

Minutes of the Public Hearing
Denali Borough Assembly
Tri-Valley Community Center
April 12, 2017

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7 CALL TO ORDER: The public hearing was called to order by Presiding Officer Jared Zimmerman at
8 6:04 p.m.
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10 ROLL CALL: Assembly members present: Jared ZIMMERMAN, Patrick KELLY, Krista ZAPPONE,
11 Don DEBLAUW, Paddy TATUM, David EVANS, Tallon SHREEVE and Jill BOELSMA. Absent: Joe
12 CHATFIELD.
13

14 ORDINANCE 16-12, Version C: An ordinance amending Denali Borough Code of Ordinances Title
15 4, Real Property Acquisition, Management and Disposal
16

17 There were no public comments.
18

19 ORDINANCE 17-03, Version A: An ordinance amending the budget for fiscal year 2017
20

21 There were no public comments.
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24 ADJOURNMENT: The public hearing was adjourned at 6:05 p.m.
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29 APPROVED: 
30 Jared Zimmerman, Presiding Officer
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34 ATTEST:  Date Approved: MAY 10, 2017
35 Gail Pieknik, Borough Clerk
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**Denali Borough Assembly
Tri-Valley Community Center
April 12, 2017**

CALL TO ORDER: Presiding Officer Jared Zimmerman 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: Jared ZIMMERMAN, Don DEBLAUW, Krista ZAPPONE, Patrick KELLY, David EVANS, Tallon SHREEVE, Paddy TATUM and Jill BOELSMA. Absent: Joe CHATFIELD. Mayor Clay Walker was also present.

Jill BOELSMA MOVED to excuse Mr. Chatfield. The motion was seconded. The VOTE by show of hands was unanimous.

PUBLIC COMMENTS

Gordon Carlson, Cantwell resident, commented that the Native Village of Cantwell has applied for a Denali Borough matching grant to expand the Cantwell Clinic, which is located in the Cantwell Community Center. Mr. Carlson commented that the Cantwell Clinic serves veterans, Native Village of Cantwell members, and others who have health insurance.

Rob Graham, Fire Chief of Tri-Valley Volunteer Fire Department (TVVFD), commented that a summer Emergency Medical Service program began 25 years ago due to demand in the form of 90-100 medical response calls during the summer season. Today, call volume for the summer season is closer to 250 calls. TVVFD is applying for a Fiscal Year (FY) 2018 contribution to non-profit grant, for an amount over the current year's funding. The increased funding request would cover personnel costs for employees to provide full coverage when there are simultaneous calls during the shoulder season of May and September.

AGENDA

Jill BOELSMA MOVED to approve the meeting agenda as presented. The motion was seconded. The VOTE by show of hands was unanimous.

MINUTES

March 08, 2017 Denali Borough Assembly Public Hearing and Regular Meeting

Jill BOELSMA MOVED to approve the minutes of the March 8, 2017 Public Hearing and Regular Meeting minutes as presented. The motion was seconded. The VOTE by show of hands was unanimous.

REPORTS

February 2017 Financial Report

Jill BOELSMA MOVED to receive the February 2017 financial report. The motion was seconded. The VOTE by show of hands was unanimous.

1 FINANCE COMMITTEE REPORT

2 David Evans, Finance Committee Chair, reported that the finance committee met on March 28,
3 where they reviewed rates of return on certificates of deposit, approved a resolution making
4 recommendation for FY 2018 permanent investment fund allocations, and discussed the mayor's
5 salary. The committee will meet to review proposals received in response to Request for Proposals
6 17-03 on April 24, and will have a regular meeting on July 17.

7
8 SCHOOL DISTRICT REPORT

9 Denali Borough School District (DBSD) Superintendent Dan Polta

10 Superintendent Polta verbally highlighted events included in a written report, including the following.

- 11
- 12 • Coal recently froze in the hopper and silo at the Tri-Valley school, and the hope is that only
- 13 seals will need replacement to repair the system.
- 14 • A formal contract has been signed with North Form for the architectural work on the Cantwell
- 15 School roof.
- 16 • A lease has been signed for a second PEAK office. The office will be in Wasilla near
- 17 Walmart.
- 18 • The DBSD School Board approved a resolution supporting the construction of a municipal
- 19 building that would include space for DBSD and borough administrative offices.
- 20 • Radon testing has been done at all schools, the only issue found was in the Cantwell gym
- 21 area, and may have to do with air circulation.
- 22 • With the end of the fiscal year approaching, it appears DBSD will end the year with a small
- 23 financial surplus.
- 24 • The State House is advocating for a flat school funding budget, with the Senate looking for a
- 25 5% reduction in education funding.
- 26 • Jon Bailey has retired after 31 years of invaluable service, and maintenance position
- 27 interviews have begun.

28
29 MAYOR REPORT

30 Mayor Clay Walker verbally highlighted activity included in a written report, including the following:

- 31
- 32 • Congratulations to Jon Bailey on his retirement, he will be missed.
- 33 • Thank you to the Alaska Railroad Corporation (ARRC) for the donation of a steel rail that will
- 34 be used in the landfill shop extension.
- 35 • The borough has entered into a five year agreement with Alaska Metal Corporation to recycle
- 36 segregated metals, junk vehicles, appliances, and vehicle batteries, which may allow the
- 37 ability to offer more recycling options for residents, as well as expand the life of the landfill
- 38 and support activity at Port MacKenzie.
- 39 • The Alaska Department of Environmental Conservation (DEC) is still reviewing the monofill
- 40 application received from Clear View. If approved by DEC, the next step would be a 30 day
- 41 comment period.
- 42 • Emergency Planning and Projects Coordinator Chris Noel recently attended the State
- 43 Homeland Security Program Preparedness Conference, as did Local Emergency Planning
- 44 Committee members Baxter Mercer and Bob Das. Landfill Equipment Operator Travis Olson
- 45 will be attending Solid Waste Manager of Landfill Operations (MOLO) training in April.

- 1 • Representatives of HDR, the firm contracted to assist in the landfill redesign and permit
2 renewal, visited the landfill and toured the facility recently. They were impressed with the
3 facility and landfill staff.
- 4 • A traffic control beacon was installed at the intersection of the Parks Highway and the Healy
5 Spur Road.
- 6 • There is a northern district planning commission seat vacant.
- 7 • A bill was introduced to the State Legislature regarding a process for the ARRC to sell land.
8 The largest ARRC land reserve in the state is the Healy Reserve. Mayor Walker has
9 submitted a letter in support of the bill.
- 10 • Mayor Walker asked the assembly to consider a joint work session with the Anderson City
11 Council to discuss the proposed land exchange, perhaps in May prior to the regular
12 assembly meeting.

13 14 ASSEMBLY COMMENTS

15 Assembly members thanked those in the audience for attending the meeting, and thanked Mayor
16 Walker and Superintendent Polta for providing written reports in addition to verbal highlights.

17
18 Don DEBLAUW commented he would like to have a joint work session with the Anderson City
19 Council.

20
21 Jared ZIMMERMAN encouraged the public to share their thoughts with the assembly during the
22 public comment period, stating that comments from the public carry a lot of weight. Mr.
23 Zimmerman congratulated Jon Bailey on his retirement.

24
25 David EVANS commented that he would like to see a report of the financial impact a new
26 monofill would have on the borough.

27 28 COMMUNICATION AND APPEARANCES

29 Ralph Samuels, Vice-President of Public Relations, Holland America Princess (HAP); 2017 HAP
30 tourism update

31
32 Ralph Samuels, HAP Vice-President of Public Relations, introduced Traci Smith and Bonnie
33 Westlund, and provided the assembly with an update of HAP operations. The demand for Alaska
34 cruises is strong, even though fuel prices are higher in Alaska than other cruise destination areas.
35 The European market has dropped significantly, shifting some cruise ship destinations to Alaska.
36 Smaller, luxury ships are starting to travel to Alaska after having been featured in O magazine. Ten
37 rail cars are being refurbished for the Alaskan market.

38
39 Mr. Samuels stressed that HAP marijuana policies of zero tolerance have not changed, and that
40 Coast Guard regulations prohibit the use of marijuana on ships.

41
42 Being a part of the local community is important to HAP, as demonstrated by their recent donations
43 to Winterfest, the Alaska Health Fair, the Pygmy Tundra Buffalo Run, Denali Borough School
44 District; as well as their partnership with First Student in leasing the bus shop facility. Some HAP
45 vehicles are now equipped with GPS tracking technology to track not only vehicles, but tourist
46 luggage, as well. Changes that will save landfill tonnage include there being no more Styrofoam in
47 the dining room, no "to go" containers in the employee dining room, and cardboard being trucked to

1 an Anchorage recycling center once a week. A community advisory board from Fairbanks visited the
2 Denali area recently, and HAP is working to create opportunities to host legislators in Denali.

3
4 Mr. Samuels recognized Anderson teacher Trish Turley, who, as the result of a student field trip,
5 began a program that teachers throughout the state are participating in to introduce students to the
6 visitor industry.

7
8 The overnight accommodations tax paid by tourists makes the borough work. HAP employee
9 housing will be improved this summer. Mr. Samuels introduced Tad Whittaker, who described
10 landscape improvements that are planned, as well as recreational equipment that will be installed for
11 employee use. Mr. Samuels stressed that HAP management wants to be informed if employees are
12 having a negative impact in the community.

13
14 Leif Holm, PharmD, North Pole Prescription Lab, Inc.: an update on the Healy tele-pharmacy

15
16 Leif Holm, North Pole Prescription Lab, introduced himself and announced that his desire to provide
17 a tele-pharmacy to the Healy area has become a reality. Lacey Bennett has been hired to be a lead
18 pharmacy technician. Mr. Holm thanked Tod Shorey and Mark Menke for their assistance in creating
19 commercial space at Milepost 248.2 Parks Highway, with a target opening date of June 1. The
20 pharmacy will be a full service retail pharmacy with comparably priced over-the-counter standard
21 pharmacy items. A pharmacist will not be onsite, but will be available via video conference. Mr. Holm
22 asked for the public's support in this venture.

23
24 Healy Hockey presentation

25
26 David Tomeo, Healy Hockey President, thanked the Denali Borough for community grants that have
27 helped to upgrade the Healy Ice Pit. Mr. Tomeo also recognized the contribution of Rock N Roll
28 Construction, who played a large part in design and donated service, as well as a contribution made
29 by the Denali Education Center from the Scott Menke Memorial Fund. A video presentation showed
30 the rink before and after the project.

31
32 Meadow Bailey, Public Information Officer, Alaska Department of Transportation, to discuss
33 upcoming road construction plans for Denali Borough

34
35 Steve Oswald, Project Engineer for Parks Highway 239-242 Rock Slope Mitigation Project, reported
36 that this project is the only project north of milepost 163 on the Parks Highway. The work plan is to
37 take place during night shift from 8:00 PM to 8:00 AM, with paving planned to start the third week in
38 June for an anticipated three week period. Maximum delays during construction would be twenty
39 minutes. Information regarding the project will be available on the State of Alaska's 511 Navigator
40 website. The only daytime delays expected are to be while striping of the road is done.

41
42 Presiding Officer Jared Zimmerman called for a recess at 7:21 PM. The meeting resumed at 7:33
43 PM.

1
2 DRAFT ORDINANCES

3 ORDINANCE 17-04: An ordinance to establish and adopt the budget for fiscal year 2018

4
5 Jill BOELSMA MOVED to introduce Ordinance 17-04. The motion was seconded. Mayor Clay
6 Walker drew the assembly's attention to the bound budget package, and explained that the budget
7 is developed by the mayor and staff, focusing on the responsibilities of the Denali Borough, and is
8 then adjusted to limit spending. The FY 2018 budget includes contributions to the capital
9 improvements and major school maintenance reserve accounts, and no transfer from the general
10 fund to solid waste fund accounts. The line item dollar amount for matching grants is left open, as
11 the matching grant committee had requested more information from an applicant, and felt a
12 discussion of the full body was needed.

13
14 Points of discussion that followed included the statement that the Native Village of Cantwell is not a
15 subsidiary of AHTNA, Inc., but is its own stand-alone Native village. Further points of discussion
16 included who may be seen at the Cantwell Clinic, the benefits of having a health clinic in Cantwell
17 that could serve all residents, if status as a Native village infers non-profit status, the matching grant
18 requirement that applicants submit a budget for the organization, and the stipulation that matching
19 grant projects be dedicated to public purposes for the rest of their useful life.

20
21 Krista ZAPPONE MOVED to amend Ordinance 17-04 by adding \$20,000 to line item 6000 Matching
22 Grants for a grant to Tri-Valley Volunteer Fire Department for foundation work at the Tri-Valley
23 Community Center. The motion was seconded. David Evans asked to recuse himself from the vote,
24 due to a business related conflict of interest. Presiding Officer Jared Zimmerman allowed Mr. Evans
25 to abstain from the vote. The VOTE by show of hands was unanimous. EVANS abstained.

26
27 Krista ZAPPONE MOVED to amend Ordinance 17-04 by adding an additional \$20,000 to line item
28 6000 Matching Grants for a grant to Native Village of Cantwell for improvements to the Cantwell
29 Community Center, raising the total amount for the line item to \$40,000. Jill Boelsma asked to
30 recuse herself from the vote, due to a conflict of interest. Presiding Officer Jared Zimmerman
31 allowed Ms. Boelsma to abstain from the vote. The VOTE by show of hands was 6 – 1 as follows:
32 Yes – Krista ZAPPONE, David EVANS, Paddy TATUM, Patrick KELLY, Tallon SHREEVE, and Don
33 DEBLAUW; No – Jared ZIMMERMAN. BOELSMA abstained. The motion passed.

34
35 The roll call VOTE on the main motion to introduce Ordinance 17-04 was unanimous.

36
37 Jim BOELSMA MOVED to postpone Ordinance 17-04 to the next meeting. The motion was
38 seconded. The VOTE by show of hands was unanimous.

39
40 ORDINANCE 17-05: An ordinance establishing the Denali Borough Capital Improvement Program
41 (CIP) for fiscal year 2018 through fiscal year 2023

42
43 Jill BOELSMA MOVED to introduce Ordinance 17-05. The motion was seconded. Mayor Clay
44 Walker explained that the CIP is required by Denali Borough Code, and is primarily a planning
45 document for budgetary purposes. Mayor Walker noted that the DBSD School Board recently
46 passed a resolution in support of a joint municipal building to be constructed on school land adjacent
47 to the Tri-Valley School, a project for which conceptual design is planned for FY 2019 on the CIP. A
48 point of discussion that followed involved grant funding received in the past for various projects. The

1 roll call VOTE to introduce Ordinance 17-05 was 7-1 as follows: Yes – Paddy TATUM, Jared
2 ZIMMERMAN, Jill BOELSMA, Patrick KELLY, David EVANS, Tallon SHREEVE, and Krista
3 ZAPPONE; No – Don DEBLAUW. The motion passed.

4
5 David EVANS MOVED to postpone Ordinance 17-05 to the next meeting. The motion was
6 seconded. The VOTE by show of hands was unanimous.

7
8 PENDING ORDINANCES

9 ORDINANCE 16-12, Version C: An ordinance amending Denali Borough Code of Ordinances Title
10 4, Real Property Acquisition, Management and Disposal

11
12 Borough Clerk Gail Pieknik explained that a proposed Version D of Ordinance 16-12 would change
13 the annual work plan from a three year plan to a five year plan, and includes language increasing
14 the amount of cubic yards per year for personal extraction permits. Discussion that followed focused
15 on personal use of gravel.

16
17 Patrick KELLY MOVED to amend by substitution Ordinance 16-12, Version D for Version C. The
18 motion was seconded. The VOTE by show of hands was unanimous.

19
20 David EVANS MOVED to amend Ordinance 16-12, Version D Section 4.11.010(C)(1) and
21 4.11.010(C)(2) by deleting 50,000 and inserting 25,000 for the number of cubic yards per year. The
22 VOTE by show of hands was unanimous.

23
24 Krista ZAPPONE MOVED to amend Ordinance 16-12, Version D Section 4.11.005(A) to read
25 “Abandon” – the act of intentionally and permanently giving up, surrendering, deserting, or
26 relinquishing property, premises, a right of way, an easement, contract rights, with the intention of
27 not using it again. The motion was seconded. The VOTE by show of hands was unanimous.

28
29 The VOTE by show of hands on the main motion to amend by substitution Ordinance 16-12, Version
30 D for Version C was unanimous.

31
32 Patrick KELLY MOVED to adopt Ordinance 16-12. The motion was seconded. The roll call VOTE
33 was unanimous.

34
35 ORDINANCE 17-03: An ordinance amending the budget for fiscal year 2017

36
37 Krista ZAPPONE MOVED to adopt Ordinance 17-03. The motion was seconded

38
39 Patrick KELLY MOVED to amend Ordinance 17-03 line item 5200 Nonprofit Contributions by
40 deleting \$382,682 and inserting \$391,773, reflecting in the narrative the additional \$9,141 for Denali
41 Emergency Services Association 911 services. The motion was seconded. The VOTE by show of
42 hands was unanimous.

43
44 Jill BOELSMA MOVED to amend Ordinance 17-03 Solid Waste line item 4033 Heating Oil by
45 deleting \$3,500 and inserting \$5,000. The motion was seconded. The VOTE by show of hands to
46 amend was unanimous.

47
48 The roll call VOTE on the main motion to adopt Ordinance 17-03 was unanimous.

1 RESOLUTIONS

2 Resolution 17-04: A resolution approving unincorporated communities and their respective
3 incorporated non-profit entities for participation in the fiscal year 2018 Community Assistance
4 Program

5
6 Dave EVANS MOVED to approve Resolution 17-04. The motion was seconded. Mayor Clay
7 Walker explained that the Community Assistance Program was formerly known as State
8 Revenue Sharing, and that approval of this resolution is part of the application process for
9 receiving Community Assistance funding. The roll call vote to approve Resolution 17-04 was
10 unanimous.

11
12 OTHER BUSINESS

13 Liquor License Renewal Applications:

14 Panorama Pizza Pub
15 License #4898
16 Beverage Dispensary – Tourism
17 Mile 224 Parks Highway

18
19 David EVANS MOVED to not-protest the above listed liquor license application. The motion was
20 seconded. It was noted that there have been no comments or complaints regarding any of the
21 businesses. The VOTE by show of hands was unanimous.

22
23 Retail Marijuana Store License:

24 Denali Cannabis Cache LLC
25 License #11382
26 Designated Licensee: Kevin Schwan
27 Mile 238.9 Parks Highway

28
29 Patrick KELLY MOVED to not-protest the above listed Retail Marijuana Store License application.
30 The motion was seconded. The VOTE by show of hands was 7-1 as follows: Yes – Jill BOELSMA,
31 Patrick KELLY, Jared ZIMMERMAN, David EVANS, Krista ZAPPONE, Tallon SHREEVE, Paddy
32 TATUM; No – Don DEBLAUW. The motion passed.

33
34 Denali Borough Clerk Confirmation

35
36 Mayor Clay Walker appointed Amber Renshaw for the position of Denali Borough Clerk. Krista
37 ZAPPONE MOVED to confirm the appointment of Amber Renshaw. The motion was seconded. The
38 VOTE by show of hands was unanimous.

39
40 The Annual Work Plan for proposed acquisition of real property, inventory, management and
41 disposal activities for the coming year under DBC 4.10.030

42
43 Mayor Clay Walker explained that the Annual Work Plan for FY 2018 includes a number of planned
44 surveys, and that not all will be completed in FY 2018. Survey instructions, once requested from the
45 State of Alaska Department of Natural Resources, take some time to be developed. Once survey
46 instructions are obtained, a boundary survey may be done, enabling the borough to take title to the
47 land, at which point land may be sold. Mayor Walker asked the assembly to approve one of two
48 options presented for priority lands to survey, and explained that staff recommends an area north of

1 the Anderson lagoon as Priority 1A, as it is expected to be completed more quickly than other items
2 named; the planning commission identified Otto Lake as Priority 1A in response to public use issues
3 in the area.

4
5 Krista ZAPPONE MOVED to approve the Annual Work Plan with staff recommended priority lands to
6 survey. The motion was seconded. The VOTE by show of hands was unanimous.

7
8 Chris Beck, Agnew::Beck, Denali Borough Land Use and Economic Development Strategic Plan
9 update

10
11 Mayor Clay Walker described an in-depth work session held on March 21 regarding the Land Use
12 and Economic Development Strategic Plan. Chris Beck and Anna Brawley from
13 Agnew::Beck led the work session, discussing the roles and schedule for the project. The planning
14 commission will serve as the bulk of the Plan team, and will be putting out a mailing with a link to a
15 survey to allow the public to provide input on land use and development. Those interested in serving
16 on the committee are encouraged to contact the borough office. Community meetings will be held in
17 Anderson, Healy, McKinley and Cantwell near mid-June.

18
19 ANCSA 14 (c)(3) trust land settlement offer for Cantwell lands update

20
21 Mayor Clay Walker reported that there was a meeting held in Cantwell on March 27 where the
22 community voted in favor of accepting the offer tendered by AHTNA, Inc. It is now up to the State of
23 Alaska to determine if the offer will be approved. Public comment is being accepted through May 1,
24 and a decision is expected in June or July. Mayor Walker noted that he provided comment, as
25 requested by the assembly, in support of the Denali Borough receiving title to the Cantwell School
26 and Cantwell Transfer Station lands.

27
28 PUBLIC COMMENTS

29 Gordon Carlson, Cantwell resident, commented that the borough should consider three options for
30 gravel permitting – personal use, small commercial use and large commercial use. Mr. Carlson
31 spoke in opposition to the adoption of Ordinance 16-12.

32
33 ASSEMBLY COMMENTS

34 Assembly members thanked those in the audience for their attendance.

35
36 David EVANS, Paddy TATUM, and Don DEBLAUW thanked Gail Pieknik for eighteen years of
37 service to the Denali Borough.

38
39 Tallon SHREEVE thanked Gail Pieknik for her years of service to the borough, thanked those
40 who spoke at tonight's meeting, pointed out that Leif Holm's experience finding it difficult to find
41 commercial space is an example of how a lack of infrastructure is hard on business and
42 economic development in the borough.

43
44 Jared ZIMMERMAN commented that he attended the meeting with Agnew::Beck and stressed
45 that this project is important, and encouraged all to participate and have their voice heard.

46
47 Krista ZAPPONE thanked Gordon Carlson for his comment, adding that he has been heard, and
48 that the specifics of gravel permits can be re-evaluated at some point. Ms. Zappone thanked Gail

1 Pieknik for her years of service, and informed the assembly that she will be unable to attend next
2 month's meeting.

3
4 Jill BOELSMA thanked Gail Pieknik for her years of service, and congratulated Amber Renshaw
5 on her appointment to the Borough Clerk seat. Ms. Boelsma also thanked Healy Hockey for their
6 presentation, and commented that the group is evidence of great community effort.

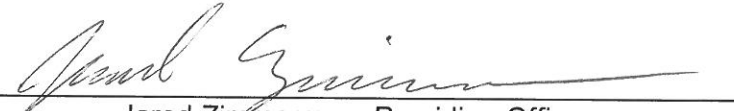
7
8 NEXT ASSEMBLY MEETING

9 The next regular meeting will be held on Wednesday, May 10, 2017 at the Anderson School;
10 Public Hearing 6:00 PM with Joint Work Session with City of Anderson Council at 5:15 PM the
11 Regular Meeting following the Public Hearing.

12
13 Jill BOELSMA MOVED that the City of Anderson be requested to attend a joint work session on
14 May 10 at 5:15 PM. The motion was seconded. The VOTE by show of hands was unanimous.

15
16 ADJOURN: The meeting was adjourned at 9:38 PM.

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21 APPROVED:


Jared Zimmerman, Presiding Officer

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26
27 ATTEST:


Gail Pieknik, Borough Clerk

Date Approved: MAY 10, 2017