

I. CALL TO ORDER

The special meeting of the Matanuska-Susitna Borough Assembly was held on August 21, 2003, at the Borough Assembly Chambers, 350 E. Dahlia Avenue, Palmer, Alaska. The meeting was called to order at 7 p.m. by Mayor Timothy L. Anderson for the purpose of discussing Port MacKenzie.

II. ROLL CALL

Assembly members present and establishing a quorum were:

Mr. J. Bruce Bush, Assembly District No. 1 (*arrived at 7:10 p.m.*)
Mr. Bill Allen, Assembly District No. 2
Ms. Mary Kvalheim, Assembly District No. 4
Ms. Jody Simpson, Assembly District No. 5
Mr. Jim Colver, Assembly District No. 6 (Deputy Mayor)
Ms. Kelly Ladere, Assembly District No. 7

Assembly members absent and excused were:

Mr. Talis J. Colberg, Assembly District No. 3

Staff in attendance were:

Ms. Sandra A. Dillon, CMC, Borough Clerk
Mr. John Duffy, Borough Manager
Ms. Teresa S. Williams, Borough Attorney
Mr. David Germer, Assistant Borough Manager
Ms. Janice Case, Borough Clerk's Secretary
Ms. Tammy Clayton, Finance Director

III. APPROVAL OF AGENDA

Mayor Anderson inquired if there were any changes to the agenda.

GENERAL CONSENT: The agenda was approved as presented.

IV. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mr. Garvin Buccaria, a member of the audience.

V. SPECIAL ORDERS

- A. PUBLIC HEARING (Three minutes per person.)
1. Ordinance Serial No. 03-143: AN ORDINANCE AUTHORIZING THE MATANUSKA-SUSITNA BOROUGH TO ISSUE AND SELL, NOT TO EXCEED \$10,000,000 OF LEASE CERTIFICATES OF PARTICIPATION OR LEASE REVENUE BONDS TO FINANCE PORT MACKENZIE DOCK IMPROVEMENTS; THE EXECUTION AND DELIVERY OF A LEASE AND A LEASE PURCHASE AGREEMENT AND TRUST INDENTURE TO SECURE THE CERTIFICATES; THE EXECUTION OF A CERTIFICATE PURCHASE AGREEMENT; AND PROVIDING FOR RELATED MATTERS.
 - a. Ordinance Serial No. 03-143(SUB): AN ORDINANCE AUTHORIZING THE MATANUSKA-SUSITNA BOROUGH TO ISSUE GENERAL OBLIGATION BONDS IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$10,000,000 TO FINANCE THE ACQUISITION AND CONSTRUCTION OF PORT MACKENZIE DOCK AND ROAD CAPITAL IMPROVEMENTS, AND TO SUBMIT THE QUESTION OF THE ISSUANCE OF SUCH BONDS TO THE QUALIFIED VOTERS OF THE BOROUGH AT THE OCTOBER 7, 2003, BOROUGH ELECTION.
 - b. Ordinance Serial No. 03-144: AN ORDINANCE ACCEPTING AND APPROPRIATING \$3,000,000 FROM NPI, LLC TO FUND 450, FOR PORT MACKENZIE DEEP WATER DOCK IMPROVEMENTS.
 - (1) IM No. 03-212
 - (2) IM No. 03-226
 - (3) AM No. 03-152: APPROVING THE DOCK LEASE AND NON-EXCLUSIVE USE RIGHT AGREEMENT BETWEEN THE MATANUSKA-SUSITNA BOROUGH AND NPI, LLC. (*Motion pending from 08/19/03*)

Mayor Anderson reopened the public hearing.

The following persons spoke in favor of the legislation: Mr. Walter Pippel, Ms. Jay Nolfi, Mr. Otto Rebeschke, Mr. Peter Montanelli, Ms. Pricilla Montanelli, Mr. Terry Nininger, Mr. Al Haynes, and Mr. Ron Degranges, a member of the Port Commission.

The following person addressed concerns regarding the exclusive rights granted to NPI and the future use of the land resources: Mr. Garvin Buccaria.

The following person addressed concerns regarding the bonds: Mr. William Bruu.

There being no others who wished to testify, the public hearing closed and discussion moved to the Assembly.

Mr. Duffy:

- reviewed the agreement between NPI and the Borough; and
- discussed the risks and benefits of the legislation.

Assemblymember Simpson read a letter of support from Port Commission Chair Art Scates.

Assemblymember Kvalheim referenced the letter in support from the Wasilla Chamber of Commerce.

Assemblymember Ladere:

- stated that this is the most important project the Borough has ever undertaken for the future of the Borough;
- commented that she has researched her own questions and those of the public; and
- predicted that within ten years the Borough will see a positive cash flow coming in from the port.

Assemblymember Allen:

- stated that the decision before the Assembly is the notion of becoming a sustainable Borough or remaining a bedroom community to Anchorage; and
- spoke in support of the legislation.

Assemblymember Bush:

- noted that it is an honor to make a decision on this project as it is a great step forward for the Borough; and
- thanked the staff for the hard work and effort put into the legislation.

Assemblymember Colver:

- informed the Assembly that Mr. Nininger has expressed no opposition of having a traffic route included in the agreement; and
- spoke in support of the legislation, as the voters will ultimately decide whether or not to finance the dock.

Assemblymember Simpson;

- stated that she has been tracking this project since she has been on the Assembly;
- discussed the accomplishments of the port; and
- spoke in support of the legislation.

Mayor Anderson:

- commented on the achievements made by the port;
- stated that the port is a long-term project, noting there is still more that needs to be accomplished; and
- spoke in support of the legislation going to the people for a vote.

MOTION: Assemblymember Simpson called for the question (stop debate).

VOTE: The motion to stop debate passed without objection.

VOTE: The motion to amend by substitution passed without objection.

VOTE: The motion to adopt Ordinance Serial No. 03-143(SUB), Ordinance Serial No. 03-144, and AM No. 03-152 passed as amended without objection.

MOTION: Assemblymember Simpson moved to reconsider Ordinance Serial No. 03-143(SUB), Ordinance Serial No. 03-144, and AM No. 03-152.

VOTE: The motion to reconsider failed unanimously.

VI. AUDIENCE PARTICIPATION

The following person commended the Assembly for their unanimous support on the port legislation:
Ms. Jay Nolfi.

The following person suggested that there be a fee levied on the extraction of gravel from the Borough or private lands to contribute to the restoration of those lands, so that they remain productive: Mr. Garvin Buccaria.

The following person spoke regarding removing the port from Road Service Area No. 17: Mr. Otto Rebischke.

VII. MAYOR, ASSEMBLY, AND STAFF COMMENTS

Assemblymember Ladere inquired regarding having the port proposition on a separate ballot.

Ms. Dillon explained that the proposition would probably not be on a separate ballot.

Discussion ensued regarding the ballots.

Mr. Duffy noted that it is an honor to be a part of the port project.

Assemblymember Ladere:

- discussed the future potential of the port; and
- referenced Mr. Rebischke's suggestion of removing the port from Road Service Area No. 17.

Assemblymember Allen asked that the record reflect Assemblymember Simpson as the sponsor of Ordinance Serial No. 03-143(SUB), Ordinance Serial No. 03-144, and AM No. 03-152.

Assemblymember Bush:

- commented that he has been busy with the fair;
- noted that the Assembly was invited to a reception for the Farm Family of the Year, Mark Rempel and his family; and
- invited everyone to attend the fair.

Assemblymember Simpson:

- stated that it is a good day to be on the Assembly;

- echoed previous comments of the Assembly;
- thanked the Port Commission and staff for their hard work; and
- requested the Manager look into the possibility of the state taking over the maintenance of roads in the port, to give some relief to Road Service Area No. 17.

Assemblymember Colver commented on the funding problem in Road Service Area No. 17.

Mayor Anderson:

- stated that it is exciting to be a part the project at the port;
- commented that moving slowly can be frustrating, but responsible;
- noted that the ceremony for the Farm Family of the Year was very nice;
- thanked the Alaska State Fair Board of Directors for inviting the Assembly to the ceremony;
- commented on the coal bed methane issue; and
- noted that there will be a public meeting regarding the coal bed methane issue on September 10, 2003, at the Palmer Junior Middle School at 6 p.m. with the Alaska State Department of Natural Resources.

Assemblymember Kvalheim requested that the Clerk send a letter of thanks to the Alaska State Fair Board of Directors.

VIII. ADJOURNMENT

The special meeting adjourned at 8:25 p.m.

TIMOTHY L. ANDERSON, Borough Mayor

ATTEST:

SANDRA A. DILLON, CMC, Borough Clerk

Minutes Approved: September 2, 2003