


Haines Borough
Borough Assembly Meeting #52
September 1, 2004
MINUTES

Approved

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

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

Staff Present: Julie **COZZI**/Borough Clerk, Marva **CRECELIUS**/A-P Clerk, Jila **HANDJANI**/Accountant, and Lori **STEPANSKI**/Tourism Director.

Visitors Present: Dan **COLEMAN**/KHNS, Bonnie **HEDRICK**/CVN, Julie **LEONARD**, Cary **WEISHAHN**, Patricia **BLANK**, Stan **MILOS**, Ady **MILOS**, Lynda **WALKER**, Gershon **COHEN**, Carrie **BROWN BAUER**, Lindy **DICKSON**, Woody **WILSON**, Gary **SAUPE'**, Marlena **MOORING**, and others.

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

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

Mayor **CASE** requested the following change to the consent agenda:

- a) Add to NEW BUSINESS a consideration of a memorandum of understanding with the City of Skagway and Haines Sanitation.

There was no objection to the change, and the motion to approve the amended consent agenda carried unanimously.

4. **APPROVAL OF MINUTES**:

*August 18, 2004 Regular Meeting

5. **PUBLIC COMMENTS**: None

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

- The new Borough Manager, Bob Caldwell, has accepted the offer and will report to work on 9/20.
- The Chamber of Commerce has requested that the mayor and assembly recommend to the Governor that he appoint Travis Reid to the commercial seat on the Chilkat Bald Eagle Preserve Advisory Council. He asked for the assembly's approval. There was no objection.
- A road survey was recently completed with a \$250 contract. It was paid for with budgeted mayoral discretionary funds.
- The SE Conference Annual Meeting is September 20-23 in Sitka. The mayor asked if any of the assembly members wanted to attend, and **SMITH** said he would. **CASE** directed the Clerk to make the arrangements.
- The Alaska Municipal League Conference is November 8-12 in Fairbanks. No interest in attending was noted, at this point.

7. PUBLIC HEARINGS:

A. Ordinance 04-08-074 - (second hearing)

An ordinance of the Haines Borough amending Haines Borough Code Title 6, Section 6.08.010(c) changing the fee amounts for dog licensing and eliminating license fee prorating in the townsite service area.

The mayor opened and closed the public hearing at 6:40 pm.; there was no comment.

M/S **OLERUD/LAPP** Motion to adopt Ordinance 04-08-074.

The motion carried unanimously in a roll call vote.

B. Ordinance 04-08-075 - (second hearing)

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.

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

M/S **OLERUD/LAPP** Motion to adopt ordinance 04-08-075.

SCOTT requested a n administrative change to Sections 18.120.030(A) and 18.120.060(A) changing "zoning permit" to "land-use building permit." There was no objection, and the mayor so ordered it.

The motion carried unanimously in a roll call vote.

C. Ordinance 04-08-076 - (second hearing)

An ordinance of the Haines Borough, Alaska, appropriating an additional \$23,497.50 from the FY05 budget for the Haines Harbor Study - design and engineering feasibility.

The mayor opened and closed the public hearing at 6:43 pm; there were no comments.

M/S **OLERUD/SMITH** Motion to adopt ordinance 04-08-076.

The motion carried unanimously in a roll call vote.

D. Ordinance 04-08-077 - (second hearing)

An ordinance of the Haines Borough, Alaska, appropriating a \$199,000.00 grant from the Alaska Division of Homeland Security to the Haines Borough for first responder preparedness for the police, fire, and public works departments.

The mayor opened and closed the public hearing at 6:44 pm.

M/S **OLERUD/LAPP** Motion to adopt Ordinance 04-08-077.

The motion carried unanimously in a roll call vote.

E. Ordinance 04-08-079 - (second hearing)

An ordinance of the Haines Borough, Alaska, authorizing the borough to issue general obligation bonds in the principal amount of not to exceed \$19,700,000 to finance the planning, design, and construction of a K-12 school.

The mayor opened and closed the public hearing at 6:50 pm; there were no comments.

M/S **OLERUD/SCHNABEL** Motion to adopt Ordinance 04-08-079.

SCHNABEL asked **WILSON** to explain proposed ordinance changes. **WILSON** said the Department of Education said they would not reimburse 70% on a K-12 building; it is quite likely for a K-8 and the renovation of the existing high school. Mechanical, structural, electrical, and environmental contractors and an architect are working to determine the costs for renovation of the high school. **WILSON** said it is possible to reduce the amount from 19.7 million, but the high school building needs insulation to be efficient and useful for the next 30-40 years. If that is done, the total bond may still be in the \$19.7 range. He noted that the Department of Education will not allow us to spend more than is justified. They will determine what is reasonable based on comparable projects; it won't be just up to the School Board. **CASE** asked if there was an alternative to get a new K-12 school with a 60% state reimbursement. **WILSON** said it would be possible, but discussions with members of the public reveal that they would be less likely to support that. **SCHNABEL** asked **WILSON** if he believes between now and Election Day there will be a clearer picture of what the package will be; a huge educational and public information campaign will be needed. **WILSON** responded that within the next week and a half the architects will know what it would cost to repair the current school buildings. "The primary building is past its useful life; it's not worth salvaging. A lot of the elementary building is the same; there is a \$2 million estimate just to upgrade the heating system." **WILSON** said the Department of Education is estimating that it would cost \$13 million to build a new K-8 building, and the estimate for renovation of the high school building is \$8.5 million without insulation. **LAPP** asked about the \$18,000 building condition survey that was done. **WILSON** said it centered on the elementary and primary schools. **SCOTT** said the community is very concerned about raising property taxes. She asked if there would be any value in just taking care of the K-8 problem right now and asking for less and having it prevail as opposed to having the whole thing fail. **WILSON** said he understands and has wrestled with the same question. It is a high burden, but he believes it is a good deal to take advantage of the State paying \$7 on every \$10 spent on the school facilities. "If the building is going to be kept for another 35 years, we should get every penny out of

the State that we can now." **OLERUD** said he found out in a discussion with Bill Thomas that Craig just got a new school and did not have to pay anything. The federal government paid for the part that the state did not pay. **OLERUD** suggested we try that avenue. **CASE** said the borough's lobbyists in Washington could be asked to work on it. **SMITH** said he is supportive of going for a new K-12 and settling for a 60% state reimbursement. **SCHNABEL** noted that next year the community will be potentially looking at the bonding of a small boat harbor. **SCOTT** suggested the assembly consider postponing the decision so that more details may be available. **LAPP** agreed that the voters should be given clear information. **SCHNABEL** suggested setting it for a third public hearing and amending the ordinance to change the election day from October 5 to November 2. **SCOTT** asked **WILSON** if he would have enough information by September 30. **WILSON** said cost information would probably be available, but not a concept drawing. He also said it would be important to get written approval from the Department of Education regarding a 70% reimbursement. **SCHNABEL** asked about having the second meeting in September on the 22nd instead of the 15th to give more time for inspections to be done and more data to be available. **OLERUD** said he will be out of town on the 22nd.

M/S **SCHNABEL/SCOTT** Motion to amend Sections 4 and 5 to substitute November 2, 2004 General Election for October 5, 2004 Municipal Election.

The amendment motion carried unanimously.

M/S **SCOTT/SCHNABEL** Motion to amend the ordinance to incorporate changes as proposed in the 9/1/04 amended version.

OLERUD said it would be better to wait until the additional information has been received.

SCOTT and **SCHNABEL** agreed and withdrew the motion.

M/S **OLERUD/LAPP** Motion to postpone adoption of Ordinance 04-09-079 and set it for its third public hearing at the next assembly meeting.

The motion carried unanimously so the main motion ceased to exist.

F. Ordinance 04-07-069 - (first hearing)

An ordinance of the Haines Borough adding Haines Borough Code Title 18 Section 18.70.030(E) establishing two special use-by-right heliport zones; amending Section 18.70.030(D) requiring conditional use permits for heliports in other General Use Zone areas; and adding definitions to Section 18.20.020.

The mayor opened and closed the public hearing at 7:30 pm.

WEISHAHN posted some maps. She said she is concerned because the SUD has been withdrawn, and the voters approved managed heliskiing. "If the state is not going to do it, then the borough needs to." She added that establishing the commercial recreation zones is premature because there is not a clear view of how the borough is going to manage both heliskiing and summer tours. Additionally, **WEISHAHN** expressed concern about the term "Commercial Recreation Zone" saying the borough needs to think ahead to what it could become. "We need to look at how it can be managed through planning and zoning and through tour permitting."

BLANK asked that the sections with no areas below 1,200 ft. elevation be removed from the Upper Tsirku portion of the map.

The mayor closed the public hearing at 7:37 pm.

There was no motion to set the ordinance for a second public hearing, so the ordinance died.

8. STAFF REPORTS:

A. Acting Manager - CASE summarized his written report covering the following subjects:

- Skyline Estates Small Structure Dispute
- Tour Permit Revocation
- Chilkoot River Corridor Planning
- GIS Intern
- Haines-Skagway Composting Memorandum-of-Agreement

The Finance & Budget Committee was asked by **CASE** to come up with recommendations for dealing with the \$125,000 additional monies going to the school district.

9. COMMITTEE/COMMISSION REPORTS:

- A. Commerce Committee**
- B. Finance & Budget** - written report
- C. Personnel & Labor Relations**
- D. Government Services**

SCOTT summarized the 8/24 meeting where parks and recreation was discussed. She said there will be additional meetings, and added that a very enthusiastic group of citizens is involved.

- E. Government Affairs**
- F. Planning Commission**

CASE said he attended the Planning Commission meeting on 8/26. Regarding helicopter use, the Commission asked him to ask the State whether or not they will allow the borough to put restrictions on state lands. **CASE** said he is making attempts to get the information by phone. **SCOTT** suggested a

formal letter of inquiry to make a historic record. **CASE** said he would send a letter in addition to phone calls.

10. OLD BUSINESS:

A. List of Priorities for the Borough Manager

This agenda item was postponed at the mayor's request.

B. \$10K for Solar Aquatic Engineering Study

M/S **SCOTT/SCHNABEL** Motion to override the mayor's veto of the 8/18/04 motion to appropriate up to \$10K for a Solar Aquatic Engineering Study to develop the USDA grant application.

SCOTT said she would not like to waste any more time and does not believe that moving ahead with the study would preclude the new manager's opinion. She also noted that the motion was passed unanimously by the assembly. **CASE** said he does not have a problem with the Solar Aquatics system in general, but believes it would be better to wait for the new manager to look at it before proceeding.

The motion failed 4-1 in a roll call vote with **LAPP** opposed. A supermajority (5 affirmative votes) was required to override the veto.

C. Sales Tax Exemption Request - Haines Elks Lodge #2634

M/S **OLERUD/SCHNABEL** Motion to grant sales tax exemption status to the Haines Elks Lodge #2634.

The motion carried unanimously in a roll call vote.

11. STRATEGIC PLAN UPDATES

SCOTT said that she reviewed the strategic plan and found that a Parks and Recreation Department is compatible with the plan.

12. NEW BUSINESS:

A. Resolutions

1. Resolution 04-09-048

A resolution of the Assembly for the Haines Borough identifying priority water and sewer infrastructure projects and providing for a local match.

M/S **SCHNABEL/OLERUD** Motion to adopt Resolution 04-09-048.

The motion carried in a roll call vote.

B. Ordinances for Introduction

1. Ordinance 04-09-080

An ordinance of the Haines Borough, Alaska, appropriating up to \$10,000 for the purpose of procuring an engineering study specifically for a Solar Aquatics system.

This ordinance was not introduced or discussed because of the failure of the motion in Old Business to override the mayor's veto.

2. Ordinance 04-09-081

An ordinance of the Haines Borough, Alaska, amending the FY05 advertising budget and appropriating an additional \$17,185 to market the Haines Borough as a tourist destination.

M/S **SCOTT/OLERUD** Motion to introduce Ordinance 04-09-081 and set it for a first public hearing on 9/15/04.

SCHNABEL said an ordinance was never introduced to appropriate the assembly's May 2004 decision to give \$1,500 to the Fort Seward Centennial Committee. **STEPANSKY** said there are discrepancies as to the dollar amount agreed upon by the CVB Board and the appropriateness of approving the funds. **SCHNABEL** said it is clear the assembly granted \$1,500 to the committee and it needs to be appropriated.

M/S **SCHNABEL/SCOTT** Motion to amend the ordinance to include the \$1,500 amount and to add an appropriate line item making a total of \$18,685 additional funds to market Haines.

The amendment motion carried unanimously with a roll call vote.

The main motion carried unanimously.

3. Ordinance 04-09-082

An ordinance of the Haines Borough amending Haines Borough code Title 2 to allow absentee voting by electronic transmission.

M/S **SCOTT/SMITH** Motion to introduce Ordinance 04-09-082 and set it for a first public hearing on 9/15/04.

The motion carried unanimously.

C. Requests and Appeals

1. Snowplowing Highland Drive

SAUPE summarized the letter he presented to the Assembly. **SMITH** said "this is a problem the borough inherited with the consolidation." He said Lot 1 on Muncaster was vacated by the former city, and it narrowed the road. "Mr. **SAUPE** has a problem, but it is our problem." He suggested the borough pay to have the road widened so **SAUPE** can get it plowed.

M/S **SMITH/SCOTT** Motion to plow Gary Saupe's section of Highland Drive, as requested.

OLERUD said there are many other problem roads that are not up to standard and are not getting plowed by the Borough. "We have to be very careful how we move forward on this. We don't have the funds to do them all." **SCHNABEL** asked **SAUPE** how much it is costing him to clear his road. **SAUPE** said he does it most of the time with a snow blower but once the snow gets to a certain depth he has to hire a front-end loader to plow it at \$85. **SCOTT** asked if this road is inaccessible to heavy equipment. **SMITH** said the snowplow cannot turn around. It would have to be done by a loader. **OLERUD** asked about residents on other roads having to pay for snowplowing themselves. "Are we going to extend the same service which will put more burden on Public Works?" **SCHNABEL** suggested that it might be better to reimburse **SAUPE** for his snow removal expense as opposed to hauling a large piece of Public Works equipment up there. **MOORING** pointed out the reason given to them for the Public Works not plowing the road is because it is not up to code. "It is impossible to bring it up to code since the former City gave away the right-of-way." **LAPP** suggested the new manager may have a solution for this problem.

The motion failed 3-2 with Olerud and Schnabel opposed.

CASE assured **SAUPE** that he will work with the new manager to try to provide a solution.

D. Memorandum-of-Understanding with Skagway & Haines Sanitation
(added by **CASE** during approval of the consent agenda)

Mayor **CASE** referred to the documentation he placed before the assembly. He explained that it refers to management of municipal solid waste in Skagway and Haines and involves a collective agreement with Haines Sanitation to acquire and operate a waste grinder that would be shared by the two communities. He added that a \$40,000 Haines match would be tough to do but suggested that other options might be considered including some sort of relief of monies owed by Haines Sanitation. **CASE** explained that the grant application is due September 10, so some type of response is needed tonight. The assembly briefly discussed it and agreed that more time to study the proposal is needed before making a commitment.

M/S OLERUD/SCOTT Motion for the mayor to write a noncommittal letter to say that the assembly is considering the Memorandum of Understanding.

SCOTT asked **WALKER** to write a letter outlining the benefits to the community.

The motion carried unanimously.

13. SET COMMITTEE MEETING DATES

A Finance & Budget Committee meeting is scheduled for September 13 at 1:00 p.m. in the Assembly Chambers. The committee will examine of the current budget to try to identify funds to allocate to parks and recreational activities. They will also look at Fund 01 to begin making recommendations to the acting manager for making up the \$125,000 restored to the school district for school activities.

The Government Services Committee scheduled a meeting for September 13 at 2:00 p.m. to continue discussion of parks and recreation and possible restructuring of the museum.

SCHNABEL suggested the Government Affairs Committee address the issue of election seat designation in a future meeting.

M/S **SCHNABEL/LAPP** Motion to move the September 15 assembly meeting to September 22.

OLERUD reiterated that he will be out-of-town, and **SMITH** pointed out that he will be at SE Conference during that time. There was general concern that a quorum may be difficult.

The motion was withdrawn. The meeting will remain on September 15.

14. ANNOUNCEMENTS/ASSEMBLY COMMENTS

Mr. and Mrs. **MILOS** stood and asked for an opportunity to speak. They received a letter signed by the mayor asking them to come to the meeting to discuss the Eagle Vista Subdivision's snowplowing request. Mrs. **MILOS** read the letter to the assembly. Eagle Vista Subdivision is a part of the Historic Dalton Trail Road Maintenance Service Area (RMSA) but they are not receiving snow removal services. A petition was presented by the residents. **LAPP** said that a service area board meeting has to take place and the subdivision needs to request some of the snow removal funds be allocated to them. It should be addressed first at the RMSA board meeting before coming to the assembly. **CASE** assured Mr. and Mrs. **MILOS** that he would look into the situation for them.

SCOTT announced that September 9 is FAS Awareness Day.

CASE praised Marva **CRECELIUS** for the excellent job she does in payroll.

16. ADJOURNMENT - 8:47 pm

Mike Case, Borough mayor

ATTEST:

Julie Cozzi, Borough Clerk