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**MATANUSKA-SUSITNA BOROUGH
RESOLUTION SERIAL NO. 23-104**

A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY APPROVING
2024 STATE LEGISLATIVE PRIORITIES.

Borough Action Priorities:

**A. SUPPORT FOR DEPARTMENT OF TRANSPORTATION AND PUBLIC
FACILITIES ROAD PROJECTS:**

- **Seward Meridian Parkway Improvements, Phase II (Palmer-Wasilla Highway to Seldon Road) - \$57 Million**
The project will upgrade the Borough's current two-lane road with no shoulder to a four-lane road with shoulders, turn lanes, a separated path, a bridge over Cottonwood Creek, and safety improvements at intersections. Phase II will extend from the Palmer-Wasilla Highway to Seldon Road and positively impact access to five area schools.
- **Community Transportation Program, Borough Projects Already Underway - \$32.9 Million**
 - o Hemmer Road Extension and Upgrade to Bogard Road.
 - o Hermon Road Extension and Upgrade to Palmer-Wasilla Highway.
 - o Seldon Road Extension, Phase II (Windy Bottom to Pittman Road).
 - o Trunk Road Extension South, Phase III (Wasilla Creek Bridge).
- **Wasilla-Fishhook, Main Street Rehabilitation - \$48 Million**
Construct a one-way couplet in downtown Wasilla bounded by Bogard Road, Knik Goose Bay/Main Street, Yenlo/Talkeetna Street, and the Palmer Wasilla Highway.
- **Highway Safety Improvement Projects - \$41.8 Million**
 - o Bogard Road/Engstrom Road/Green Forest Dr. roundabout
 - o Church Road and Spruce Avenue intersection flashing beacon.
 - o Palmer-Fishhook Road and Trunk Road roundabout.
 - o Pittman Road shoulder widening and slope flattening.

- o Vine Road and Hollywood Road intersection improvements.
- o Wasilla-Fishhook Road and Spruce Avenue/Peck Street roundabout

- **Fairview Loop Rehabilitation - \$54.3 Million**

The proposed scope will include rehabilitation of Fairview Loop pavement, widening shoulders, and constructing a separated pathway from Top of the World Circle to Fern Street. In addition, the project will also include spot safety improvements from Marble Way to South Bearing Tree Lane.

- **Vine Road Reconstruction, Knik-Goose Bay Road to Hollywood Road - \$12.1 Million**

The project will reconstruct 0.6 miles of the existing two-lane rural road from Knik Goose Bay Road to Hollywood Road to address the increase in traffic volumes.

- **Big Lake Road MP 0-3.6 and Church Road Pavement Preservation - \$13.2 Million**

- **Big Lake Road MP 3.6 to 9.1 Pavement Preservation - \$20 Million**

- **Bogard Road Pavement Preservation, Trunk Road to Wasilla Fishhook - \$16 Million**

- **Wasilla-Fishhook, Seldon Road to Tex-Al Drive - \$8.9 Million**

- **Old Glenn Highway, Milepost 1 to 18 - The Borough requests that the Alaska State Department of Transportation and Public Facilities designate the Old Glenn Highway as a highway safety corridor and fund the planning, design, and construction of a multi-phased improvement project to address traffic safety concerns and ensure adequate alternative access to interior Alaska. Resolutions from the Butte and South Knik River Community Councils support this action.**

B. FULL COMPLEMENT OF TROOPER STAFFING AND PRESENCE IN THE BOROUGH EQUALING 71 SWORN OFFICERS - The University of Alaska Anchorage Justice Center report of February 22, 2018, recommends a total of 71 sworn staff; We support this goal.

- C. CONTINUED SUPPORT FOR THE WEST SUSITNA ACCESS ROAD** - Design and construct a State maintained access road to open vast acreage on the west side of the Borough to agriculture, commercial use, forestry, materials extraction, public recreation, resource management, and settlement. The road will help develop the area between the Little Susitna (Little Su) and Susitna (Big Su) Rivers, opening approximately 200,000 acres. The project also puts the State near the doorstep of 6 million acres of land on the other side of the Big Su with oil and gas, mineral, agricultural, timber, and many other resources.
- D. SUPPORT FOR STATE FORESTRY TO IMPLEMENT A PROGRAM TO HARVEST/REMOVE BEETLE KILLED SPRUCE TO REDUCE FIRE HAZARD** - The spruce bark beetle has killed thousands of acres of spruce trees within the Borough, causing residents to experience significant economic, physical, and emotional loss due to several devastating wildfires over the last several years. The Borough fully supports the State in seeking State and Federal funding for the harvesting/removing these trees as quickly as possible to reduce the danger of fire to Borough residents and businesses.
- E. SUPPORT FOR USER-FRIENDLY TRANSPARENT HEALTHCARE PRICING, INCLUDING ADOPTION OF A STATE ALL-PAYER CLAIMS DATABASE** - An All-Payer Claims Database (APCD) in Alaska, was introduced in the State Legislature in 2021. The Alaska Health Transformation Project identified the establishment of an APCD in Alaska as a critical step in helping understand health spending trends, utilization, and pricing variation. It would require insurers and providers to submit non-identifying health data to be aggregated for policy analysis and cost trends. There have been attempts at the national level to make healthcare pricing more transparent, including the recently adopted Hospital Price Transparency Rule, which took effect in January 2021 and requires medical providers to make pricing information available publicly. However, to date, many providers are not disclosing information or have done it in formats on their websites that are time-consuming, difficult to use, and not easily comparable to other providers.
- F. SUPPORT FOR THE ALASKA LONG TRAIL** - The Assembly adopted Resolution Serial No. 21-045 on May 18, 2021, supporting the proposed Fairbanks to Seward multi-use trail, also known as the Alaska Long Trail. The Alaska Long Trail is an initiative sponsored by a coalition of partners and led by Alaska

Trails that seeks to establish a 500-mile trail from Seward to Fairbanks.

- G. SUPPORT FOR THE JONESVILLE PUBLIC USE AREA MANAGEMENT PLAN AND AGREEMENT** - The Alaska State Legislature established the Jonesville Public Use Area. The Assembly supports the Alaska State Department of Natural Resources in creating and implementing a management plan for the Jonesville Public Use Area to include a management agreement with the Borough.
- H. SUPPORT FOR MODIFYING ALASKA STATUTE 34.08 - COMMON INTEREST OWNERSHIP ACT** - Support to require common interest communities to conform with local platting authority subdivision regulations. Alaska Statute 34.08 allows for the subdivision of land into "units" and "common elements" without any oversight by local government. Units resemble lots and can ignore minimum sizes for the safe attenuation of septic generated. Common elements resemble roadways and often do not provide interconnectivity and create unsafe conditions due to substandard widths and geometric design.
- I. SUPPORT FOR CORPORATE TAX HOLIDAY FOR THE PORT MACKENZIE DISTRICT** - The Assembly supports incentivizing private investment into the Port MacKenzie District through tariff rates and local tax incentives and is also requesting State support for creating a state corporate tax holiday for up to 15 years for companies that choose to invest in Port MacKenzie.
- J. SUPPORT FOR ALASKA DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES (ADOT&PF) MAINTENANCE FACILITY IN THE BOROUGH** - The Assembly supports the construction of a new ADOT&PF maintenance facility in the core area. The new shared Maintenance and Operations (M&O)/State Equipment Fleet facility (SEF) planned to be constructed on South Endeavor Street at approximately mile three of Knik-Goose Bay Road will significantly enhance the capabilities of the ADOT&PF M&O section by providing the right-size vehicle equipment stalls, bays, storage rooms and shared common areas, as well as a location more central to the Borough's population. The services provided by M&O and SEF have significantly outgrown the existing facility size, resulting in inefficiencies in operations. By constructing a new facility, current asset maintenance technology systems will be incorporated, providing enhanced safety features and energy efficiency technologies, allowing for significantly reduced costs per square foot for occupancy. With the largest increase in

population forecasted in the state of Alaska occurring in the Borough, the construction of this new facility will result in the optimum service level to fleet customers in the Borough and ensure the movement of goods and services throughout the valley.

- K. SUPPORT FOR ALASKA LIQUEFIED NATURAL GAS (AKLNG)** - AKLNG will use clean, energy-efficient, and safe production methods to deliver a stable natural gas supply for commercialization and in-state distribution. The Assembly supports this project, which the Alaska Gasline Development Corporation is developing. Alaskans need a long-term and affordable source of power for home heating, power generation, and industrial needs.
- L. KNIK ARM CROSSING** - The Knik Arm Crossing (KAC) will connect the State's two largest population centers and their road networks, ports, airports, and rail corridors. The KAC will provide a more direct, alternate route from the Borough (Point MacKenzie and beyond) to Anchorage and stimulate growth in the southern portion of the Borough. Socioeconomic studies performed for the Borough indicate that this area will experience significant growth, and investment in infrastructure to support that growth should begin now to avoid costly highway expansion as is currently being experienced on Knik-Goose Bay Road, Parks Highway, and Glenn Highway corridors.
- M. STATE LAND TRANSFERS TO THE MATANUSKA-SUSITNA BOROUGH** - The Borough continues seeing major land and natural resources development growth. As part of the Alaska General Land Grant, the Borough was entitled to approximately 355,000 acres of land as part of its municipal entitlement. Borough lands are used for public facilities and schools to generate revenue through land and resource sales, leases, and permits. Along with the population increases within the Borough, we have witnessed a growing demand for land for public facilities and schools, public/private partnerships for commercial lease sites, agricultural parcels, and residential and recreational subdivisions. Furthermore, there is a demand for resources such as timber, rock, and gravel materials. As a result, the Borough has disposed of most of its developable acreage along the road system, primarily in core growth areas near and within the communities of Palmer, Wasilla, Houston, and Willow. Currently, the vast majority of remaining Borough-owned entitlement lands are in remote, inaccessible areas of the Borough that will likely never be developed due

to the Alaska State Department of Natural Resource's survey requirements, accessibility, and high construction costs. To meet demand and provide the public with opportunities to develop borough land, the Borough seeks to acquire additional state-owned land, namely developable properties on the road system near infrastructure and utilities. With other land entitlement, the Borough would be well-positioned to meet the needs of the public, address growth, and plan for the future. The Borough has aggressively managed its lands regarding material resource sales, spruce bark beetle mitigation, and recreation area development. In addition, annual land sales programs have been booming in recent years. However, the Borough's inventory of desirable lands has dwindled. Obtaining additional State lands would create more development opportunities, benefitting both the Borough and the State.

N. FISHERY MANAGEMENT

- Support collaboration between the State and Federal fisheries management to reduce bycatch.
- Increase funding for fish weirs in the Borough and increase genetic sampling to improve salmon management.
- Full match Federal funds from license fees to maximize Federal dollars for fish and game.
- Hold Alaska State Board of Fisheries meetings at a neutral site such as Anchorage, rather than in the Matanuska-Susitna Borough or Kenai Peninsula Borough.
- Maintain the conservation corridor for salmon.

- O. OPPOSE PROPOSED CHANGES TO ALASKA STATE PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS) UNLESS MUNICIPALITIES ARE ALLOWED TO ELECT CHANGES AFFIRMATIVELY** - The Assembly opposes any bills amending the PERS of Alaska allowing for plan design changes unless such bills contain a provision that changes only apply to participating municipalities if the municipalities affirmatively elect to allow the changes to apply to its municipal employees. Proposed changes from the current defined contribution payments to defined benefit payments may result in a 69 percent increase in retirement expenses paid by a municipality. Assembly Resolution Serial No. 23-018 supports this.

- P. REQUEST THE STATE OF ALASKA KEEP VOTER REGISTRATION ACCURATE** - The Borough does not and cannot legally maintain a list of voter registrations. The state of Alaska should review and update the processes and procedures to keep voter

registration accurate, emphasizing a more prompt and effective method for removing inactive voters, voters who have moved, and voters who do not vote. Assembly Resolution Serial No. 23-038 supports this.

- Q. SUPPORT OF HOUSE BILL 154 AND SENATE BILL 125 ESTABLISHING THE ALASKA ENERGY INDEPENDENCE PROGRAM AND THE ALASKA ENERGY INDEPENDENCE FUND** - The Assembly supports passage of House Bill 154 and Senate Bill 125 establishing the Alaska Energy Independence Program and the Alaska Energy Independence Fund. This fund, often referred to as the "Green Bank," would fund sustainable energy projects statewide and benefit the residents and businesses of the borough by lowering the cost of energy, increasing discretionary income, and creating jobs. These projects could include renewable energy, energy efficiency, smart grid, distributed generation, electric vehicle infrastructure, and sustainable agriculture. Assembly Resolution Serial No. 23-050 supports this.
- R. ADOPT A STANDARD FOR OPERATING A VEHICLE WHILE UNDER THE INFLUENCE OF MARIJUANA OR A STANDARD FOR THE PRESUMPTION OF BEING UNDER THE INFLUENCE OF MARIJUANA** - Marijuana, like alcohol, can cause impairment to mental and physical functions, and raises the probability of injury to people and property, constituting a public safety hazard. There is no level of criminality or presumption of being under the influence of marijuana while driving. A standard will enable the Borough to evaluate better whether local onsite consumption standards need to be set considering the limits, presumptions, and risks. This is supported by Assembly Resolution Serial No. 23-004.
- S. SUPPORT PROPOSED CHANGES TO THE LAW REGARDING SEX OFFENDERS AND SEX CRIMES** - The Assembly supports Governor Dunleavy's proposed changes to the law regarding sex offenders and sex crimes that increase penalties for human and sex trafficking and sex offender registration requirements. Increasing registration requirements to include additional information and requiring more people with out-of-state registration requirements to register if they move to Alaska better protects the community and its citizens. The proposed changes aim to help prevent sex trafficking by increasing the penalties and making it a more serious crime. This is supported by Assembly Resolution Serial No. 23-024.

- T. SUPPORT OF HOUSE BILL 105 RELATING TO PARENTAL RIGHTS IN EDUCATION** - Under House Bill 105, State law will be amended to provide that school districts must adopt rules that provide for notice and affirmative written consent before any activity, class, or program that includes sensitive and personal content involving gender identity, human reproduction, or sexual matters. State law would also be amended to recognize the rights of parents to designate the official name used by schools when addressing or referring to enrolled students and prevent school districts from refusing to release sensitive and personal student records to the child's legal parent or guardian. This will increase parental control over the educational affairs of their children. This is supported by Assembly Resolution Serial No.23-046.
- U. SUPPORT OF STATE LEGISLATION PROHIBITING MUNICIPAL TAXATION OF THE TRANSFER OF REAL PROPERTY** - The Assembly supports legislation pending before the Alaska Legislature prohibiting municipal taxation of the transfer of real property. Real property within the Borough is already burdened with *ad valorem* taxes, and the transfer of real property within the Borough is already complicated without adding another layer of complexity with the taxation of the transfer. A tax on real property transfers would stymie general residential and commercial development. This is supported by Assembly Resolution Serial No. 23-053.
- V. OPPOSE STATE LEGISLATION ENACTING MAJOR CHANGES TO MANDATORY MUNICIPAL TAX EXEMPTIONS** - The Assembly opposes any major changes to mandatory tax exemptions. The Borough is not opposed to optional exemptions that give local governments the authority to adopt them. In this time of higher costs and uncertain fiscal assistance from the State, the Assembly urges the State to not pass mandatory tax exemptions that take away the local government's ability to refrain from enacting local taxes.
- W. SUPPORT INCREASED PENALTIES FOR HUMAN AND SEX TRAFFICKING CRIMES** - The Assembly supports House Bill 68 and Senate Bill 66 to strengthen Alaska's existing human and sex trafficking crimes to result in more successful prosecutions and deter new crimes of this nature. Alaska has one of the highest rates of trafficking per capita in the United States. According to the FBI Crime Data Explorer and Alaska News Source respectively, Alaska's rate of sexual assault is nearly four times the national average. Alaska's rate of child sexual assault is nearly six times the national average. House Bill

68 and Senate Bill 66 increase the penalties for all forms of trafficking, placing the most serious classifications on those crimes that use force to traffic an underage person into sex work. These bills also provide legal protection and life-changing tools for victims of trafficking.

- X. SUPPORT FOR ALASKA DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES WINTER ROAD MAINTENANCE IMPROVEMENTS** - Borough Road Service Area (RSA) maintenance contractors often travel on State roads to reach the Borough roads that they are maintaining. The Assembly requests that the ADOT&PF utilize Borough RSA contractors to make initial snow removal passes on key roadways as those contractors are making their way to maintain Borough roads. This would be a cost-effective way to improve services to State priority level 3 and 4 level roads. Examples include but are not limited to the following roads: Big Lake, Bogard, Church, Fairview Loop, Hollywood, Palmer-Fishhook, Seldon, Vine, and Wasilla-Fishhook.

BOROUGH FUNDING PRIORITIES:

- 1. FULL FUNDING FOR SCHOOL BOND DEBT REIMBURSEMENT - \$16,195,861**
The school bond ballot passed in 2011 permitted the Matanuska-Susitna Borough to construct a new secondary school in the Knik community; a new alternative high school in Palmer; a new school in the Wasilla area to meet the needs of Special Education students; an addition to the Career and Technical High School; two new elementary schools in Wasilla and the Knik community; and address many deferred maintenance items. New school construction was necessary to address significant population growth. Due to this ballot measure, the Borough's debt service payments continue through 2035.

One of our greatest challenges to developing an economic budget that delivers the services our citizens demand is the unpredictability of fully funding State school bond debt reimbursement in previous years. The Borough appreciates the State's repayment of previous years this past fiscal year, and requests continued support for fully funding this program. This represents \$16,195,861 for the Mat-Su this coming fiscal year.

- 2. 50 PERCENT STATE MATCH FOR VOTER-APPROVED TRANSPORTATION INFRASTRUCTURE PACKAGE - \$38,168,210**
In anticipation of Borough voter approval at the November 7, 2023 election to issue bonds for the Transportation Infrastructure Program 2023 (TIP23), the Borough is seeking

a 50 percent (50%) match from the State of Alaska to pay for projects that aim to reduce traffic congestion, support economic development, improve connectivity, enhance pedestrian and vehicle safety, increase reliability, and provide transportation choices for residents. Many of these projects are identified in MSB's Long Range Transportation Plan (LRTP), Official Highway and Streets Plan (OSHP), and Safe Routes to Schools Plan (SRTS). Project nominations for TIP23 came from various sources, including Borough residents, Borough staff, the Matanuska-Susitna Borough School District, the Transportation Advisory Board (TAB), the cities of Palmer, Wasilla, and Houston, and the Local Road Service Area Advisory Board (LRSAAB).

With a population of over 111,000 and an annual growth of 2.4%, there is an increasing need for new and improved public infrastructure.

This is supported by Assembly Ordinance No. 23-077 and accompanying Information Memorandum No. 23-163.

3. POINT MACKENZIE MULTI-MODAL TRANSPORTATION CORRIDOR

The Point MacKenzie multi-modal corridor project would be constructed through an alignment previously designated exclusively for the Port MacKenzie Rail Extension project. This project would support completing the current rail extension project in which the state of Alaska has invested \$184 Million. The corridor underwent a preliminary environmental and alternatives report in 2008 and an Environmental Impact Study in 2011, in partnership with the Alaska Railroad Corporation to prepare for the railway installation. While it may need further permitting and legislative approval because the original clearance was for a railroad, the corridor has been cleared of vegetation and prepared with a gravel aggregate embankment and six, single-lane railroad bridges.

Due to several unfulfilled funding requests to construct the rail amongst a growing housing boom and economic demand, the Borough is proposing to allow for corridor use as a 18.5 miles, two-lane arterial road parallel to the rail. This could be used as a utility corridor and would contribute to the goal of connecting goods and services in this fast-growing region. It would also provide a boost to the economy and advance transportation options for access to living-wage jobs and housing, should the bridge to Anchorage ever be considered. The Point MacKenzie multi-modal utility corridor

would turn this dormant corridor into an essential asset. The current estimate to construct a road is \$72 Million.

4. NON-BOROUGH CERTIFIED ROADS UPGRADES - \$10 MILLION

The Borough is the fastest-growing area in Alaska. Many roads built decades ago were not built to Borough standards, have substandard gravel bases, lack sufficient right-of-way and sight distance, and are not designed or constructed for the amount of traffic they carry. Improvements to these roads will ensure that the functionality and safety of the roads meet the proper classification and design standards. Funding would be utilized to upgrade various unmaintained roads and certify them for Borough maintenance.

5. CITY WATER INTERCONNECT - \$2 MILLION

The cities of Palmer and Wasilla and the Borough request \$2 Million to support the design and permitting of interconnecting the two city water systems in the core area of the Borough. This request would match local funds providing funding to design and permit an interconnect for future potential grant funding.

The cities' water systems play a crucial role in ensuring our community's health, safety, and well-being. However, each system operates independently, which presents challenges in terms of efficiency, resiliency, and long-term sustainability.

By connecting these two water systems, several significant benefits can be realized:

- Improved Resilience: In times of natural disasters or emergencies, having a redundant and interconnected water system ensures that residents and businesses will have a reliable source of clean water.
- Enhanced Water Quality: Combining the resources and expertise of both systems will lead to improved water system performance.
- Efficiency and Cost Savings: By sharing resources, water distribution can be optimized, operational costs can be reduced, and more access to water can be provided, which enables higher-density development.
- Supporting Growth and Development: A well-connected and reliable water supply system is essential for attracting

new businesses and residents, which fosters economic growth and development.

The proposed \$2 Million in funding would be used to support the critical early phases of this project including design, permitting, and initial infrastructure improvements needed to connect these two water systems. This investment will lay the foundation for a sustainable, resilient, and efficient water infrastructure that will serve residents for generations.

6. EDUCATION SUPPORT:

- **Increase Foundation Formula Funding by adjusting the Base Student Allocation (BSA) in successive years to support a multi-year funding plan. Increase the Base Student Allocation to \$7,087 in FY2025, \$7,389 in FY2026, and \$7,704 in FY2027. [AS 14.17.470]**

The State of Alaska's Foundation Formula Program represents the largest revenue source for the Mat-Su Borough School District. The BSA must be adjusted over time to ensure funding is protected against inflationary pressures and to address the expiration of Federal COVID Relief funds supporting basic operations. Alaska Consumer Price Index (CPI) is at a 30-year high, and the BSA has not been increased in six years (since Fiscal Year 2018). While one-time funds have been provided, this lack of predictability in school funding impacts our ability to plan appropriately for the future.

- **New School Construction for Charter Schools (3 sites) American Charter Academy, Birchtree Charter School, and Academy Charter High School - \$58,654,250**

With the suspension of the School Bond Debt Reimbursement Program, the Mat-Su Borough School District seeks a 70% match from the State of Alaska for the new school construction for American Charter Academy, Birchtree Charter School, and Academy Charter School. The existing building and infrastructure are inadequate to accommodate the school population or expansion plans. Current lease agreements have or are set to expire within the next few years, and the Mat-Su Borough has designated land for each of the projects above.

American Charter Academy - \$15,348,000 (\$10,743,600 for 70% of project cost). The new location is a 20-acre parcel near the Church and Seldon Roads intersection. The approved location allows for improved traffic circulation, student safety, and adequate outdoor space to accommodate recreational needs. The proposed building will be 24,000 SF, two-story, light commercial construction, and house an

estimated 250 students and 20-25 staff members. Road improvement: \$900,000 (Turn Lane into the site from Church Road).

Birchtree Charter School - \$23,062,500 (\$16,143,750 for 70% of project cost). The new location is a 68-acre parcel adjoining Shaw Elementary School. The location is in a large, wooded area that would allow for improved traffic flow and accommodate outdoor learning opportunities. The proposed building will be 45,000 SF, two-story, light commercial construction, and house approximately 400 students and 40-45 staff members. Road improvement: \$1,200,000 (Traffic improvements to Wasilla-Fishhook Road).

Academy Charter High School - \$20,243,750 (\$14,170,625 for 70% of project cost). In 2022, the MSBSD School Board and State Board of Education approved expanding Academy Charter School to include 9th-12th grade. Academy's current classroom space is used to instruct 258 Kindergarten through 8th grade students and 30 staff members. A new facility is needed to house the high school program. The proposed building will be 39,500 SF, light commercial construction, and house approximately 250 students and 25 staff members. The existing site is large enough to accommodate the expansion of the high school and additional parking. Road improvement: \$1,400,000 (Roundabout/turn lanes from Old Glenn Highway).

- **Adjust the per-student funding for pupil transportation services on an annual basis. The revenue adjustment factor should continue to be the Alaska Consumer Price Index (CPI) as compiled by the United States Department of Labor, Bureau of Labor Statistics. [AS 14.09.010(a)]** The State of Alaska has not adjusted per pupil funding since 2015. Most, if not all, pupil transportation contracts within the State of Alaska are adjusted annually based on Alaska CPI. When the State does not adjust per pupil funding accordingly, expenses outpace revenue. This revenue shortfall requires school districts to subsidize their pupil transportation program with operating funds previously allocated to the classroom.
- **Support for Ending the School Bond Debt Reimbursement Moratorium** - The Borough Assembly passed Resolution Serial No. 22-046 on May 3, 2022, in support of ending the

moratorium on school bond debt reimbursement that went into effect on January 1, 2015. After that, the program moratorium was extended to July 1, 2025. Schools, including construction and major renovation of school buildings, comprise a major portion of local expenditures. Ending the moratorium and allowing local governments to again engage in 70 State/30 Borough split for qualified school bond debt reimbursement projects. Cost sharing with the State will return to the historical framework that was in place for decades, provide safe and efficient schools for children in Alaska, and restore a portion of the Alaska Legislature's constitutionally mandated duty to provide for public schools.

7. WILLOW FIRE/EMS STATION - \$5 MILLION

Willow needs a joint public safety building in the core area of the community along the Parks Highway corridor. The current facility, Station 12-1, consists of antiquated apparatus bays and a small classroom building recently condemned and deemed unsafe to use. This new facility would be a joint complex to house the Willow Fire Department, a full-time Willow-based ambulance, and rescue services. This would also provide an area for law enforcement to utilize as needed. The Borough Assembly has appropriated \$3.5 million for this project. The Borough is requesting a state match to assist the Borough in completing this facility. Otherwise, funding is only adequate to address EMS needs.

The current facility is inadequate for our existing public safety needs and cannot support the services required for the area's projected growth. Currently, there is no EMS support facility in the Willow area, and the fire station lacks support facilities for responders. There is no training room, common living spaces, dorm rooms, or adequate showering facilities to clean up following an incident. An essential component of our cancer risk reduction plan for our fire-rescue responders is immediate decontamination of personnel and equipment following fires and related responses. A key element to reducing emergency response times is having a facility that responders reside in and can respond from immediately. The proposed facilities would fulfill this need well into the future. Rather than building two separate buildings, a single combined facility will save taxpayer funding and improve efficiency.

The proposed location is on the current lot occupied by Fire Station 12-1. The Borough already owns this 16-acre lot with

Parks Highway frontage in the heart of Willow. Using this location represents savings, as utilities and site work are already completed.

8. FLOOD AND EROSION MITIGATION FOR SUSCEPTIBLE ROADS - \$3.5 MILLION

There are roads within the Borough that are susceptible to annual flooding and erosion. These roads have been identified and are too large of a project to be improved using road service area funds. They range from subdivision roads to large collector roads, which provide vital transportation links to homes and businesses. Funding for this project would allow for flooding and erosion mitigation through road realignment, raising the road embankment, installing armoring, installing larger culverts, and providing adequate ditches and drainage easements.

9. NATURAL GAS TRANSMISSION LINE TO WILLOW - \$47,600,000

Currently, ENSTAR Natural Gas Company provides gas service to customers across southcentral Alaska, with their northernmost customers near the southern edge of Houston, off Cheri Lake Road. To serve the remaining customers in the Houston area, ENSTAR could continue to extend its distribution (low pressure) mains to the north far enough to serve the remaining Houston customers that are not currently served. However, extending the distribution system farther north of Houston to serve additional customers in that direction is not feasible as the system would have difficulty meeting demand during winter heating. The ENSTAR distribution system as it exists today in the Houston area is near its full capacity. Growth to the north that would complete service to all the Houston area, would require additional reinforcement of large diameter mains to help ensure that system pressures can be maintained during peak heating loads.

To extend gas service farther north to Willow, a transmission (high pressure) pipeline would be required to bring gas from ENSTAR's 20-inch diameter Beluga Pipeline north to the Willow area. With a transmission line to Willow, ENSTAR foresees installing a pressure regulator station (reg station) to drop the high-pressure gas to distribution pressures and feed into a local distribution system in Willow. If gas service to Willow should occur, then a second reg station could be constructed in Houston, as the new transmission line would pass through this area to feed into a new distribution system in the Houston area. This would also provide a redundant feed for gas to both current and new customers in the Houston and

Big Lake areas. The existing system is fed only from ENSTAR's farthest north reg station near the Vine Road and Parks Highway intersection. Having a second station in Houston, would provide a second and redundant feed and significantly boost the reliability of service in a particularly cold part of ENSTAR's system.

ENSTAR has done a quick study to determine where distribution pipelines will be installed in the Houston and Willow areas and developed a pipeline alignment to route transmission pipelines through or to both areas. These cost estimates provided are non-binding and high-level estimates. Another noteworthy assumption for this estimate, is that there will be no significant unforeseen right-of-way or environmental challenges for underlying property owners along the proposed alignment that could impact schedule or costs. For example, the route for the Phase 1 portion of the project assumes that an alignment would be granted that is adjacent to the railroad bed currently owned by the Borough. If a permit is granted for this alignment and it is within the right-of-way, that could eventually become under the control of the Alaska Railroad Corporation, there could be costs that are not included in this estimate. In other words, ENSTAR has not included costs for a leasing fee or extra depth installation and assumes that it will not be asked to pay a leasing fee in the future for this right-of-way.

The estimate also assumes that ENSTAR will manage the work to the extent possible and reasonable, and utilize its workforce for the project's design, permitting, procurement, surveying, construction, and management.

It is best to look at the project in two phases to understand the costs.

Phase 1 - Gas to Houston \$23,000,000:

- Construct an 8-inch diameter transmission line from Beluga Pipeline (near ENSTAR's MP39 facility on Ayrshire Road) to near the Parks Highway just south of the Little Susitna River (via railroad corridor; approximately 18.8 miles). This line would be rated for the same pressure (or higher) as the existing Beluga Pipeline and could move 30-40 million standard cubic feet per day (mmscfd) of gas to customers. The installation of this line in this portion of the route would be alongside the existing roadbed that is the intended location of a future railroad track. The

land in this area is mostly swamp and black spruce, so a pipeline constructed here would be completed during winter months and would utilize the adjacent and existing gravel road prism as a construction work pad that would assist with construction traffic, material laydowns to help reduce construction challenges that would otherwise occur along a remote route where a road would be required to be built, or along an active road where precaution would be required to coexist safely with traffic.

- Install a large reg station in Houston near the intersection of the Parks Highway and the proposed railroad alignment. This station would be large enough to provide service to any new Houston area customers and other neighborhoods to the south.
- Construct a low-pressure distribution pipeline system in the Houston area. It is assumed that this area will serve all customers immediately north of the Cheri Lake Rd portion of ENSTAR's system to the Little Susitna River and continue north along the Parks Highway right-of-way, crossing the Little Susitna and serving businesses and residences along the highway corridor for approximately one mile. ENSTAR's estimate of mains to serve approximately 400 lots in this area will require 2, 4, and 8-inch pipe lengths of 15.5, 4.0, and 3.0 miles, respectively.

Phase 2 - Gas to Willow (contingent on completion of Phase 1)
\$24,600,000:

- Construct an 8-inch diameter transmission line from Houston to Willow following the Parks Highway corridor (approximately 13.7 miles). The pipeline would be installed within the Parks Highway ROW via a utility permit. The line would operate at the same pressure as the Beluga Pipeline and the Phase 1 pipeline and would be able to deliver up to 30 mmscfd of gas to Willow.
- Install a large Reg Station in Willow near the intersection of the Parks Highway and Willow Fishhook Road. This station would be large enough to serve any Willow area customers and accommodate growth in any direction.
- Construct a low-pressure distribution pipeline system in the Willow area. It is assumed that this area will comprise all customers within and around the perimeter of Willow Creek Parkway, N Crystal Lake Road, Long Lake Road, Winter Park Road, and the Parks Highway. ENSTAR's estimate of

mains to serve approximately 530 lots in this area will require 2, 4, and 8-inch pipe lengths of 40.8, 10.8, and 4.0 miles, respectively.

This is supported by Assembly Resolution Serial No. 21-115.

10. FISHERY PROTECTION - \$2.5 MILLION

A strategic research, monitoring, and evaluation plan for the Upper Cook Inlet (completed in 2015) identified several informational gaps in local fisheries management. Many of the identified gaps resulted in funded projects. These studies have resulted in better resource management and illustrate the need for additional funding of genetic stock analysis, economic impact studies of sport fishing, fishery management weirs, and control of aquatic invasive species. These monies would be utilized to continue funding critical projects identified in the 2015 Gap Analysis, as well as continued support of the Matanuska-Susitna Borough fish passage culvert replacement program that has opened significant habitat to anadromous fish over the last 20 years.

ADOPTED by the Matanuska-Susitna Borough Assembly this 21 day of November, 2023.


EDNA DeVRIES, Borough Mayor

ATTEST:


LONNIE R. McKECHNIE, CMC, Borough Clerk

(SEAL)

PASSED UNANIMOUSLY: Hale, Nowers, McKee, Yundt, Tew, Fonov, and Bernier