



**Haines Borough
Borough Assembly Meeting #34
January 7, 2004
MINUTES**

1. **CALL TO ORDER/PLEDGE TO FLAG**: Mayor Mike **CASE** called the meeting to order at 6:30 p.m. in the Assembly Chambers of the Municipal Building and led the pledge.

2. **ROLL CALL Present**: Mayor Mike **CASE** and Assembly Members Norm **SMITH**, Jerry **LAPP**, Stephanie **SCOTT**, Douglas **OLERUD**, Lucy **HARRELL**, and Debra **SCHNABEL**.

Staff Present: Julie **COZZI**/Borough Clerk, Keith **BETTRIDGE**/Borough Manager, CJ **JONES**/Museum Director, Bob **KLING**/Controller, and Scott **HANSEN**/Planning & Zoning Technician.

Visitors Present: Steve **WILLIAMS**/CVN, Todd **SEBENS**/KHNS, Heather **LENDE**/School Board Member, Woody **WILSON**/School Superintendent, Gary **STIGEN**/School Board Member, Dawne **THOMSEN**/Planning Commission Chair, Judy **EREKSON**/School Board Member, Carolyn **WEISHAHN**, and Gershon **COHEN**.

3. **APPROVAL OF AGENDA & CONSENT AGENDA**:

M/S **OLERUD/LAPP** Motion to approve the Consent Agenda as amended.
The motion carried unanimously.

4. **APPROVAL OF MINUTES**: *December 17, 2003 Regular Meeting

5. **PUBLIC COMMENTS**:

Mayor **CASE** opened and closed the public comments portion of the meeting at 6:32 pm; there were no comments.

6. **MAYOR'S COMMENTS/REPORT**:

The mayor said that he talked with Carol Kelly/School Board Chair, regarding a schedule for the charter-required annual joint meeting. It is tentatively set for February 4, 2004.

Mayor **CASE** also said that he has written the assembly-requested letter to the Dept. of Transportation regarding the fast ferry schedule.

- **Recommendation to reappoint Ron Crecelius and appoint Gary Lidholm, Richard Comerford, and Georgia Sampson to the Sheldon Museum Board of Trustees.**

M/S **SCOTT/HARRELL** Motion to approve the recommended appointments.

The motion carried unanimously.

- **LOCAL 71 Union Negotiations**

The mayor gave a summary of the union negotiations: three meetings have occurred thus far and agreements are progressing. Also, the Union presented their health insurance plan, and the Borough is investigating the viability of using it.

- **Personnel Exit Interviews**

Mayor **CASE** said that **SMITH** had requested the opportunity for the Assembly to conduct exit interviews with the former harbormaster, Jim **MOCK** and the outgoing tourism director, Michelle **GLASS**. **CASE** said that personnel exit interviews are not currently provided for in code.

SCHNABEL said that she had intended to request that the personnel committee set a date to have an exit interview with **GLASS**. She asked, "By what mechanism can the assembly review the manager's performance in the personnel area?" The mayor said that there is a manager evaluation coming up. **SCHNABEL** said that the resignation of Michelle Glass following a lengthy grievance procedure is of concern and warrants an interview by the assembly or the personnel committee with the exiting employee. "Even with Jim Mock since he resigned with 2 hours notice." She said that she believes it would be a good management tool. **SCOTT** said that the manager-form of government has been a change for the community and added that "Marco had talked about the importance of bringing someone in to do a seminar for the community to train in this form of government so that there is understanding." **HARRELL** expressed concern that the assembly should not start micro-managing in this manager-form of government. Mayor **CASE** agreed that "Marco had wanted to bring someone in. I was on the City Council at the time and was frankly against the idea, but now it shows merit." He suggested getting someone from DCED to come up and explain the AS 29 provisions for a manager-form of government. He also agreed to contact DCED regarding the Assembly's desire to conduct exit interviews. There was no objection, so the mayor will contact them to see if something can be set up. **SMITH** said that, "personally, he wants to know what's going on and believes he has been kept in the dark. He wants to know why Mock and Glass are not working anymore and does not see that there should be any problem with conducting an exit interview." He said he believes that "there are procedures that have not been followed in his personal opinion." **SCOTT** said that she has no problem with an exit interview provided the manager is present. **OLERUD** said, "If the Assembly is involved, it gives another way of evaluating the job that the manager is doing. It is hard without knowing why the employee is leaving to be able to address any negative issues." **LAPP** agreed with **OLERUD** but also said that it would be essential for the manager to be present. Mayor **CASE** said that he has no problem with it conceptually.

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However, he is concerned that it contradicts the manager form of government.

7. PUBLIC HEARINGS:

A. Ordinance 04-01-038 - (Introduction & First Hearing)

An ordinance of the Haines Borough Assembly amending Haines Borough Code Section 18.70.030, Subsection M - General Use Zoning District as adopted by ordinance 03-02-007 on 2/5/2003. #5-Conditional Uses, would be amended to extend the heliport special use zone designation deadline from December 2003 to February 29, 2004.

Mayor **CASE** opened the public hearing at 6:51pm.

WEISHAHN asked, "What happens to heliports in the rest of the general zone, and if it is being extended to February 29, why not extend it indefinitely?"

HANSEN responded, "The staff from the planning commission said that timing is the issue. It would help the Planning Commission get their job done if the deadline is extended."

CASE closed the public hearing at 6:55pm.

M/S **SCOTT/HARRELL** Motion to introduce Ordinance 04-01-038 and to set it for its second public hearing on January 21, 2004.

HARRELL said, "The reason for asking the Planning Commission to do this is that helicopters have been a very emotional issue. The goal is to establish a government by law, not emotion. A government that provides a zoning measure that clearly allows helicopters and heliports in only certain areas."

Mayor **CASE** interjected that he intends to enforce the code that restricts each assembly member to two comments on any one issue because of the lengthy agenda.

SCOTT expressed concern about what she sees as ambiguous wording in the original ordinance. "It does not specifically say that heliports will be disallowed in the general use zone. Perhaps a change of wording would help it. There has to be something in there that clarifies the intent." **OLERUD** said he believes "the particular language was intentionally put in there so that there would be an incentive to zone an area up the highway for heliports - for heliskiing, mining, etc. If the residents knew that there were no heliports in the general use area, they would not have been willing to allow a special heliport use zone."

The motion carried unanimously.

B. Ordinance 03-12-037 - (First Hearing)

An ordinance of the Haines Borough appropriating a \$134,225 grant from the Alaska Division of Homeland Security to the Haines Borough Fire Department for first responder preparedness.

Mayor **CASE** opened and closed the first hearing at 7:05; there were no comments.

M/S **OLERUD/LAPP** Motion to move Ordinance 03-12-037 to its second public hearing on January 21, 2004.

8. STAFF REPORTS:

A. Manager

Personnel - **BETTRIDGE** gave an update on the harbormaster recruitment saying that out of 11 applicants, 5 were interviewed, and references are being checked on 3 candidates. There is a possibility that 2 individuals will be invited to visit the community. He also requested that the personnel committee consider meeting to discuss the possibility of making the assistant harbormaster a year-round position once again.

The manager officially announced the resignation of Michelle **GLASS**/Tourism Director, and said that she has accepted a job in Kenai as a Tourism/Cultural Director.

A Request for Proposals is going out to find a business or individual to contract with for the borough's computer tech needs. The manager said that he is hoping to find a local person to help with the initial move in and thereafter on an as-needed basis.

Administrative Offices - **BETTRIDGE** summarized the financial picture of the project. He said that the original architect estimate was approximately \$133,000. The assembly moved to accept the low bidder even though both bids were considerably higher than estimated or anticipated. Change orders have increased and decreased the amount with a net affect of changing the \$159,000+ bid to \$161,000+ **BETTRIDGE** summarized the change orders, the costs, and the reasons for them. The cost, at this point, for a finished move-in project is \$180,700, including a phone system, etc. The USDA grant amount is \$75,000. That leaves a \$105,000 difference. He is continuing efforts to find additional funding. The first phase of the contract is on schedule, and he is anticipating a move beginning the 18th which will meet all the deadlines for moving out of the Willard St. Office. The second phase looks like it will be done ahead of time. Willard St. will be advertising abbreviated office hours for certain days to accommodate the public but also facilitate the move.

Other Matters - **BETTRIDGE** invited the Finance Committee to come to the Chambers on February 13 for a demonstration of Caselle financial software, one of the options being evaluated.

He proposed a meeting with the Government Affairs Committee to discuss ideas for an agenda application process to help prepare better for the public and the meetings. He said that the current 72-hour deadline for putting an item on the agenda is "pretty tight."

9. COMMITTEE/COMMISSION REPORTS: None

10. OLD BUSINESS:

A. School District Request for Additional Funding

WILSON referred the assembly to the documents included in their packets and spent several minutes summarizing projects and the reasons for them. He said that "the capital projects have to be bonded at the local level because it is a state requirement in order to get the 70% return on the investment." He said that "the borough needs to decide whether or not they want to bond the projects. The school district will advertise the project benefits and the need for them. You should spend money in major maintenance every 20 years." He asked the assembly to consider the following:

1. Look favorably on reappropriating the \$40K for the school condition survey by experts from (SERRC) SE Regional Resource Center. "They will probably say that the primary and elementary buildings are past their lives and would not be cost effective to put any more money into them."
2. Consider telling the school district how much money to expect prior to the borough's budget being finalized. "The school needs to know by March especially because of tenured teachers needing to know by then whether or not to expect continued employment. There is a required amount that the borough has to give the schools: 4 mils. The school district can only write their budget on what they know is the minimum amount. They cannot write a budget on what could be." **WILSON** urged the assembly to find a way to let the school board know that they will have a certain amount of money allocated.
3. Consider giving the school the additional money the higher enrollment this year would allow. More students were enrolled this year than were anticipated, but there are still fewer than before.

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SCHNABEL asked, "Did the mayor not write a letter to Mr. Wilson? Didn't he receive a letter saying "the same or less" than last year?" Mayor **CASE** responded that the letter did indeed go out. **WILSON** said that he did receive the letter, but he is asking for a more specific number. **SCHNABEL** asked regarding the survey, "Why didn't the survey get done before now? Last May it seemed like a very high priority. **WILSON** said that it just didn't happen before now, and he did not understand the way the borough's fiscal year funding works when he requested the money in May. He assumed the money would be put aside to be used whenever the survey happened. He added that he does not have a written agreement with SERRC yet, so he does not know how much the survey will actually cost. He believes it will cost less than \$40K. Mayor **CASE** asked for an explanation of SERRC. **WILSON** said that it is an organization that does 80% of all rural school district maintenance. They assist with writing grants, etc. **SCHNABEL** asked for clarification regarding the "window of opportunity" for a new school building. "Time is ticking by. What is that window?" **WILSON** said that he believes that there are about two years left. Mayor **CASE** asked how long the survey process will take. **WILSON** said that he believes a survey and report would be within 6 weeks and his hope is a month. "The survey will tell whether or not money should be put into the existing buildings to bring them up to standards or to demolish and build new."

B. Zoning Initiatives and Landowner Voting

Mayor **CASE** asked if there were any planning and zoning questions for staff. **WEISHAHN** asked if the landowner definition included Mental Health, BLM, the University, and the State. **BETTRIDGE** said "yes, and they have only one vote if they are separate property owners." **OLERUD** asked if the assembly was going to review the heliport recommendations for the Planning Commission before they figure out the metes and bounds. **SCOTT** said it is her understanding that the Planning Commission needs to develop the boundaries and conduct a public hearing prior to recommending them to the assembly. "The public needs an opportunity to have a hearing on the Commission's decision. It's up to the Planning Commission to establish the boundaries and hold the hearings." Mayor **CASE** said that regardless of who holds the hearings, the sites must be clearly defined prior to approval. **SCHNABEL** said that her "understanding of Title 18 is that zoning establishment is what is occurring here. Title 18 clarifies the procedures for it. Whenever a zone is created, it is the Planning Commission's responsibility to conduct the public hearings. The final decision needs to be heard. It needs the *credential of process*." Mayor **CASE** asked staff if they are clear on the metes and bounds of the two areas. **HANSEN**

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said that he has an elevation map to present to the Planning Commission at their next meeting, but it does not include metes and bounds. He pointed out that planning and zoning does not have metes & bounds---code does not require that. It requires only a map, but metes and bounds can be easily provided if that is what is desired. Mayor **CASE** asked if there is a way to provide specific geographical boundaries if a property owner questions their situation in a particular zone. **HANSEN** said that he can provide that. **HARRELL** said that it may have to be added to the assessment procedure. **SCOTT** said, "This is important because in the Charter there is a protest provision. The people need to know exactly where the zones are so that they can protest. Hopefully there won't be any protests." Mayor **CASE** asked if a motion was necessary. None was mentioned.

OLERUD asked for the Planning Commission's recommendations for heliports saying that he would like to have the Assembly tell the Commission whether or not those areas are acceptable. He is "not certain that the recommendations meet the request of the assembly that asked for areas that could be accessed and operated economically."

Mayor **CASE** said with unanimous consent the comment period on this agenda item would be extended, and there was no objection.

SCHNABEL asked for clarification about the size of the recommended areas. **HANSEN** pointed out the general areas on maps to enable the assembly to envision them. **SCOTT** said that she is "of the opinion that the assembly did not adequately communicate with the Planning Commission the required characteristics of any recommended sites." **SCHNABEL** countered that "they were indeed given the characteristics." Mayor **CASE** asked **THOMSEN** if she needed any additional action by the assembly. She said, "No."

C. Porcupine Road Survey

Mayor **CASE** said he wrote a letter to Gary Paxton of the Dept. of Transportation to request funds from the state. Even though at one time they had said "no," this time he pointed out the economic and public safety issues involved.

M/S **OLERUD/HARRELL** Motion to authorize the manager to contract for up to \$5,000 for a porcupine road survey only if the state funding doesn't come through.

Mayor **CASE** clarified that John **SCHNABEL** is going ahead with funding the survey but if funding is forthcoming to the borough, he would like to be reimbursed. Debra **SCHNABEL** said that she believes the main issue of concern for him is whether or not the borough will support the project and will

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put the borough's name on the permit. **OLERUD** clarified that the reason for the \$5,000 offer in the motion was to "hopefully propel this issue forward and enable the permitting process to move forward." **LAPP** said "the total cost estimate was to bypass the cliffs. In the fall of the year, it starts glaciating. The old borough appropriated \$50,000 out of Lands fund at the time of borough land sales to buying property owners. Eventually, the Borough is supposed to take possession of the road and it indeed is a safety issue. The \$5K could come out of lands." Mayor **CASE** pointed out again that Mr. **SCHNABEL** said he would pay for it, but if the borough gets reimbursed, he would like to be fully or partially reimbursed for what he spends on the survey. The mayor also asked **SCHNABEL** if she believed she should remove herself from voting on the motion because of potential conflict of interest. **SCHNABEL** said she did not see a conflict.

SCOTT called for the question. The majority agreed to vote on the motion with **SCHNABEL** opposed.

The roll call vote ended in a tie with **SMITH**, **OLERUD**, and **SCHNABEL** opposed. The mayor broke the tie with a "no" vote. The motion failed.

M/S **SCOTT/HARRELL** Motion to assign the manager to request that the Dept. of Transportation conduct a survey for a Porcupine Road bypass and to obtain permits for reconstruction.

The motion carried unanimously.

D. Solar Aquatics Wastewater System - Feasibility Study

COHEN said that he has already met with Scott Bradford and **BETTRIDGE** to go over the report and to respond to their questions. He asked the assembly if they are interested in pursuing the project and if they have questions. **OLERUD** asked about the staff requirements saying that "right now, we have two employees, but the plan calls for 3-1/2." **COHEN** said the reason is because the new system will require additional personnel because it will do more---it will turn the wastewater into reconsumable water as opposed to the current primary treatment system that provides very little treatment to the water prior to dumping it into Portage Cove.

SCHNABEL said that she would like to see a committee put together and charged with meeting to evaluate the proposal and address all of the issues including extra personnel requirements. She asked the mayor if he would appoint a task force committee and give them a deadline to respond back to the assembly. **SMITH** pointed out that the primary treatment we are dealing with currently is a permit process that could be lifted at any time. "It does nothing more than screen the

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solids. It all comes back to haunt us sooner or later. We could be a model city for the whole state. There is a potential opportunity to get this thing funded. We are going to have to upgrade our 30-yr old system at some point and probably spend more money than this new system." **LAPP** said he would endorse the new system and asked **COHEN** if it has been tried in a winter environment. **COHEN** said, "There are several plants in New England and there has been no problem with cold climate. Sewage comes in with its own heat and the plant really only has to be kept in the fifties." Mayor **CASE** asked about the outflow pipe in the harbor and what will happen to the sewage when it has to be moved when the boat harbor is enlarged. No one had an answer. **SCOTT** asked for an idea of the "footprint" of the new system. **COHEN** responded that it is difficult at this time to give a good idea of size need until the infiltration situation is truly evaluated. "Right now, all of it---during storms, etc---runs through the system."

Mayor **CASE** offered to work with **SCHNABEL** to form a committee. There was no objection.

11. NEW BUSINESS:

A. Ordinances for Introduction

1. Ordinance #04-01-039

An ordinance of the Haines Borough Assembly reappropriating \$40,000 for a school facility condition survey.

M/s **OLERUD/LAPP** Motion to introduce Ordinance 04-01-039 and set it for its first public hearing on 1/21/04.

SMITH questioned the high cost of the survey. Mayor **CASE** responded that it would be a very explicit engineering survey and would have the state-required expert engineering stamp of approval that will be necessary for getting state funding.

HARRELL added, "These people are education-based and would know what school buildings are legally required to have."

M/S **SCOTT/HARRELL** Motion to amend the motion to include the need for rewording the ordinance text prior to the first public hearing to say that the borough will appropriate the actual cost of the survey up to \$40K.

The amendment motion carried unanimously.

The main motion carried unanimously.

2. Ordinance #04-01-040

An ordinance of the Haines Borough reappropriating \$150,435 for purchase of a Case front-end loader for the Haines Borough Public Works Department.

M/S **OLERUD/LAPP** Motion to introduce this ordinance and set it for its first public hearing on 1/21/2004.

BETTRIDGE said that this is one of the items from a prior year appropriation that went through all of the approval processes. The purchase order was issued, the equipment was built, and the bill was sent. However, the adopted budget did not include the carry over of these funds.

The motion carried unanimously.

B. Resolution(s)

Resolution #04-01-034

A resolution of the Haines Borough Assembly recognizing the contributions of Big Brothers Big Sisters of Southeast Alaska, commending all youth mentors, and recognizing January 15, 2004 as "Big Brothers Big Sisters Day."

M/S **LAPP/OLERUD** Motion to approve Resolution 04-01-034.

The motion carried unanimously on a roll call vote.

C. Bid(s) and Expenditure(s) Approval

Fire Pickup Bid Award

M/S **OLERUD/LAPP** Motion to award the bid to the low bidder, Diehl Ford in Bellingham, Washington

The motion carried unanimously on a roll call vote.

D. Sales Tax Exemption Application(s)

Nenana Ice Classic Inc. - Local Sales

M/S **SMITH/LAPP** Motion to grant Haines Borough sales tax exemption to Nenana Ice Classic Inc. for local ticket sales.

The motion carried on a roll call vote with **SCOTT** opposed.

E. Other New Business

Proposed Admin Office Parking Plan and Land Use Permit

BETTRIDGE pointed out that this type of permit usually does not come to the assembly level, but in this case, the Borough is the owner and needs to approve the plan; all other "players" have given approval (the school, library, etc.).

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SCHNABEL questioned the feasibility of the plan saying that it looks great on paper but is unrealistic in reality. She would like to see the plan reworked to consider actual spacing requirements, more cooperation with library parking, and traffic flow. **SMITH** asked if there is a budget for the parking lot. Mayor **CASE** responded that "the project will be a Public Works in-house project that will not cost us anything." The Assembly took no action.

12. SET COMMITTEE MEETING DATES:

SCOTT said she believes that the committees will need staff support as well as tasks assigned to them, and "in order for the committees to work, staff and the manager need to buy in." **SMITH** added that "with this recent difficulty with personnel, committees need explanation about expectations. I don't understand why the personnel committee was not allowed to be involved with the Jim Mock or Michelle Glass situations, especially with their grievances." Mayor **CASE** asked the members if they would like to schedule a committee of the whole meeting to discuss the standing committees. **SCHNABEL** agreed with **SCOTT** saying that "committees need to be involved in the government process and that it hasn't been happening. We need to develop a system." **SCOTT** added, "We need to discipline ourselves to use the committees."

BETTRIDGE said, "The assembly is elected to oversee the big picture, not to see that a pothole is filled, etc. They are to be concerned with policy and legislation. The assembly sets the rules and then requires them to be followed." He added that the Borough will have two grievance procedures: 1) union employees - the assembly would be involved in the third step, and 2) non-union employees - the assembly would not be involved at all. Mayor **CASE** said that he would like to see the assembly discuss this further, but the assembly indicated no interest in a special meeting.

A Personnel Committee meeting was scheduled for January 13, 2004 at Noon to discuss having a year-round assistant harbormaster.

The Government Affairs Committee will meet on January 14, 2004 at 6:00 p.m. to discuss the manager's request to evaluate the agenda and meeting packet process and possibilities for improving it.

The committee of the whole meeting schedule for reviewing code titles was approved. All of the meetings will be at 6:30 p.m.

13. ANNOUNCEMENTS/ASSEMBLY COMMENTS:

SCOTT said that she likes the new agenda presentation and encouraged the clerk "to keep us looking professional." Additionally, she reported that she has received very positive

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feedback concerning the union negotiations and the "calm climate" of them.

14. ADJOURNMENT :

M/S **OLERUD/LAPP** Motion to adjourn.

Motion carried unanimously.

The meeting was adjourned at 9:55 p.m.

Mike Case, Borough Mayor

ATTEST:

Julie Cozzi, Borough Clerk

S E A L: