

**Haines Borough  
Borough Assembly Meeting #66  
January 25, 2005  
MINUTES**

**Approved**

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

**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, Paul **NELSON**, Cary **WEISHAHN**, Fred **GRAY**, Rob **POLLACK**, Liz **HEYWOOD**, Jim **STUDLEY**, Lucy **HARRELL**, Donny **TURNER**, Al **GILLIAM**, Shelley **MCLAUGHLIN-TRUE**, Sean **BROWNELL**, and others.

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

**SCHNABEL** stated that the assembly should be aware of issues that may need to be tabled or postponed due to the bare quorum and the need for a unanimous affirmative vote to pass anything.

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

**SCOTT** requested making New Business Item 12B1, Ordinance 05-01-094, a point of discussion rather than an introduction. **ROSSMAN** asked to have New Business Item 12C2 removed because of the limited assembly attendance. **VANCLEVE** agreed with him saying there were only 4 members present the last time the topic was discussed. There was no objection to the changes.

The motion carried unanimously to approve the agenda as amended.

4. **APPROVAL OF MINUTES:**

\*January 11, 2005 Regular

5. **PUBLIC COMMENTS:**

**HARRELL** thanked the assembly for granting sales tax exemption to the Senior Assisted Living Project. She briefly explained the mission of the project and added that the group is suggesting a small amendment to the resolution before them.

**WEISHAHN** said she has done a lot of research in governmental permitting, and she was amazed by the similarities of concerns and issues. She commented that the issues that keep coming up with certain businesses are because their tours are supported by helicopters, and it puts them on a different level. The issues involve impacts to the community, other businesses, wildlife, and

the economy. She expressed belief that the SUD addressed all of those issues in depth and asked the assembly to put that language into code.

**MCLAUGHLIN-TRUE** asked the assembly to "get on with it" and said she is very tired of it. She said there is an impact on their home and on her family's personal recreational use. She added that she "may as well sell her skis and snowshoes because it is getting harder and harder to find *quiet Alaska*." Even though she does not like the SUD, "it is a place to start."

6. **MAYOR'S COMMENTS/REPORT**: None in the Mayor's Absence.

7. **PUBLIC HEARINGS**:

A. **Ordinance 05-01-092** - (second 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.**

**SCHNABEL** opened and closed the public hearing at 6:45pm.; there was no comment.

M/S **SCOTT/VANCLEVE** Motion to adopt Ordinance 05-01-092.

M/S **SCOTT/SCHNABEL** Motion to amend Ordinance 05-01-092 by deleting "*The director shall work with the Haines borough manager regarding staff and building matters*" and inserting "*The Board of Trustees working through its director shall be responsible for administering the personnel policies of the Haines Borough with respect to its staff.*"

**SCOTT** said the amendment's purpose is to clarify the relationship between the library board and the manager. **SCHNABEL** agreed, saying it is wise to have the chain of responsibility clarified. **SCOTT** recognized the library's operation has been smooth and effective and asked, "Why not signal that they should continue to operate as they have been?" **MYREN** said the board compared its bylaws and personnel policies with the borough code and adjustments have been made where discrepancies existed. She also spoke to the library's attempts to keep the manager in the loop. **VENABLES** was asked if he had any comments, and he said the ordinance seems to conflict with the charter. **VANCLEVE** said the ordinance seems to take the manager completely out of the loop when it comes to personnel issues and doesn't believe that is a good thing to do. **SCHNABEL** asked how the library and museum boards differ from the School Board. **VANCLEVE** said State law and the borough charter specifically lay out the relationship for the school board. **SCOTT** quoted the consolidation transition plan regarding empowered boards and said the assembly is asking the board of trustees to apply the borough's personnel policies.

"It is a unique arrangement. Does the manager really want to run a museum and a library? The ordinance clearly lays out that the responsibility of the board to implement the borough's policy." **VANCLEVE** said he believes the wording in the transition plan was more a warning to tread carefully and lightly, but the charter very clearly says the borough manager is the personnel manager. **SCHNABEL** said she believes it would be better to clarify that the component units can function with a director and a board of trustees. **VANCLEVE** responded that he understands that it makes sense but is not convinced it is legitimate. It is a substantial amendment going to the heart of the matter. He believes it should be reviewed more carefully. **MYREN** said the charter has a boards section and it says the assembly may describe a board's duties. She added that during the consolidation process, it was decided that the library board's duties would remain the same including the entire operation of the library and its human resources. **HEYWOOD** said the mayor is very much in favor of the empowered boards continuing. **SCOTT** suggested that those departments without boards are in a different class. She recommended that the assembly move to amend and then send it to a third public hearing.

The amendment motion carried unanimously.

M/S **VANCLEVE/ROSSMAN** Motion to hold the ordinance for a third public hearing on February 8, 2005.

The motion carried unanimously making the original motion moot.

**B. Ordinance 05-01-093 - (second 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.**

**SCHNABEL** opened and closed the public hearing at 7:10pm.; there was no comment.

M/S **SCOTT/SCHNABEL** Motion to amend Ordinance 05-01-093 by deleting "*The director shall work with the Haines borough manager regarding staff and building matters*" and inserting "*The Board of Trustees working through its director shall be responsible for administering the personnel policies of the Haines Borough with respect to its staff*", and to hold the ordinance for a third public hearing on February 8, 2005.

**ROSSMAN** asked why the ordinance says the board's hire recommendations would be given to the mayor as opposed to the manager. **SCHNABEL** explained each component unit handles personnel recruitment themselves and makes hire recommendations to the mayor. **SCOTT** noted that in the initial ordinance, the manager was already taken out of the equation.

The motion carried unanimously.

Assembly member **SMITH** joined the meeting via teleconference.

**C. Ordinance 05-01-095 - (first hearing)**

**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.**

**SCHNABEL** opened the public hearing at 7:15pm.

**TURNER** asked the reason for the change. **SCHNABEL** explained that it becomes administratively difficult. The intent of the ordinance is that a person would get an exemption the first year and have an opportunity to extend for up to two years for a total of three.

**SCHNABEL** closed the hearing at 7:17pm.

M/S **SCOTT/SMITH** Motion to move Ordinance 05-01-095 to a second public hearing on February 8, 2005.

The motion carried unanimously.

**8. STAFF REPORTS:**

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

- Finance issues, including reports, sales tax audit recommendations, the FY05 budget process, financial software, and old bond refinancing.
- Grants received for the skateboard park and the Battery Point trail.
- Personnel restructuring.
- Capital improvement projects, including Lookout Park restoration.
- Turner Construction permit.
- Chief Fiscal Officer search.

**VENABLES** added he had provided information to the assembly from Rep. Paul Seaton regarding HB 24 which would establish a cruise passenger tax. He also pointed out that the Clerk has provided school board minutes, and school board information will be a regular part of future agendas.

**SCHNABEL** asked about the SeaTrails Grant and noted Paul Swift's and Annie Boyce's work to maintain the Ripinsky Trail. She requested that they not be overlooked. She also asked **SMITH** about the Lookout Park's original designer and his offer to assist with its restoration. **SMITH** said the gentleman did make a volunteer offer and suggested the manager contact Lee Heinmiller to discuss it.

- \*B. Borough Clerk
- \*C. Chief Fiscal Officer
- \*D. Chief of Police
- \*E. Museum
- \*F. Library

## 9. COMMITTEE/COMMISSION REPORTS:

### A. Commerce Committee - Written

**VANCLEVE** said the committee discussed the Denali Grant and the garbage shredder. The committee has given Haines Sanitation some questions to answer before the committee will continue discussion. Additionally, the committee reviewed Title 5 and the helicopter regulations; they recommend the ordinance be kept in committee for additional review. They unanimously agreed that the heliski groups must get a commercial tour permit, and it is the opinion of the committee that a lot of the concerns will be addressed by issuing permits. **ROSSMAN** brought up the issue of one of the heliski tour operators approaching the Clerk and being told permits were currently on hold. **VENABLES** explained that the permits would be available by week's end. **ROSSMAN** said he does not believe the heliskiers should be penalized this late in the game. **SCHNABEL** said any heliskier wanting a permit should inform the borough by February 1. **COZZI** pointed out the need to have time to produce the permit forms and to give the operators reasonable time to complete the paperwork. **SCOTT** said she believes the existing permit forms can be made to work. **SCHNABEL** asked the manager to take on the task of reviewing the existing forms. **VANCLEVE** said a generous grace period should be established so the process is not compromised. He suggested April 1. **ROSSMAN** asked for a May 1<sup>st</sup> effective date so that none of the season is interrupted. **SCHNABEL** said an application should at least be in process before then. **BROWNELL** said he believes he could quickly complete required forms but would need more than one day. **VENABLES** said staff can take care of the administration part and Brownell's tour hearing could be held the second meeting in February.

M/S **VANCLEVE/SCOTT** Motion to grant the heliskiers a grace period to operate without a commercial tour permit until April 1, 2005 provided an application is on file.

**SCOTT** said she would be more comfortable if it was March 1. **ROSSMAN** said he still wants May 1. **SCOTT** reminded the assembly that "it is not just the industry we are trying to accommodate. There is another segment of the community with other concerns." She asked **ROSSMAN** to see April 1 as a compromise between what she wants and what he wants. **WEISHAHN** pointed out that the need for a permit already

exists in code. **SMITH** said we need to enforce our own code with no more excuses.

The motion carried 4-1 with **ROSSMAN** opposed.

**B. Finance & Budget - Written**

**1. Criteria for Non-Profit & Community Organization Funding Requests**

**SCHNABEL** asked the assembly to support the recommended criteria. **SMITH** read it out loud.

M/S **SCOTT/SCHNABEL** Motion to endorse the criteria for making funding requests and to publish the information in the Chilkat Valley News.

The motion carried unanimously.

**SCHNABEL** suggested sending out letters to organizations and added the mayor estimates approximately 130 potential organizations.

**C. Personnel & Labor Relations - Written Report**

**SMITH** summarized the written report.

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

**E. Planning Commission - Draft 1/13/05 Minutes**

**F. School Board - Approved 12/7/04 and 12/20/04 Minutes**

**10. OLD BUSINESS:**

**A. Chilkat Center Management**

**SCHNABEL** said she attended part of a Chilkat Center Advisory Board meeting where the three proposals were reviewed. The board has made a request to work with the Government Affairs & Services Committee to review the agreement the manager will draft. It was assigned to the committee.

**B. Chief Fiscal Officer Recruitment**

**VENABLES** reported Mayor **CASE** is taking the lead on reference checks. **VENABLES** recommended reopening the recruitment for a ten-day period to take advantage of other candidates that may come by way of an executive search firm. Additionally, he wants to look more at utilizing existing staff.

M/S **SCOTT/VANCLEVE** Motion to readvertise the Chief Fiscal Officer position for a period of ten days.

The motion carried unanimously.

**C. USDA Sewer Treatment Plant Application**

**SCOTT** said **VENABLES** created an opportunity for her to talk with Keith Perkins who runs the USDA office in Sitka. She learned there is a probability that funds exist but not in

this fiscal year. Perkins told her he will keep it in the back of his mind as he continues to "troll" for funding.

M/S **SCOTT/SMITH** Motion to have the manager write a letter to Keith Perkins ask him to keep in touch and to say the borough would be delighted to be part of a pilot project should funding ever become available.

**SCHNABEL** suggested the school could perhaps take on the solar aquatic project.

**SCOTT** added the new school project has trumped any other major construction projects at this time. She is reluctant in this time of tight budget to spend \$10K on a sewer treatment study.

The motion carried 4-1 with **ROSSMAN** opposed.

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

12. **NEW BUSINESS:**

**A. Resolutions**

**1. Resolution 05-01-050**

**A resolution of the Borough Assembly of the Haines Borough, Alaska, concerning participating in the National Flood Insurance Program (NFIP).**

M/S **SCOTT/VANCLEVE** Motion to adopt Resolution 05-01-050.

The motion carried unanimously with a roll call vote.

**SCHNABEL** called a brief recess at 8:15pm.

The meeting reconvened at 8:20pm.

**2. Resolution 05-01-056**

**A resolution of the Borough Assembly of the Haines Borough, Alaska, supporting the Haines Assisted-Living Project.**

M/S **SCOTT/ROSSMAN** Motion to adopt Resolution 05-01-056.

**SCOTT** read aloud the resolution and said she believes it is a part of both the strategic plan and the comprehensive plan. **HARRELL** said the umbrella organization is St. Vincent DePaul. They made available to the project their expertise with grant-writing and lobbying along with their nonprofit status. She said the project is looking for grant funding and will need a resolution of support. They aren't asking the borough for money but do need the support.

M/S **SCOTT/VANCLEVE** Motion to include "*WHEREAS, Alaska Housing Finance Corporation, 2000 Haines Senior Housing Market Estimates Report, states a potential market of 12 assisted-living units to house seniors in Haines*", correct the spelling of Kay Slack Associates, and change the summary of the resolution to identify it as the "senior" assisted-living project.

The amendment motion carried unanimously.

The main motion carried unanimously with a roll call vote.

**B. Discussion of Ordinance**

**1. Ordinance 05-01-094**

An ordinance of the Haines Borough amending Haines Borough code Title 5, to stipulate the conditions required to obtain a permit to conduct heliski commercial tours by amending Section 5.04.020, definitions; Section 5.18.030 application process; adding Sections 5.18.080 general standards and specific stipulations for heli-ski operations and commercial helicopter tours; and Section 5.18.090 annual use and wildlife reports for heli-ski tours and commercial helicopter tours.

**SCHNABEL** asked **SCOTT** to introduce to the assembly her substitute ordinance. **SCOTT** said she tried to distill the community's verbal and written comments. She said there is really nothing new in the substitute ordinance; she summarized the main changes and said it is merely a distillation of what was. She said she would like to recommend that the ordinance be added to the next agenda for introduction and not be referred to committee unless it is to a committee-of-the-whole.

**SCHNABEL** asked if there would be any objection to introducing the ordinance at this meeting, and **VANCLEVE** said he would object. **SCHNABEL** said the ordinance will be added to the next meeting's agenda under New Business - Ordinances for Introduction; there was no objection raised.

**2. Ordinance 05-01-096**

An ordinance of the Haines Borough amending Haines Borough code Title 5 regarding the permitting process for commercial tours.

M/S **SCOTT/SMITH** Motion to introduce ordinance 05-01-096 and refer it for review to the Government Affairs & Services Committee.

The motion carried unanimously.

**C. Other New Business**

**1. Approval of Manager's Recommendations for Staff  
Reorganization and Wage Considerations**

**SCHNABEL** reminded the assembly that the recommendations are outlined in the Personnel Committee's 1/17/05 report.

M/S **SCOTT/ROSSMAN** Motion to approve the manager's proposed staff and wage changes as recommended by the Personnel Committee.

The motion carried unanimously.

M/S **SCOTT/VANCLEVE** Motion to reinstate Item 12C2 to the agenda since **SMITH** is now in attendance.

The motion carried 4-1 with **ROSSMAN** opposed.

## **2. Travel Compensation for Planning Commissioners**

**SMITH** spoke in support of compensating the planning commissioners that must travel more than ten miles one way to attend meetings. He said he would be willing to give up \$20 from his own stipend, because he believes "the borough is in danger of losing some good people."

M/S **SMITH/SCOTT** Motion to compensate Planning Commissioners \$15 for each meeting they attend if they live more than 10 miles one-way from the meeting site.

M/S **VANCLEVE/SCOTT** Motion to amend to add an immediate effective date and to include the Library and Museum Boards of Trustees, and the Chilkat Center, Parks & Recreation, and Convention & Visitors Bureau advisory boards.

The amendment motion carried 4-1 with **ROSSMAN** opposed.

**ROSSMAN** said he would be willing to do away with his own stipend in order to abandon the whole idea of people having to be compensated to serve.

The motion carried 4-1 in a roll call vote with **ROSSMAN** opposed.

## **13. SET COMMITTEE MEETING DATES**

The Finance Committee meeting will take place on February 1 only if the manager determines it is needed, because the committee chair will be out of town.

The Government Affairs & Services Committee will be at 9:00am on Friday, January 28 to discuss the Pool MOU, Title 5, and the Chilkat Center management agreement.

A Committee-of-the-Whole meeting was scheduled for February 8 at 6:00pm just prior to the regular meeting to discuss the vacant economic development director position. **SMITH** said he will not be at the meeting and, for the record, he wants to see that position dissolved.

## **14. ANNOUNCEMENTS/ASSEMBLY COMMENTS**

**SCOTT** appreciated the people who have been working on the heliski regulations and expressed hope that a middle ground can be arrived at with grace. She added that building a community is about coming together on issues.

15. **ADJOURNMENT** - 9:05 pm

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

The motion carried unanimously.

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Mike Case, Mayor

ATTEST:

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Julie Cozzi, Borough Clerk