

Minutes of the Public Hearing
Denali Borough Assembly
Tri-Valley Community Center
May 14, 2014

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7 CALL TO ORDER: The public hearing was called to order by Presiding Officer Rusty Lasell at 6:00
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 ORDINANCE 14-04, Version A: An ordinance for the Denali Borough to establish and adopt the
19 budget for fiscal year 2015
20

21 There were no public comments.
22

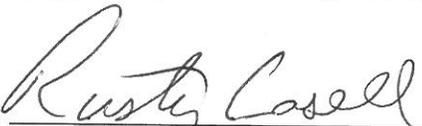
23 ORDINANCE 14-05, Version A: An ordinance establishing the Denali Borough Capital Improvement
24 Program for fiscal year 2015 through fiscal year 2020
25

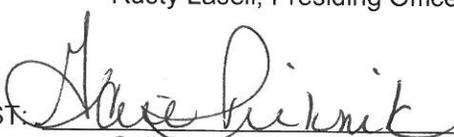
26 There were no public comments.
27

28 ORDINANCE 14-06, Version A: An ordinance amending Article XI of the Denali Borough Charter,
29 titled taxation, Section 11.02, titled Tax Procedures and the Denali Borough Code of Ordinances by
30 adding Chapter 3.50, establishing a 3% seasonal general sales and services tax within the Denali
31 Borough
32

33 There were no public comments.
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35

36 ADJOURNMENT: The public hearing was adjourned at 6:03 PM.
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40 APPROVED: 
41 Rusty Lasell, Presiding Officer
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45 ATTEST: 
46 Gail Pieknik, Borough Clerk Date Approved: JUNE 11, 2014

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**Minutes of the Regular Meeting
Denali Borough Assembly
Tri-Valley Community Center
May 14, 2014**

CALL TO ORDER: Presiding Officer Rusty Lasell called the regular meeting to order at 6:03 PM. Mayor Clay Walker led those present in the Pledge of Allegiance.

ROLL CALL

Assembly members present: Jill BOELSMA, Kimberly BURROWS, Dave TALERICO, Rusty LASELL, Jared ZIMMERMAN, Paddy TATUM, and Don DEBLAUW. Absent: David EVANS (arrived at 6:31 PM) and Rick WEIBEL (arrived at 6:21 PM). Mayor Clay Walker was also present.

Jared ZIMMERMAN MOVED to excuse David EVANS and Rick WEIBEL. Paddy TATUM seconded. The VOTE by show of hands was unanimous.

PUBLIC COMMENTS

Mr. Martin was on the agenda to speak later in the meeting but gave comments at this time.

Ric Martin, Healy, lives on Killian road and has flooding issues with Dry Creek. Mr. Martin requested that the assembly appropriate \$15,000 in the FY 2015 budget to fix the flooding issue. The project involves digging a one mile trench and berm the material. Mr. Martin also requested a Healy Transfer Station for solid waste. This request has been made while the Denali Borough Landfill and Cantwell Transfer Station were being built. He feels that the main population of the borough live in Healy and the citizens should not be driving to Anderson to dispose their garbage. Mr. Martin commended the administration, borough staff and the assembly for the work they do. He likes to see a government that you can walk into the office and talk with staff instead of making appointments. He reiterated to keep government small.

Mr. Martin hopes that Princess will keep to their promises to the community and build a fire ring, and help keep the borough clean. He saw Princess Employees picking up garbage along the highway and commended them on it. He would like to see some landscaping done around the Homestead and suggested the borough purchase trees to help. Mr. Martin supports bike paths, pedestrian crossings and a temporary traffic light on the corner of Ranch Road and the Parks Highway to deal with the influx of people staying at the Princess Homestead.

AGENDA

Dave TALERICO MOVED to approve the agenda. Kimber BURROWS seconded. The VOTE to approve the agenda by show of hands was unanimous.

MINUTES

April 9, 2014 Public Hearing and Regular Meeting

Dave TALERICO MOVED to approve the April 9, 2014 public hearing and regular meeting minutes as presented. Don DEBLAUW seconded. The VOTE by show of hands to approve the minutes was unanimous.

1 REPORTS

2 March 2014 Financial Reports

3 Jared ZIMMERMAN MOVED to receive the March 2014 financial report. Dave TALERICO
4 seconded. The VOTE by show of hands was unanimous.

6 Planning Commission Seat Appointments

7 Mayor Clay Walker appointed Lee Lightfoot for Seat A and Kesslyn Tench for Seat C. Dave
8 TALERICO MOVED to confirm the mayor appointments to the planning commission. Kimber
9 BURROWS seconded. The VOTE by show of hands was unanimous.

11 MAYOR'S REPORT

12 Mayor Clay Walker gave a legislative update on the borough requests for funding from the state of
13 Alaska. Mayor Clay Walker gave testimony in the state Finance Committee during the last days of
14 budget meetings. The borough received all of the funding asked for in the legislative requests. He
15 thanked the borough residents for their help in writing letters to the legislature. The borough received
16 the Sprinter Ambulance for Tri-Valley VFD and the heating upgrade for the Tri-Valley School which
17 will save the school district approximately \$80,000 per year in heating costs.

19 State of Alaska Forestry came to Healy to discuss burn permits and a program that the communities
20 can get involved in to come up with plans to reduce fuel productions. The firewood that would be
21 removed can be used for people to take for personal heating. There is grant money for fire
22 department equipment to help cut the trees.

24 The landfill employees attended the Manager of Landfill Operations (MOLO) training which is put on
25 by Solid Waste Association of North America (SWANA) in Fairbanks. The emphasis was on saving
26 space. We will not receive a Class II Landfill designation again which is an unlined cell landfill so we
27 must reserve the space that we have. The Cantwell Transfer Station has been having problems with
28 bins filling up. The mayor is working on getting larger bins since it costs the same whether we have
29 the local company haul 20 yard bins versus 30 yard bins.

31 An update on the DNR and Army Corp of Engineers permit for the Dry Creek flood project for
32 removing material and building a trench. The modified project was approved by the Corp of
33 Engineers but denied by the DNR. DNR believes that transferring material out of the creek would be
34 a sale of resources and would need to be posted and bid out. This will put a delay in the project until
35 next year. The borough was working with the local highway contractors to remove the material this
36 year for the Parks Highway project but it doesn't seem like that is going to happen.

38 The annual Denali Park Trip is scheduled for Sunday, June 8. Please let the mayor know if any
39 assembly member would like to go. The group will meet at Park Headquarters at 7:00 AM. The
40 borough will provide lunch.

42 SCHOOL REPORT

43 Dr. Jim Elliott, Denali Borough School District (DBSD) Superintendent, reported that the state of
44 Alaska Education Bill had major changes which created changes in the amount the school will be
45 funded. The school board will be making revisions to the FY 2015 budget. There was an increase of
46 funding to 773,589. Dr. Elliott will keep the borough informed of how the local funding will be
47 changed by the June assembly meeting.

1 ASSEMBLY COMMENT

2 Paddy TATUM, Jill BOELSMA, Rick WEIBEL, Don DEBLAUW, Kimber BURROWS and Dave
3 TALERICO had no comment.

4
5 Jared ZIMMERMAN thanked everyone for coming.

6
7 David EVANS apologized for being late to the meeting.

8
9 Rusty LASELL thanked everyone for coming tonight and Peggy Talerico for writing letters to the
10 Legislative Finance Committee in support of the Sprinter Ambulance. He appreciates everything
11 that the Fire Department Auxiliary tare doing for the fire department.

12
13 COMMUNICATION AND APPEARANCES:

14 Alaska Department of Transportation (DOT) to discuss summer 2014 Parks Highway road
15 construction projects

16
17 Meadow Bailey, Alaska Department of Transportation (DOT), gave an update on the Parks Highway
18 Projects in the Denali Borough and introduced each project manager. Some projects are expected to
19 take two years to complete such as the bridges and railroad overpasses. They will do everything
20 they can not to hold traffic up more than 20 to 40 minutes at each project. The project managers are
21 set up in Healy to answer questions or talk about public concerns. The phone numbers of the
22 managers are available on the handout provided the public. The projects include passing lanes,
23 bridge work, rumble strips and painting. Culvert work and the Broad Pass railroad crossing.

24
25 Alaska LNG project

26 Attending the meeting for the Alaska LNG Project were Michael Nelson (Alaska LNG), Lisa Gray
27 (Alaska LNG), Mark Jennings (Alaska LNG), Ned Gaines (URS), Oscar Evon (E3) and Patty Murphy
28 (E3).

29
30 Michael Nelson gave a hand-out on the Alaska LNG project. The project team includes BP,
31 ConocoPhillips, Exxon Mobile and TransCanada working with the state of Alaska. There will be 300+
32 people involved in project planning and design work and \$70M+ spent to date. The project includes
33 a gas treatment plant located at the North Slope, an 800 mile pipeline which is 42-inches in diameter
34 and up to 8 compressor stations. The summer of 2014 includes field studies. The total project will be
35 the single largest investment in Alaska's history and will create 9,000 to 15,000 jobs for design and
36 construction and 1,000 jobs for operations. It will generate billions of dollars of new tax revenue for
37 Alaska. The project timeline is 3 to 5 years for environmental studies, 5 to 6 years after regulatory
38 approvals for completion.

39
40 Ric Martin, Healy, to discuss and request an appropriation in the FY 2015 budget for the borough to
41 rent a dozer to complete the Dry Creek project

42
43 Mr. Martin spoke to this project under public comment earlier in the meeting.
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1 Communication from Jim Gorski, Borough Attorney, on Ketchikan Gateway Borough Lawsuit vs.
2 State of Alaska, Department of Education and Early Development
3

4 The Denali Borough Assembly and Mayor Walker received correspondence from Jim Gorski on the
5 Ketchikan Gateway Borough litigation on education funding within the state. KGB feels that schools
6 should be 100% funded by the state per the state of Alaska Constitution. The state of Alaska
7 disagrees. The parties will be taking this to court in the near future. Mr. Gorski suggested the Denali
8 Borough not get involved in the lawsuit because, "While the Denali Borough has an interest in how
9 this plays out, whether it wants to join the litigation is really problematic. The borough has an idea of
10 what its financial obligation looks like and whether or not you don't like it, there is some level of
11 certainty. If KGB is ultimately successful in its litigation, it will be a wide open free for all and what
12 education funding will look like in the future is anybody's guess. Thus, if the borough were to decide
13 to get involved in the case, one of its threshold decision would be which position you are more
14 comfortable with supporting, i.e., the devil you know or the devil you don't?"
15

16 The presiding officer called a break at 7:30 PM. The meeting reconvened at 7:50 PM.
17

18 PENDING ORDINANCES:

19 ORDINANCE 14-03, Version A: An ordinance amending the Denali Borough budget for Fiscal
20 Year 2014
21

22 Rick WEIBEL MOVED to adopt Ordinance 14-03. Dave TALERICO seconded.
23

24 Dave TALERICO MOVED to amend by adding \$30,000 to line #4050 under Solid Waste and the
25 narrative to read new 30-yard bins for the Cantwell Transfer Station including the freight. This
26 line item will now be \$50,000. David EVANS seconded. The VOTE by show of hands was
27 unanimous.
28

29 The roll call VOTE on the main motion to adopt was unanimous.
30

31 ORDINANCE 14-04: An ordinance for the Denali Borough to establish and adopt the budget for
32 fiscal year 2015
33

34 Rick WEIBEL MOVED to adopt Ordinance 14-04. Jared ZIMMERMAN seconded.
35

36 A question was asked about the Chamber of Commerce funding and why they weren't fully funded
37 this year. Discussion ensued explaining that the Denali Borough Code has a 9 percent cap on non-
38 profit funding and the grant applications exceeded that amount so there needed to be cuts. The
39 mayor explained that he decided to fund only that part of the request that had to do with community
40 engagement.
41

42 Mr. Zimmerman reminded the assembly about Mr. Rick Martin's request to appropriate money for
43 dozer work on Dry Creek. Mr. Lasell spoke to this since he has been involved with the project from
44 the beginning. Originally, the borough got involved because the homeowners asked for help filling
45 out the permit paperwork for approval by the Corps of Engineers. The borough filled out the
46 paperwork and received the 5-year permit approval for the homeowners. The homeowners were
47 going to get the equipment from UCM and complete the project. The mayor contacted the
48 homeowners to remind them that the 5-year deadline would be coming up. The homeowners now

1 are asking the borough to allocate money to do the project. The borough found a contractor that is
2 working on the Parks Highway project that would do the whole project in exchange for the gravel
3 with no cost to the homeowners or the borough. Now the DNR has stepped in and wants to sell the
4 gravel. Mr. Lasell felt that the material, creek and some of the land that is being flooded belongs to
5 the state Department of Natural Resources (DNR). It seems that it is time for DNR to step up and fix
6 the problem and not the borough.
7

8 Dave TALERICO MOVED to amend by amending the mayor's salary from \$65,000 to \$72,000 and
9 the narrative to read the mayor's salary to include a 3.5% increase annually for two budget cycles.
10 Kimber BURROWS seconded. The VOTE by show of hands was 7 – 2 with Rick Weibel and Paddy
11 Tatum opposed. The MOTION passes.
12

13 Dave TALERICO MOVED to amend by decrease line item #9050 Major School Maintenance Fund
14 from \$60,000 to \$56,000 and line item #9060 Land Enterprise Fund from \$175,000 to \$171,000 and
15 to increase the Matching Grant Fund in the narrative and line item to include Tri-Valley Volunteer
16 Fire Department \$8,000. Rick WEIBEL seconded. The VOTE by show of hands was unanimous.
17

18 Jared ZIMMERMAN MOVED to amend by decreasing the Solid Waste line item #4050 Equipment
19 from \$60,000 to \$30,000 and to remove Cantwell Transfer Station 30-yard bins from the narrative.
20 Dave TALERICO seconded. This was placed in the fiscal year 2014 budget amendment so the bins
21 could be ordered and placed at the transfer station this summer. The VOTE by show of hands was
22 unanimous.
23

24 The roll call VOTE on the main motion to adopt was unanimous.
25

26 ORDINANCE 14-05: An ordinance establishing the Denali Borough Capital Improvement Program
27 for fiscal year 2015 through fiscal year 2020
28

29 Dave TALERICO MOVED to adopt Ordinance 14-05. Kimber BURROWS seconded. The roll call
30 VOTE was unanimous.
31

32 ORDINANCE 14-06: An ordinance amending Article XI of the Denali Borough Charter, titled
33 taxation, Section 11.02, titled Tax Procedures and the Denali Borough Code of Ordinances by
34 adding Chapter 3.50, establishing a 3% seasonal general sales and services tax within the Denali
35 Borough
36

37 Rusty LASELL passed the gavel at 8:53 PM to Deputy Presiding Officer Jared ZIMMERMAN and
38 removed himself from the table.
39

40 Deputy Presiding Officer Jared ZIMMERMAN accepted the gavel.
41

42 The assembly received information from Mr. Gorski, Borough Attorney, as requested at the previous
43 meeting.
44

45 Dave TALERICO MOVED to amend by deleting in Section 3.50.010 everything after the first
46 sentence. David EVANS seconded. The VOTE by show of hands was unanimous. Mr. Lasell
47 abstained.
48

1 David EVANS MOVED to have the clerk delete all earmarked revenues and bring a new draft for the
2 next assembly meeting. Rick WEIBEL seconded. The VOTE by show of hands was unanimous. Mr.
3 Lasell abstained.

4
5 Dave TALERICO MOVED to postpone Ordinance 14-06 to the next meeting. Rick WEIBEL
6 seconded. The VOTE by show of hands was unanimous. Mr. Lasell abstained.

7
8 Presiding Officer Rusty LASELL resumed the chair at 9:00 PM.

9
10 **RESOLUTIONS**

11 **RESOLUTION 14-07:** A resolution to form a Mayor's Adhoc Committee to work with the
12 Department of Transportation (DOT&PF) Facilitator on the Healy Transportation and Pedestrian
13 Safety Project.

14
15 Rick WEIBEL MOVED to approve Resolution 14-07. Dave TALERICO seconded.

16
17 Discussion ensued about being proactive on pedestrian safety in the borough and creating trails
18 along the highway and local roads.

19
20 The roll call VOTE to approve was unanimous.

21 **OTHER BUSINESS**

22 **Liquor License/Restaurant Designation**

23 Transfer Ownership
24 DBA: Denali River Cabins
25 License #3920
26 Location: Mile 231.1 Parks Highway
27 Applicant: ARAMARK
28 License Type: Beverage Dispensary – Tourism (Seasonal)
29 Restaurant Designation

30
31 Transfer Ownership
32 DBA: Nenana View Bar and Grille
33 License #4308
34 Location: Mile 238.9 Parks Highway
35 Applicant: Westmark Hotels, Inc.
36 License Type: Beverage Dispensary – Tourism (Seasonal)
37 Restaurant Designation

38
39 Transfer Ownership
40 DBA: Cabin Nite Dinner Theater
41 License #4313
42 Location: Mile 238.9 Parks Highway
43 Applicant: Westmark Hotels, Inc.
44 License Type: Beverage Dispensary – Tourism Seasonal
45 Restaurant Designation

46
47 Transfer Ownership
48 DBA: Courtyard Cafe

1 License #4876
2 Location: Mile 238.9 Parks Highway
3 Applicant: Westmark Hotels, Inc.
4 License Type: Beverage Dispensary – Tourism Seasonal
5 Restaurant Designation
6

7 David EVANS MOVED to approve the license application as listed. Jared ZIMMERMAN seconded.
8 The Borough Clerk informed the assembly that there were no public comments received on the
9 applications. The VOTE by show of hands to approve was unanimous.

10
11 Approval of hiring a temporary employee at the Denali Borough Landfill that is related to another
12 employee

13
14 Jared ZIMMERMAN MOVED to approve. Kimber BURROW seconded. The VOTE by show of hands
15 was unanimous.

16
17 PUBLIC COMMENTS

18 Hannah Ragland, Stampede, invited the assembly to the Stampede Road annual clean-up. There
19 are yellow bags available at the Panguingue Creek Fire Department. The clean-up includes
20 Stampede Road area to Eight Mile Lake and bags will be handed out on Saturday, May 17th from
21 10:00 AM to 12:00 PM.

22
23 Jennifer Pearson, Denali Chamber of Commerce, invited everyone to the Chamber banquet which is
24 scheduled for Sunday, May 17th at Denali Park Village starting at 6:00 PM. Contact the Chamber of
25 Commerce for more information.

26
27 ASSEMBLY COMMENTS

28 David EVANS, Rusty LASELL, Patty TATUM, Rick WEIBEL and Don DEBLAUW had no
29 comment.

30
31 Dave TALERICO thanked the Borough Mayor and Borough Clerk for all of the supporting
32 documentation afforded the assembly members on the issues and ordinances that the assembly
33 is working on and assembly members for their service. He also thanked Ms. Lambert, Borough
34 Planner, for all of the work that she has been doing especially helping the Borough Clerk during
35 the assembly meetings. Mr. Talerico also thanked the assembly members for their service and
36 input on borough issues.

37
38 Jill BOELSMA spoke to Mr. Talerico's comment stating that she enjoys being on the assembly
39 and learning about local government. The first Finance Committee meeting was interesting and
40 enlightening and looks forward to more committee meetings.

41
42 Jared ZIMMERMAN thanked everyone for coming to the meeting. Mr. Zimmerman is concerned
43 about the safety of the Alaska LNG pipeline because there is housing in the area of the potential
44 pipeline. There is a federal pipeline safety office in Anchorage looks forward to engaging them in
45 community workshop to discuss this issue.

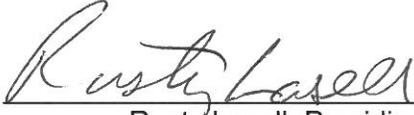
46
47 Kimber BURROWS thanked the public for attending the meeting and the guest speakers for
48 coming and speaking about their projects in the borough.

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NEXT ASSEMBLY MEETING

The next regular meeting will be held at the McKinley Community Center, Denali Alaska on Wednesday, June 11, 2014: Public Hearing 6:00 PM and the Regular meeting to follow.

ADJOURN: The meeting was adjourned at 9:40 PM.

APPROVED: 
Rusty Lasell, Presiding Officer

ATTEST:  Date Approved: JUNE 11, 2014
Gail Pieknik, Borough Clerk