


Haines Borough
Borough Assembly Meeting #53
September 15, 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**, Stephanie **SCOTT**, and Lucy **HARRELL**.

Staff Present: Julie **COZZI**/Borough Clerk, Marva **CRECELIUS**/A-P Clerk, Henriette **ARENSEN**/Bookkeeper, and Lori **STEPANSKI**/Tourism Director.

Visitors Present: Dan **COLEMAN**/KHNS, Bonnie **HEDRICK**/CVN, Walter **CLAYTON**, Jim **HEATON**, Faith **LORENTZ**, Cary **WEISHAHN**, Fred **EINSBRUCH**, Woody **WILSON**, and others.

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

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

SCOTT requested the following changes to the consent agenda:

- a) Add to NEW BUSINESS the consideration of an ordinance to establish a parks and recreation department.
- b) Add under OLD BUSINESS a discussion of the Planning Commission's recommendation to include SUD regulations in the tour permit process.

SCHNABEL requested a brief discussion under STRATEGIC PLAN UPDATE, Mayor **CASE** asked for the addition of "Severance Pay" under NEW BUSINESS, and **SMITH** requested, also under NEW BUSINESS, a discussion of health insurance co-pay for non-union members.

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

4. **APPROVAL OF MINUTES**:

*September 1, 2004 Regular Meeting

5. **PUBLIC COMMENTS**: None

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

Mayor **CASE** reported that two Debbie Knight Kennedy pendants were purchased out of the mayor's discretionary funds to donate to the Southeast Conference and Alaska Municipal League...silent auctions.

7. **PUBLIC HEARINGS**:

- A. **Ordinance 04-08-079 - (third 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 the public hearing at 6:37 pm.

EINSBRUCH said it seems no one really knows what is needed in a school facility; the only goal seems to be getting the 70% funding.

The mayor closed the public hearing at 6:38pm.

M/S **OLERUD/HARRELL** Motion to adopt Ordinance 04-09-079.

WILSON said the school board voted to recommend that a new K-8 school be built and the existing high school renovated. He said the condition of the existing buildings will have to be documented in detail to satisfy the Department of Education. **SCHNABEL** said her concern is whether or not the total bond amount would still be as much as \$19.7 million. **WILSON** said that was the last number he has been given but he believes it is likely it could be less. He added that he hopes to have more information within one week even though he has not been promised it. **SCHNABEL** asked that the assembly hold the ordinance for another public hearing so the numbers can be clarified.

M/S **SCHNABEL/SCOTT** Motion to amend to extend the ordinance for a fourth public hearing at a special meeting on 9/29/04.

SMITH asked **WILSON** to explain why the school board made the recommendation. **WILSON** said it does not seem the Department of Education wants a new K-12 school to happen. Additionally, it will help the community get the 70% state reimbursement rather than 60%. "If the Department approves a new K-8 with renovation of the high school, it will probably mean 70%. If we go with a new K-12, it will probably be 60%."

The amendment motion carried unanimously.

M/S **HARRELL/SCOTT** Motion to amend the ordinance from a new K-12 school to a new K-8 with renovation of the existing high school.

WILSON said he feels comfortable that the information from the architects will be available within two weeks. He added that the Department of Education may not be as forthcoming with the reimbursement confirmation. **SMITH** said he needs more information before he can make a decision. **CASE** noted the difference to the borough between 60% and 70% is approximately \$2M. **WILSON** said there is not a "do nothing" option available to the borough. He pointed out some of the problems: 1)ADA compliance issues, 2)the primary building has 2x4 walls and has a roof that will not handle snow loads, 3)the boiler in the elementary building is 53 years old, and 4)the buildings are full of code violations, inefficiencies, safety and health

issues (mold is present in some places). He added that the state is not going to allow the borough to build something that is not the best option. "They will want to make sure they are putting their money to the best use." **SCOTT** said these issues need to be made public---the critical situation and the consequences if a new school is not built. She asked **WILSON** how long the borough can be out of compliance with ADA regulations. **WILSON** said the borough has been out of compliance for a long time and could continue to be until a complaint carries through.

The amendment motion carried unanimously.

The main motion, as amended, carried unanimously.

B. Ordinance 04-09-081 - (first hearing)

An ordinance of the Haines Borough, Alaska, amending the FY05 advertising budget and appropriating an additional \$18,685 to market the Haines Borough as a tourist destination.

The mayor opened and closed the public hearing at 7:07 pm; there were no comments.

M/S **SCOTT/OLERUD** Motion to set ordinance 04-09-081 for its second public hearing on 10/6/2004.

The motion carried unanimously.

C. Ordinance 04-09-082 - (first hearing)

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

The mayor opened and closed the public hearing at 7:09 pm.

M/S **OLERUD/SMITH** Motion to set ordinance 04-09-082 for its second public hearing on 10/6/2004.

The motion carried unanimously.

8. STAFF REPORTS:

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

- Porcupine Road
- Helicopter SUD
- Haines-Skagway-Haines Sanitation MOU
- Dalton Trail RMSA
- Restroom Facility Janitorial
- SEARHC Drainage Problem
- Safety Briefing
- Lutak Dock Grant Final Report
- Sheldon Museum Open Positions

Departments

- *B Clerk's Office
- *C. Economic Development
- *D. Finance
- *E. Fire
- *F. Planning & Zoning
- *G. Police
- *H. Ports/Harbors
- *I. Public Works
- *J. Tourism
- *K. Water/Sewer

Facilities

- *L. Chilkat Center
- *M. Library
- *N. Museum

9. COMMITTEE/COMMISSION REPORTS:

- A. Commerce Committee - None**
- B. Finance & Budget**

SCHNABEL summarized the 9/13 committee meeting. They addressed the issues of the Eagle Vista Subdivision and options for making up \$125K in Fund 01. Regarding the budget, the committee discussed the possibility of holding hearings to get the public to weigh in on different scenarios including a)cutting each department's budget by 8% and b)"sacrificing an object" like the Chilkat Center or the Museum (some type of non-essential government function.) **SCOTT** encouraged other members of the assembly to attend the next finance committee meeting. **SMITH** suggested making it a Committee-of-the-Whole. **OLERUD** suggested including this topic in the special meeting scheduled for the 29th. Everyone agreed to that idea.

C. Personnel & Labor Relations

SMITH said the manager could handle a one-step pay raise for Connie Ward, CYD Coordinator, administratively and make it retroactive to 7/1/04. Ward was inadvertently left off of a list of borough employees entitled to a raise in the new union agreement. There was no objection.

D. Government Services

SCOTT said the committee met to continue discussions about a Parks and Recreation department, and a draft ordinance has been written. She encouraged the assembly to introduce it when it comes up under New Business.

- E. Government Affairs - None**
- F. Planning Commission - None**

10. OLD BUSINESS:

A. List of Priorities for the Borough Manager

SCHNABEL suggested the following: 1)update tax rolls, 2)conduct staff evaluations for productivity and general reorganization to make sure every department is effective and efficient, 3)gain familiarity with the borough financial status and budget and work with the finance department to come up with a monthly budget report, and 4)evaluate public works projects. **SMITH** added: 1)address the Highland Estates snowplow issue, and 2)address Lookout Park and other public works projects that need to be scheduled. **LAPP** suggested the manager familiarize himself with the Strategic Plan. **CASE** said he would add the items to the list he had already been working on.

B. Helicopter SUD Regulations

(added by **SCOTT** during approval of the consent agenda)

CASE talked about a petition being circulated by some citizens that want to force the State to adopt the SUD. **HARRELL** said she would like the Planning Commission to get the job of addressing the SUD. **SCOTT** agreed and said the Planning Commission should develop regulations that mirror the SUD. The question is whether or not they would work in Title 18 or Title 5 and whether the Planning Commission would have the right to work in Title 5.

M/S **SCOTT/SCHNABEL** Motion to endorse the concept of the Planning Commission developing regulatory language in Title 18 that reflects the helicopter SUD.

LAPP thanked **SCOTT** for using the word "reflect" in her motion as opposed to "mirror" because the SUD needs a few changes, in his opinion.

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

M/S **SCOTT/SCHNABEL** Motion to approve the concept of developing a heliskiing tour permit and assigning the task to the Commerce Committee.

The motion carried unanimously.

11. STRATEGIC PLAN UPDATES

SCHNABEL asked how the assembly wants to address issues identified in the Strategic Plan. **CASE** said perhaps there could be a Strategic Plan Committee and combine the Government Affairs and Government Services Committees into one called Government Affairs so that there are still five standing committees. **SCHNABEL** suggested one item from the Plan could be added to each agenda so that it forces it to be dealt with.

12. NEW BUSINESS:

A. Resolutions

1. Resolution 04-09-049

A resolution of the Borough Assembly of the Haines Borough, Alaska, appointing election officials for the regular election to be held October 5, 2004, and establishing wages for the same.

M/S **OLERUD/LAPP** Motion to adopt Resolution 04-09-049.

The motion carried in a roll call vote.

B. Ordinances for Introduction

1. Ordinance 04-09-083

An ordinance of the Haines Borough amending Haines Borough Code 3.70.040(D) to include the Haines Animal Rescue Kennel Property in the list of tax-exempted properties.

M/S **OLERUD/SCOTT** Motion to introduce Ordinance 04-09-083 and set it for a first public hearing on 10/6/04.

The motion carried unanimously.

2. Ordinance 04-09-084

(added by **SCOTT** during approval of the consent agenda)

An Ordinance of the Haines Borough adding Chapter 2.105 to establish a Parks and Recreation Department and Advisory Board and amending Chapter 2.104 to show the relationship between the Community Youth Development Program and the Parks and Recreation Advisory Board and deleting Sections 2.102.020-050 pertaining to the Community Youth Development Board.

M/S **SCOTT/SMITH** Motion to introduce Ordinance 04-09-084 and set it for a first public hearing on 10/6/04.

SCOTT explained why, in her opinion, a Parks and Recreation Department is needed. "The Haines community recreational resources should be protected and managed." She added that this new department would not carry with it any borough financial obligation. She asked for assembly endorsement of the idea, and she appealed to them to participate in the ongoing work to development the concept. **SCHNABEL** asked for clarification of whether or not the board would be elected or appointed. She said she is concerned about developing another department and is not clear about staffing especially in reference to union requirements. **SCOTT** explained the ordinance would establish an advisory board that would then make recommendations regarding staffing needs, etc. **OLERUD** said he believes this is

premature and is uncomfortable with jumping into this now until the current budget problems are addressed.

The motion carried 4-2 with Olerud and Harrell opposed.

C. Other New Business

1. Changing the Regular Assembly Meetings from Wednesday to Tuesday

M/S **SMITH/SCOTT** Motion to move the assembly meetings from Wednesdays to Tuesdays.

OLERUD said the School board meets on Tuesdays and the elections happen on Tuesdays. **HARRELL** asked about Mondays. No one agreed to that. **SCHNABEL** asked if the assembly meets on the 1st and 3rd Tuesdays, and the school board meets on the 2nd and 4th, the general public would get used to public meetings taking place on Tuesdays. **SCOTT** pointed out that the school board meets once a month. **HARRELL** suggested the school board be persuaded to meet on the second Tuesday. **OLERUD** questioned the accommodation of a private business (the Chilkat Valley News). **SCHNABEL** said the change would be more for accommodating the public's right to know. **OLERUD** said the newspaper knew of the assembly's meeting schedule before they made the decision to change printers. **SMITH** said it is a public issue---the public has the right to know what goes on in the meetings. **HEDRICK** said it would not make any difference in the number of issues sold---it is not profit-driven. There is an 8-day news lag time with the new printer and the current meeting schedule. Assembly actions are "old" news by the time the next paper comes out. It also makes it harder for the assembly to get timely word out to the public.

The motion carried 5-1 with Olerud opposed.

The change will not take effect until some time after the elections. Wednesday, October 6th, will still be the first meeting in October.

2. Severance Pay

(added by **CASE** during approval of the consent agenda)

Mayor **CASE** asked if the assembly would agree that the manager could at his discretion grant two weeks severance pay. Code says it must be granted by the assembly.

M/S **LAPP/SMITH** Motion to allow the manager at his discretion to grant two weeks severance pay to a terminated employee in reference to HBC 2.82.090.

The motion carried unanimously in a roll call vote.

3. Health Insurance Co-Pay for Non-Union Employees

(added by **SMITH** during approval of the consent agenda)

SMITH and **SCHNABEL** pointed out that two of the five non-union members have dependent health insurance coverage with Aetna and have been paying \$250 per month premium. Union employees pay only \$50.

M/S **SCHNABEL/SMITH** Motion to make the health insurance co-pay for non-union employees the same as the union employees retroactive to July 1, 2004.

The motion carried unanimously in a roll call vote.

13. SET COMMITTEE MEETING DATES

The Finance & Budget Committee scheduled a meeting for 9/27 at 1:00 pm in the assembly chambers.

Also on 9/27, the Government Services Committee will meet at 2:00 pm in the same location.

A special meeting of the assembly will take place on 9/29 at 6:30 pm to hold a fourth hearing on the school bond issue and to discuss where to make up the \$125K restored to the school district FY05 budget.

14. ANNOUNCEMENTS/ASSEMBLY COMMENTS

SCHNABEL recommended that assembly members and people in the community check out www.sirolli.com, the website for economic development pioneer Ernesto Sirolli. He will be the featured keynote speaker at the AML Conference in Fairbanks.

SCOTT suggested having the Chief of Police address the assembly regarding underage drinking and to begin conversations about how to deal with the problem.

SMITH suggested Herb VanCleve be encouraged to attend the AML Conference since he is likely to be elected to the assembly. There was no objection.

15. ADJOURNMENT - 8:34 pm

Mike Case, Borough Mayor

ATTEST:

Julie Cozzi, Borough Clerk