

**HAINES BOROUGH ASSEMBLY  
SPECIAL MEETING MINUTES  
MAY 27, 2003**

**THIS SPECIAL MEETING WAS CALLED TO HOLD PUBLIC HEARINGS ON BOROUGH ORDINANCES NO. 03-06-018, 03-06-019 AND 03-06-020. NO OTHER BUSINESS WILL BE DISCUSSED.**

1. **CALL TO ORDER:** Acting Mayor **LENDE** called the meeting to order at 6:30 p.m. in the Assembly Chambers of the Municipal Building.
2. **PLEDGE TO FLAG:** Led by the Acting Mayor.
3. **ROLL CALL: Present:** Assembly Members Chip **LENDE** (Acting Mayor), Douglas **OLERUD**, Lucy **HARRELL**, Jerry **LAPP** (via teleconference), Debra **SCHNABEL** and Stephanie **SCOTT**.

**Absent:** Mayor Mike **CASE**

**Staff Present:** Susan **JOHNSTON**/Borough Clerk, Gregg **RICHMOND**, Julie **COZZI**/Borough Clerk In Training.

**Visitors Present:** Micah **TRUE**/CVN, Tim **JUNE** and Scott **CAREY**.

4. **APPROVAL OF AGENDA/CONSENT AGENDA:** All items listed with an asterisk (\*) are considered to be routine by the Borough Assembly and will be enacted by the motion to approve the agenda. There will be no separate discussion of these items unless an Assembly Member or citizen so requests, in which event the Assembly, by a majority vote, may remove the item from the Consent Agenda and consider it in its normal agenda sequence.

The Acting Mayor made no changes to the Agenda.

M/S **OLERUD/HARRELL** Motion to approve the agenda.

Motion carried unanimously.

5. **MINUTES OF PREVIOUS MEETINGS:** NONE
6. **AUDIENCE PARTICIPATION/APPEARANCE REQUESTS:** NONE

**8. PUBLIC HEARINGS:**

- A.                                   ORDINANCE 03-06-018  
  (First Public Hearing)

AN ORDINANCE OF THE HAINES BOROUGH, APPROPRIATING HIGHWAY SAFETY PROJECT GRANT FUNDS IN THE AMOUNT OF \$32,325.

The Acting Mayor opened the hearing to the public at 6:35 p.m.

Hearing no comment, he closed the public hearing.

M/S OLERUD/HARRELL Motion to set Ordinance 03-06-018 for second public hearing June 4, 2003.

Motion carried unanimously.

- B.                                   ORDINANCE 03-06-019  
  (First Public Hearing)

AN ORDINANCE OF THE HAINES BOROUGH APPROPRIATING THE \$90,097.62 IN GLACIER BAY COMPENSATION FUNDS AWARDED TO THE BOROUGH AND ALLOCATING IT TO FISHERIES AND MARINE-RELATED PROJECTS.

The Acting Mayor opened the hearing to the public at 6:36 p.m.

Tim **JUNE** stated he was in favor of this Ordinance.

Hearing no further comment, the Acting Mayor closed the public hearing.

M/S OLERUD/HARRELL Motion to set Ordinance 03-06-019 for second public hearing June 4, 2003.

Motion carried unanimously.

- C.                                   ORDINANCE NO. 03-06-020

AN ORDINANCE OF THE HAINES BOROUGH, PROVIDING FOR THE ESTABLISHMENT AND ADOPTION OF THE BUDGET OF THE HAINES BOROUGH FOR THE PERIOD JULY 1, 2003 THROUGH JUNE 30, 2004.

The Mayor opened the hearing to the public at 6:37 p.m.

Scott **CAREY** stated that he was disappointed in the lack of public debate on the methodology of the budget - Townsite Service Area vs Area-Wide.

8. PUBLIC HEARINGS: (cont.)

C. ORDINANCE NO. 03-06-020

His concern was that a disproportionate amount of expenses were being placed on the area-wide side of the budget.

The CFO explained his formula. He stated it was a fair allocation and would pass audit.

Tim **JUNE** asked if deleting the school district from the budget was discussed. **RICHMOND** stated that school matters take some administrative time too and keeping it in the budget seemed fair to him. He stated that he would stand by his formula.

**HARRELL** suggested the Assembly accept the budget as written, look at it over the year and re-evaluate the formula if it looks like it isn't working.

Tim **JUNE** asked that a check-out copy of the revised budget be provided to the library.

Hearing no further comment, the Acting Mayor closed the public hearing.

M/S OLERUD/HARRELL Motion to set Ordinance 03-06-020 for second public hearing May 30<sup>th</sup>.

**SCOTT** stated that there is a perception of too little cost being allocated to the Townsite Service Area, but the Area-wide allocation is the way it is because the area has absorbed powers and expenses it never had before, such as Ports and Planning and Zoning. These functions must be funded. The entire budget also reflects a loss of revenue.

It was pointed out that the mill rate should be set and be a part of the Budget ordinance. The Board of Equalization takes place on the 28<sup>th</sup>, after which staff will have that information and then will draft an amended version of the ordinance for the next meeting with the mill rate included. **HARRELL** stated that the mill rate will likely not change from last year.

Tim **JUNE** stated that the Charter mandates the first budget show budget reserves. **RICHMOND** stated that there is a section in the budget book for budget reserves and they will be there.

**8. PUBLIC HEARINGS: (cont.)**

C. ORDINANCE NO. 03-06-020 (cont.)

**SCHNABEL** stated that she was concerned that Mr. **CAREY** was so uncomfortable with the budget. She stated that the reason for consolidation was so that the community could come together to deal with common issues. **CAREY'S** concentration on the separation of the areas of the Borough inside and outside of the former City is unfortunate. **CAREY** stated that the Townsite Service Area has less cost, so shouldn't have more revenue. **LENDE** pointed out that several functions, such as ports, are an area-wide benefit and were previously paid for by City taxpayers - now they are being paid for by everyone. **OLERUD** pointed out that many of these services are not paid for by sales tax - the enterprise funds, which are self-sustaining, and Planning and Zoning, which is from property tax, are examples.

**OLERUD** stated that much of the confusion is due to the fact that last year the City under-estimated revenues and the Borough over-estimated them, making it seem as though the City was in a deficit budget situation and the Borough had a surplus. It was actually the other way around.

Motion carried unanimously.

**9. REPORTS OF CITY OFFICERS/DEPARTMENT HEADS: NONE**

- A. Borough Manager - NONE
- B. Borough Clerk - NONE
- C. Borough CFO - NONE
- D. Economic Development/Tourism - NONE
- E. Police Chief - NONE
- F. Library - NONE
- G. Museum - NONE
- H. Public Works - NONE
- I. Water/Sewer - NONE
- J. Fire/EMS - WRITTEN
- K. Harbors - NONE

**10. BIDS/PROPOSALS RECEIVED: NONE**

**11. REPORTS OF STANDING COMMITTEES/COMMISSIONS: NONE**

**12. REPORTS OF SPECIAL COMMITTEES: NONE**

**13. CONSIDERATION OF RESOLUTIONS, PETITIONS AND MEMORIALS:  
NONE**

**14. CONSIDERATION OF ORDINANCES PROPOSED FOR INTRODUCTION:  
NONE**

**15. CORRESPONDENCE: NONE**

**16. OLD BUSINESS: NONE**

**17. NEW BUSINESS: NONE**

**17. NEW BUSINESS: NONE**

**18. SET COMMITTEE MEETING DATES: NONE**

**19. ASSEMBLY MEMBER COMMENTS:**

**20. ADJOURNMENT**

M/S OLERUD/HARRELL Motion to adjourn.

Motion carried unanimously

The meeting was adjourned at 7:04 p.m.

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Phillip C. Lende, Acting Mayor

ATTEST:

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Susan V. Johnston, CMC, Borough Clerk

S E A L: