

Haines Borough
Borough Assembly Meeting #42
May 5, 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 to the flag.

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

Staff Present: Julie **COZZI**/Borough Clerk, and Keith **BETTRIDGE**/Borough Manager.

Visitors Present: Dawne **THOMSEN**/Planning Commission Chair, Steve **WILLIAMS**/CVN, Fred **BRETTHAUER**, and Shirley **BRETTHAUER**.

3. APPROVAL OF AGENDA & CONSENT AGENDA:

M/S **SCOTT/LAPP** Motion to approve the Consent Agenda.

The following agenda amendments were requested by **SCOTT**:

- 1) Remove from Public Hearings: Ordinance 04-03-052 since it was adopted previous meeting;
- 2) Add to Committee Reports a report of the Government Affairs Committee.

The motion to approve the consent agenda, as amended, carried unanimously.

4. APPROVAL OF MINUTES: None; approval of the 4/21/04 meeting minutes was postponed until the 5/19/04 meeting.

5. PUBLIC COMMENTS: None

6. MAYOR'S COMMENTS/REPORT:

Appointment to the CVB Board

Mayor **CASE** recommended Karen Hess to fill the vacant seat on the Convention and Visitors Bureau Board. Hess is a tour operator, the President of the Chamber of Commerce Board, and very involved/interested in local tourism issues.

M/S **OLERUD/LAPP** Motion to approve the appointment.

The motion carried unanimously.

Special Earth Day Awards

CASE said that there were actually two special awards during the Earth Day Celebration, one for Lynda Walker of Haines Sanitation and her composting system, and Kim Lehner for her efforts with the community garden. There were also several others in the community that were lauded for their efforts.

Alaska Magazine - Negative Haines Comments

The Mayor asked if the Assembly feels it would be important to put a paid ad in the magazine to respond to the article. **HARRELL** said that sometime responding can perpetuate the wrong idea. **SMITH** said that the CVB Board discussed it and talked about writing a letter as well as asking Alaska Magazine to visit Haines and write an article showing how Haines has progressed. **SCHNABEL** said she is in favor of no action. She felt the article was well written and the comments about Haines were accurate; those actions *did* occur. Haines was not the only community that had negativity. The consensus of the Assembly was to let it alone.

Yukon Provincial Governments Conference in Haines Junction. Mayor **CASE** said that he has been invited to attend the Conference May 13-16. He and his wife will be attending.

7. PUBLIC HEARINGS:**A. Ordinance 04-03-053 - (second hearing)**

An Ordinance of the Haines Borough adopting the Haines Borough Comprehensive Plan pursuant to Haines Borough Charter Requirements.

The mayor opened and closed the public hearing at 6:42pm; there was no comment.

M/S **HARRELL/SMITH** Motion to adopt Ordinance 04-03-053.

CASE said the Comprehensive Plan is supposed to be a guide for Assembly and Planning Commission actions. **LAPP** asked if the Plan could be amended, and he asked **THOMSEN** if the draft is close to what it will look like. **THOMSEN** responded that it is a first cut and is basically just reformatted. She talked about the many comments and issues still to be addressed in the future. **SCOTT** referred to the Robert Venables memo and recommended that the Assembly not adopt a "flawed" document. "The draft submitted by **THOMSEN** has some excellent sections, but the Planning Commission deserves more time to work on this document." **HARRELL** called attention to the memo regarding Ocean Beauty and the need to significantly settle this prior to their February 2005 deadline to close the deal. "We are keeping them hanging in the meantime. We are talking about approximately \$200K fish tax here and we cannot hold up Ocean Beauty's attempts to get permits and set up and expand. There are land issues that have to be settled; the state is preparing to exchange lands and some of it is cannery housing. This could translate into some significant lease payments in that case." **SCHNABEL** said that she will vote for it although she does agree that it needs revision. "The Assembly has not taken a proactive position to work with the Planning Commission to establish the format and scope of the comprehensive Plan." She mentioned that she

found the Sitka Comprehensive Plan on the Internet and found a 26-page, very streamlined document with little history. The Juneau plan is 200 pages and includes "everything." She spoke for adopting the document so there is one in place but asked for a session in the next three months with the Planning Commission to clarify format and scope. **SMITH** concurred with **HARRELL** about the fish tax. He asked if the Borough had received a letter from Ocean Beauty asking for assistance; if so, the assembly should see it. He said that the assembly needs to adopt the plan and amend it as needed. "We need to have something to work with." **CASE** said that there is no letter that he knows of; in a meeting, Mr. Forbush, of Ocean Beauty, asked **VENABLES** for something that he could take to his bank. **HARRELL** said that Mr. Forbush is coming to Haines this week; it is *that* important to him. **SMITH** said that he would like to have a Borough land sale this fall, but it cannot be done until the Comprehensive Plan is adopted. **SCOTT** said she does not believe there is enough language in the Comprehensive Plan about Excursion Inlet. **CASE** said the reason for the Plan is so that the Borough can take land use actions, not just deal with Excursion Inlet.

The motion carried 5-1 with a roll call vote.

B. ORDINANCE 04-04-054 - (first hearing)

AN ORDINANCE OF THE HAINES BOROUGH AMENDING HAINES BOROUGH CODE TITLE 8, SECTION 8.16, TO ALLOW THE SALE OF FIREWORKS WITHIN THE TOWNSITE SERVICE AREA.

The mayor opened and closed the public hearing at 7:03pm; there was no comment.

M/S **LAPP/SCOTT** Motion to move Ordinance 04-04-054 to its second public hearing on 5/19/04.

SCOTT asked when the area was annexed. **LAPP** said it was in 1999.

M/S **SCOTT/SMITH** Motion to amend to say it is unlawful to sell within the boundaries of the Townsite Service Area prior to the 1999 annexation.

SCHNABEL asked **SCOTT** to speak to her amendment. **SCOTT** said that it could pose a risk to the populace to be right in town. **SCHNABEL** asked if fireworks are more dangerous than ammunition. **OLERUD** said that fireworks are more volatile. **CASE** said that the setbacks for the sale of fireworks are much larger than ordinary setbacks. **SCOTT** said that enforcement would be difficult.

Amendment motion carried unanimously.

HARRELL spoke against the ordinance and said that fireworks would be dangerous even in the annexed areas.

The main motion to move the ordinance to its second public hearing carried 5-1 with **HARRELL** opposed.

8. STAFF REPORTS:

A. Manager

BETTRIDGE summarized his written report.

Tlingit Park Restrooms

The restroom building is now open and undergoing a few finish details that had to wait for warmer weather.

PC Dock Repair

The fenders were installed in one day, so the dock is now ready for the arrival of cruise ships.

Governmental Financial Software Purchase Request

SCOTT asked how new software would save the Borough. **BETTRIDGE** said that an enormous number of hours go into producing reports for the budget process. Also, this would enable the assembly to get any of the reports they need. It would free up staff to focus on other priorities, and the data will be accurate. Additionally, a good program will facilitate cross training. **CASE** said that the information will be much more timely. **SCHNABEL** said that the Borough currently pays for Fundware support. She asked if the support payments to Black Mountain would continue. **BETTRIDGE** said, "Yes, paid quarterly." **SMITH** asked if the recommendation is because it is the lowest bid. **BETTRIDGE** said that it is because they are a very good company and are the low bidder. **SMITH** asked for clarification of the proposal details. **BETTRIDGE** said that the software companies will generally charge for the number of individuals using the software at any one time. Training will occur over the Internet. There would be travel expense only if we asked them to come here. **SMITH** said he would like to see a list of this company's clients. **OLERUD** said that all computer companies have the same type of support and user fees. He said to **BETTRIDGE** said that he has made a good case that Black Mountain would be the best one to go with, but he has not convinced him that it is necessary to switch to a new financial software program, at this time. **CASE** said that the Manager will get a list of current clients and will attempt to illustrate the benefits of a new financial software package. **SCHNABEL** asked if this would affect staff assignments. **BETTRIDGE** said that there would be streamlining and restructuring if the new software is implemented. **SCHNABEL** said that it would be worth it just to get the sales tax component; to get one that is tried and true and integrated. **LAPP** said he would support it if **BETTRIDGE** can more clearly show the benefits to switching. **HARRELL** said it would be time-saving and labor-saving.

Request for Approval of Two-Year Assessor Contract

Originally, three years was talked about, but Haerer has worked out a two-year plan. He has been identifying weaknesses in the system. We are past-due per Alaska State Statute. **LAPP** asked **BETTRIDGE** to ask Haerer to look into possible irregularities in the senior exemption area. For multiple lot owners, only the first lot containing the residence qualifies for tax exemption. **OLERUD** asked about per diem. **BETTRIDGE** said that he will look into it. **LAPP** said it is cost effective to outsource the assessor duties.

M/S **SCHNABEL/LAPP** Motion to approve a two-year assessor contract with Wayne Haerer.

SCOTT said that she would like to see the Borough train an individual. **CASE** said that Scott Hansen has expressed interest in being trained, and Haerer is interested in training him.

The motion carried unanimously.

Folletti's Espresso Stand

BETTRIDGE said that he told Mr. Folletti that anything permanent or long term regarding access and parking would have to be brought before the assembly. **SCHNABEL** said she really believes that it required a variance and should have gone before the Planning Commission prior to permitting. **CASE** said that **VENABLES** suggested the existing access plan and **CASE** strongly supported it. **SMITH** believes that the permitting process has been circumvented. **CASE** said that it is a "use-by-right" in a commercial area, so it did not need to go to the Planning Commission. There is some question as to whether or not the Planning Commission needs to be involved with the Borough property portion of the access plan. The Borough is the owner of the property being used for access, and Folletti needed to get permission from the owner first. **SMITH** said he does not believe that it is a use-by-right. **BETTRIDGE** said he would report back on the issue of whether or not Folletti violated the land-use permitting laws by beginning construction prior to a permit being in place.

Training for Planning Commission

In July, DCED will be here to train the Planning Commission and the assembly is encouraged to attend, as well.

9. COMMITTEE/COMMISSION REPORTS:**A. Commerce Committee - Written**

BETTRIDGE said that roads are the hardest thing to get grants for. **SCHNABEL** proposed that #6 be moved to #4, knowing that there are road projects on the STIP like the Lutak Road. Lucy said that she would support switching #5 and #6. **OLERUD** agreed that #4 is a good spot for roads.

M/S **SCHNABEL/LAPP** Motion to approve the updated CEDS list amended to have *Road Development & Upgrades* moved to spot #4 and *Fish Processing* and *Senior Assisted Living Facility* moved to #5 and #6 respectively.

The motion carried unanimously.

B. Government Affairs Committee

SCOTT said that on April 28, the committee met with 15 people present including Bettridge, Case, Smith, and Harrell. A decision was made to request that the Fairgrounds rent Payson's Pavillion to be used as a skateboard area. **CASE** contacted the fair director, Herb VanCleve. It would be \$200/month to rent it. **CASE** said that VanCleve was at first reluctant, because it had been used for that previously with stipulations violated within a few hours. The arrangement was cancelled because of it. In a new arrangement, the kids could use it most of the time, but fair activities would take priority. Additionally, there must be posted rules such as no smoking, curfew hours, no vehicle parking next to the pavilion, no skating on wooden surfaces, etc. VanCleve was concerned about lack of supervision, but **CASE** suggested that perhaps Officer Hinson might be involved in supervision. **SMITH** asked about insurance liability issues. **SCHNABEL** asked if it would be appropriate for one of the posted signs to say "skate at your own risk." A helmet requirement could be another rule. **OLERUD** said he believes this option should be pursued. **CASE** reiterated the fact that the Fair will not tolerate damage. The way in which the skateboarders meet the stipulations of this arrangement, care for the property, and police themselves would weigh heavily on the Assembly's future decisions to help secure a skateboard park.

M/S **SCOTT/LAPP** Motion authorizing the manager to negotiate an agreement with the Fair Board to use Payson's Pavillion as a temporary skateboard site; and authorizing the Mayor to work with HASL to come up with rules and requirements.

The motion carried unanimously.

10. OLD BUSINESS:

11. STRATEGIC PLAN UPDATES

12. NEW BUSINESS:

A. Resolutions - None

B. Ordinances for Introduction

1. ORDINANCE 04-05-055

AN ORDINANCE OF THE HAINES BOROUGH AMENDING HAINES BOROUGH CODE TITLE 3, SECTION 80.020, DEFINITIONS, EXEMPTING FROM

THE "BED TAX" THOSE GUESTS WHO PROVIDE THEIR OWN ACCOMMODATIONS.

M/S **OLERUD/SMITH** Motion to introduce the ordinance and set it for its first public hearing on 5/19/04.

SCOTT asked if this includes tents. **CASE** said "yes."
SCOTT asked how much money is potentially lost. Fred **BRETTHAUER** said that he believes the Borough will gain money in additional sales tax revenue. He believes that the number of camper nights lost since 1998 is approx. 4,000. **SCOTT** asked if there is any way to test the assumption that the reduction of RV traffic is a result of the bed tax. **OLERUD** said that it has been proven that any time costs go up, the demand goes down. People don't come here or stay as long with a high tax. **SMITH** said that it is a huge deterrent; RVers are a tight group and word gets around.

The motion carried unanimously.

2. ORDINANCE 04-05-056

AN ORDINANCE OF THE HAINES BOROUGH, APPROPRIATING \$8,400 TO RETAIN THE PROFESSIONAL SERVICES OF THE FIRM OF ROBERTSON, MONAGLE & EASTAUGH TO REPRESENT THE HAINES BOROUGH IN WASHINGTON, D.C. REGARDING A NEW HARBOR.

M/S **LAPP/SCOTT** Motion to introduce Ordinance 04-05-056 and set it for its first public hearing on 5/19/04.

The motion carried unanimously.

C. OTHER NEW BUSINESS

- 1. Harbor Expansion Uplands and Transportation/Parking Issues.**
No action was needed so this item was not discussed.
- 2. Painting the Exteriors of the Administration Building and the Municipal Building.**

M/S **LAPP/SCOTT** Motion to put out an RFP to have the exteriors of the Administration Building and the Municipal Building painted.

M/S **OLERUD/HARRELL** to go into Executive Session for a union negotiations update.

The motion carried unanimously.

Mayor **CASE** called a short recess at 8:30pm.

The Executive Session convened at 8:33pm.

13. EXECUTIVE SESSION - Union Negotiations Update

M/S **OLERUD/LAPP** to go out of Executive Session and reconvene the regular meeting.

The motion carried unanimously. The executive session ended at 9:52pm (duration: 1 hour 19 minutes)

14. SET COMMITTEE MEETING DATES

The Commerce Committee will meet on May 18 at Noon in the Assembly Chambers.

Committee of the Whole meetings to discuss the FY05 budget are scheduled for May 10 and May 12 at 6:30pm in the Assembly Chambers.

The Finance Committee will meet on May 11 at 4:00pm at the Administration Building.

15. ANNOUNCEMENTS/ASSEMBLY COMMENTS

SCOTT asked if the brush debris could be dealt with in front of Lookout Park.

16. ADJOURNMENT - 10:56pm

Mike Case, Borough mayor

ATTEST:

Julie Cozzi, Borough Clerk