

Minutes of the Public Hearing
Denali Borough Assembly
Anderson School
December 12, 2012

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7 CALL TO ORDER: The public hearing was called to order by Presiding Officer Clay Walker at 6:02
8 PM.
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10 ROLL CALL: Assembly members present: David EVANS, Terry ASBURY, Rusty LASELL, Paddy
11 TATUM, Clay WALKER, Jared ZIMMERMAN. Absent: Gordon CARLSON and Rick WEIBEL.
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13 Seeing no items on the public hearing agenda, the Assembly adjourned at 6:02 PM.
14

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17 APPROVED:


Terry Asbury, Deputy Presiding Officer (Pro Tempore)

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21 ATTEST:


Gail Pieknik, Borough Clerk

Date Approved: JANUARY 09, 2013
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**Minutes of the Regular Meeting
Denali Borough Assembly
Anderson School
December 12, 2012**

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

ROLL CALL

Assembly members present: Terry ASBURY, Rusty LASELL, Paddy TATUM, Jared ZIMMERMAN, Clay WALKER and David EVANS. Absent: Gordon CARLSON and Richard WEIBEL.

David EVANS MOVED to excuse Mr. Carlson and Mr. Weibel. Rusty LASELL seconded. The VOTE by show of hands was unanimous.

Assembly Seat C Appointment

David EVANS MOVED to appoint Steve Anastasia to Assembly Seat C. Jared ZIMMERMAN seconded. The VOTE by show of hands was unanimous.

The borough clerk administered the oath of office to Steve Anastasia. Mr. Anastasia took his seat on the assembly.

Temporary Presiding Officer

Rusty LASELL MOVED to nominate David Evans as temporary deputy presiding officer until the current presiding officer returns. Mr. Evans declined the nomination.

David EVANS MOVED to nominate Jared Zimmerman as temporary deputy presiding officer until the current presiding officer returns. Steve ANASTASIA seconded. Mr. Zimmerman declined the nomination.

Rusty LASELL MOVED to nominate Terry Asbury as temporary deputy presiding officer until the current presiding officer returns. Jared ZIMMERMAN seconded. The vote by show of hands was unanimous.

PUBLIC COMMENTS

There was no public comment.

AGENDA

David EVANS MOVED to approve the agenda as submitted. Rusty LASELL seconded. The VOTE by show of hands was unanimous.

MINUTES

November 08, 2012 Canvass Committee Meeting
November 08, 2012 Assembly Special Meeting
November 20, 2012 Public Hearing
November 20, 2012 Regular Meeting

Rusty LASELL MOVED to approve all minutes of meetings as listed on the agenda. David EVANS seconded. The VOTE by show of hands was unanimous.

1
2 REPORTS

3 October 2012 Financial Report

4 Rusty LASELL MOVED to receive the October 2012 financial report. Paddy TATUM seconded. The
5 VOTE by show of hands was unanimous.
6

7 MAYOR'S REPORT

8 Mayor David Talerico welcomed auditor Garry Hutchison and legal counsel Jim Gorski to the
9 meeting, and reported that his 121st Mayor's report would be his last. Although the Alaska Railroad
10 has approved the renewal of the Otto Lake Park lease, hard copy has not been received. Mayor
11 Talerico concluded by thanking the assembly and those present for the opportunity to serve as
12 Mayor.
13

14 SCHOOL REPORT

15 Denali Borough School District (DBSD) Superintendent Dr. Jim Elliott was not in attendance. Tim
16 Fraychineaud, Anderson School Principal, thanked the assembly for the wonderful school facility
17 and expressed appreciation to Maintenance Worker Jon Bailey for upkeep of the building. Students
18 at Anderson School are working hard from bell to bell, and doing well. Mr. Fraychineaud relayed Dr.
19 Jim Elliott's appreciation for, and best wishes to, Mayor Talerico.
20

21 ASSEMBLY COMMENTS

22 Paddy TATUM and Terry ASBURY had no comment.
23

24 Rusty LASELL thanked those in attendance for coming to the meeting and being involved.
25

26 Clay WALKER thanked those in attendance for coming to the meeting and expressed gratitude
27 to Mayor Talerico for serving with dignity and distinction.
28

29 David EVANS thanked Steve Anastasia for stepping up to fill the vacant assembly seat,
30 expressed his interest in attending the upcoming legislative fly-in, and asked fellow assembly
31 members for comment on a "marker" to be added to future ordinances to show how many public
32 hearings they have gone through to help expedite action. Mr. Evans added that Mayor Talerico
33 will be missed.
34

35 Steve ANASTASIA thanked the assembly for inviting him to serve, and noted that he is looking
36 forward to getting to know the people of the borough better.
37

38 Jared ZIMMERMAN welcomed Steve Anastasia to the assembly and thanked Mayor Talerico for
39 his service. He also invited those present to contact him if there was something they would, or
40 would not, like to see in the borough.
41

42 COMMUNICATION AND APPEARANCES

43 Garry Hutchison, CPA, Kohler, Schmitt & Hutchison, to review the Denali Borough Fiscal Year 2012
44 audit.
45

46 Garry Hutchison, CPA, presented the audit results of the Fiscal Year (FY) 2012 Financial
47 Statement. He noted that the financial statement is clean, and that the borough is in fine
48 financial condition. Mr. Hutchison drew attention to several key points of the financial statement.
49

- 1 • The General Fund balance committed to forward funding for FY 2013 was
2 \$5,340,977, with an additional \$937,189 in unrestricted funds.
- 3 • The Permanent Investment Fund has grown from an initial \$1 million to \$2.8
4 million. The fund has strong assets, with \$43,441 available for appropriation in
5 FY 2013.
- 6 • In total, government funds for FY 2012 were in the black, with a strong fund
7 balance, and a positive General Fund budget surplus of \$638,666.
- 8 • The Borough Landfill and Land Management funds each show a loss in FY 2012.
9 These funds are supplemented by the General Fund. The borough is required to
10 dedicate funds for landfill closure costs per Environmental Protection Agency
11 regulations, and the reserve fund for that purpose has a balance in excess of the
12 amount required.

13
14 Mr. Hutchison concluded by stating that the borough is in good financial condition, that the
15 records and books are in good shape, and the audit was completed on time.

16
17 Mayor David Talerico noted that he has enjoyed working with Mr. Hutchison over the years, and
18 that he has appreciated his financial counsel.

19
20 Jim Gorski, Borough Attorney

21
22 Jim Gorski, Borough legal counsel, noted that environmental mitigation was on the agenda to be
23 addressed later, and suggested he hold his presentation until that time.

24
25 RESOLUTIONS:

26 RESOLUTION 12-23: A resolution to reappoint check signers to the Denali Borough accounts.

27
28 David EVANS MOVED to approve Resolution 12-23. Jared ZIMMERMAN seconded. Points of
29 discussion that followed include a perceived conflict of interest, the preference for a signer who is
30 easily accessible, the temporary nature of the appointment, and how a conflict of interest is defined.
31 The roll call VOTE to approve Resolution 12-23 was unanimous.

32
33 Presiding Officer Clay Walker passed the gavel to temporary Deputy Presiding Officer Terry Asbury
34 at 6:42 PM, noting that he would recuse himself from voting and discussion of the next agenda item.

35
36 RESOLUTION 12-25: A resolution clarifying the term of the Mayor Pro Tempore per Denali
37 Borough Code 2.10.040.

38
39 David EVANS MOVED to approve Resolution 12-25. Rusty LASELL seconded. It was noted that
40 the resolution is intended to provide the assembly's interpretation of Denali Borough Code, which is
41 unclear regarding the Mayor Pro Tempore's assembly seat status. Points of discussion that
42 followed included the Mayor Pro Tempore's duties, which are the same as those of Mayor, and the
43 assembly is reduced to eight seats until the election of a Mayor. Mayor David Talerico noted that it
44 is appropriate that Clay Walker abstain from the vote, due to potential salary involved in the action.
45 The roll call VOTE to approve Resolution 12-25 was unanimous, with Clay WALKER abstaining.

46
47 Presiding Officer Clay Walker resumed the chair at 6:57 PM.

1 RESOLUTION 12-26: A resolution establishing the date for a special election.

2
3 Rusty LASELL MOVED to approve Resolution 12-26. Steve ANASTASIA seconded.

4
5 Rusty LASELL MOVED to amend Resolution 12-26 by inserting the date February 19, 2012. Steve
6 ANASTASIA seconded. Points of discussion that followed include how the election will affect the
7 budget process, the holiday season's effect on the special election timeline, and the timeline for
8 Department of Justice precertification of the election. The VOTE by show of hands on the
9 amendment was unanimous.

10
11 The roll call VOTE to approve Resolution 12-26 was unanimous.

12
13 RESOLUTION 12-27: A resolution supporting the Denali Education Center's (DEC) request for state
14 of Alaska funding.

15
16 Presiding Officer Clay Walker read public comment received from Jill Boelsma, Cantwell resident
17 and employee of Denali Education Center, in support of state of Alaska funding for the Denali
18 Education Center.

19
20 David EVANS MOVED to approve Resolution 12-27. Paddy TATUM seconded. Points of
21 discussion that followed include the lack of a dollar amount or specific project in the resolution, the
22 legislature's role in determining suitability of funding, a deadline for resolution approval, and the role
23 of resolutions in supporting projects within the municipality. The roll call VOTE to approve
24 Resolution 12-27 was unanimous.

25
26 RESOLUTION 12-28: A resolution supporting the detachment of certain lands from the Matanuska-
27 Susitna Borough and annexation of lands to the Denali Borough.

28
29 David EVANS MOVED to approve Resolution 12-28. Rusty LASELL seconded. Points of
30 discussion brought forth by Mr. Gorski include the need for detachment of an area to precede
31 borough annexation, which would require independent action on the part of land owners; the
32 potential tax burden the Denali Borough would assume by annexation, the status of transfer of the
33 land in question per Alaska Native Land Claims Settlement Act (ANLCA) and municipal land
34 entitlements, and the desire for more information from Ahtna.

35
36 Rusty LASELL MOVED to postpone Resolution 12-28 to the next meeting. David EVANS
37 seconded. Points of discussion that followed include the need to learn more about the process to
38 move forward, actions required by the proper entities, and the potential cost involved in annexation.
39 The VOTE by show of hands to postpone Resolution 12-28 hands was unanimous.

40
41 Presiding Officer Clay Walker called a meeting recess at 7:20 pm. The meeting resumed at 7:47.

42
43 RESOLUTION 12-29: A resolution extending appreciation and gratitude to Robert Kohlsdorf for the
44 time and energy he dedicated to the Denali Borough Assembly.

45
46 Jared ZIMMERMAN read Resolution 12-29 into the record.

47
48 Rusty LASELL MOVED to approve Resolution 12-29. David EVANS seconded. The roll call VOTE
49 to approve Resolution 12-29 was unanimous.

1
2 RESOLUTION 12-30: A resolution extending appreciation and gratitude to John Winklmann for the
3 time and energy he dedicated to the Denali Borough Assembly.

4
5 Steve ANASTASIA read Resolution 12-30 into the record.

6
7 Rusty LASELL MOVED to approve Resolution 12-30. David EVANS seconded. The roll call VOTE
8 to approve Resolution 12-30 was unanimous.

9
10 RESOLUTION 12-31: A resolution extending appreciation and gratitude to Cyrus Cooper for the
11 time and energy he dedicated to the Denali Borough Assembly.

12
13 David EVANS read Resolution 12-31 into the record.

14
15 David EVANS MOVED to approve Resolution 12-31. Jared ZIMMERMAN seconded. The roll call
16 VOTE to approve Resolution 12-31 was unanimous.

17
18 RESOLUTION 12-32: A resolution extending appreciation and gratitude to David M. Talerico for the
19 time and energy he dedicated to the Denali Borough Mayor.

20
21 Presiding Office Clay WALKER read Resolution 12-32 into the record.

22
23 Rusty LASELL MOVED to approve Resolution 12-32. David EVANS seconded. Presiding Officer
24 Clay Walker presented Mayor David Talerico with a plaque commemorating his ten years of service
25 to the Denali Borough. The roll call VOTE to approve Resolution 12-32 was unanimous.

26
27 RESOLUTION 12-33: A resolution supporting legislative action to adopt a workers' compensation
28 medical fee schedule.

29
30 Paddy TATUM MOVED to approve Resolution 12-33. Terry ASBURY seconded.

31
32 Rusty LASELL MOVED to amend Resolution 12-33 by adding the words "in part" under the fourth
33 whereas. David EVANS seconded. The VOTE by show of hands on the amendment was
34 unanimous.

35
36 The roll call VOTE on the main motion to approve Resolution 12-33 was unanimous.

37
38 RESOLUTION 12-34: A resolution extending appreciation and gratitude to Justin Mason for the time
39 and energy he dedicated to the Denali Borough Schools.

40
41 Rusty LASELL read Resolution 12-34 into the record.

42
43 Terry ASBURY MOVED to approve Resolution 12-34. Paddy TATUM seconded. The roll call VOTE
44 to approve Resolution 12-34 was unanimous.

1 OTHER BUSINESS

2 Liquor License Renewal Applications

- 3 Lynx Creek Liquor
- 4 McKinley Chalet Resort – Courtyard Café
- 5 McKinley Chalet Resort – Nenana View Bar & Grille
- 6 McKinley Chalet Resort – Cabin Nite Dinner Theatre
- 7 Grande Denali Hotel – Alpenglow Restaurant
- 8 Denali Bluffs Hotel

9
10 Terry ASBURY MOVED to approve liquor license renewals as listed on the agenda. Steve
11 ANASTASIA seconded. It was noted that there have been no negative comments on any of the
12 licenses. The VOTE by show of hands was unanimous.

13
14 Environmental Mitigation Project (GVEA) Consent Decree and the solid fuel burning appliance
15 exchange program within the Denali Borough update.

16
17 Jim Gorski, Borough legal counsel, reported that he had received an inquiry from Mayor Talerico
18 regarding the revelation that within a consent decree between Golden Valley Electric Association
19 (GVEA) and the Environmental Protection Agency (EPA), there was a proviso for funding to improve
20 air quality in the Fairbanks North Star Borough (FNSB) and the Denali Borough. The amount
21 designated for the Denali Borough in the consent decree is up to \$75,000, with the stipulation that a
22 stove change-out program follow that of FNSB. Mr. Gorski has contacted GVEA environmental legal
23 counsel to discuss options for the Denali Borough. Mr. Gorski's recommendation was that the
24 borough submits a simple proposal to EPA for approval, which would require that qualified stoves
25 replace older, less efficient stoves, with the older stoves being rendered inoperable. There would
26 need to be documentation of replacement, which would require staffing. Mr. Gorski suggested that
27 the program not be administered on a first come, first served basis, but that the most efficient
28 replacement be a factor in approval.

29
30 Points of discussion that followed include a timeline included in the consent decree stipulating that
31 funds be spent no later than 12/31/2014, the intent of the program to replace residential stoves
32 rather than commercial, the possibility of contracting with FNSB for staffing, the importance of
33 certification of replacement, information that may be obtained from FNSB, and options for
34 reimbursement that would provide the greatest impact.

35
36 Jared ZIMMERMAN MOVED to create a stove change out program committee. Steve ANASTASIA
37 seconded. Rusty Lasell, Jared Zimmerman, and Steve Anastasia volunteered to be on the
38 committee, with the Mayor pro tempore as an ex-officio member. The committee would have
39 permission to act as representatives of the Denali Borough. The VOTE by show of hands on the
40 motion to create the committee, to consist of the volunteers, and to authorize members to act as
41 representatives of the borough was 6-1 as follows: Yes – Rusty LASELL, David EVANS, Paddy
42 TATUM, Steve ANASTASIA, Clay WALKER, Jared ZIMMERMAN; No – Terry ASBURY. The
43 motion passed.

44
45 PUBLIC COMMENTS

46 Robert Kohlsdorf, Windy Creek Subdivision resident, urged the assembly to proceed slowly with a
47 stove change out program, and commented that annexing a portion of the Matanuska Susitna
48 Borough may start a "border war." Ahtna owns the land under the Cantwell School, and that should
49 be taken into consideration in the annexation process. Mr. Kohlsdorf spoke in favor of a marker

1 ordinance, and noted that redistricting will not change the scheduling of meetings, per Denali
2 Borough Charter. Mr. Kohlsdorf also thanked Mayor David Talerico for his mentorship and
3 friendship.

4
5 Cindy Trytko, Anderson resident, thanked Mayor Talerico for his service to the Denali Borough.

6
7 Joe Chatfield, Healy resident, thanked Mayor Talerico for his service to the Denali Borough.

8
9 Jim Gorski, Borough legal counsel, spoke in appreciation of Mayor Talerico's "hands on" practice in
10 dealing with problems, and commented that he will be a "hard act to follow."

11
12 Presiding Officer Clay Walker relinquished the gavel to Temporary Deputy Presiding Officer Terry
13 Asbury at 8:44 pm.

14
15 Oath of Office: Clay Walker, Mayor Pro Tempore

16 The Denali Borough Clerk administered the oath of office to Mayor pro tempore Clay Walker.

17
18 ASSEMBLY COMMENTS

19 Paddy TATUM thanked Jim Gorski for attending the meeting and Mayor Talerico for his service
20 to the Denali Borough.

21
22 Terry ASBURY thanked those in attendance for coming to the meeting, and commented that any
23 power plant puts out more pollutants than any number of residential stove change outs, and that
24 money for clean stove programs should all come to the Denali Borough, where the clean coal
25 plant is located.

26
27 Rusty LASELL commented that he will miss Mayor Talerico, and added that he supports a
28 timeframe for ordinances.

29
30 David EVANS commented that we are losing a mayor, but gaining new-found power in Juneau.
31 He thanked Mayor Talerico for his service, and bringing grounded solutions to issues. Mr. Evans
32 also commented that imposing a time limitation on an ordinance would give it some urgency, and
33 that there are openings for the Healy district on the Planning Commission, and that he would like
34 to have a meeting in the Panguingue Creek district as part of regular meeting rotation.

35
36 Steve ANASTASIA commented that he is happy to be on the assembly, and that he has
37 appreciated David Talerico as both Mayor and neighbor.

38
39 Jared ZIMMERMAN commented that he has learned a lot from Mayor Talerico through
40 discussions of local issues, and thanked Mr. Gorski and Mr. Hutchison for their presentations
41 and their relationships with the borough. Mr. Zimmerman noted that he will not be able to attend
42 the January meeting.

43
44 Mayor Talerico commented that he appreciates the over twenty-five individuals he has worked
45 with on the assembly during his time with the borough, and that he is the longest serving mayor
46 in the state of Alaska. Mayor Talerico spoke in appreciation of his staff, and noted that more
47 employees have left than stayed at the borough during his tenure. He thanked the assembly for
48 the plaque, noted that nobody in the borough owes him a thing, and said he has tried to do the
49 best he could, and that the borough has treated him better than he deserves. Mayor Talerico

1 stated that his wife, Peggy, deserves the most recognition for the support she has provided over
2 the years.

3
4 NEXT ASSEMBLY MEETING:
5 The next regular meeting of the Borough Assembly will be held at the Tri-Valley Community
6 Center on January 9, 2013; Public Hearing at 6:00 PM, and regular meeting to follow.

7
8 ADJOURN: The meeting was adjourned at 9:05 PM.

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12 APPROVED: 
13 Terry Asbury, Deputy Presiding Officer (Pro Tempore)

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16
17 ATTEST:  Date Approved: JANUARY 9, 2013
18 Gail Pieknik, Borough Clerk