

Haines Borough
Borough Assembly Meeting #44
June 2, 2004
MINUTES

1. **CALL TO ORDER/PLEDGE TO FLAG:** Deputy Mayor Jerry **LAPP** called the meeting to order at 6:32 p.m. in the Assembly Chambers of the Public Safety Building and led the pledge to the flag.
2. **ROLL CALL Present:** Assembly Members Stephanie **SCOTT**, Lucy **HARRELL**, Norm **SMITH**, Jerry **LAPP**, Douglas **OLERUD**, and Debra **SCHNABEL**. **Absent:** Mayor Mike **CASE**.

Staff Present: Julie **COZZI**/Borough Clerk, Keith **BETTRIDGE**/Borough Manager, Bob **KLING**/CFO, Bob **WENTWORTH**/Harbormaster, Lori **STEPANSKY**, Ann **MYREN**/Library Director, Linda **MOYER**, Henriette **ARENSON**, and CJ **JONES**/Museum Director.

Visitors Present: Dan **COLEMAN**/KHNS, Steve **WILLIAMS**/CVN, Carolyn **WEISHAHN**, Marilyn **JOSEPHSON**, Lisa **ANDRIESEN**, Herb **REEVES**, Dani **BETTRIDGE**, Mike **RUDD**, Nell **GREEN**, Cecily **STEARN**, Herb **REEVES**, Paul **LORENTZ**, Cecily **STERN**, Darlene **BOLICK**, Fred **BRETTTHAUER**, Patricia **BLANK**, Heather **LENDE**, James **ALBOROUGH**, Don **TURNER**, Jr., Karen **HESS**, Ed **HAYS**, and Anne **JURGELEIT**.

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

M/S **OLERUD/HARRELL** Motion to approve the Consent Agenda.

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

- 1) Remove 5/26/04 BOE minutes from the consent agenda;
- 2) Add to Old Business: "Helicopter SUD."

SCHNABEL asked about the Folletti Espresso Stand issue and why it wasn't on the agenda. **BETTRIDGE** noted that it is being dealt with administratively.

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

4. **APPROVAL OF MINUTES:**

*May 19, 2004 Regular Meeting and May 26, 2004 Board of Equalization.

M/S **OLERUD/SCOTT** Motion to approve the 5/26/04 meeting minutes.

SCOTT asked for the following statement to be struck from the minutes in the Cannery Cove section: "**SCOTT** does not believe the assessment was excessive." **SCHNABEL** noted that she remembers **SCOTT** saying that. The Clerk was directed to listen to the tape to confirm the statement and make any necessary corrections.

The motion carried unanimously.

5. PUBLIC COMMENTS:

Many citizens spoke in favor of full funding for the public library at the level the library board is requesting. Speakers included **WEISHAHN, GREEN, STEARN, BULLOCK, ANDRIESEN, ARENSON,** and **RUDD.**

HESS said she is very supportive of the library, but would rather see the library funding be reduced before essential services like the police department.

6. MAYOR'S COMMENTS/REPORT: NONE

7. PUBLIC HEARINGS:

A. ORDINANCE 04-05-055 - (second hearing)

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.

The deputy mayor opened and closed the public hearing at 6:50pm; there was no comment.

M/S **OLERUD/SMITH** Motion to adopt Ordinance 04-05-055.

SCOTT noted that adoption of this ordinance represents a revenue reduction of approximately \$8,000 for the Borough.

The motion carried unanimously with a roll call vote.

B. ORDINANCE 04-05-056 - (first hearing)

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.

The deputy mayor opened and closed the public hearing at 6:52pm; there was no comment.

M/S **OLERUD/HARRELL** Motion to adopt Ordinance 04-05-056.

The motion carried unanimously with a roll call vote.

C. ORDINANCE 04-05-058 - (Introduction & first hearing)

An ordinance of the Haines Borough, Alaska, providing for the establishment and adoption of the budget of the Haines Borough for the period July 1, 2004 through June 30, 2005.

M/S **HARRELL/SMITH** Motion to introduce Ordinance 04-05-058 and open its first public hearing.

SCHNABEL and **OLERUD** each said that they do not believe the budget is yet ready for presentation and asked for more opportunity to work on the document before going into public

hearings. **HARRELL** agreed it is not a perfect document but believes it can be worked through in the public hearing process. **SCOTT** said that she does not believe the tax cap issue has been clearly resolved, and the mill rates for the fire and road maintenance service districts need to accurately reflect their budgets.

The motion failed 1-5 with **HARRELL** voting for it.

M/S **SCOTT/SCHNABEL** Motion to request that the mill rate for the fire and road maintenance service districts/areas correspond precisely with the budget.

The motion carried unanimously.

8. STAFF REPORTS:

A. Manager

BETTRIDGE summarized his written report and addressed the following items:

Cruise Visitor Shuttle Service

BETTRIDGE said that no one responded to the first RFP for cruise visitor shuttle service. A new RFP has been posted and includes a new statement saying, "Limited borough funds may be available." The request before the assembly is basically for a Borough subsidy. He added that there is a potential shuttle provider available for approximately \$400 per cruise ship, and the Borough would receive back any fare proceeds from the customers paying \$1.00 per ride. **STEPANSKY** said that approximately 15 large cruise ship dockings remain. **SCHNABEL** asked what the designated shuttle stops are, and **STEPANSKY** spoke to the adjusted route that has eliminated the drive through Ft. Seward since it is a shuttle and not a tour. **SCHNABEL** pointed out that there is retail activity at the Fort, and **STEPANSKY** responded that most passengers could walk to the Fort. **OLERUD** said there was an issue of being able to find a spot in the Fort that a 40-foot bus could safely stop. **SCOTT** said a budget amendment would be required to appropriate the money from the fund balance. **STEPANSKY** said that ideas for next year are in the works such as a retailer incentive program but there is an immediate need to make sure that cruise passengers have a "flawless experience" to give Haines the best chance to attract more ships. Additionally, when the people come into town, they spend money, and that means increased tax revenue. She also mentioned the importance of beautification.

M/S **SMITH/SCOTT** Motion to fund a cruise passenger shuttle up to \$400 each day that a large ship is in port and all collected shuttle fares to be given to the Borough.

The motion carried unanimously with a roll call vote.

Private Use of a Borough Gravel Pit

BETTRIDGE outlined some advantages to opening the gravel pit at 35-mile to any contractor but added that there are some monitoring concerns. He asked the assembly to look at the issue and said it could be addressed by resolution in a future meeting. **SCOTT** said she knows it is not very good for government to compete with private enterprise. She asked how gravel would be sold and what it would entail to monitor it. **HARRELL** asked if there is any other gravel pit at that end of the Borough. **LAPP** said that there is one at 26-mile bridge and another at 25-mile. **TURNER** said he would like to see the Borough make that gravel available but to open it up to everyone. He acknowledged that monitoring would be an issue; it would have to be an honor system. **SCHNABEL** suggested an option of putting out an RFP to have the pit monitored. **LAPP** said it would be good to come up with a plan to make the gravel available. **SCOTT** suggested the Borough consider leasing the land. **SCHNABEL** asked that the manager research the possibility of leasing or managing the gravel pit with the objective of putting the gravel on the market. There was no objection to that request.

Supplemental Property Tax Roll

SCOTT said that the affect of the supplemental property tax roll on the mill rate is a possible reduction in revenue. She expressed disappointment that the contract assessor did not take on the assessment of new properties. **BETTRIDGE** said that a supplemental roll is not uncommon in other areas although it has apparently not been done in Haines before.

9. COMMITTEE/COMMISSION REPORTS:

a. Commerce Committee

OLERUD said that we missed the time this spring to lobby for harbor expansion funding. While waiting for the next opportunity, the contract lobbyist needs other directions. The committee recommended the following: 1) Federal tank farm land transfer, 2) Glacier Bay CDQ program, and 3) Eldred Rock Lighthouse transfer to the Borough with the feds removing the asbestos first. **OLERUD** added that the committee agreed on a fourth item to task the Economic Development Director, Robert Venables with--to work with Lee Heinmiller to see if grant funding may be found to work on the old fort barracks building. He said Venables has asked for an assembly show-of-support so that he may get moving in these directions and working with the lobbyist.

M/S **OLERUD/HARRELL** Motion to support the directions for the lobbyist and the Economic Development Director as requested by the Commerce Committee.

The motion carried unanimously.

- b. Finance & Budget - None**
- c. Personnel & Labor Relations - None**
- d. Government Services -**

HARRELL spoke in favor of the flood plain ordinance and said it has come to the assembly from the Government Services Committee and the Planning Commission.

- e. Government Affairs - None**

10. OLD BUSINESS:

A. Administration Building Grounds --- Landscaping

BETTRIDGE said that he and the mayor talked about utilizing volunteer help on the administration grounds following the exterior painting. **SCHNABEL** suggested a way to accomplish landscaping would be to collaborate with the Friends of the Library---giving them an annual contribution in exchange for grounds assistance. "It's difficult to engender "love" for government in the way that the library does." She thought perhaps it could be viewed as a "complex." **HARRELL** offered community service individuals as a labor resource. **SCOTT** said that a plan is needed. **TURNER** cautioned that snow removal needs to be considered, because the library's landscaping plan has made it difficult to plow. Staff will pursue options.

B. Chilkat Center Advisory Board By-Laws Adoption

M/S **OLERUD/SCOTT** Motion to adopt the Chilkat Center Advisory Board By-Laws.

The motion carried unanimously with a roll call vote.

C. Helicopter SUD

M/S **SCOTT/SMITH** Motion that the Haines Borough Mayor write a letter to Tom Irwin, Commissioner for the Department of Natural Resources, reaffirming the Assembly's endorsement of the helicopter regulations embodied in the Haines Heliski Regulations (SUD ADL 106939; Department of Law file 993-04-0086); reassuring Mr. Irwin that local leadership has not altered its position since the Assembly articulated its position at its February 19, 2003 meeting which it communicated to DNR in a letter dated February 21, 2003; and requesting DNR to resubmit the Haines Area Heliski Regulations for consideration by the Department of Law. Copies of the letter

should be sent to Edgar Blatchford, Commissioner of the Department of Community and Economic Development; James F. Clark, Chief of Staff; and Gregg Renkes, Attorney General, Department of Law.

SCOTT said that the community went through a lengthy public process and ended up with a document that represented a good compromise. **HARRELL** said she would like to let the mayor complete the inquiries that he has started. **SCOTT** responded that the mayor specifically said he would not pursue this regardless of the result of his inquiries. **SCHNABEL** clarified that Mayor **CASE** said only that he would not endorse an investigation into the events leading up to the dismissal of the SUD.

The motion failed 3-3 with **LAPP**, **OLERUD**, and **HARRELL** opposed.

M/S **SCOTT/SMITH** Motion that the Haines Borough Mayor write a letter to Edgar Blatchford, Commissioner of the Department of Community and Economic Development, stating that the Assembly disagrees with DCED's opinion that the helicopter skiing regulations are "overly restrictive and present a significant barrier to this type of economic development in Haines" (April 23, 2004 Memorandum to James F. Clark, Chief of Staff from Albert H. Clough, Deputy Commissioner) and request that Mr. Blatchford direct DCED staff familiar with Haines, the commercial use of public lands and resources, flight-seeing, and regional economic development to meet with the Haines Borough Assembly to present the findings on which it based its opinion. Copies of the letter should be sent to Tom Irwin, Commissioner for the Department of Natural Resources; James F. Clark, Chief of Staff; and Gregg Renkes, Attorney General, Department of Law.

SCOTT said that it seems the state considered information that has not been made available to the Haines community.

M/S **SCHNABEL/LAPP** Motion to table this activity until the mayor's return.

The motion to table failed 3-3 with **OLERUD**, **SMITH**, and **SCOTT** opposed.

SMITH said that the community deserves an explanation regarding the State's actions.

The main motion failed 3-3 with **OLERUD**, **HARRELL**, and **LAPP** opposed.

11. STRATEGIC PLAN UPDATES

12. NEW BUSINESS:

A. Resolutions - None

B. Ordinances for Introduction

1. Ordinance 04-06-059

An ordinance of the Haines Borough establishing land use regulations to conform to requirements of the National Flood Insurance Program and providing for an effective date.

M/S **OLERUD/HARRELL** Motion to introduce Ordinance 04-06-059 and to set its first public hearing for 6/15/04.

The motion failed 3-3 with **SMITH, SCOTT, and SCHNABEL** opposed.

2. Ordinance 04-06-060

An ordinance of the Haines Borough amending Title 18, Section 8.24.060 to remove fish processing from conditional use status in the Cannery Zone.

M/S **OLERUD/SCOTT** Motion to introduce Ordinance 04-06-060 and to set its first public hearing for 6/15/04.

The motion carried unanimously.

3. Ordinance 04-06-061

An ordinance of the Haines Borough appropriating an additional \$20,000 unrestricted funds from the FY2004 budget for the Haines Borough School District.

M/S **HARRELL/SCOTT** Motion to introduce Ordinance 04-06-061 and to set its first public hearing for 6/15/04.

The motion carried 4-2 with **OLERUD** and **SMITH** opposed.

4. Ordinance 04-06-062

An ordinance of the Haines Borough appropriating funds from the FY04 budget for the actual cost of repairing the two high school boilers not to exceed \$39,000.

M/S **SCHNABEL/LAPP** Motion to introduce Ordinance 04-06-062 and to set its first public hearing for 6/15/04.

The motion carried 5-1 with **OLERUD** opposed.

5. Ordinance 04-06-063

An ordinance of the Haines Borough appropriating \$2,500 funds from the FY04 budget for the 2004 Independence Day fireworks display, and \$1,500 for the Haines Beautification Program.

M/S **SCOTT/LAPP** Motion to introduce Ordinance 04-06-063 and to set its first public hearing for 6/15/04.

HESS said that in the past the Chamber of Commerce has fully-funded the beautification program which has included flowers at the PC dock, the Visitor Center, and the

Municipal Building. This year, the Chamber is asking for funding assistance. **SCHNABEL** said that the contract for the beautification program should be opened up to bidding by the community-at-large if there is public money involved. **Hess** agreed. **SCHNABEL** wondered if the fireworks are too extravagant for a year with budget cuts. **HARRELL** said that she has a problem with the funding request because putting those same funds into the library would have more long-term benefit. **OLERUD** said the 4th-of-July just isn't the same without fireworks. **SCOTT** agreed saying that funds for activities that encourage the community to gather together is money well-spent. **STEPANSKY** added that it's time for Haines to put its best foot forward. **HESS** noted that the Chamber is putting money toward the fireworks and flowers, as well.

The motion carried 5-1 in a roll call vote with **HARRELL** opposed.

LAPP called a brief recess at 8:27pm.

The meeting reconvened at 8:37pm.

C. OTHER NEW BUSINESS

1. Bid Award(s) -

a. Exterior Painting of Municipal & Admin Buildings

M/S **OLERUD/SMITH** Motion to award the paint contract to the low bidder, Herr's Painting Contractors of Juneau.

COZZI noted that the low bidder provided all required documents and any additional award requirements would be requested prior to the Notice of Award. **SCOTT** said she would appreciate a checklist in the future that shows that the bidders provided all required documentation with the bid proposal.

The motion carried unanimously with a roll call vote.

b. Janitorial Service

SCHNABEL suggested grouping the borough buildings for another RFP since the municipal building is not attractive to potential bidders. **BETTRIDGE** suggested looking at hiring a part-time person as an option similar to the Library custodian. **JONES** said that the museum found that hiring someone to do their cleaning as opposed to contracting it out was much cheaper. **BETTRIDGE** will look into the idea of hiring and will also look into advertising for proposals for all three. **SMITH** suggested leaving the visitor center as a separate one. **LAPP** said that perhaps an existing employee could be given custodial duties. **STEPANSKY** talked about the need to have the public restrooms regularly cleaned.

BETTRIDGE pointed out that the contract has a 30-day termination clause in it. The assembly could award the visitor center bid. **SCHNABEL** suggested a 60-day contract to Sunshine Carpet Cleaners for the Visitors Center. **BETTRIDGE** said that the 30-day clause would take care of the same thing. **SCOTT** said she suggests that Sunshine Carpet Cleaners for an hourly-rate be contracted with to clean the Public Restrooms and Visitor Center. **JONES** suggested museum employee, Shori Long, as a possibility to clean the Visitor Center because she works less than a 40-hour week for the museum. **SMITH** asked who cleans the restrooms at the Fort and was told Public Works. He asked why public works doesn't clean the Public Restrooms at the Visitor Center. **BETTRIDGE** agreed to come up with various options and present them to the assembly. He was also directed to address the immediate custodial needs of the Tourism Department.

c. D-1, Sand, & Gravel

M/S **OLERUD/HARRELL** Motion to award the D-1, Sand, and Pit-Run Gravel contracts to the sole bidder, Southeast Road Builders.

The motion carried unanimously with a roll call vote.

d. Harbor Pick-up Truck

M/S **OLERUD/HARRELL** Motion to accept the Cal Worthington Ford ¾-ton pickup bid as recommended by the Harbormaster.

The motion carried unanimously with a roll call vote.

2. Project Request(s)

a. Muskrat Creek Culvert Replacement Project -

Requested by Takshanuk Watershed Council

SHIELDS summarized the location and the need for the culvert replacement. He said it is a very simple fix, and the new culvert would restore that upstream habitat for the coho. The Borough's role would be to accept money from Fish & Wildlife and pass it through to the contractor. Inconvenience for the public would involve a one- or two-day closure of the road. He added that the project needs to be done by mid-August before the coho run begins. He reiterated that the Borough would incur no cost. **SMITH** asked about the role of the Watershed Council. **SHIELDS** said the Council would basically act as project liaison taking care of community communication and other public aspects of the project. The Watershed Council will play no technical role. Fish & Game and Fish & Wildlife will manage the project. **SCHNABEL** asked about the reporting requirements for the Borough. **KIRKPATRICK** said it would involve very little

reporting. **LAPP** confirmed that it is a pass-through grant, but the Borough will take administrative costs from it.

M/S **OLERUD/HARRELL** Motion to accept a pass-through grant from the U.S. Fish and Wildlife Service and agree to act as the contracting entity for the construction phase of the Muskrat Creek Culvert Replacement Project.

The motion carried unanimously.

3. Discuss Names for the Municipal & Admin Buildings

After a brief discussion, the Assembly agreed to the official name of "Public Safety Building" for the structure that houses the police and fire departments. They did, however, talk about including signage or lettering that reflects the presence of the Assembly Chambers in that building. Additionally, the assembly named the administrative offices building "Haines Borough Administration."

13. SET COMMITTEE MEETING DATES

The Assembly had a discussion about fiscal responsibility and the direction they are going to take in working with the draft budget.

As a result, a Committee-of-the-Whole meeting was scheduled for 6:00pm on 6/7/04 to work on the budget.

An Executive Session to discuss the union agreement was set for 7:00pm on 6/7/04.

The Clerk announced an informal meeting with the City & Borough of Juneau Assembly at the ferry terminal at 10:30am on 6/7/04 during the open house for the new fast ferry Fairweather.

The Clerk passed along an invitation for the Assembly Members to attend the Canada Appreciation Dinner at the American Bald Eagle Foundation at 6:00pm on 6/5/04.

14. ANNOUNCEMENTS/ASSEMBLY COMMENTS

SCOTT announced that she would be out of town from 6/17 to 7/11.

15. ADJOURNMENT - 9:45pm

Mike Case, Borough mayor

ATTEST:

Julie Cozzi, Borough Clerk