

  
**Haines Borough**  
**Borough Assembly Meeting #65**  
**January 11, 2005**  
**MINUTES**

**Approved**

1. **CALL TO ORDER/PLEDGE TO THE FLAG:** Mayor **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:** Assembly Members, Norm **SMITH**, Debra **SCHNABEL**, Scott **ROSSMAN**, Jerry **LAPP**, and Herb **VANCLEVE**.  
**Absent:** Stephanie **SCOTT**.

**Staff Present:** Robert **VENABLES**/Borough Manager, Julie **COZZI**/Borough Clerk, Cynthia **JONES**/Museum Contractor, Ann **MYREN**/Library Director, and Addison **FIELD**/Museum Director.

**Visitors Present:** Bonnie **HEDRICK**/CVN, John **FLORESKE**, Ben **KIRKPATRICK**, Kerry **COHEN**, Megan **SHERMAN**, Cary **WEISHAHN**, Patricia **BLANK**, Don **TURNER**, Jr., Liz **HEYWOOD**, Scott **SUNDBERG**, Donny **TURNER**, John **HEDRICK**, and others.

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

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

Mayor **CASE** requested removal of Item 12B(3) because it has been determined to be an unnecessary ordinance per the Borough Charter, Section 9.05.

M/S **SMITH/SCHNABEL** Motion to postpone the Item 12B(1) - helicopter regulations ordinance to the next meeting on January 25, 2005 because of assembly member Scott's absence.

**SCHNABEL** said **SCOTT** had expressed intent to amend the ordinance at the time of introduction and it is best to delay it. **LAPP** noted the topic was to be assigned to the Commerce Committee.

The motion carried unanimously.

The motion to approve the amended consent agenda carried unanimously.

4. **APPROVAL OF MINUTES:**

\*December 20, 2004 Special and December 28, 2004 Regular

5. **PUBLIC COMMENTS:**

Don **TURNER** said that the conditional use permit originally issued by the former City of Haines on the rock pit has expired, and he has been informed that the Planning Commission is requiring him to go through a public review process before they will consider granting an extension. He doesn't understand why. **VENABLES** said the permit was renewed three years ago and, at that time, **TURNER** was told it would be reviewed after three years. The Planning Commission has determined that it must be publicly reviewed.

Donny **TURNER** said there was not a public review when it was extended the last time. **SMITH** suggested the topic be moved to the mayor's report on the agenda. **SCHNABEL** stated she is not prepared to discuss it, because she would like to see pertinent documentation. "If there is a code requirement for a public hearing, then it must be done." **CASE** said the Manager issues permit renewals with the Planning Commission weighing in on it.

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

**1. Appointments to the Chilkat Center Advisory Board**

M/S **SCHNABEL/SMITH** Motion to confirm the appointments of Tommie Jimmie, Alain Depremesnil, and Brietta Leader to the Chilkat Center Advisory Board.

The motion carried unanimously.

**2. Appointments to the Library Board of Trustees**

M/S **SCHNABEL/SMITH** Motion to confirm the appointments of Cecily Stern, Leslie Evenden, and Song Nash to the Library Board of Trustees.

The motion carried unanimously.

**3. Meeting w/School Superintendent re. school building**

**CASE** said he had a productive meeting with Woody Wilson, School Superintendent concerning the new school project and to discuss who does what and when. He said the educational specifications are the responsibility of the school district, and Wilson wants SERRC to take care of it. However, since Wilson is on the SERRC Board, **CASE** said he intends to go out and query other schools regarding the processes of their new school projects. **SCHNABEL** said the school board moved to offer the contract to SERRC at their meeting the previous evening. **VENABLES** added SERRC is going to prepare the RFP for an architect. He also stated the borough is waiting on the school board to determine their cash flow needs before being able to begin the bond issuance process. **SCHNABEL** said she took the liberty of telling the school board that she believes the assembly should be more involved with the administration of the finances and have more control over the decisions related to that aspect.

**4. Turner Conditional Use Permit Renewal Process**

**SMITH** suggested the Commerce Committee look at the issue and bring it to the assembly at the next meeting. **ROSSMAN** said if the code allows the manager to reissue the permit, it should be done the most expedient way possible. **SMITH** said in lieu of the fact it was issued by the former city of Haines, it should be dealt with according to correct

procedure. **SCHNABEL** agreed that it is procedural and expressed complete confidence that it is an operational issue; "it should be in the hands of the manager to determine if it has been handled properly and whether or not it should be brought before the assembly. **VANCLEVE** referenced the draft December Planning Commission minutes and said, in his opinion, they reflect that the Planning Commission decided they want a public review of the permit whether or not the code requires it. Additionally, the Commission appears to be asking for a change to code just for the Turner rock pit permit. **CASE** said the assembly needs to get more information, and the manager should take on the task of addressing the issue. **LAPP** said he agrees that it should be in the manager's hands, but if **VENABLES** decides he would like the Commerce Committee to review the situation, he would be happy to add it to a meeting agenda. **SMITH** said he would like to see the issue resolved by the next assembly meeting. He asked the **TURNERS** if a delay would cause a business problem, and they said it wouldn't.

## **7. PUBLIC HEARINGS:**

### **A. Ordinance 04-12-090 - (second hearing)**

**An ordinance of the Haines Borough amending Haines Borough code section 7.08.040(c) changing the structure of the Board of Directors for Mud Bay Fire Service Area No.4.**

The mayor opened the public hearing at 7:00pm.

**KIRKPATRICK**, chair of the FSA #4 Board, said the board met on January 4, and thanked the mayor and assembly members that attended the meeting. He distributed a memo outlining some additional ordinance amendments recommended by Board. He added that the fairness issue of tax differentiation was discussed. **KIRKPATRICK** added that the whole rate structure for fire service within the Haines Borough should be looked at borough-wide. He suggested a meeting be convened within the next six months to come up with a plan for how to service everyone, not just an individual area. Don **TURNER** said he was told that differential taxes don't exist anymore. **CASE** said in the Mud Bay area, it is impossible for everyone to get the same level of service.

The mayor closed the public hearing at 7:06 pm.

M/S **SMITH/VANCLEVE** Motion to adopt Ordinance 04-12-090.

M/S **SCHNABEL/LAPP** Motion to amend §7.08.040(D)(2) of the ordinance as recommended in #2 of the 1-10-05 FSA #4 Board memo. The section should read:

*"A differential rate of taxation is applicable at a 25% reduction for properties within the Fire Service Area 4 based on a response time greater than 40 minutes. Response time is defined as the arrival of a*

*hose from a fire truck to the property as referenced in the pre-fire plan developed by the Haines Volunteer Fire Department. The property owner seeking a differential rate shall file a written application to the Fire Service Area 4 Board prior to January 1 of the year the differential rate will apply. The Service Board shall review applications periodically. Requests for differential rates applicable to the period from January 1, 2005, through June 30, 2005, may be applied for between the effective date of this ordinance and February 15, 2005."*

The amendment motion carried unanimously.

M/S **SCHNABEL/LAPP** Motion to amend §7.08.040(A) of the ordinance to say *Nelson Sub-Division* rather than *Homestead*, and amend §7.08.040(D)(1) to say taxes collected from property owners will be deposited in *the borough's fire department* fund.

The amendment motion carried unanimously.

The main motion to adopt the ordinance carried unanimously with a roll call vote.

**B. Ordinance 05-01-092 - (Introduction and first hearing)**

**An ordinance of the Haines Borough amending Haines Borough code, Title 2, Section 2.98.050, Duties and Responsibilities of the Board of Trustees, to establish the Library Director hiring process.**

M/S **SMITH/SCHNABEL** Motion to introduce and hold the first public hearing today.

The motion carried unanimously.

The mayor opened and closed the public hearing at 7:20pm.; there was no comment.

M/S **SMITH/SCHNABEL** Motion to move the ordinance to its second public hearing on January 25, 2005.

The motion carried unanimously.

**C. Ordinance 05-01-093 - (Introduction and first hearing)**

**An ordinance of the Haines Borough amending Haines Borough code, Title 2, Section 2.100.050, Duties and Responsibilities of the Board of Trustees, to clarify the Museum Director hiring process.**

M/S **SCHNABEL/SMITH** Motion to introduce and hold the first public hearing today.

The motion carried unanimously.

The mayor opened and closed the public hearing at 7:22pm.; there was no comment.

M/S **SMITH/SCHNABEL** Motion to move the ordinance to its second public hearing on January 25, 2005.

The motion carried unanimously.

## **8. STAFF REPORTS:**

**A. Manager - VENABLES** summarized his written report that covered the following subjects:

- Small Boat Harbor
- FY06 Budget Process
- Meetings with Advisory Boards
- \$5K Donation by Lucy Harrell toward Public Safety Building Repairs
- Pool Transfer
- Credit Card Machine
- Public Works Building, and
- Staff reporting process

Regarding adoption of the FSA #4 ordinance, **VENABLES** suggested billing the service area property owners to enable immediate fire service. The assembly concurred.

**VENABLES** added the borough has dropped the AETNA insurance for the 5 non-union employees since the union has finally accepted them for coverage by the Local 71 Trust Fund. It will save the borough significant funds.

**SCHNABEL** said she is interested in the Public Works building project and is aware that funds are available for it. She would like to have a discussion with the State of Alaska regarding the utilization of the current state maintenance grounds, along with making the entryway into the community more appealing. She wonders if it could be beneficial to share the state property and use available funds to improve that property or clean up our own. The assembly had a brief discussion about how to encourage the state to clean up the maintenance yard and the Fish & Game area. Kudos were given to **FLORESKE** and the **TURNERS** for the appearance of their areas. **LAPP** agreed with **SCHNABEL'S** suggestion of checking into sharing the state's property. **ROSSMAN** said he is skeptical that the state would be amenable to the idea. **SCHNABEL** said she believes it would be cost effective for both entities. The manager was asked to investigate it and report back to the assembly.

**SMITH** requested the manager to include a running list of issues and projects in his reports.

## **9. COMMITTEE/COMMISSION REPORTS:**

**A. Commerce Committee - None**

**B. Finance & Budget - Written**

**SCHNABEL** said the Finance committee is aware that the Planning Commission had discussions about potential land sales, but to her knowledge the assembly has not had any report from them. The Finance Committee would like, no later than May 31, 2005, a recommendation by the Commission of

borough lands to sale. **VANCLEVE**, as liaison to the Commission, will take the request to them. He said the Commission has already decided there are no developable borough properties. **LAPP** noted that in former third class borough, the assembly would order a land sale and the land manager would then put something together to present to the Planning Commission. A land sale proposal should come from within the administration rather than starting with the Planning Commission. **SCHNABEL** said it was her understanding that the Borough intended to utilize some of the state entitlement lands by selling them as residential properties. She wondered about the Commission's rationale for not classifying those particular possibilities for sale. **VANCLEVE** said the philosophy of the currently seated commissioners is that any borough lands not already designated for development should be left untouched. "That is the on-the-record stated philosophy." He added the Commission has basically taken the position that if the property has previously been sold, it can be sold again, but otherwise it should not be put up for sale. He added that part of the philosophy was that the Commission does not believe it was appropriate for the borough to compete against private land developers at a time when there is a lot of property on the market. **SCHNABEL** said the Planning Commission might benefit from reviewing the borough's agreement with the state concerning the entitlement lands. It is her understanding that there were very few properties that were reserved for public use, and the majority, especially on Mt. Riley Road, were to be residential. **ROSSMAN** noted the current comprehensive plan says something different. **SMITH** said the monies received from land sales must go into the permanent fund according to code. **LAPP** said the borough has a lot of land that could be developed. The budget is helped out by selling land because the interest earned from the permanent fund monies goes into the budget. **TURNER** encouraged the administration to come up with a list of lands to sell and take it to the Planning Commission.

Mayor **CASE** called a brief recess at 7:47 p.m.

The mayor reconvened the meeting at 7:51 p.m.

**SCHNABEL** said in preparation for budget deliberations, there were extensive discussions about the community's attitudes about police coverage and dispatch issues. The Finance Committee would like to move forward in discovering answers to the questions that were never answered last year. She asked that a citizen's task force or commission be established to work with her committee or the Government Affairs and Services Committee to determine level and efficiency of police coverage. **CASE** said a telephone survey could be done by the McDowell Group for about \$5K. **SCHNABEL** agreed that a phone survey would be good but said members of

the community who have experience and sensitivity to the police department should be involved with developing the survey questions.

**C. Personnel & Labor Relations - None**

**D. Government Services/Affairs - None**

**E. Planning Commission - None**

**10. OLD BUSINESS:**

**A. Assembly Standing Committee Assignments**

The mayor presented his recommendation for committee assignments:

Commerce - Lapp/Chair, VanCleve, Rossman

Finance - Schnabel/Chair, Lapp, Rossman

Government Affairs & Services - Scott/Chair, Smith, Schnabel

Personnel - Smith/Chair, Scott, VanCleve

There was no objection, and they are thus assigned.

**B. Chilkat Center Management**

**VENABLES** said the RFP was put out and there was insufficient response. His recommendation is the Lynn Canal Broadcasting proposal. **SCHNABEL** asked if the applications had been reviewed by the Chilkat Center Advisory Board, and she expressed belief that it was an inappropriate RFP. **CASE** agreed that it could have been more expansive. **SCHNABEL** said she is not interested in re-advertising, but a discussion take place to determine if the borough would be better served by having an employee as in the past or contracting with another entity.

M/S **LAPP/ROSSMAN** Motion to accept the Lynn Canal Broadcasting proposal to manage the Chilkat Center.

M/S **SCHNABEL/SMITH** Motion to amend by referring all three proposals to the Chilkat Center Advisory Board for review, along with the task of developing an agreement.

**HEDRICK** pointed out that the Chilkat Center Advisory Board had already agreed unanimously with the Lynn Canal Broadcasting proposal. **CASE** reminded him that the Board has three new members as of this meeting. **SCHNABEL** said she would like to give the Chilkat Center Advisory Board the opportunity to review the two new responses and consider other options.

The amendment motion carried unanimously and therefore the main motion was tabled.

**C. Chief Fiscal Officer Recruitment**

**VENABLES** asked for direction from the assembly concerning the two resumes received during the recruitment period. **SCHNABEL** asked if the chair of the Personnel Committee could look more

into the candidates. **CASE** said the manager suggested another option would be to use a management recruiting company, but the cost would be significant. **ROSSMAN** asked about just interviewing both candidates. **SCHNABEL** said she would prefer first to get permission from both applicants to contact pervious employers. She sees more value in references than the interview process, at this point. **CASE** said that it would be most appropriate for the manager to do the investigation. **SCHNABEL** said it is a standard courtesy to get permission from the applicant before contacting prior employers. The background checks will wait.

11. **STRATEGIC PLAN UPDATES:** - None

12. **NEW BUSINESS:**

**A. Resolutions**

**1. Resolution 05-01-55**

A resolution of the Haines Borough assembly authorizing and designating certain persons to sign and endorse checks pertaining to certain bank accounts.

M/S **SCHNABEL/LAPP** Motion to adopt Resolution 05-01-055.

The motion carried unanimously with a roll call vote.

**B. Ordinances for Introduction**

**1. Ordinance 05-01-095**

An ordinance of the Haines Borough amending Haines Borough code Title 3, Section 3.80.050 - exempt transactions, to change the total time period for sales tax refunds on any one construction project from four to three years.

M/S **SCHNABEL/ROSSMAN** Motion to introduce ordinance 05-01-095.

The motion carried unanimously.

M/S **LAPP/SMITH** Motion to send the ordinance forward to its first public hearing on January 25, 2005.

The motion carried unanimously.

**C. Other New Business**

**1. Waste Oil Burner Bid Award**

M/S **LAPP/SMITH** Motion to award the bid to Big Foot Auto Service and authorize the manager to negotiate the price with them.

The motion carried unanimously with a roll call vote.

**2. Sales Tax Exemption Request - St.Vincent ePaul, Inc.**

M/S **SCHNABEL/LAPP** Motion to grant the request.

**SMITH** asked what the sales tax exemption means and whether the Project would be tax exempt before or after construction. **SCHNABEL** said she looked into the code and found that because the organization is medically-related, the services they provide will not be taxed. She believes it meets the code's criteria for tax exemption. **SMITH** said the facility will have resident qualification limits; it will only be open to seniors who need assisted-living. **SCHNABEL** said the assembly's task is not to place judgment on the project, but to determine if the applicant is qualified to be exempt. "The code says they are and it would be difficult to rule otherwise."

The motion carried unanimously in a roll call vote.

### 13. SET COMMITTEE MEETING DATES

A Committee-of-the-Whole was scheduled for February 22 at 6:00 p.m. in response to the request from the Chilkoot River Corridor Working Group for an opportunity to make a presentation to the assembly.

Standing Finance Committee meetings will be changed to 4:00pm on the first and third Tuesdays. The next meeting will be on Tuesday, January 18. One item on the agenda will be criteria for non-profits and community groups to make requests of the assembly for funding during the budget process. **CASE** suggested advertising to the community that there will be a particular time period for requesting funds and they would not be entertained any other time.

The Commerce Committee will meet on January 18 at 5:00 p.m. Topics will include the tabled helicopter regulations ordinance and the Haines Sanitation lands request.

A Personnel Committee Meeting was scheduled for Monday, January 17 at 10:00 a.m. to discuss two personnel wage issues. The chair of the Finance Committee will join the meeting.

**VENABLES** asked for a meeting of the Government Affairs & Services Committee immediately following the Personnel Committee meeting to review the pool Memorandum of Understanding. It was scheduled for approximately 11:00 a.m. on January 17.

### 14. ANNOUNCEMENTS/ASSEMBLY COMMENTS

**SMITH** said he will not be in town on the 25<sup>th</sup> and will miss both February meetings. He will regularly check the website.

**SCHNABEL** asked about the Letter from Haines Sanitation that is in the meeting packet and wondered how it will be addressed. **CASE** said the Commerce Committee would review it at their next meeting. There was no objection.

15. **ADJOURNMENT** - 8:45 pm

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

The motion carried unanimously.

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Mike Case, Mayor

ATTEST:

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Julie Cozzi, Borough Clerk