

Gov / DOT Permit Exemption

To: John Duffy, Mat-Su Borough

On behalf of WACO, Inc I respectfully request that the MatSu Borough not include any and all scheduled WACO sponsored activities on Willow Lake from the Permit Exemption process being pursued by Jim Houston on behalf of the Willow Chamber of Commerce. Our concerns include issues with both the action itself, and especially with the process being employed to achieve said exemption.

Action of Permit Exemption: WACO Board nor Willow Community has had a chance to learn about and discuss the consequences of such an action. And in fact, we have completed the process to achieve and have received our permit.

- It is our clear understanding from multiple conversations with key state personnel (DOT and others) that neither the Willow Winter Carnival and the activities planned for the lake surface nor WACO, Inc as an independent entity fits the existing criteria for an exemption to the permitting process.

Should we even be interested in pursuing this exemption, several other concerns arise:

- The price is not exorbitant (less than \$500 total). We are pleased that at this time due to austerity measures, building improvements provided by the Borough and Willow volunteers and our pull tab income that we are able to afford this up front cost to our 48th annual Carnival. The cost to pursue correct and full information about this issue would likely exceed this amount.
- WACO and the Borough have a Management Agreement for governing the building and grounds. To align ourselves with the Borough on this issue raises concerns about liability and other legal issues, including event insurance that would need a prolonged bilateral review to assure that both WACO, Inc and the Borough are mutually protected. We have long since paid our liability insurance for this event, there is not enough time to add 'Additional insured', nor is this cost refundable.
- And last the earnings made via the Carnival are almost exclusively used to pay for our commitment for building and grounds as described in our Management Agreement.

This last area of concern for us would be the control and use of these earnings of Carnival should such a relationship exist around the Carnival. Again, such consequences deserve the time needed for discovery and discussion.

Process of Permit Exemption: Some history is warranted for your decision making on this issue.

Jim Huston publically resigned from all Carnival related work several years ago at a WACO meeting. Since then he has provided rare volunteer services for the Carnival similar to services provided by the many, many people in our community who do different tasks for the Carnival but never in a decision making capacity since he resigned. All members of the WACO Board are

supposed to be Carnival Committee members. Unfortunately the Chamber has not upheld this working obligation in any way also since Jim resigned. Additionally, the Chamber's representative has not attended Carnival meetings in several years.

The co-chairs of this years Carnival are Pat Madigan and Shirley Wakeman. Neither they nor I have been approached by Jim with this notion to avoid paying permit fees. In my discussions with DOT representatives, they report that Jim presented himself as a Carnival planning leader. This misrepresentation has been corrected. The other key issue about Willow Lake is the controversy about lake surface management between landowners on the lake and DOT and Willow Air. The communications have deteriorated to lawsuit status, with the land owners suing DOT and Willow Air. WACO has worked very hard to not become involved with any aspect of this dispute. At this time the dispute presents itself as a neighborhood controversy, a very sad situation. We do everything in our power to stay out of neighborhood controversies, reserving our influence for issues that effect far larger segments and issues of our community. WACO is the Borough recognized community council for this purpose.

I was approached at our Octoberfest dinner by Tom Boling, who is reported to be one of the leaders of the lawsuit. He requested that WACO refuse to comply with the DOT permitting process and payments for the Carnival events on the lake surface. At the time, I very clearly told him that WACO would do nothing to jeopardize our use of the lake surface for our major fundraiser of every year and as such refused to join the landowners in controversy with DOT and Willow Air. Jim Huston has publically joined the landowners on this issue although to my knowledge his name is not noted on any of the legal documents.

And the last process related concern is Jim's representation that this action is supported by the Chamber. To my knowledge no meeting has been held to determine if the Chamber actually supports Jim's behavior in their name. No agenda has been posted, no minutes posted.

Summary: WACO does not need any help with lake permitting process with DOT. We have achieved our permit, paid our liability insurance for the event and are in the very final stages of planning for the expected turnout of about 1000 people per weekend. We specifically request that the MatSu Borough NOT pursue an exemption on our behalf. We respectfully decline your offer of sponsorship to gain an exemption from the permitting process for Willow Lake.

In contrast, the help we need from the Borough is to change the rules about alcohol use in the community center. We are not an employment site, therefore should not be accountable to federal workplace rules. Please do help us with this issue.

I am available as necessary for any further communications on these issues.

cc: DOT