

**I. CALL TO ORDER**

The regular meeting of the Matanuska-Susitna Borough Assembly was held on February 21, 2017, at the Borough Assembly Chambers, 350 E. Dahlia Avenue, Palmer, Alaska. The meeting was called to order at 6 p.m. by Deputy Mayor Matthew Beck.

**II. ROLL CALL**

Assembly members present and establishing a quorum were:

Mr. Jim Sykes, Assembly District No. 1  
Mr. Matthew Beck, Assembly District No. 2 (*Deputy Mayor*)  
Mr. George McKee, Assembly District No. 3  
Mr. Steve Colligan, Assembly District No. 4  
Mr. Dan Mayfield, Assembly District No. 5  
Ms. Barbara Doty, Assembly District No. 6  
Mr. Randall Kowalke, Assembly District No. 7

**III. APPROVAL OF AGENDA**

Deputy Mayor Beck queried if there were any changes to the agenda.

**MOTION:** Assemblymember Kowalke moved to pull Ordinance Serial No. 17-021 from the agenda.

**VOTE:** The motion failed with Assemblymembers Kowalke and Colligan in favor.

**MOTION:** Assemblymember Sykes moved to take up the Vacancy Report immediately preceding Special Orders.

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

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

**IV. PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by Deputy Mayor Beck.

**V. MINUTES OF PRECEDING MEETINGS**

*(There were no minutes presented.)*

## **VI. REPORTS/CORRESPONDENCE**

### **A. AGENCY REPORTS**

#### **1. Reports from cities**

##### Houston City

Deputy Mayor Lance Wilson spoke in support of Ordinance Serial No. 17-019.

#### **2. Matanuska-Susitna Borough School District**

*(There was no report provided.)*

### **B. COMMITTEE REPORTS**

#### **1. Joint Assembly/School Board Committee on School Issues**

*(There was no report provided.)*

#### **2. Assembly Public Relations**

*(There were no reports provided.)*

### **C. MANAGER COMMENTS**

- 1. State/Federal Legislation**
- 2. Strategic Planning Issues**
- 3. DEC Air Quality Update**

Ms. Denise Koch, Deputy Director of Department of Environmental Conservation, provided an update on the air quality in the Butte area.

Mr. Darren Starr, Risk Manager:

- provided a report on the M/V Susitna and Port insurance claims; and
- reviewed the Borough's insurance premiums.

Mr. George Hayes, Deputy Manager, queried if there was any objection to the Mayor signing a letter to the Alaska State Board of Fisheries in support of the MSB Fish and Wildlife Commission recommendations.

There was no objection noted.

Assemblymember Kowalke reported on his and the Manager's travel to Oregon to visit the Port of Astoria and view products routed through the port.

D. ATTORNEY COMMENTS

*(There was no report provided.)*

E. CLERK COMMENTS

Ms. McKechnie

- spoke to the upcoming meeting schedule;
- spoke to the departmental budget presentation date and the proposed budget meetings;
- noted availability of the locations for the budget public hearings had not yet been determined; and
- inquired if the dates would work for the Assembly.

Assemblymember Doty:

- requested the proposed budget public hearing date of Monday, May 1, be changed to Thursday, May 11; and
- noted she would be out of the country during the budget public hearing scheduled for Wednesday, May 3.

Deputy Mayor Beck queried if there was any objection to the change requested by Assemblymember Doty.

There was no objection noted.

Ms. McKechnie:

- informed the Assembly that the Clerk's Office would move forward with video streaming of the Assembly meetings, via Granicus, during the special and regular meetings of March 7;
- noted the goal was to be training the Assembly to use Granicus before the March 21, regular meeting; and
- advised that the Assembly would begin using the voting component of the Granicus system once everyone was comfortably using the new system.

F. CITIZEN AND OTHER CORRESPONDENCE

1. Emergency Medical Services Board: 12/07/16
2. Greater Butte RSA Board of Supervisors: 10/13/16
3. Planning Commission: 09/19/16, Resolution No. 17-02
4. Louise/Susitna/Tyone Community Association: 07/16/16, 09/24/16
5. Meadow Lakes Community Council: 11/09/16, 12/14/16
6. North Lakes Community Council: 11/17/16

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

G. INFORMATIONAL MEMORANDUMS

1. **IM No. 17-031:** Reporting Of Conclusion Of Contract For Bid No. 17-030B To Alaska Abatement Corporation For The Iditarod Elementary School Demolition Project For The Final Contract Amount Of \$651,452.97.

The information memorandum was presented.

B. MAYORAL NOMINATIONS AND APPOINTMENTS

1. VACANCY REPORT

Mayor Halter requested the following resignation and appointments for confirmation:

Board of Equalization  
Blake Elder  
Emergency Medical Services Board  
Christian Hartley, resignation  
Local Emergency Planning Committee  
Joseph Schmidt, resignation  
Parks, Recreation, and Trails Advisory Board  
Stuart Leidner  
Scott Lapiene  
Planning Commission  
Patricia Chesbro

MOTION: Assemblymember Colligan moved to confirm the resignation and appointments as requested by the Mayor.

MOTION: Assemblymember Sykes moved to call the question (stop debate).

VOTE: The motion passed with Assemblymember Colligan opposed.

VOTE: The motion passed without objection.

**VII. SPECIAL ORDERS**

- A. PERSONS TO BE HEARD (Three minutes per person.)

*(There were no persons to be heard.)*

- B. PUBLIC HEARINGS (Three minutes per person.)

1. **Ordinance Serial No. 16-128:** An Ordinance Establishing A Tax On Certain Natural Resources Whenever The Natural Resource Is Severed And Removed From Property Within The Boundaries Of Road Service Areas Within The Borough And Providing For Penalties For Failure To Pay Taxes Due By Adopting MSB 3.55, Road Service Area Natural Resource Severance Tax. *(Sponsored By Assemblymember Mayfield)*
  - a. IM No. 16-191

**CONFLICT OF INTEREST:** Assemblymember Colligan declared a conflict of interest on Ordinance Serial No. 16-128 due to his involvement with the mapping, surveying, and other work for the industry.

**RULING:** Deputy Mayor Beck ruled there was a conflict of interest and Assemblymember Colligan would be recused from voting on Ordinance Serial No. 16-128.

Deputy Mayor Beck opened the public hearing.

The following persons spoke in opposition of Ordinance Serial No. 16-128: Mr. Wes Vandermartin, Mr. Ryan Zins, Mr. Del Sandvik, Mr. Ben Mohr, Mr. Scott Johnson, Mr. Lance Wilson, Mr. Ben Conroy, Mr. Mark Contini, Ms. Debra Shooter, Mr. Tom Henkle, and Mr. Shawn Casey.

The following person spoke to concerns with the public process: Mr. Eugene Carl Haberman.

**PENDING MOTION:** Assemblymember Mayfield moved to adopt Ordinance Serial No. 16-128.

**MOTION:** Assemblymember Mayfield moved a primary amendment to Ordinance Serial No. 16-128 (page 14) as follows:

- by inserting a new section MSB 3.55.105, Exemption, to read: “Taxes levied and collected by this ordinance shall be exempt from the Tax Levy Limitation under MSB 3.04.075”; and
- amending the Informational Memorandum by adding the printed copy of the amendment to the IM so the legislative history was clear.

**VOTE:** The primary amendment passed without objection.

**MOTION:** Assemblymember Mayfield moved a primary amendment to Ordinance Serial No. 16-128 (page 16), as follows:

- amending Section 3, Effective Date, by striking April 1, 2017, and inserting in its place May 1, 2017; and
- amending the Informational Memorandum by adding the printed copy of the amendment to the IM so the legislative history was clear.

**VOTE:** The primary amendment passed without objection.

MOTION: Assemblymember Mayfield moved a primary amendment to Ordinance Serial No. 16-128 (page 4), as follows:

- amending the definition of “Remove” under MSB 3.55.110 Definitions, by inserting at the end of line (a), “not under contiguous ownership from that of the original site”; and
- amending the Informational Memorandum by adding the printed copy of the amendment to the IM so the legislative history was clear.

VOTE: The primary amendment failed with Assemblymembers Mayfield and Sykes in favor.

MOTION: Assemblymember Sykes moved a primary amendment to Ordinance Serial No. 16-128 as follows:

- by striking “Road Service Area” from the title of the ordinance and the title of MSB Chapter 3.55;
- by striking the verbiage under 3.55.005 Applicability in its entirety and inserting in its place, “This ordinance applies to all areas within the Matanuska-Susitna Borough.”;
- amending 3.55.010(A) by striking the words, “the service areas to which this ordinance applies” and inserting in its place “the Matanuska-Susitna Borough”; and
- amending 3.55.100, Collection and Use of Revenue, by striking “related to transportation projects. Revenues collected under this chapter may only be used within the service area from which they are collected. Revenues collected under this chapter shall only be used to pay for service area functions.”; and
- amending the Informational Memorandum by adding the printed copy of the amendment to the IM so the legislative history was clear.

MOTION: Assemblymember McKee moved to call the question (stop debate).

VOTE: The motion passed without objection.

VOTE: The primary amendment passed with Assemblymembers McKee and Mayfield opposed.

MOTION: Assemblymember Sykes moved to amend Ordinance Serial No. 16-128, MSB 3.55.101(C), the tax rate on page 4, by striking \$0.25/yd and inserting in its place \$0.40/yd.

MOTION: Assemblymember Doty moved to call the question (stop debate).

VOTE: The motion failed with Assemblymembers Sykes and Kowalke in favor.

MOTION: Assemblymember Doty moved to postpone Ordinance Serial No. 16-128 to a time certain of May 16, 2016.

VOTE: The motion passed without objection.

*(The meeting recessed at 8:05 p.m. and reconvened at 8:10 p.m.)*

*(Assemblymember Sykes was not in the meeting at this time. )*

2. **Ordinance Serial No. 17-014:** An Ordinance Approving A Reappropriation Of \$25,000 From The Alpine Road Service Area No. 31 Fiscal Year 2017 Operating Budget, Fund 285, To Fund 410, Project No. 30051, For Alpine Road Service Area No. 31 Capital Projects.
  - a. IM No. 17-024

Deputy Mayor Beck opened the public hearing.

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

The following person(s) spoke to

MOTION: Assemblymember Kowalke moved to adopt Ordinance Serial No. 17-014.

VOTE: The motion passed without objection.

Clerk's Note: Assemblymember Sykes was not present during the vote.

3. **Ordinance Serial No. 17-015:** An Ordinance Amending MSB 3.04.131 Relating To The Fixed Asset Capitalization Policy.
  - a. IM No. 17-025

Deputy Mayor Beck opened the public hearing.

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

The following person(s) spoke to

MOTION: Assemblymember Colligan moved to adopt Ordinance Serial No. 17-015.

VOTE: The motion passed without objection.

Clerk's Note: Assemblymember Sykes was not present during the vote.

*(Assemblymember Sykes reentered the meeting at this time.)*

4. **Ordinance Serial No. 17-016:** An Ordinance Amending MSB 5.25.145, To Annex Property In The Carney Road Area Into The West Lakes Fire Service Area No. 136.
- a. **Resolution Serial No. 17-011:** A Resolution Finding The Annexation Of Properties In The Carney Road Area Into The West Lakes Fire Service Area No. 136 Serves The Public Interest Without The Placement Of The Question On The Ballot. *(Sponsored By Assemblymember Doty)*
- (1) IM No. 17-026

Deputy Mayor Beck opened the public hearing.

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

The following person(s) spoke to

MOTION: Assemblymember Doty moved to adopt Ordinance Serial No. 17-016 and Resolution Serial No. 17-011.

VOTE: The motion passed without objection.

4. **Ordinance Serial No. 17-018:** An Ordinance Authorizing The Borough To Issue Areawide General Obligation Bonds, In One Or More Series, To Finance The Construction, Acquisition, Improvement, And Equipping Of Parks And Recreational Capital Facilities, And Related Capital Improvements In The Borough; Fixing Certain Details Of Such Bonds; And Authorizing Their Sale.
- a. IM No. 17-029

Deputy Mayor Beck opened the public hearing.

The following person spoke to concerns with the public process: Mr. Eugene Carl Haberman.

MOTION: Assemblymember Colligan moved to adopt Ordinance Serial No. 17-018.

VOTE: The motion passed without objection.

4. **Ordinance Serial No. 17-019:** An Ordinance Amending MSB 15.24.030(B)(5), Updating The City Of Houston Comprehensive Plan.
- a. IM No. 17-030

Deputy Mayor Beck opened the public hearing.

The following person spoke in support of Ordinance Serial No. 17-019: Ms. Van Le.

The following person spoke to concerns with the public process: Mr. Eugene Carl Haberman.



MOTION: Assemblymember Kowalke moved to adopt Ordinance Serial No. 17-019.

MOTION: Assemblymember Mayfield moved to amend Ordinance Serial No. 17-019, by inserting a new Section 4, to read: “City of Houston Community Impact Assessment. The Matanuska-Susitna Borough Assembly recognizes that a preferred route for the Port to Parks road corridor is included in the Comprehensive Plan Update and Community Impact Assessment. However, the Borough Assembly is not endorsing or selection a route and further declares that Borough staff will not seek to advance any route until the Assembly has selected a route”.

VOTE: The primary amendment passed without objection.

VOTE: The main motion passed without objection.

4. **Ordinance Serial No. 17-020:** An Ordinance Authorizing The Borough Manager To Sign All Documents Necessary To Dispose Of The Borough-Owned Excess Land Acquired For The Port Mackenzie Rail Extension Project, Described As Tract 22A, Alaska State Land Survey No. 80-111, Recorded As Plat No. 82-80, Palmer Recording District, Third Judicial District, State Of Alaska, To Be Placed In An Upcoming Land Sale With A Minimum Bid Amount Of \$650,000.
  - a. IM No. 17-028

Deputy Mayor Beck opened the public hearing.

The following person spoke to concerns with the public process: Mr. Eugene Carl Haberman.

MOTION: Assemblymember Mayfield moved to adopt Ordinance Serial No. 17-020.

VOTE: The motion passed without objection.

#### C. AUDIENCE PARTICIPATION (Three minutes per person.)

The following persona spoke to issues in the Fuller Lake Road and Sourdough Road areas: Ms. Shirley Schonenbach, Ms. Cathy Bishop, Ms. Terri Anderson, Mr. Rich Schwab, Mr. Rick LeValley, and Ms. Jewell Garr.

*(Deputy Mayor Beck exited the meeting and Assemblymember Sykes assumed as Presiding Officer at 8:45 p.m.)*

The following persons spoke in support of Ordinance Serial No. 17-021, with the inclusion of additional high use trails: Mr. Bill Mohrwinkel, Ms. Carrie Klein, Ms. Sabrina Shaw, and Mr. Dave Musgrave.

The following persons spoke in opposition of Ordinance Serial No. 17-021: Mr. Jonathan Zeppa, Mr. Albert Spencer, Mr. Doug McKinnis, and Wynn McKinnis.

The following person spoke to concerns with the public process: Mr. Eugene Carl Haberman.

D. CONSENT AGENDA

1. RESOLUTIONS

- a. **Resolution Serial No. 17-015:** A Resolution Amending The Scope Of Work And Budget For Project Nos. 47038 And 47520, And Extending The Time Of Completion For Project Nos. 45198, 47006, 47007, 47021, 47038, And 47520; For The Purpose Of Utilizing Unexpended Project Funding As Originally Approved And For The Purchase Of A New Multifunction Scanner For Plats And For Regional Transportation Studies.

(1) IM No. 17-035

- b. **Resolution Serial No. 17-016:** A Resolution Amending The Budget For The Remote Assessment Survey, Project No. 45137, The Treasury Management Software, Project No. 45189, And The Debt Management/Bond Pricing Software, Project No. 45213, And Approve The Scope Of Work And Budget For Financial Tax Assessment And Collection Software And Training, Project No. 47506, Fund 480 (Non-Lapsing/Non-Capital Projects).

(1) IM No. 17-036

2. ACTION MEMORANDUMS

- a. **AM 17-013:** Approve Utility Relocation Costs To GCI In The Amount Of \$186,265 For Summer 2015 Road Maintenance And Repair Capital Projects – Waldron Cove, Finger Cove And Finger Lake, Project No. 30045.

- b. **AM 17-014:** Award of Bid No. 17-062B To Axys, LLC In The Contract Amount Of \$129,950 For Matanuska-Susitna Borough School District Warehouse Heating, Ventilation, And Air Conditioning Upgrades.

- c. **AM 17-016:** Acceptance Of Late Filed And Retroactive Senior Citizen And Disabled Veteran Exemption Applications.

Ms. McKechnie read the above legislation into the record.

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

VOTE: The motion passed without objection.

**VIII. UNFINISHED BUSINESS**

*(There was no unfinished business.)*

**IX. VETO**

*(There were no vetoes presented.)*

**X. NEW BUSINESS**

**A. INTRODUCTIONS (For public hearing – 03/07/17 Assembly Chambers)**

1. **Ordinance Serial No. 17-013:** An Ordinance Accepting And Appropriating \$169,009.50 From Fund 520, To Fund 450, Project No. 70012, To Fund Repairs To The Port Mackenzie Barge Dock.
  - a. **Resolution Serial No. 17-009:** A Resolution Approving The Appropriation Of \$450,000 From The Areawide Capital Reserve And \$400,000 From The Land Management Permanent Fund, For A Total Of \$850,000 To Fund 450, Project No. 70012, As A Loan To Fund 520, To Fund Repairs To The Port Mackenzie Barge Dock.
- (2) IM No. 17-022
  
2. **Ordinance Serial No. 17-021:** An Ordinance Amending MSB 24.05.010, Definitions; Amending MSB 24.05.020(A), Jurisdiction; Adopting MSB 24.05.105, Trapping Prohibitions And Restrictions; Amending MSB 24.40.050, Fines For Infractions; Adopting MSB 24.05.055, Forfeiture Of Traps; Amending MSB 2.85.020(D) And Adopting MSB 2.85.020(E); Closures And Restrictions; Adopting MSB 2.85.030, Definitions; Amending Chapter Title 19.12 From Operation Of Motorized Vehicles To School Property; Adopting MSB 19.12.015, Trapping Prohibited; Adopting MSB 19.12.030, Definitions; Amending MSB 1.45.100(C), Fines For Infractions; And Adopting MSB 1.45.105, Forfeiture Of Traps In Order To Prohibit Trapping On Borough Owned Public School Property And To Restrict Trapping On The Borough Owned Portion Of Crevasse Moraine Trail System. *(Sponsored By Assemblymember Mayfield)*
  - a. IM No. 17-034

Ms. McKechnie read the above legislation into the record.

**MOTION:** Assemblymember Colligan moved to introduce the legislation as read into the record by the Clerk and set the public hearings for March 7, 2017.

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

**C. OTHER NEW BUSINESS**

*(There was no other new business.)*

**D. REFERRALS (For referral to the Planning Commission for 90 days or other date specified by the Assembly)**

*(There were no referrals presented.)*

## **XI. RECONSIDERATION**

- A. **AM No. 17-010:** Award Of Bid No. 17-057B, To Wolverine Supply, Inc. In The Contract Amount Of \$1,353,000 To Remove And Replace Windows At Palmer, Houston, And Wasilla Middle Schools And Wasilla High School. *(Reconsideration Filed by Assemblymember McKee On February 8, 2017)*

MOTION: Assemblymember McKee moved to reconsider AM No. 17-010.

VOTE: The motion passed with Assemblymembers Kowalke and Mayfield opposed.

MOTION: Assemblymember Mayfield moved to call the question (stop debate).

VOTE: The motion passed without objection.

VOTE: The main motion passed with Assemblymember McKee opposed.

## **XII. MAYOR, ASSEMBLY, AND STAFF COMMENTS**

Mr. Spiropoulos noted if the Assembly had questions, concerns, or changes to the severance tax ordinance, to speak with him in advance of the meeting regarding those.

Ms. McKechnie noted the issue with the monitors in the Assembly Chambers wouldn't be addressed until March, due to the unavailability of the contractor.

Assemblymember Doty:

- appreciated the risk management report by Mr. Starr;
- opined that the Borough could work with the Butte area regarding air quality education;
- recommended a letter from the Manager be provided to the School District to pass along to families regarding the air quality in the Butte area;
- spoke to the terminology issues of "part-time" versus "volunteers" and asked for more clarification and consistency when using such terms; and
- thanked Assemblymember McKee for bringing forth his concerns regarding AM No. 17-010.

Assemblymember McKee:

- spoke to concerns regarding the purpose of urban trapping; and
- voiced concerns regarding budgetary spending.

Assemblymember Kowalke:

- noted he would be revisiting the Port of Astoria in order to generate more ideas for Port MacKenzie;
- reported on a mining project that would soon take place in Hatcher Pass;
- noted Willow community meetings would be scheduled to provide additional information on the mining project;

- voiced his intention to testify at the upcoming Board of Fisheries meetings to address concerns that affected the Borough; and
- addressed disparaging remarks against department directors and voiced his trust in the directors.

Assemblymember Sykes:

- thanked everyone for the thoughtful discussion and careful listening during the meeting;
- noted the document that was prepared in advance of the Board of Fisheries meetings and encouraged testimony on behalf of the Borough; and
- invited a motion to continue the public hearing on Ordinance Serial No. 16-128 to the regular meeting of May 16, 2017.

MOTION: Assemblymember McKee moved to continue the public hearing on Ordinance Serial No. 16-128 to the regular meeting of May 16, 2017.

VOTE: The motion passed without objection.

Clerk's Note: Assemblymember Colligan was recused from voting on the motion to continue the public hearing on Ordinance Serial No. 16-128, due to a conflict of interest declared earlier in the meeting.

Assemblymember Mayfield:

- voiced concerns for the Butte community regarding the air quality issue in the Butte area and compared it to past water quality issues in the Big Lake area;
- encouraged educating the Butte community on the issues and consequences of the air quality issue and process.

### **XIII. EXECUTIVE SESSION**


*(There was no executive session held.)*

**XIV. ADJOURNMENT**

The regular meeting adjourned at 9:45 p.m.

  
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VERN HALTER, Borough Mayor

ATTEST:

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

Minutes Approved: 03/07/17