

Haines Borough
Borough Assembly Meeting #82
September 27, 2005

Approved

MINUTES

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

Staff Present: Julie COZZI/Borough Clerk, and Jila STUART/Chief Fiscal Officer.

Visitors Present: Bonnie HEDRICK/CVN, Chris SHARP/KHNS, Jessie BADGER, Patty CAMPBELL, James A. WILSON, Deborah VOGT, Rich KALOOSTIAN, and Dale COBB.

3. APPROVAL OF AGENDA & CONSENT AGENDA:

M/S SMITH/VANCLEVE Motion to approve the Agenda/Consent Agenda.

VANCLEVE requested the opportunity under MAYOR'S COMMENTS to present a gift to the assembly. SCHNABEL asked for an addition to OLD BUSINESS: Ice House Status. SMITH requested removal of the Manager's Report from the consent agenda. There was no objection to the changes.

The motion carried unanimously.

4. APPROVAL OF MINUTES: *September 13, 2005 Regular

5. PUBLIC COMMENTS: None

6. MAYOR'S COMMENTS/REPORT:

VANCLEVE presented to the Haines Borough Assembly a large, framed, panoramic photo of Haines to hang in the Assembly Chambers. The assembly expressed appreciation for the beautiful and thoughtful gift.

7. PUBLIC HEARINGS:

- A. Ordinance 05-08-121 (second hearing)

An ordinance of the Haines Borough amending Haines Borough Code Title 5, Section 5.04.110(c) - Appeal from Decision of Manager, to make the mayor responsible for setting the appeal hearing and corresponding with the appellant.

Deputy Mayor **LAPP** opened and closed the public hearing at 6:37pm; there were no comments.

M/S **SCHNABEL/SMITH** Motion to adopt Ordinance 05-08-119.

The motion carried unanimously in a roll call vote.

8. STAFF REPORTS:

***A. Manager**

SMITH said he was informed that the manager told the SE Conference that Haines is looking at 100 million dollars worth of construction projects, and he does not understand where that dollar amount comes from. **LAPP** suggested that **SMITH** discuss it with the manager.

SCHNABEL noted that the manager states in his report under "Turner Pit" that he has asked for a citizen's file and is researching the issue. She pointed out that there is an extensive public record on the Turner Pit issue including many hours of Planning Commission deliberations.

ROSSMAN said the assembly needs to have the school architects come up with new numbers by the end of the year because of the expected increase in building costs. **LAPP** said he believes the project was scaled back somewhat already to save some costs. The architects will possibly address this issue at the October 4 meeting. **SMITH** said school board president Carol Kelly has the same concerns, and it behooves the assembly to move on this ASAP. **LAPP** said Juneau is dealing with the same thing with their new school. **SCHNABEL** noted that the project is not going out to bid until spring 2006, and it is possible that some of the cost effects of the hurricanes will have subsided by then. She said she believes the borough could still choose not to proceed with construction if it proved to be too expensive. **ROSSMAN** said he would like to see some type of contingency design put in place. **LAPP** said the bonds have been sold so the borough will have to go forward with the project, but there are things that could be scaled back to save money.

***B. Borough Clerk**

***C. Chief Fiscal Officer**

***D. Chief of Police**

***E. Museum**

***F. Library**

9. COMMITTEE/COMMISSION/BOARD REPORTS:

A. Commerce Committee

B. Finance & Budget

SCHNABEL referred to the annual report submitted by the

Chief Fiscal Officer showing that the actual expenses were significantly less than expected. A large part of the savings resulted in not having employees in some positions. She cautioned the assembly that it is not always the best way to cut costs. It can mean that essential projects are not getting done.

- C. Personnel & Labor Relations
- D. Government Services/Affairs
- E. Planning Commission
- F. School Board
- G. Chilkat Center Advisory Board
- H. Parks & Recreation Advisory Board
- I. CVB Advisory Board

10. OLD BUSINESS:

Ice House Status: **SCHNABEL** said she read in the newspaper that the bids received in response to the Ice House RFP either were incomplete or too high. She asked that the manager report on what is happening and explain the reasons for rejecting the bids. She asked that the manager draft a report or memo to the assembly right away rather than waiting for his next meeting report. **SMITH** said he feels frustrated and left in the dark when he gets information from the newspaper that he believes he should get from the manager. **SCOTT** said she believes the ice house project should be a hot topic for the Boat Harbor Advisory Committee. **LAPP** suggested adding it to the committee's next meeting agenda. There was no objection to the requests and suggestions.

11. NEW BUSINESS:

A. Resolution 05-09-073

A resolution of the Haines Borough Assembly authorizing a temporary suspension of consumer sales tax on fuel oil purchased for home and business heating within the Haines Borough from November 1, 2005 through February 28, 2006.

M/S **VANCLEVE/SCOTT** Motion to adopt Resolution 05-09-073.

SCHNABEL read the resolution out loud. **SMITH** said it is good the assembly is taking this action, but he wondered about pursuing this on a state level, as well. He suggested sending a copy of the resolution to the Governor's Office along with a letter asking the state to follow suit. **LAPP** agreed. **VOGT** was called upon and stated that there is no state tax on heating fuel. **SCHNABEL** suggested speaking with our representative regarding possible legislation since every municipality in the State of Alaska is facing the same situation. **SCOTT** asked if there is an estimate of the tax exemption. **LAPP** said the

Finance Committee was given an estimate from Delta Western of close to \$60,000. **SCOTT** suggested that the state needs to come forward with money for municipalities who are exempting fuel oil sales tax as a way to recoup that revenue. That might be a legislative issue Thomas could work on. **LAPP** suggested taking that same idea to the Alaska Municipal League. The clerk will refer this to the manager for followup.

The motion carried unanimously in a roll call vote.

B. Ordinances for Introduction

1. Ordinance 05-09-123

An ordinance of the Haines Borough amending Haines Borough code Title 3, Section 3.80.050 - Exempt Transactions, to add a temporary assembly-adopted suspension of consumer sales tax to the list of exempted sales.

M/S **SCHNABEL/VANCLEVE** Motion to introduce Ordinance 05-09-123 and to advance it to its first public hearing on 10/11/05.

The motion carried unanimously.

2. Ordinance 05-09-124

An ordinance of the Haines Borough, appropriating \$167,250 for a new fire truck: 1) \$147,250.00 Assistance to Firefighters grant from the U.S. Department of Homeland Security (FEMA) and 2) \$20,000 from the Fire Department's equipment sinking fund for matching funds and other costs, including transportation.

M/S **VANCLEVE/LAPP** Motion to introduce Ordinance 05-09-124 and to advance it to its first public hearing on 10/11/05.

The motion carried unanimously.

3. Ordinance 05-09-125

An ordinance of the Haines Borough, appropriating \$350,000.00 to purchase from Afognak Construction & Excavating the following real property: Lots 1-11, Block 3 and Lots 4-6, Block 4, in the Mission Subdivision, Haines Recording District, First Judicial District, State of Alaska.

M/S **SCHNABEL/VANCLEVE** Motion to introduce Ordinance 05-09-125 and to advance it to its first public hearing on 10/11/05.

The motion carried unanimously.

4. Ordinance 05-09-126

To retain the professional services of a lobbyist to represent the Haines Borough in Juneau, Alaska regarding the extension of water and sewer services to the Small Tracts and Mud Bay Road neighborhoods.

M/S **SCOTT/VANCLEVE** Motion to introduce Ordinance 05-09-126 and to advance it to its first public hearing on 10/11/05.

SCOTT said the manager recommended the \$20,000 amount. **SCHNABEL** said the amount seems high when she compares it to what is being paid to the Washington D.C. lobbyist.

M/S **SCHNABEL/SCOTT** Motion to amend Section 4 Purpose to strike "budget" and insert "allocate up to" and strike "budget."

SCOTT asked how the assembly can determine an appropriate amount for the lobbying effort. **LAPP** suggested Rep. Bill Thomas as a resource. **BADGER** offered to relay the question to Thomas.

The amendment motion carried unanimously.

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

5. Ordinance 05-09-127

An ordinance of the Haines Borough readopting the Borough code and amending Title 1, Section 1.01.010 and adding Section 1.01.080 to authorize formatting and publishing by the Code Publishing Company.

M/S **VANCLEVE/LAPP** Motion to introduce Ordinance 05-09-127 and to advance it to its first public hearing on 10/11/05.

The motion carried unanimously.

C. Other New Business

1. Discussion of the Process for Appointing Replacement for Herb VanCleve's Assembly Seat

ROSSMAN suggested that the assembly appointed the election candidate receiving the third-highest votes. **SCOTT** agreed with **ROSSMAN** and said she wants to support the process of public election. She added that it might be a way of increasing voter turnout. **SCHNABEL** disagreed. She said it is possible for a candidate to receive the third-highest number of votes and still get a small percentage. She does not see that as being elected. A person may run for office, but it doesn't necessarily mean the voters want him/her there. **VANCLEVE** said he has taken his position on the assembly

very seriously and is concerned about the suggestion to make his vacant seat a "consolation prize." He agreed with **SCHNABEL** that the assembly candidate receiving the third-most votes in the upcoming election wouldn't necessary be someone that the community-at-large would elect. He encouraged the assembly to accept any and all letters of interest and to make the decision based on the most qualified. **SCOTT** said she is very uncomfortable with the assembly of five people appointing a new member. **SCHNABEL** noted that because the borough votes by seats, it is difficult to know which race is going to pull the most votes. For this election, one seat has two candidates, and one has three. Mathematically, it seems that it is not the best way to approach this situation. **SMITH** said he would prefer that the assembly ask the community for volunteers and then appoint one of them. **LAPP** said the appointment method makes most sense to him, and he reminded the assembly that the appointee would only serve until the October 2006 election. **WILSON** was called upon, and he said the former borough faced this situation and asked people to submit letters of interest. **SCOTT** said she would like to hear more from the community on this issue and hopes that people will come forward and express opinions before the October 11th assembly meeting. The clerk will add the topic to the agenda.

M/S **VANCLEVE/LAPP** Motion calling for the assembly to advertise for letters of interest for the Assembly Seat B vacancy.

The motion carried 4-2 in a roll call vote with **SCOTT** and **ROSSMAN** opposed.

12. SET COMMITTEE MEETING DATES

Reminder: The School Architects will meet with the assembly as a committee-of-the-whole on Tuesday, October 4 at 6:00pm in the High School Commons to present the 35% school design documents.

There will be no Finance Committee meeting on October 4.

The Election Canvass will take place at 5:30pm on Tuesday, October 11 prior to the regular assembly meeting.

13. ANNOUNCEMENTS/ASSEMBLY COMMENTS

SMITH said that some municipalities, like Juneau, have been experiencing funding problems since taking over their harbors

from the state, and he drew the assembly's attention to a March 2005 Juneau Empire article. He said that he is planning to ask the Boat Harbor Advisory Committee not to accept the state's current offer to the Haines Borough.

VANCLEVE said he appreciated his time on the assembly and said he will miss Haines.

LAPP thanked **VANCLEVE** for all of his time and efforts on behalf of the community and said he will be missed.

14. ADJOURNMENT - 7:43 pm

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

The motion carried unanimously.

ATTEST:

Mike Case, Mayor

Julie Cozzi, Borough Clerk