

Minutes of the Public Hearing  
Denali Borough Assembly  
Anderson School  
April 09, 2014

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7 CALL TO ORDER: The public hearing was called to order by Presiding Officer Rusty Lasell at 6:05  
8 PM.

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10 ROLL CALL: Assembly members present: Jill BOELSMA, Jared ZIMMERMAN, Kimberly  
11 BURROWS, David EVANS, Rusty LASELL, Paddy TATUM, Don DE BLAUW and Rick WEIBEL  
12 Absent: Dave TALERICO

13  
14 ORDINANCE 14-03: An ordinance amending the Denali Borough Budget for Fiscal Year 2014

15  
16 There were no public comments.

17  
18 ADJOURNMENT: The public hearing was adjourned at 6:06 PM.  
19

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22  
23 APPROVED:   
24 Rusty Lasell, Presiding Officer

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28 ATTEST:   
29 Gail Pieknik, Borough Clerk Date Approved: May 14, 2014  
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**Minutes of the Regular Meeting  
Denali Borough Assembly  
Anderson School  
April 09, 2014**

CALL TO ORDER: Presiding Officer Rusty Lasell called the regular meeting to order at 6:06 PM. Mayor Clay Walker led those present in the Pledge of Allegiance.

ROLL CALL

Assembly members present: Jill BOELSMA, Kimberly BURROWS, Rusty LASELL, David EVANS, Jared ZIMMERMAN, Paddy TATUM, Rick WEIBEL and Don DEBLAUW. Absent: Dave TALERICO (arrived at 6:42 PM).

David EVANS MOVED to excuse Dave TALERICO. Rick Weibel seconded. The VOTE by show of hands was unanimous.

PUBLIC COMMENTS

Tyler Lauger, Denali Chamber and Tri-Valley Volunteer Fire Department, spoke in favor of introducing Ordinance 14-06 dealing with sales and services tax within the Denali Borough. Mr. Lauger noticed in the budget that the Tri-Valley Volunteer Fire Department request for a matching grant was not in the budget and supports the borough funding the application. He also supports full funding to the Chamber of Commerce. The main goal of the Chamber is to support business within the borough.

Gordon Carlson, Cantwell, spoke against the borough selling gravel for 50 cents a yard to contractors working on the highway project. He thinks the contractor would be making money on the sale. He feels the state of Alaska should have come to the borough to buy the gravel for the project.

Baxter Mercer, Healy, spoke in favor of introduction of Ordinance 14-06 so the assembly can discuss it, hold public hearings and place it on the ballot for a vote of the people.

AGENDA

Rick WEIBEL MOVED to approve the agenda. David EVANS seconded.

Rick WEIBEL MOVED to delete Resolution 14-07 from the agenda because the Denali Borough does not own the gravel pit as mentioned and therefore is a moot point. Paddy TATUM seconded. The VOTE to amend by show of hands was unanimous.

The VOTE to approve the agenda by show of hands was unanimous.

MINUTES

March 12, 2014 Public Hearing and Regular Meeting

Kimber BURROWS MOVED to approve the March 12, 2014 public hearing and regular meeting minutes as presented. Rick WEIBEL seconded. The clerk mentioned a typo on page 1 of the regular meeting minutes. The Municipal Entitlement Land as mentioned on line 20 should be 7,800

1 acres and not 780 acres. There will be no action taken since this is a typo that has already been  
2 fixed. The VOTE by show of hands to approve the minutes was unanimous.

3  
4 REPORTS

5 February 2014 Financial Reports

6  
7 Rick WEIBEL MOVED to receive the February 2014 financial report. David EVANS seconded. The  
8 VOTE by show of hands was unanimous.

9  
10 MAYOR'S REPORT

11 Mayor Clay Walker reported that on the Dry Creek project, there is an inter-agency comment period  
12 open right now and we should hear if the project is approved in the near future.

13  
14 The mayor sent comment to the Department of Natural Resources (DNR) and the Commissioner of  
15 DNR on the Municipal Entitlement Lands asking for a 90 day extension. It seems that the 90 day  
16 extension is not possible but DNR gave us a 30 day extension beginning April 4. DNR produced and  
17 we received a corrected document. The Stampede north and Broad Pass selections are non-  
18 conveyable. The Stampede north lands are designated wildlife and the Broad Pass lands are not  
19 state selected so will remain BLM lands. It was suggested by DNR that the Boulder Creek lands  
20 remain in our selections because we would be short on selections if we did not keep that land.

21  
22 There is a program in the state whereas we can select approximately 40 acres for public charitibales  
23 in addition to our entitlement lands.

24  
25 The mayor was invited to Anchorage to meet with the governor and other mayors affected by the  
26 gas line. Governor Parnell established a Municipal Advisory Gas Project Review Board that will  
27 review available information, hold public meetings and provide annual reports to the governor and  
28 legislature. They will discuss and recommend a tax structure for municipalities. The mayors affected  
29 by the gas line were included in the nomination along with other state agencies.

30  
31 There is a new seasonal employee hired at the landfill. The school asbestos inspections will be  
32 completed next week and a management plan will be produced.

33  
34 The date for the annual Denali National Park trip is Sunday, June 8. Please let the mayor know if  
35 any assembly member is interested in going on the trip. This is a time to meet with businesses and  
36 constituents located in Kantishna area.

37  
38 SCHOOL REPORT

39 Dr. Jim Elliott, Denali Borough School District (DBSD) Superintendent, was unable to attend the  
40 meeting.

41  
42 ASSEMBLY COMMENT

43 Paddy TATUM questioned if the Denali Borough owned other gravel pits. The answer was yes.

44  
45 Jill BOELSMA and Rick WEIBEL had no comment.  
46  
47

1 Don DEBLAUW questioned how much the borough sells gravel for. The answer was from \$2.00  
2 to \$3.50. The borough follows the state of Alaska's pricing for public purpose which is 50 cents.

3  
4 Kimber BURROWS thanked everyone for coming and the mayor for such a detailed report.

5  
6 Jared ZIMMERMAN spoke to the joint work session with the school board. The main outcome of  
7 the meeting was that it is the borough's responsibility to take care of the school buildings and  
8 need to have a strategic mission for the future of the school buildings including when and if they  
9 need replacement or major maintenance.

10  
11 Dave TALERICO arrived at 6:42 PM and apologized for being late.

12  
13 David EVANS spoke to the classification of lands at north Stampede as being wildlife protection  
14 and public recreation.

15  
16 Rusty LASELL thanked everyone for coming to the meeting. He also spoke to not having  
17 borough projects in the Senate Capital Budget. It now goes to the House and people should call  
18 in to support the borough's projects.

19  
20 COMMUNICATION AND APPEARANCES:

21  
22  
23 DRAFT ORDINANCES:

24  
25 ORDINANCE 14-04: An ordinance for the Denali Borough to establish and adopt the budget for  
26 fiscal year 2015

27  
28 Dave TALERICO MOVED to introduce Ordinance 14-04. Rick WEIBEL seconded. The roll call  
29 VOTE was unanimous.

30  
31 Rick WEIBEL MOVED to postpone Ordinance 14-04 to the next meeting. David EVANS seconded.  
32 The VOTE by show of hands was unanimous.

33  
34 ORDINANCE 14-05: An ordinance establishing the Denali Borough Capital Improvement Program  
35 for fiscal year 2015 through fiscal year 2020

36  
37 Dave TALERICO MOVED to introduce Ordinance 14-05. Kimber BURROWS seconded. Discussion  
38 included lower state revenues which mean the projects on the list will probably not be funded for at  
39 least 5 years and the septic system at Tri-Valley School which is quite old and concern of it breaking  
40 during winter months. The roll call VOTE to introduce was unanimous.

41  
42 Dave TALERICO MOVED to postpone Ordinance 14-05 to the next meeting. Jared ZIMMERMAN  
43 seconded. The VOTE by show of hands was unanimous.

44  
45 ORDINANCE 14-06: An ordinance amending Article XI of the Denali Borough Charter, titled  
46 taxation, Section 11.02, titled Tax Procedures and the Denali Borough Code of Ordinances by  
47 adding Chapter 3.50, establishing a 3% seasonal general sales and services tax within the Denali  
48 Borough

1  
2 Rusty LASELL passed the gavel to Deputy Presiding Officer Jared ZIMMERMAN requesting to be  
3 recused because of financial conflict of interest and removed himself from the table.  
4

5 Deputy Presiding Officer Jared ZIMMERMAN accepted the gavel stating that Mr. Lasell has  
6 declared a conflict of interest and asked to be excused from voting. The Deputy Presiding Officer  
7 entertained a motion to excuse Mr. Lasell from voting. Rick WIEBEL MOVED to excuse Mr. Lasell  
8 from voting on the ordinance. Jill BOELSMA seconded. The VOTE by show of hands was  
9 unanimous.  
10

11 Discussion ensued on how it was determined that Mr. Lasell had a conflict. Mayor Clay Walker  
12 explained that Mr. Lasell is currently the Tri-Valley Fire Chief and read from DBC 2.40.060 (B), (C),  
13 "They (or a member of their immediate family) of a board of directors or governing body, or an officer  
14 of or hold a management position with an organization that has financial dealings of \$1,000 or more  
15 with the municipality that will be affected by their vote or action" shall be considered a conflict of  
16 interest.  
17

18 Mr. ZIMMERMAN explained that the Denali Borough Code states that in the absence of the  
19 presiding officer, a person of the assembly shall be selected to make the determination of whether  
20 an assembly member may be excused from voting.  
21

22 Discussion ensued on whether there is a conflict at this time because this will go to ballot for a vote.  
23 Then if passed by the voters, it may be a conflict for an assembly member to vote on anything within  
24 the ordinance or moneys collected if they are an officer or have financial dealings with the borough.  
25 There was a question if it is a conflict of interest, could this person even author the ordinance.  
26

27 Kimber BURROWS MOVED to appoint Dave Talerico to make the determination David EVANS  
28 seconded. The VOTE by show of hands was unanimous. For safety sake, Mr. TALERICO  
29 declared a conflict. Mr. Lasell will now be a part of the public during discussion and voting on  
30 Ordinance 14-06.  
31

32 Rick WEIBEL MOVED to introduce Ordinance 14-06. Dave TALERICO seconded. Dave Talerico  
33 explained that this is only an introduction of an ordinance to place it on the table for discussion. Rick  
34 WEIBEL moved to introduce this ordinance because it is the only way that the assembly can discuss  
35 it. There may be things in the borough that is needed and the borough can't afford to provide. The  
36 Finance Committee may need to step up and discuss what the borough needs. He supports a utility  
37 tax but we need this discussion to take place. David EVANS supports the discussion and there may  
38 be many amendments to this ordinance. Jill BOELSMA supports raising the Overnight  
39 Accommodations Tax because it would not increase staff at the borough office and it would be a  
40 known revenue amount. A question was asked if earmarking money would be legal. Ms. Boelsma  
41 was concerned about the small operators and having to deal with collecting a sales tax for part of  
42 the year.  
43

44 Dave TALERICO spoke against raising the Overnight Accommodations tax feeling that the tax is  
45 getting to be too much and expressed concern about concentrating a tax to one area.  
46

47 Paddy TATUM spoke against any tax but if we were going to tax anything, to tax coal. It is currently  
48 5 cents per ton which is cheap.

1  
2 Jared ZIMMERMAN stated that the coal tax was put before the voters and it failed. The bigger issue  
3 is that if we are going to tax for emergency services, then is it an indicator that the borough needs to  
4 take on Emergency Services power?  
5  
6 The mayor voiced his concern about taking tax money and allocating 35% of an unknown number to  
7 a non borough department and suggested asking legal council to review and identify the problems  
8 with this ordinance.  
9  
10 The roll call VOTE to introduce was 7 – 1 with Paddy Tatum opposed and Rusty LASELL abstained.  
11 The MOTION passes.  
12  
13 Dave TALERICO MOVED to forward Ordinance 14-06 to Mr. Jim Gorski, Denali Borough Attorney,  
14 for review. Kimber BURROWS seconded. The VOTE by show of hands was 7 – 1 with Rick Weibel  
15 opposed. The MOTION passes.  
16  
17 David EVANS MOVED to postpone Ordinance 14-06 to the next meeting. Rick WEIBEL seconded.  
18 The VOTE by show of hands was unanimous.  
19  
20 Presiding Officer Rusty LASELL resumed the chair at 7:23 PM.  
21  
22 PENDING ORDINANCES:  
23 ORDINANCE 14-03, Version A: An ordinance amending the Denali Borough budget for Fiscal  
24 Year 2014  
25  
26 Dave TALERICO MOVED to postpone Ordinance 14-03, Version A to the next meeting. Kimber  
27 BURROWS seconded.  
28  
29 Discussion ensued about this budget fully funding the schools. Mayor Walker requested that the  
30 assembly pass this ordinance at the next meeting prior to the FY 2015 budget is passed due to  
31 forward funding.  
32  
33 The VOTE by show of hands was 8 – 1 with Paddy Tatum opposed.  
34  
35 OTHER BUSINESS  
36 Liquor Licenses  
37 Liquor License/Restaurant New Application  
38 Latitude 63 North+  
39 DBA: The Overlook  
40 License #5297  
41 Location: Mile 238.5 Parks Highway  
42 Member/Officers: Jason Motyka and David McCarthy  
43  
44 Dave TALERICO MOVED to approve the license application as listed. Rick WEIBEL seconded. The  
45 Borough Clerk informed the assembly that there were no public comments received on the  
46 applications. The VOTE by show of hands to approve was unanimous.  
47

1 Department of Natural Resources open comment period on a land use permit application from  
2 Alaska Travel Adventures for the continued operation of a jeep tour support camp on Stampede  
3 Road.

4  
5 There were no comments on this application. However there were general comments on the  
6 increased degradation of the Stampede Trail due to other traffic using the trail. There is degradation  
7 beyond the jeep tour area so it is hard to say that any one company is doing it.

8  
9 PUBLIC COMMENTS

10  
11 Gordon Carlson, Cantwell, supports the seasonal sales tax. He is a small business owner that feels  
12 that we all need to pony up. We expect emergency services so we need to pay for it. On the conflict  
13 of interest issue, we all have a conflict of interest, so feels that having Mr. Lasell not vote on the  
14 sales tax ordinance because of conflict is a long stretch.

15  
16 Baxter Mercer, Healy, feels that Mr. Carlson is correct on the conflict of interest issue. It goes to a  
17 vote of the people. The assembly voted their own pay raise. Mr. Mercer fully supports the sales tax.  
18 People here never want to pay for what they get. To have just the tourist pay for it is unfair, it should  
19 be everyone here that pays.

20  
21 Krys Byfugtien, Healy, supports the sales tax for emergency services. A concern that he has heard  
22 is that this tax would create more jobs in the borough office. You should not base your decision on  
23 how much work this is going to take but on what will be achieved by it. Make your decision on what  
24 people will get out of it. Creating jobs is not a bad thing. There may not be a need for a sales tax  
25 right now, but it is good to start talking about it instead of when you actually need it. The more it is  
26 talked about, the better for everyone.

27  
28 ASSEMBLY COMMENTS

29 David EVANS thanked everyone for coming to the meeting and hopes that everyone in the  
30 borough hears that the assembly only introduced the sales tax ordinance for discussion and it  
31 will be on the table for awhile.

32  
33 Rusty LASELL explained that there is an impact on Healy from tourism which is more than any  
34 other community. It has become a problem over the years.

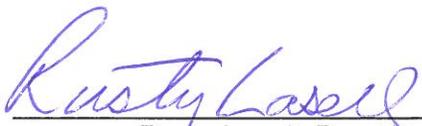
35  
36 Patty TATUM and Dave TALERICO had no comment.

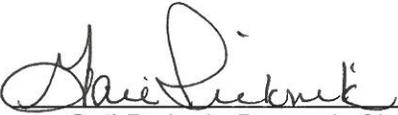
37  
38 Jill BOELSMA looks forward to discussing the sales tax issue and feels that everyone needs to  
39 have a little skin in the game.

40  
41 Rick WEIBEL suggested that we need to find out exactly what we need the money for and how  
42 much we need. How many borough staff will be needed and how many paid medics will be  
43 needed. He supports a utility tax because it is collected by another agency and the check is  
44 mailed to the borough. What are our needs and what is available to us. He would like the finance  
45 committee do some research.

1 Jared ZIMMERMAN thanked everyone for coming to the meeting.  
2  
3 Kimber BURROWS feels the borough needs to discuss the sales tax.  
4  
5 Don DEBLAUW does not support taxes or big government but it's for the people to decide. There  
6 may be other avenues for revenues. We need more discussion on this.  
7  
8 NEXT ASSEMBLY MEETING  
9 The next regular meeting will be held at the Tri-Valley Community Center, Healy Alaska on  
10 Wednesday, May 14, 2014: Budget work session 5:30 PM, Public Hearing 6:00 PM and the Regular  
11 meeting to follow.  
12

13 ADJOURN: The meeting was adjourned at 7:56 PM.  
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18  
19 APPROVED:   
20 Rusty Lasell, Presiding Officer  
21

22  
23  
24 ATTEST:  Date Approved: May 14, 2014  
25 Gail Pieknik, Borough Clerk  
26  
27