4.6 miles with a cost of approximately \$83 million to build, and that the south corridor is 8.1 miles with a cost of approximately \$130 million to build;
- advised that he is not recommending the road over the rail option due to the impacts;
- informed that additional engineering would need to be performed to co-locate the highway bypass with the rail; and
- spoke regarding the Knik Goose Bay Road grade separation.

Assemblymember Simpson queried if Mr. McPherson had concluded the study.

Mr. McPherson:

- advised that the study portion is complete; and
- noted that the next step is the environmental phase.

Assemblymember Simpson:

- advised that she is in favor of the alternative down to Port MacKenzie;
- commented that one of the alternatives affects the same people that the Parks Highway realignment affected; and
- queried the \$2 million that is in the Governor's package.

Mr. McPherson responded that he believes that the \$2 million is going to the Alaska State Department of Transportation for highways.

Assemblymember Colver:

- opined that it is logical to have a transportation corridor for a bypass and rail; and
- spoke regarding the federal transportation bill.

Assemblymember Colver queried recommended route.

Mr. McPherson:

- responded that if the rail was to stay within the city of Wasilla they would recommend the rail going over the top of Knik Goose Bay;
- advised that either rail corridor would be feasible; and
- noted that he would recommend going through the environmental phase prior to choosing a rail corridor.

Discussion continued regarding the rail realignment alternatives.

B. COMMITTEE REPORTS

1. Joint Assembly/School Board Committee on School Issues

Assemblymember Colver:

- advised that the Board met on May 2, 2005; and
- reported that the Board discussed the budget process.

Assemblymember Allen:

- spoke regarding performance-based budgeting;
- advised that the School District is working on a budget that is easier to read; and
- spoke regarding budget accountability.

2. Regional Transportation Planning Organization (RTPO)

Mayor Anderson noted that the Regional Transportation Planning Organization has not met since the last report.

C. MANAGER COMMENTS

1. State/Federal Legislation

Mr. Duffy:

- spoke regarding the presentation that was provided to Senator Lisa Murkowski on the Agricultural Processing Center;
- advised that progress is being made on the dike repairs at the Matanuska River;
- provided an update on the capital projects list;
- advised that he will be in Juneau for the close of the Legislative Session;
- reported that NPI, LLC would be issuing a payment on the default of the wharfage fees;
- spoke regarding scheduling a work session so that J.L. Properties could present the conceptual financing plan for the Hatcher Pass Ski Area.
- spoke regarding the transfer of Hatcher Pass public use area lands;
- spoke regarding the working group that was created by Mayor Mark Begich of Anchorage for the Knik Arm Crossing to identify policy issues and develop recommended courses of action;

- advised that the environmental assessment for the Knik Arm Ferry on the Anchorage side is being revised due to the Alaska Railroad and the Port of Anchorage agreeing to allow for consideration of the Ship Creek Boat Launch site;
- spoke regarding State versus Borough bond ratings for the proposed Sutton prison;
- advised that there is a Glenn Highway Scenic Byway dedication scheduled for June 10, 2005; and
- noted that the Public Works Director, Mr. Don Shiesl, will be retiring in June 2005.

(Manager Comments continued on pp. 8 of 22)

(The regular meeting recessed at 6:55 p.m. and reconvened at 7:12 p.m.)

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

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. 05-053: AN ORDINANCE ACCEPTING AND APPROPRIATING A \$14,500 GRANT FROM THE ALASKA STATE DEPARTMENT OF NATURAL RESOURCES, DIVISION OF AGRICULTURE TO FUND 480, PROJECT NO. 20205, FOR A MATERIALS ASSESSMENT WITHIN THE FISH CREEK MANAGEMENT PLAN AREA.
 - a. Resolution Serial No. 05-045: A RESOLUTION APPROVING THE SCOPE OF WORK AND BUDGET FOR PROJECT NO. 20205, FUND 480 AND AUTHORIZING THE MANAGER TO ENTER INTO A CONTRACTUAL SERVICES AGREEMENT WITH THE STATE OF ALASKA FOR A MATERIALS ASSESSMENT WITHIN THE FISH CREEK MANAGEMENT PLAN AREA.
 - (1) IM No. 05-090

Mr. Swanson provided a staff report.

Mayor Anderson 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 Vehrs moved to adopt Ordinance Serial No. 05-053 and Resolution Serial No. 05-045.

VOTE: The motion passed without objection.

2. Ordinance Serial No. 05-054: AN ORDINANCE REAPPROPRIATING \$40,000 FROM FUND 100, AREAWIDE FUND, COMMUNITY DEVELOPMENT

ADMINISTRATION DIVISION FISCAL YEAR 2005 OPERATING BUDGET TO FUND 480, PROJECT NO. 45159 FOR THE STUDENT CONSERVATION ASSOCIATION AND AMERICORPS SUMMER 2005 WORK PROJECTS.

- a. Resolution Serial No. 05-046: A RESOLUTION APPROVING THE SCOPE OF WORK AND BUDGET FOR THE STUDENT CONSERVATION CORPS AND AMERICORPS CREWS FOR THE SUMMER 2005 WORK SEASON.
 - (1) IM No. 05-091

Mr. Swanson provided a staff report.

Mayor Anderson 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 Colver moved to adopt Ordinance Serial No. 05-054 and Resolution Serial No. 05-046.

VOTE: The motion passed without objection.

3. Ordinance Serial No. 05-055: AN ORDINANCE APPROPRIATING \$50,000 OF THE INTEREST EARNINGS ON THE PROCEEDS OF THE 2001 SERIES A, GENERAL OBLIGATION BONDS TO FUND 400, SCHOOL CAPITAL PROJECTS, PROJECT NO. 40158 TO ALLOW COMPLETION OF THE DESIGN OF THE ROOF REPLACEMENT AT SU VALLEY HIGH SCHOOL.
 - a. Resolution Serial No. 05-047: A RESOLUTION AMENDING THE SCOPE OF WORK AND BUDGET FOR THE SU VALLEY HIGH SCHOOL ROOF REPLACEMENT.
 - (2) IM No. 05-093

Mr. Shiesl provided a staff report.

Mayor Anderson 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 Vehrs moved to adopt Ordinance Serial No. 05-055 and Resolution Serial No. 05-047.

Assemblymember Vehrs:

- spoke regarding the condition and hazards of the roof at the Su Valley High School; and
- requested support of the legislation.

VOTE: The motion passed without objection.

4. Ordinance Serial No. 05-056: AN ORDINANCE APPROVING THE REAPPROPRIATION OF \$48,171 FROM THE PLANNING DEPARTMENT'S OPERATING BUDGET, FUND 100, TO FUND 480, PROJECT NO. 20349 FOR THE HUMAN SERVICES COMMUNITY MATCHING GRANT PROGRAM.
 - a. Resolution Serial No. 05-048: A RESOLUTION AUTHORIZING THE MANAGER TO AMEND THE HUMAN SERVICES COMMUNITY MATCHING GRANT AGREEMENTS.
 - (1) IM No. 05-096

Mr. O'Brien:

- advised that there is a 30 percent local match requirement for the grant;
- spoke regarding allocating funds to agencies that were not eligible for the grant monies;
- reported that a cash match was required by the State; and
- opined that the monies are going towards nine valuable programs.

Assemblymember Allen queried what the Planning Department's operating fund monies would have been used for if not reappropriated for the grant.

Mr. O'Brien:

- responded that the operating funds would have been used for planning studies and factual services; and
- stated that in the future, the match requirement will be taken out of capital appropriations.

Mayor Anderson 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 Colver moved to adopt Ordinance Serial No. 05-056 and Resolution Serial No. 05-048.

VOTE: The motion passed without objection.

5. Ordinance Serial No. 05-057: AN ORDINANCE ACCEPTING AND APPROPRIATING \$4,120 FROM THE ALASKA STATE DIVISION OF HOMELAND SECURITY AND EMERGENCY MANAGEMENT TO THE BOROUGH LOCAL EMERGENCY PLANNING COMMITTEE, FUND 480, PROJECT NO. 20259, FOR FISCAL YEAR 2005 OPERATIONS.
 - a. Resolution Serial No. 05-049: A RESOLUTION AMENDING THE SCOPE OF WORK AND BUDGET FOR PROJECT NO. 20259, FUND 480, FOR THE FISCAL YEAR 2005 LOCAL EMERGENCY PLANNING COMMITTEE OPERATIONS.
 - (1) IM No. 05-099

Mr. Brodigan provided a staff report.

Mayor Anderson 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 Colver moved to adopt Ordinance Serial No. 05-057 and Resolution Serial No. 05-049.

Assemblymember Colver:

- spoke regarding the funds that are needed for the Local Emergency Planning Committee; and
- opined that money levied on phone bills should be unreserved and that the use of the monies should be determined by the Assembly.

VOTE: The motion passed without objection.

C. AUDIENCE PARTICIPATION (Three minutes per person.)

The following persons spoke regarding Resolution Serial No. 05-057: Mr. Noel Woods and Ms. Jean Woods.

The following person spoke regarding Borough travel expenses and the Platting Board confirmation of Ms. Michelle Church: Ms. Annette Harpster.

The following person spoke regarding the Platting Board confirmation of Ms. Michelle Church: Ms. Pia Contini.

The following person spoke regarding the Platting Board confirmation of Ms. Michelle Church and Resolution Serial No. 05-057: Mr. Penny Nixon.

The following person spoke regarding property taxes and the Platting Board confirmation of Ms. Michelle Church: Mr. James Harpster.

(Manager Comments continued from pp. 5 of 22)

Assemblymember Woods queried the bonding for the Sutton prison facility.

Mr. Duffy:

- spoke regarding the concept of issuing revenue bonds; and
- advised that the lease payments of the revenue bonds would be paid by the State.

Assemblymember Colver:

- spoke regarding bond ratings;
- noted that if the bonds were issued by the State the proposition would have to go through legislative approval and than go through the State election process; and
- commented that the State would pay the lease payments by annual appropriations if the Borough issued revenue bonds.

Discussion ensued regarding revenue bonds for the Sutton prison.

D. ATTORNEY COMMENTS

(There were no attorney comments presented.)

E. CLERK COMMENTS

Ms. McGehee

- reviewed the upcoming meeting schedule for May and June;
- spoke regarding the May 24, 2005, work session on the proposed severance tax and sales tax;
- noted that the location for the public hearings on the budget would be at the Central Mat-Su Public Safety Building;
- provided an election update; and
- advised that the full Assembly packet is available to view on the Borough's website.

F. CITIZEN AND OTHER CORRESPONDENCE

1. MSB Board/Committee Minutes:
 - a. Animal Care and Regulation Board: 01/10/05, 02/14/05, 03/14/05
 - b. Greater Willow RSA Board of Supervisors No. 20: 03/24/05
 - c. Parks, Recreation, and Trails Advisory Board: Resolution No. 05-07
2. Community Council Correspondence:
 - a. Butte Community Council: 01/12/05, 02/09/05, 03/09/05
 - b. Sutton Community Council: 03/15/05
 - c. Talkeetna Community Council: 01/06/05, 01/14/05, 02/07/05, 03/07/05

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

G. INFORMATIONAL MEMORANDUMS

(There were no Informational Memorandums presented.)

VIII. UNFINISHED BUSINESS

- A. Ordinance Serial No. 05-048: AN ORDINANCE AMENDING MSB 5.25.022, SOUTH COLONY ROAD SERVICE AREA NO. 16, TO ADD A LEGAL DESCRIPTION AND TO AMEND THE BOUNDARIES AFFECTED BY THE TRUNK ROAD REALIGNMENT.
 - a. Ordinance Serial No. 05-049: AN ORDINANCE AMENDING MSB 5.25.016, MIDWAY ROAD SERVICE AREA NO. 9, TO AMEND THE BOUNDARIES AFFECTED BY THE TRUNK ROAD REALIGNMENT.
 - (1) IM No. 05-084
 - (2) IM No. 05-112

MOTION PENDING: Assemblymember Colberg moved to adopt Ordinance Serial Nos. 05-048 and 05-049.

MOTION: Assemblymember Colver moved to postpone Ordinance Serial No. 05-048 and Ordinance Serial No. 05-049 indefinitely.

Assemblymember Colver:

- spoke regarding the realignment of Trunk Road;
- noted that another realignment of Trunk Road would be done during the summer; and
- requested that the legislation be postponed indefinitely until the realignment of Trunk Road is complete.

Assemblymember Simpson queried if not having codified legal descriptions for the service areas created a problem.

Ms. McGehee:

- advised that the GIS Division is using maps to create legal descriptions of the service areas; and
- opined that the sooner that there is a codified legal description the better.

Mr. Duffy advised that the legal description of the boundaries will be changing again within in a year with the realignment of Trunk Road scheduled for the summer.

VOTE: The motion to postpone indefinitely passed with Assemblymembers Simpson, Colberg, and Woods in opposition.

B. AM No. 05-050: APPROVAL OF CHANGE ORDER NO. 4 TO TRYCK, NYMAN, HAYES, INC., IN THE AMOUNT OF \$358,118 TO COMPLETE THE DESIGN, PRELIMINARY ENGINEERING, AND GEOTECHNICAL WORK FOR THE FERRY LANDINGS, TERMINAL BUILDINGS, AND PARKING LOTS AT PORT MACKENZIE AND THE PORT OF ANCHORAGE.

MOTION PENDING: Assemblymember Colver moved to approve AM No. 05-050.

Mr. Van Dongen:

- reported the reasons for the change order request;
- explained the issues regarding re-bidding the contract versus doing a change order to the contract; and
- opined that the contract would cost more if it were to go out for re-bid.

Assemblymember Vehrs queried funding of the change order with the budget adjustment.

Mr. Van Dongen:

- responded that not all the construction funds at the Anchorage Port are secured; and
- advised that the funds will be used to complete the design of both the Anchorage Port and Port MacKenzie.

Discussion ensued regarding:

- the amount of funds requested on the change order;
- the re-bidding of the contract;
- the process of change orders; and
- the cost of design engineering.

VOTE: The motion passed with Assemblymembers Colver and Vehrs in opposition.

MOTION: Assemblymember Simpson moved to reconsider AM No. 05-050.

VOTE: The motion to reconsider failed unanimously.

(The regular meeting recessed at 8:30 p.m. and reconvened at 8:45 p.m.)

IX. NEW BUSINESS

A. INTRODUCTION (For public hearing - 05/17/05, 7 p.m., Borough Assembly Chambers)

1. Ordinance Serial No. 05-058: AN ORDINANCE REAPPROPRIATING \$105,097 FROM THE PLANNING DIVISION'S FISCAL YEAR 2005 OPERATING BUDGET, FUND 100, TO FUND 480, PROJECT NOS. 20129, 45135, 45172, 20338, 45173, 20358, AND 45174, FOR THE PURPOSE OF PLANNING STUDY SERVICES AND \$10,000 FROM THE PLANNING DIVISION'S FISCAL YEAR 2005 OPERATING BUDGET, FUND 100, TO FUND 480, PROJECT NO. 45175, FOR THE PURPOSE OF DISPUTE RESOLUTIONS.
 - a. IM No. 05-097
2. Ordinance Serial No. 05-059: AN ORDINANCE CLASSIFYING BOROUGH-OWNED LAND DESCRIBED AS A PORTION OF TAX PARCEL 26N04W31D002, LOCATED TWO MILES SOUTH OF TALKEETNA AT THE INTERSECTION OF TALKEETNA SPUR ROAD AND SOUTH COMSAT ROAD AS PUBLIC RECREATION LANDS.
 - a. IM No. 05-105
3. Ordinance Serial No. 05-060: AN ORDINANCE CLASSIFYING BOROUGH-OWNED LAND DESCRIBED AS LOTS 6 AND 7, EAST 1/2 SOUTHWEST 1/4, SECTION 6, TOWNSHIP 17 NORTH, RANGE 2 EAST, SEWARD MERIDIAN, ALASKA, LOCATED IN THE CREVASSE MORAIN AREA, AS RESERVED USE/PUBLIC RECREATION LANDS.
 - a. IM No. 05-106
4. Ordinance Serial No. 05-061: AN ORDINANCE CLASSIFYING BOROUGH-OWNED LAND DESCRIBED AS TAX PARCEL 17N01E10A011, LOCATED AT THE INTERSECTION OF TRUNK ROAD AND EAST COLLEGE DRIVE, AS RESERVED USE LANDS FOR AN EMERGENCY SERVICES FACILITY.
 - a. IM No. 05-107

5. Ordinance Serial No. 05-062: AN ORDINANCE CLASSIFYING BOROUGH-OWNED LAND DESCRIBED AS SOUTH 1/2 SOUTHEAST 1/4, SECTION 11, SOUTHWEST 1/4 SOUTHWEST 1/4, SECTION 12, AND NORTH 1/2 NORTHWEST 1/4, SECTION 13, TOWNSHIP 17 NORTH, RANGE 1 EAST, SEWARD MERIDIAN, ALASKA, LOCATED IN THE CREVASSE MORAIN/KEPLER-BRADLEY LAKES AREA, AS PUBLIC RECREATION LANDS.
 - a. IM No. 05-108

6. Ordinance Serial No. 05-063: AN ORDINANCE ADOPTING THE LITTLE LONELY LAKE LAKE MANAGEMENT PLAN AND AMENDING MSB 15.24.030, COMPREHENSIVE PLAN AND PURPOSES, AND 17.59, LAKE MANAGEMENT PLAN IMPLEMENTATION.
 - a. IM No. 05-109

7. Ordinance Serial No. 05-064: AN ORDINANCE APPROPRIATING \$250,000 FROM THE LAND MANAGEMENT FUND BALANCE, FUND 203, TO FUND 400, PROJECT NO. 40147 FOR THE DESIGN, RIGHT-OF-WAY ACQUISITION, UPGRADE, AND CONSTRUCTION OF NORTH FRANCE ROAD, WHICH PROVIDES ACCESS TO 160 ACRES OF BOROUGH-OWNED LAND, AND ACCESS TO THE PALMER ALTERNATIVE SCHOOL (VALLEY PATHWAYS).
 - a. Resolution Serial No. 05-056: A RESOLUTION APPROVING THE SCOPE OF WORK AND BUDGET FOR NORTH FRANCE ROAD, WHICH PROVIDES ACCESS TO BOROUGH-OWNED LAND, AND ACCESS TO THE PALMER ALTERNATIVE SCHOOL (VALLEY PATHWAYS), PROJECT NO. 40147.
 - (1) IM No. 05-110

10. Ordinance Serial No. 05-068: AN ORDINANCE ESTABLISHING AN EXCISE TAX ON CIGARETTES AND TOBACCO PRODUCTS ACQUIRED WITHIN OR BROUGHT INTO THE MATANUSKA-SUSITNA BOROUGH AND PROVIDING FOR PENALTIES FOR FAILURE TO PAY TAXES DUE BY ADOPTING MSB 3.30, EXCISE TAX ON CIGARETTES AND TOBACCO PRODUCTS.
 - (1) IM No. 05-115

Ms. McGehee read the above legislation into the record.

MOTION: Assemblymember Colver moved to introduce the legislation as read into the record by the Clerk and set the public hearings for May 17, 2005.

MOTION: Assemblymember Colver moved to divide the question by taking Ordinance Serial No. 05-064 and Resolution Serial No. 05-056 separately.

VOTE: The motion to divide the question passed without objection.

MOTION: First segment of the motion to approve the introductions as read into the record by the Clerk and set the public hearings for May 17, 2005, with the exception of Ordinance Serial No. 05-064 and Resolution Serial No. 05-056.

VOTE: The first segment to approve the introductions as read into the record by the Clerk and set the public hearings for May 17, 2005, with the exception of Ordinance Serial No. 05-064 and Resolution Serial No. 05-056, passed without objection.

MOTION: Second segment of the motion to approve Ordinance Serial No. 05-064 and Resolution Serial No. 05-056 as read into the record by the Clerk and set the public hearing for May 17, 2005.

Assemblymember Colberg:

- requested an update regarding the upgrade of France Road; and
- stated that the last information he had was that the project was not going to proceed due to the cost of the earth work.

Mr. Shiesl:

- stated that upgrading France Drive will provide better access to Valley Pathways and to the Borough property that will eventually be developed for other Borough uses;
- advised that Valley Pathway's lease for the property ends in June; and
- stated that hopefully the site to relocate the school will be ready by the following school year.

Assemblymember Colver queried how much of the bond money would be allocated towards the site project.

Mr. Shiesl advised that it is estimated that almost half of the bond money would be allocated for the dirt work.

Assemblymember Colver voiced concerns regarding using the Land Management fund.

Assemblymember Woods queried future uses for the land.

Mr. Shiesl advised that the road will be built to standard that will allow for development of the property.

Mayor Anderson queried if the project was time sensitive.

Mr. Shiesl responded that it is a time sensitive issue to have Valley Pathways on the site prior to the next school year.

Discussion ensued regarding the funding of the project.

VOTE: The second segment to approve Ordinance Serial No. 05-064 and Resolution Serial No. 05-056 as read into the record by the Clerk and set the public hearing for May 17, 2005, passed without objection.

- B. CONSENT AGENDA *(The following items were pulled from the consent agenda and taken separately: Resolution Serial No. 05-055 and 05-058, and AM Nos. 05-049 and 05-056, were pulled from the consent agenda and addressed separately. See pp. 15 of 22)*
1. RESOLUTIONS
 2. ACTION MEMORANDUM
- b. AM No. 05-053: APPROVAL OF A BULK PURCHASE AND APPLICATION OF CALCIUM CHLORIDE THROUGH A STATE OF ALASKA CONTRACT WITH UNIVAR USA, INC., IN THE AMOUNT OF \$497,026.66 FOR SEASONAL OPERATIONS AND CAPITAL PROJECTS BY THE PUBLIC WORKS DEPARTMENT.
- c. AM No. 05-055: APPROVAL OF VACATION OF A PORTION OF NORTH THORN AVENUE, EAST CHUGACH STREET, AND NORTH CHICKALOON AVENUE THROUGH PROPOSED LAZY MOUNTAIN ACRES SUBDIVISION 2005 ADDITION, LOCATED WITHIN THE NORTHEAST 1/4, SECTION 34, TOWNSHIP 18 NORTH, RANGE 2 EAST, SEWARD MERIDIAN, ALASKA, LOCATED IN THE LAZY MOUNTAIN COMMUNITY COUNCIL AREA.
- e. AM No. 05-057: AWARD OF PROPOSAL NO. 05-098 TO BURKHART CROFT ARCHITECTS, LLC., IN THE AMOUNT OF \$47,422 FOR THE SU-VALLEY HIGH SCHOOL ROOF REPLACEMENT DESIGN.
- f. AM No. 05-058: AUTHORIZATION TO PURCHASE 15 MSA ULTRALITE MASK MOUNTED REGULATORS FROM ALASKA SAFETY, INC., IN THE AMOUNT OF \$70,811.85, FOR THE SUTTON FIRE SERVICE AREA.
- g. AM No. 05-059: AWARD OF BID NO. 05-137 TO WESTERN CONSTRUCTION AND EQUIPMENT IN THE AMOUNT OF \$34,438 FOR THE LUCY LAKE DRIVE PROJECT.
- h. AM No. 05-060: APPROVAL OF CHANGE ORDER NO. 1 TO WRG FIRE TRAINING SIMULATION SYSTEMS, INC., IN THE AMOUNT OF \$25,820 FOR CHANGES AND UPGRADES TO THE DESIGN AND CONSTRUCTION OF THE LIVE FIRE TRAINING EQUIPMENT FOR THE BIG LAKE FIRE DEPARTMENT.
- i. AM No. 05-061: AWARD OF PROPOSAL NO. 05-109 TO MCGHAN CONSTRUCTION COMPANY IN THE AMOUNT OF \$60,000 FOR THE WILLOW CREEK ELEVATED WALKWAY DESIGN-BUILD.

- j. AM No. 05-062: AWARD OF PROPOSAL NO. 05-111 TO GDM, INC., IN THE CONTRACT AMOUNT OF \$128,376.28 FOR THE PALMER HIGH SCHOOL RENOVATION DESIGN.
- k. AMNo.05-063: AUTHORIZATION TO PURCHASE TWO PRE-FABRICATED RESTROOMS FROM ROMTEC, INC., IN THE AMOUNT OF \$46,629.45, FOR INSTALLATION IN THE TALKEETNA AREA.
- l. AM No. 05-064: AWARD OF CONTRACT NO. 05-146 TO 911 INSIGHT IN THE AMOUNT NOT TO EXCEED \$90,000 FOR COMPUTER AIDED DISPATCH PLANNING FOR THE MAT-SU REGIONAL EMERGENCY COMMUNICATION CENTER.

Ms. McGehee read the above legislation into the record.

MOTION: Assemblymember Colver moved to approve the consent agenda as read into the record by the Clerk.

VOTE: The motion passed without objection.

- a. Resolution Serial No. 05-055: A RESOLUTION IN CONSIDERATION OF SENATE BILL (SB) 100 REGARDING ENHANCED 911 SURCHARGES IMPOSED BY A MUNICIPALITY AND REQUESTING NO ACTION THIS LEGISLATIVE SESSION.
(*Sponsor: Mayor Anderson*)
- (1) IM No. 05-116

Mayor Anderson spoke regarding companion House Bill 249.

MOTION: Assemblymember Kvalheim moved to adopt Resolution Serial No. 05-055.

Assemblymember Kvalheim spoke regarding working with the municipalities and the State to resolve the issues on the Enhanced 911 surcharges.

Assemblymember Vehrs queried the agreement that was signed in Juneau by the municipalities and the Borough.

Mr. Duffy:

- stated that there are two parts to the bill which have caused confusion;
- spoke regarding the “Hold Hostage” provision on disbursement of funds;
- advised that he disagrees with the “Hold Hostage” provision;
- spoke regarding identifying how the funds should be used and prioritized;
- commented that the money that is left should be distributed to the cities; and
- noted that the agreement that was signed was to prioritize the expenditures of the E-911 surcharge revenues.

Mr. Brodigan:

- reiterated that the agreement that was signed was to prioritize the listing of expenditures of the E-911 surcharge revenues by May 2, 2005;
- advised that the parties to the agreement were the Borough, the Alaska State Department of Public Safety, and the cities of Palmer, Wasilla, and Houston; and
- advised that the Enhanced 911 Advisory Board will be making recommendations to the Assembly once they have reviewed the priority listing of expenditures from each party.

MOTION: Assemblymember Colver moved to amend Resolution Serial No. 05-055 by inserting the phrase “Committee Substitute House Bill (CS HB) 249” throughout the legislation where Senate Bill (SB) 100 is mentioned to read as follows: Senate Bill (SB) 100/Committee Substitute House Bill (CS HB) 249.

VOTE: The primary amendment passed without objection.

Assemblymember Colver:

- spoke regarding the agreement that was signed prioritizing the listing of expenditures of the E-911 surcharge revenues; and
- voiced concerns regarding consumers’ phone bills increasing.

Discussion ensued regarding:

- the agreement that was signed prioritizing the listing of expenditures of the E-911 surcharge revenues; and
- the “Hold Hostage” clause that was added to the bill.

MOTION: Assemblymember Woods moved a primary amendment to Resolution Serial No. 05-055, in the first “Now Therefore Be It Resolved” clause, by striking the phrase “no action” to read as follows: Now Therefore Be It Resolved, that the Matanuska-Susitna Borough Assembly requests that the provision requiring that an agreement be reached with all E-911 and dispatch providers within a borough before any E-911 funds may be used be removed.

MOTION: Assemblymember Vehrs moved a secondary amendment to Resolution Serial No. 05-055 by inserting “section 3 subsection J” between the words “provision” and “requiring” to read as follows: Now, Therefore, Be It Resolved, that the Matanuska-Susitna Borough Assembly requests that the provision (section 3, subsection J), requiring that an agreement be reached with all E-911 and dispatch providers within a borough before any E-911 funds may be used, be removed

VOTE: The secondary amendment passed without objection.

VOTE: The primary amendment as amended passed without objection.

MOTION: Assemblymember Colver moved to amend Resolution Serial No. 05-055 by striking the phrase “and requesting no action this Legislative session” from the title to read as follows: A resolution of the Matanuska-Susitna Borough

Assembly in consideration of Senate Bill (SB) 100/Committee Substitute House Bill (CS HB) 249 regarding enhanced 911 surcharges imposed by a municipality.

VOTE: The primary amendment passed without objection.

VOTE: The main motion as amended passed with Assemblymembers Kvalheim and Allen in opposition.

c. Resolution Serial No. 05-058: A RESOLUTION SETTING FORTH ASSEMBLY RULES OF POLICY AND PROCEDURE. (*Sponsor: Assemblymember Simpson*)

(1) IM No. 05-117

MOTION: Assemblymember Vehrs moved to adopt Resolution Serial No. 05-058.

MOTION: Assemblymember Vehrs moved to amend Resolution Serial No. 05-058 by inserting the word “Written” at the beginning of the sentence of provision (A)(5) to read as follows: Written proxy testimony is allowable with majority consent of the Assembly; however, the person presenting the testimony on behalf of another is not entitled to an additional three minutes of testimony on their own behalf.

Assemblymembers Vehrs stated that when a member of the public is providing proxy testimony that it is important to have something in writing from the parties they are providing proxy testimony for.

Mayor Anderson:

- voiced concerns regarding the language “majority consent of the Assembly;” and
- stated that with the verbage “majority consent of the Assembly” could eliminate someone’s ability to testify.

VOTE: The primary amendment passed with Assemblymember Simpson in opposition.

MOTION: Assemblymember Vehrs moved a secondary amending to Resolution Serial No. 05-058 by striking the phrase “with majority consent of the Assembly” to read as follows: Written proxy testimony is allowable however, the person presenting the testimony on behalf of another is not entitled to an additional three minutes of testimony on their own behalf.

Assemblymember Simpson:

- stated that it is the function of the Assembly and the presiding officer to be fair and equitable to the public; and
- opined that the procedure currently rests at the discretion of the chair.

Discussion ensued regarding proxy testimony.

VOTE: The primary amendment passed without objection.

MOTION: Assemblymember Vehrs moved to amend Resolution Serial No. 05-058, provision (B)(1), second sentence, by striking the phrase “Mayor or members of the Assembly,” and to insert in its place the phrase “Clerk prior to the Assembly meeting” to read as follows: “In cases such as these, and on occasion, a member of the public may approach the Clerk prior to the Assembly meeting and ask that they be allowed to speak to a particular item.”

Assemblymember Vehrs commented that the request to speak could then be delivered by the Clerk as a neutral party.

Assemblymember Colberg suggested that the members of the public could request to speak on a consent agenda item and sign-up as they do for public hearings.

(The regular meeting recessed at 9:55 p.m. and reconvened at 10:05 p.m.)

Assemblymember Allen suggested that the Assembly schedule a work session regarding this issue.

WITHDRAW: Assemblymember Vehrs requested to withdraw the primary amendment. There was no objection.

MOTION: Assemblymember Allen moved to postpone Resolution Serial No. 05-058 to a time certain of June 7, 2005, for the purpose of holding a work session.

VOTE: The motion to postpone to a time certain of June 7, 2005, passed with Assemblymember Colberg opposed.

MOTION: Assemblymember Colver moved to reconsider Resolution Serial No. 05-055.

VOTE: The motion to reconsider failed unanimously.

MOTION: Assemblymember Colver moved to reconsider Ordinance Serial No. 05-048 and Ordinance Serial No. 05-049.

VOTE: The motion to reconsider failed unanimously.

a. AM No. 05-049: APPROVAL OF CHANGE ORDER TO QUALITY ASPHALT PAVING IN THE AMOUNT OF \$39,000 FOR THE 2004 ROADS PAVING PROJECT FOR UPGRADES TO SCATTERS WAY AND EXTRA PAVING FOR THE CITY OF HOUSTON.

CONFLICT OF INTEREST: Assemblymember Colver declared a conflict of interest.

RULING: Mayor Anderson ruled that Assemblymember Colver had a conflict of interest and would be recused from voting on the issue.

(Assemblymember Colver exited the meeting.)

MOTION: Assemblymember Kvalheim moved to adopt AM No. 05-049.

VOTE: The motion passed without objection.

(Assemblymember Colver re-entered the meeting.)

Ms. McGehee:

- requested clarification of the postponement of Resolution Serial No. 05-058; and
- advised that a work session was scheduled for June 7, 2005, however the legislation was not scheduled to be brought back to a regular meeting where action could be taken.

Mayor Anderson suggested that Resolution Serial No. 05-058 be postponed to a time certain of June 21, 2005.

There was no objection noted.

- d. AM No. 05-056: APPROVAL OF CHANGE ORDER NO. 1 TO CONTRACT NO. 04-180 TO ALASKA RIM ENGINEERING IN THE AMOUNT OF \$50,000 FOR ON-CALL SURVEYING

MOTION: Assemblymember Colver moved to adopt AM No. 05-056.

Assemblymember Colver:

- advised that another engineering firm should be acquired on the contract;
- noted that all the work should not be going to just one contractor; and
- opined that the contract should go out to (RFP) Request for Proposal.

Mr. Shiesl:

- advised that originally there were three contracts;
- advised that they lost one contractor due to a death;
- noted that one of the other contractors declined the additional work; and
- commented upon the advice of the Purchasing Officer, they are requesting the change order.

Assemblymember Vehrs voiced concerns with one firm getting an increase in work due to the fact that the Borough is not going out to bid.

Discussion ensued regarding going out to bid.

VOTE: The motion failed with Assemblymember Woods in support.

C. MAYORAL NOMINATIONS AND APPOINTMENTS

1. VACANCY REPORT

Mayor Anderson made the following recommendations:

Emergency Medical Services Board

Nicolas Mihalow

Sheila Lamar

Enhanced 911 Advisory Board

Richard Roberts

Dale Adams

George Boatright

Gina Wheeler

Clint Vardeman

Platting Board

Michelle Church

Bogard RSA No. 25

Gary Hessmer

Mayor Anderson requested the following confirmations:

Board of Equalization

Resignation of Ken Kincaid

Senior Citizens Advisory Board

Rhonda Atkins

Barbara Leckwold

Removal of Roberts Stasco

MOTION: Assemblymember Colver moved to confirm the Mayor's appointments and resignations up for confirmation this evening.

VOTE: The motion passed without objection.

D. OTHER NEW BUSINESS

1. AM No. 05-036: APPROVAL TO DISPOSE OF THE FORMER SCHOOL DISTRICT ADMINISTRATION BUILDING LOCATED ON LOT 7, BLOCK 13, ARRC NO. 1, LOCATED IN THE PALMER RECORDING DISTRICT (125 WEST EVERGREEN) BY COMPETITIVE BID AND PROVIDING ADDITIONAL INFORMATION REGARDING OPTIONS FOR OFFICE, MAINTENANCE, AND STORAGE SPACE FOR BOROUGH OPERATIONS.

MOTION: Assemblymember Colver moved to approve AM No. 05-036.

MOTION: Assemblymember Allen moved to postpone AM No. 05-036 to a time certain of June 21, 2005.

VOTE: The motion to postpone to a time certain of June 21, 2005, passed with Assemblymembers Colberg and Woods in opposition.

X. RECONSIDERATION

(There were no reconsiderations presented.)

XI. VETO

(There were no vetoes presented.)

XII. EXECUTIVE SESSION

(There was no executive session.)

XIII. MAYOR AND ASSEMBLY COMMENTS

MOTION: Assemblymember Simpson requested the Assembly's approval to transfer \$528.57 from account number 100.100.101.429.200, training and conference fees, to account number 100.100.101.414.200, expense reimbursements outside borough, to pay for accommodations in Juneau during the end of the Legislative Session.

Assemblymember Simpson:

- advised that her airline ticket was paid with Alaska Airline miles that have been accrued during Borough travel; and
- noted that she has not used any monies in the 100.100.101.429.200 account.

VOTE: The motion passed without objection.

Assemblymember Simpson spoke regarding the Enhanced 911 surcharge.

Assemblymember Woods:

- spoke regarding the natural gas line spur that is planned to go through Sutton and Chickaloon;
- noted that the proposed prison for Sutton does not comply with the Sutton Comprehensive Plan;
- stated that she wants to ensure there is a public process on the proposed legislation for the Knik River public use area; and
- advised that she would be supporting the new positions in the Planning Department that are being proposed in the budget.

Assemblymember Kvalheim:

- thanked the Clerk's office for making the Assembly packet available on the Borough website;
- advised that she would like to see more Assembly policies and procedure; and
- advised that the Valley Recycling Center has received their baler.

Assemblymember Vehrs:

- noted that "Muni-Mart" is expected to save the city of Anchorage 2 to 3 million dollars; and
- spoke regarding road issues within District 7.

Assemblymember Colver:

- spoke regarding alternatives the Assembly may have on bringing legislative issues forward before the end of session;
- requested that the Assembly approve the request for capital funding for the alternative school road improvements.

MOTION: Assemblymember Colver moved for the endorsement of the Assembly to request \$250,000 from the State Legislature for the road improvements of France Road which provides access to the Alternative School, Valley Pathways.

VOTE: The motion passed without objection.

Assemblymember Colver requested that Ms. Clayton prepare companion legislation to move with AM No. 05-036 (that has been postpone until June 21, 2005) and that the funds that will be received from disposing of the former School District Administration Building be set aside in an account that would address the issues at the Dorothy Swanda Jones Administration Building.

Mayor Anderson:

- spoke regarding the Borough's position regarding Enhanced 911 funding; and
- queried if the Borough had inquired about the building that is for sale behind the Dorothy Swanda Jones Building.

Mr. Duffy:

- advised that the Borough has inquired on the building behind the Dorothy Swanda Jones building;
- informed that there is an asbestos issue with the building; and
- commented that the Borough's purchase price would be considerably higher than the purchase price for anyone else who may be interested in the building.

XIV. ADJOURNMENT

The regular meeting adjourned at 10:55 p.m.

/s/

TIMOTHY L. ANDERSON, Borough Mayor

ATTEST:

/s/

MICHELLE M. MCGEHEE, CMC, Borough Clerk

Minutes approved: May 17, 2005