

1 **Denali Borough Assembly**
2 **Minutes of the Work Session, Public Hearing and Regular Meeting**
3 **Tri-Valley Community Center,**
4 **Healy, Alaska**
5 **August 7, 2019**

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8 **WORK SESSION**

9 Presiding Officer Jared ZIMMERMAN called the work session to order at 6:07 PM.

10
11 Emergency Planning and Projects Coordinator Chris Noel provided information and photos of
12 the Healy area flooding.

13
14 Emergency Planning and Projects Coordinator Chris Noel and Land Planner Marsha Lambert
15 provided a presentation to review two systems of addressing for the assembly to consider.

16
17 Presiding Officer Jared ZIMMERMAN closed the work session.
18

19
20 **PUBLIC HEARING**

21 Presiding Officer Jared ZIMMERMAN called the public hearing to order at 7:16 PM.

22
23 **ORDINANCE 19-10: Denali Borough Code Chapter 9.10 Titled Subdivisions**

24 There were no public comments.
25

26 **ORDINANCE 19-11: Marijuana and Alcohol Tax**

27 Nine members of the public including Holly Slinkard with McKinley Creekside Cabins,
28 Vanessa Juszczak with the Denali Chamber of Commerce, Scott Reisland with Denali Grizzly
29 Bear Resort, Dave Coleman with Sled Dog Liquor, Susan Nowland with Denali Grass Co.,
30 Kevin Schwan with Denali Cannabis Cache, Moose-Aka's Restaurant, Shawn Peterson, and
31 Abby with the Denali Cannabis Cache spoke in opposition to Ordinance 19.11: Marijuana
32 and Alcohol Tax.

33
34 Two members of the public including Erik Haugen and Hannah Noel spoke in favor of
35 Ordinance 19-11: Marijuana and Alcohol Tax.
36

37 **ORDINANCE 19-12: 2019 Emergency Management Performance Grant (EMPG)**
38 **Acceptance and Appropriation**

39 There was no public comment.
40

41 Presiding Officer Jared ZIMMERMAN closed the public hearing.
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REGULAR MEETING

Presiding Officer Jared ZIMMERMAN called the regular meeting to order at 7:42 PM.

PLEDGE OF ALLEGIANCE

Mayor Clay Walker led those present in the Pledge of Allegiance.

ROLL CALL

Assembly members present: Jake HILL, Jill BOELSMA, Don DEBLAUW, Jared ZIMMERMAN, David EVANS, Tallon SHREEVE, Joe CHATFIELD and Krista ZAPPONE. Absent: Eileen HOLMES. Mayor Clay Walker was also present.

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

PUBLIC COMMENTS

The assembly received comments from 5 members of the public including Erik Haugen, Vanessa Juszczak with the Denali Chamber of Commerce, Landon Labahn, Curtis Hamel, and Himalaya Drive resident Diane Benoit, on the following:

- Request for a declaration of a state of emergency for the current flooding in the Healy area.
- Request for assistance for residents effected by the flooding.
- Support for the street length system of addressing recommended by the Local Emergency Planning Commission.
- Report of Denali Chamber of Commerce activities.

AGENDA

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

MINUTES

JUNE 6, 2019 SPECIAL WORK SESSION AND MEETING MINUTES
JUNE 12, 2019 PUBLIC HEARING, AND REGULAR MEETING MINUTES
JULY 10, 2019 PUBLIC HEARING AND WORK SESSION MINUTES

David EVANS MOVED to approve the minutes of the June 6, 2019 Special Work Session and Meeting, the June 12, 2019 Public Hearing and Regular Meeting, and the July 10, 2019 Public Hearing and Work Session as presented. The motion was seconded. The VOTE by show of hands to approve was unanimous.

REPORTS

MAY AND JUNE 2019 FINANCIAL REPORTS

Jill BOELSMA MOVED to receive the May and June 2019 Financial Reports. The motion was seconded. The VOTE by show of hands was unanimous.

1
2 **PLANNING COMMISSION REPORT**

3 Planning Commissioner Erik Haugen reported the following:

- 4 • The Planning Commission approved Resolution 19-01 supporting the Denali Borough
- 5 grant request to the Alaska Department of Transportation and public Facilities
- 6 Community Transportation Program for a Healy area pedestrian path.
- 7 • Reviewed land management plans.
- 8 • Planning Commission Seat I is open until filled.

9
10 **SCHOOL DISTRICT REPORT**

11 Superintendent Dan Polta verbally highlighted information provided in the attached written

12 report (attachment A).

13
14 **MAYOR REPORT**

15 Mayor Clay Walker verbally highlighted information provided in the attached written report

16 (attachment B).

17
18 **ASSEMBLY COMMENTS**

19 Assembly members offered the following comments:

- 20 • Thanked the public for their attendance and participation.
- 21 • Encouraged those effected by the current flooding to contact the borough office.
- 22 • Offered appreciation for our local emergency responders.
- 23 • Offered sympathy to those effected by the recent Kobe area fire and Healy area
- 24 flooding.
- 25 • Thanked borough staff for the information and presentation on the two systems of
- 26 addressing.
- 27 • Offered sympathy for the loved ones of the young woman that lost her life on the
- 28 Teklanika River and posed the question of how the borough might play a role in
- 29 making a dangerous adventure destination located in our borough safer.

30
31 **COMMUNICATIONS AND APPEARANCES**

32 There were no communication and appearance requests.

33
34 **DRAFT ORDINANCES**

35 **ORDINANCE 19-13: Accept and Appropriate Local Emergency Planning Committee**

36 **Grant Funds**

37 Jill BOELSMA MOVED to introduce Ordinance 19-13. The motion was seconded. The roll

38 call VOTE to introduce Ordinance 19-13 was unanimous.

39
40 Jill BOELSMA MOVED to postpone Ordinance 19-13. The motion was seconded. The

41 VOTE by show of hands to postpone was unanimous.

42
43 **ORDINANCE 19-14: Marijuana Prohibition**

1 Krista Zappone MOVED to postpone indefinitely Ordinance 19-14. The motion was
2 seconded. Points of discussion included:

- 3 • Introducing instead of postponing indefinitely to give the public the opportunity to
4 comment.
- 5 • Concern for the effect this would have on existing businesses.
- 6 • Concern that this ordinance is a governmental overreach to regulate individual
7 choices.
- 8 • Amending the ordinance to be a ballot measure.

9
10 The VOTE by show of hands to postpone indefinitely passed with 5 "YES" votes and 3 "NO"
11 votes.

12
13 **ORDINANCE 19-15: Gambling Prohibition**

14 Joe CHATFIELD MOVED to introduce Ordinance 19-15. The motion was seconded. Points
15 of discussion included:

- 16 • Concern that commercial gambling has a substantial impact on communities.
- 17 • Concern that if the State of Alaska changed current law regarding gambling, this
18 ordinance would protect our communities.
- 19 • Concern that this ordinance is a government overreach to regulate individual choices.
- 20 • The State of Alaska already regulates commercial gambling, making this ordinance
21 unnecessary.

22
23 The roll call VOTE to introduce failed with 5 "NO" votes and 3 "YES" votes as follows:

24
25 BOELSMA NO
26 CHATFIELD YES
27 SHREEVE YES
28 EVANS NO
29 HILL NO
30 ZAPPONE NO
31 DEBLAUW YES
32 ZIMMERMAN NO

33
34 **ORDINANCE 19-16: Regulation of Adult Entertainment Businesses**

35 Joe CHATFIELD MOVED to introduce Ordinance 19-16. The motion was seconded. Points
36 of discussion included:

- 37 • Concern of the effects an adult business would have on our neighborhoods and
38 communities.
- 39 • Addressing this type of commercial activity through a conditional use permit process
40 instead of an ordinance.
- 41 • Question about internet based adult businesses.
- 42 • Concern that this ordinance is a government overreach to regulate individual choices.

- 1 • Concern about the business license fee and location restrictions described in this
2 ordinance.
3

4 The roll call VOTE to introduce Ordinance 19-16 passed with 5 “YES” votes and 3 “NO”
5 votes as follows:
6

7	CHATFIELD	YES
8	BOELSMA	NO
9	ZAPPONE	NO
10	HILL	NO
11	EVANS	YES
12	SHREEVE	YES
13	DEBLAUW	YES
14	ZIMMERMAN	YES

15
16 David EVANS requested to change his vote. Presiding Officer ZIMMERMAN called for a
17 show of hands for a member’s request to change their vote. The request, which requires
18 unanimous consent, failed with Joe CHATFIELD opposed.
19

20 Tallon SHREEVE MOVED to postpone Ordinance 19-16. The motion was seconded. The
21 VOTE by show of hands was unanimous
22

23 Presiding Officer ZIMMERMAN requested that the administration receive legal review of this
24 ordinance, specifically the license fee and location restrictions.
25

26 **ORDINANCE 19-17: Overnight Accommodation Tax Increase**

27 Tallon SHREEVE MOVED to introduce Ordinance 19-16. The motion was seconded. Points
28 of discussion included:

- 29 • The benefit to consider more than one tax revenue source.
30 • The intent to place only one tax revenue ballot measure on the November ballot.
31

32 Krista ZAPPONE MOVED to amend Ordinance 19-17 to include “major school
33 maintenance” as an intended use of tax revenue. The motion was seconded. The VOTE to
34 amend by show of hands was unanimous.
35

36 The roll call VOTE to introduce Ordinance 19-17 was unanimous.
37

38 Jill BOELSMSA MOVED to postpone Ordinance 19-17. The motion was seconded. The
39 VOTE by show of hands was unanimous
40

41 **PENDING ORDINANCE**

42 **ORDINANCE 19-10: Denali Borough Code Chapter 9.10 Titled Subdivisions**

43 Jake HILL MOVED to approve Ordinance 19-10. The motion was seconded. The roll
44 call VOTE to approve Ordinance 19-10 was unanimous.

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ORDINANCE 19-11: Marijuana and Alcohol Tax

Jill BOELSMA MOVED to postpone Ordinance 19-11. The motion was seconded.

Jake HILL MOVED to amend Ordinance 19-11 to include "major school maintenance" as an intended use of tax revenue. The motion was seconded. The VOTE to amend by show of hands was unanimous.

Ms. BOELSMA explained that the motion to postpone was with the intention to give the public another opportunity to provide comment.

The VOTE by show of hands to postpone passed with 7 "YES" votes and 1 "NO" vote.

ORDINANCE 19-12: 2019 Emergency Management Performance Grant (EMPG) Acceptance and Appropriation

Jill BOELSMA MOVED to approve Ordinance 19-12. The motion was seconded. The roll call VOTE to approve Ordinance 19-12 was unanimous.

RESOLUTIONS

RESOLUTION 19-19: Support to request unspent Local Emergency Planning Committee fiscal year 2019 funds

Jake HILL MOVED to approve Resolution 19-19. The motion was seconded. The roll call VOTE to approve was unanimous

RESOLUTION 19-20: A resolution declaring the eligibility of the Denali Borough to submit an application to the Alaska Dept. of Transportation and Public Facilities for the Community Transportation Program for the Healy pedestrian path.

Denali Borough Administrative Assistant Trena Haugen provided a presentation about the Healy area pedestrian path project.

Joe CHATFIELD MOVED to approve Resolution 19-19. The motion was seconded. The roll call VOTE to approve was unanimous

OTHER BUSINESS

BOUNDARY SURVEY FOR OTTO LAKE AND ANDERSON

Mayor Walker reviewed the Otto Lake and Anderson survey project and the opportunity to include this project with the already scheduled aerial imagery project.

PANGUINGUE CREEK HOME OWNERS ASSOCIATION MEMORANDUM OF AGREEMENT

Krista ZAPPONE MOVED to postpone the Panguingue Creek Home Owners Association Memorandum of Agreement. The motion was seconded. The VOTE by show of hands was unanimous.

1 **BOROUGH WIDE ADDRESSING SYSTEM**

2 Jill BOELSMA MOVED to implement the street length system of addressing in the Denali
3 Borough. The motion was seconded. Points of discussion included:

- 4 • The Local Emergency Planning Committee recommended the street length system.
- 5 • The baseline system would be more administratively flexible however, the intention of
6 implementing a system of addressing is to improve emergency response so it is
7 reasonable to implement the system recommended by our emergency responders.

8
9 The VOTE by show of hands to implement the street length system of addressing passed
10 with 5 "YES" votes and 3 "NO" votes.

11
12 **TAXPAYER ONLINE PAYMENT FEES**

13 Krista ZAPPONE MOVED to approve a fee structure in which the transaction fee for credit
14 card, debit card, and online banking payment methods will be paid by the taxpayer. The
15 motion was seconded. The VOTE by show of hands was unanimous.

16
17 **PUBLIC COMMENTS**

18 Erik Haugen expressed concern that he has heard assembly members refer to our borough
19 as a seasonal community and he would remind the assembly that we have many year round
20 residents. Mr. Haugen also expressed concern that he heard some assembly members
21 state that they had not read some of the documents on the agenda and he believes it's each
22 individual assembly member's duty to be prepared for each meeting. Further, Mr. Haugen
23 stated that he believes the motion to postpone is being used as a tool to sway the final vote.

24
25 **ASSEMBLY COMMENTS**

26 Assembly members thanked those in attendance, in addition to the following comments:

27
28 Jill BOELSMA clarified that the motion to postpone is a procedural motion defined in
29 Roberts Rules to place an item on the next regular public hearing and/or regular meeting
30 agenda. Denali Borough Code requires ordinances to be introduced and receive a public
31 hearing prior to adoption, therefore, postponing is the appropriate motion to use to move
32 ordinances forward in the order in which they are to be considered. Ms. BOELSMA
33 announced that the Denali Education Center will be holding an auction for their 30th
34 Anniversary Event on August 10th.

35
36 Jake HILL encouraged the community to attend the Denali Education Center 30th
37 Anniversary Event and expressed appreciation for the slow and structured consideration
38 that an ordinance must receive prior to adoption.

39
40 Krista ZAPPONE clarified that the Denali Borough is economically based largely on
41 seasonal activities but is home to many year round residents. Ms. ZAPPONE stated that
42 she prepares for each meeting by reading through all agenda items and accompanying
43 documents prior to the meeting.

1 Jared ZIMMERMAN stated that he is against the prohibition of marijuana and believes
2 that marijuana retail stores provide a service to our community by providing a safe and
3 legal location for citizens to obtain a safe and legal product.

4
5 Tallon SHREEVE stated that he is glad to see our borough being proactive in
6 considering additional revenue.

7
8 Don DEBLAUW thanked Chris Noel and Marsha Lambert for their assistance on the
9 Kobe Farm Community road project.

10
11 David EVANS stated that he believes it is good practice to postpone agenda items to
12 give the public additional time to provide comment than to risk limiting public
13 participation.

14
15 Joe CHATFIELD stated that good discussion and consideration for all agenda items is
16 valuable, even when members disagree. Mr. CHATFIELD thanked all those that helped
17 with the Kobe Fire, especially the Tri-Valley Volunteer Fire Department. He reported that
18 he has been able to observe the Kobe Farm Community road project and has seen well-
19 constructed road improvements. Mr. CHATFIELD expressed his continued concern for
20 marijuana in our communities. Lastly, he asked if there was anything the assembly could
21 do for the residents effected by the Healy area flooding before the meeting adjourned.

22
23 **TIME AND PLACE OF NEXT MEETING**

24 Next regular assembly meeting will be on Wednesday, September 11, 2019 at the
25 McKinley Community Center, Denali, Alaska. Work session starting at 6:00 PM with the
26 Public Hearing and regular meeting to follow.

27
28 **ADJOURN:**

29 Krista ZAPPONE MOVED to adjourn. The motion was seconded. The meeting was
30 adjourned by unanimous voice vote at 10:58 PM.

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33 APPROVED: 
34 Jared Zimmerman, Presiding Officer

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37 ATTEST: 
38 Amber Renshaw, Borough Clerk

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43 Date Approved: 9/11/2019



Denali Borough School District

P.O. Box 280 • Healy, Alaska 99743 • (907) 683-2278 • FAX (907) 683-2514

Superintendent's Report Denali Borough Assembly Wednesday, August 7th, 2019

Dear Denali Borough Assembly and Mayor Walker,

Please accept this written report for the month of August.

1. The new school year is just around the corner, students start school on Wednesday, August 21st.
2. Appreciation/Congratulations
 - a. Thank you to our maintenance crew, Annie, Dwight, Eric, Jeremy and Justin. They worked hard this summer to complete several internal projects and prepare our schools for the new school year.
 - b. Thank you to the fire fighters and volunteers who responded to the Kobe area fire in July.
3. Finances
 - a. FY19 Budget – The District is preparing for our annual final review. The site visit from our auditors will take place next week.
 - b. FY20 State Funding – Payments to school districts in Alaska are continuing as scheduled based while the lawsuit between the Legislature and the Administration continues in the courts. If the Administration prevails, it is my understanding that they would continue to fund the full BSA but not the \$30 million that was approved statewide outside of the BSA. This would reduce state aid to DBSD by ~\$150,000, with a possible corresponding impact to the local contribution allowed under the 23% cap.
 - c. FY21 State Funding – Forward funding for FY21 was vetoed by Governor Dunleavy among his line item vetoes. The forward funding was then reauthorized by the Legislature as part of the final budget bills that passed in the second special session. It awaits the signature or veto of the Governor.
4. Facilities
 - a. Cantwell Roof Project – Construction is nearing completing. A 10 day extension was granted to the contractor. Completion is expected no later than the 12th of August.

Mission Statement

Nurturing, empowering and inspiring today's student to positively shape tomorrow's world.

- b. Asbestos Abatement – This project to remove known asbestos from our schools is almost complete. The final parts still in progress are retiling and completing some of the replacement flooring in Anderson School.
- c. Fire Fighter Shower Access – During the response to the Kobe fire, DBSD contracted with the Division of Forestry and allowed their fire crews to access the locker rooms and showers in Anderson School.

5. Professional Development

- a. In-service with our teachers new to DBSD is next Tuesday, the 13th of August, and in-service for all teachers is the following three days, August 14th -16th.

6. Personnel

- a. Certified Staff
 - i. We are fully staffed for the start of the school year.
- b. Classified Staff
 - i. We are reviewing enrollment for the new year and adjusting hours as needed with our staff
- c. Exempt Staff
 - i. No Updates
- d. Temporary Staff
 - i. No updates.

Sincerely,

Dan Polta
Denali Borough School District

DENALI BOROUGH

P.O. Box 480 • Healy, Alaska 99743
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Website: www.denaliborough.com



Clay Walker, Mayor

August 2019 Mayor's Report to the Denali Borough Assembly

This report speaks primarily to non-agenda items. Agenda items will be discussed in meeting.

Small Counties PILT (Payment In Lieu of Taxes) Parity Act

- The Denali Borough, along with the Alaska Municipal League and the National Association of Counties, has supported a change to the federal PILT formula to recognize and more fairly compensate counties/boroughs with fewer than 5,000 residents. The Denali Borough Assembly passed Resolution 18-13 supporting a change through federal congressional action.
- Senator Lisa Murkowski, along with Sen. Steve Daines (MT) and Sen. Cory Gardner (CO), have introduced the above named new bill to address this issue and adjust the PILT formula. The bill summary reads: "This bill will create a minor modification to the population values table in Section 6902 of the PILT formula. This section would be modified so that eligible low population counties (those with populations under 4,000) would receive higher annual limitation ceiling, which would likely result in increased PILT payments. This formula adjustment will help bring parity to lower population counties and help address rising infrastructure and emergency services costs."
- After working on this issue for over a year, the borough is very pleased to support this bill to remedy this imbalance. The calculated difference for FY 20 would be an additional \$91,393 for the Denali Borough and a total increase of \$623,001 for Alaska's boroughs.
- The PILT program is currently the Denali Borough's second largest source of revenue, behind the overnight accommodation tax.

BUILD Grant submitted for MP 231 Safety Enhancements Project

- With support from the State of Alaska Department of Transportation and Public Facilities, the Denali Borough did submit a federal BUILD grant application for \$25 million to construct the planned new bridge and safety improvements, which include turn lanes and pedestrian pathways, near MP 231.
- The award date for these competitive applications is November 12, 2019.

Rivers, Trails, Conservation Assistance (RTCA) Program Engagement

- RTCA is an arm of the National Park Service who assists communities plan and carry out trail and other outdoor recreational projects. For the first time, the Denali Borough applied for assistance from RTCA. That application was approved and we have a one year agreement, during which time we expect to work on both the Bison/Mt. Healy parking area and trail improvement plan and a broader trails plan for the entire borough.

Fairbanks Emergency Communications Center (FECC) Dispatch Contract

- Along with Denali Emergency Services Association (DESA) President Rob Graham, I signed a one year agreement extension for continued dispatch services from FECC for the five emergency response organizations in the borough. This is the first time the borough is a co-signatory to the agreement. The

cost went up three percent (\$720), which will necessitate a later FY20 budget amendment for the DESA grant line item.

Kobe Fire

- The evening of Thursday July 11th, in response to a new human caused wildland fire, the Unified Incident Command (Forestry, City of Anderson VFD, Alaska State Troopers) issued a notification of Level 3 “Go Now” evacuation of the Anderson and Kobe Ag Subdivisions and surrounding area of Kobe Road while also placing the City of Anderson and surrounding area under a Level 2, “Get Set” status. That evening the borough stood up an Emergency Operation Center at the borough office and worked to coordinate evacuation shelters and promote the flow of accurate information.
- Chris Noel, Borough Emergency Planner, and myself visited the center of Forestry operation on site on Friday, meeting with the Incident Commander and the Operations Section Chief.
- Senator Murkowski’s Office and the Governor’s Office both reached out with offers of support.
- The Division of Forestry brought significant resources to bear on the fire and prevented the fire from expanding in a way which would further threaten property.
- The coordination, communication and overall response from the involved agencies -- Public Safety, Forestry, the City of Anderson VFD, Clear AFS FD, Tri-Valley VFD, McKinley VFD, and the Denali Borough was, in my mind and others’, nothing short of exemplary. Also, the Denali Borough School District, Tri-Valley VFD Admin, Neighbor to Neighbor and the City of Nenana were all very helpful in establishing evacuation shelters. There are too many to name individually but many thanks are due in the very supportive community response.
- Based upon the level of borough response required and the level of damage reported, I did not issue a Disaster Declaration.

FireWise Initiative

- When I informed the Operations Section Chief that Senator Murkowski and Governor Dunleavy had asked if we needed any additional resources, he replied that “the main thing we need is for homeowners to maintain a defensible space around their property so that we can protect it.”
- This powerful message should be carried forward. To support individual efforts, the borough has established brush collection sites at each of our three solid waste facilities.
- For specific ways we can firewise our homes, residents are encouraged to learn more at: <https://www.nfpa.org/Firewise>

FLAP (Federal Lands Access Program) grant applications

- After a preliminary review, the borough’s application for funding for a new parking area and trailhead for the Bison/Mt. Healy hiking area is slated for tentative funding.
- State DOT’s application for a Cantwell to Ferry Transportation Corridor Planning Effort is also tentatively approved.

Legislative Update

- On Monday July 29th, the legislature passed a new bill which restored many of the previously vetoed budget items. Included in that list is the \$30 million appropriation to “backfill” the Community Assistance Program Fund.
- As of this writing, Governor Dunleavy has 15 days to act on the bill.

Happy August, happy late summer. As always, feel free to contact me or staff with any questions.

- Clay