

Haines Borough  
Borough Assembly Meeting #104  
November 21, 2006

MINUTES

Approved

1. CALL TO ORDER/PLEDGE TO THE FLAG Mayor SHIELDS 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 Fred SHIELDS and Assembly Members Doug OLERUD, Pete LAPHAM, Scott ROSSMAN, Luck DUNBAR, and Deborah VOGT. Absent: Jerry LAPP.

Staff Present: Robert VENABLES/Borough Manager and Julie COZZI/Borough Clerk.

Visitors Present: Tom MORPHET/CVN, Dave AMMON, Sean BROWNELL, Jeff SHIELDS, Don TURNER III, Carmen DEFRANCO, Bruce BAUER, Carolyn WEISHAHN, Jim STUDLEY, Vince HANSEN, Jody FOX, Jessie BADGER, Martha STEWART, Drake OLSON, Mark ALLEN, Paul NELSON, and others.

3. APPROVAL OF AGENDA & CONSENT AGENDA

Mayor SHIELDS - Remove Old Business Item 10B - Eagle Vista Snow Removal Contract (no bids received), add New Business Item 11C1 - Appoint Borough Attorney, and change the Board Appointments to Item 11C2 and the Executive Session to Item 11C3. There was no objection to the changes.

Motion by OLERUD: Approve the amended Agenda/Consent Agenda. It was seconded by VOGT. The motion carried unanimously.

4. APPROVAL OF MINUTES\* 10/24/06 Regular
5. PUBLIC COMMENTS

AMMON suggested that the borough manager submit a proposed operating plan before embarking on any capital improvement projects such as the Ice House. He also believes the harbormaster, public works department, and the planning commission should be involved in the early stages. On a different subject, he expressed concern about school project cost overruns. He said a change order process should include details and signatures of all parties, and everything should be in writing.

DEFRANCO said he is concerned about the conservative approach people are taking with approving a beer and wine license for Mosey's Restaurant. He said Haines needs businesses in town and a license would help this restaurant stay in business. He also expressed concern about the hiring of a harbormaster and said it is not fair to ask the acting harbormaster, Elli

Braaten, to train someone else if she is not considered good enough to be hired herself.

**BAUER** also spoke in favor of hiring Elli Braaten as the harbormaster.

**WEISHAHN** made comments concerning the helicopter flight paths. She lives at 39 Mile and has observed that the flight path to Jarvis Glacier has not always been followed according to the adopted map. Following the flight paths is part of the conditions of a heliskiing permit, and deviations for safety reasons should be rare. She suggested that a form be given to all permit holders that would be used to explain the reason(s) for deviation from the required flight paths. Additionally, the current annual report form should differentiate skier days from film days.

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

Mayor **SHIELDS** summarized the Alaska Municipal League Conference that he attended last week in Juneau along with the manager, clerk, CFO, and two assembly members (**VOGT** and **LAPHAM**). He also attended the Alaska Conference of Mayors and discovered that all of the municipalities are disappointed in the Department of Transportation.

He gave an update on the Swimming Pool repairs and upgrades and said it is proceeding very well and should be finished very soon.

**7. PUBLIC HEARINGS**

**A. Ordinance 06-10-150 - first hearing**

**An ordinance of the Haines Borough providing for the addition or amendment of specific line items to the FY07 budget.**

The mayor opened and closed the public hearing at 6:47pm; there were no comments.

**Motion** by **ROSSMAN**: Advance Ordinance 06-10-150 to a second hearing on 12/19/06. It was seconded by **LAPHAM**. The motion carried unanimously.

**B. Resolution 06-11-095**

**A Resolution of the Haines Borough Assembly to approve a Cooperative Agreement by and between the Haines Borough and St. Vincent de Paul, St. Lucy's Conference to apply for CDBG Funds for a senior assisted living facility.**

The mayor explained the CDBG Program and that the grant funds can be used for different activities but the Haines Borough's eligibility is limited in scope. He opened the

public hearing at 6:48pm to receive public comments and alternative proposals.

**HANSEN** said that this grant program is indeed narrow in scope; it's primarily for the disadvantaged. He believes the Senior Assisted Living Facility has a good chance of qualifying and spoke in support of the resolution. He expressed appreciation for the borough staff's efforts to work on this grant application.

**STUDLEY** also spoke in support of the proposal and said there are over 20 applications for the facility, so there is a need for building the facility soon. Phase I calls for only 12 beds, and Phase II would double the capacity.

**ALLEN** offered an alternative idea by asking for a state or borough airport up in the valley around 25-mile Haines Highway. He said there needs to be a landing strip for public safety reasons. The manager explained that a project like that would not qualify for the CDBG. There may be some other funding options out there for a project like that.

Hearing no further comments or proposals, the mayor closed the public hearing at 6:57pm.

**Motion** by **OLERUD**: Adopt Resolution 06-11-095. It was seconded by **VOGT**. The motion carried unanimously.

**C. Application for New Commercial "Tour" - TGR**

**Jim Conway of Teton Gravity Research, has applied for a 2007 Commercial Tour Permit to conduct helicopter-assisted filming in the Haines Borough. A public hearing has been scheduled before the borough assembly per Title 5 of the Haines Borough code.**

The mayor opened the public hearing at 6:56pm.

**BROWNELL** said that issuing a permit to one of his customers would be taking business away from him.

**WEISHAHN** said she wants to know how many skier days and how many film days TGR is specifically applying for. This is especially important to know since there is a limit in code.

**BAUER** asked about the special project or film crew definition that would allow TGR to be exempt from the permit regulations. **VOGT** disagreed that there would be an exemption, and she read the *photographer day* and *skier day* definitions from code. **BROWNELL** said that the

photographers are actually skiing, too. He said that during the 2006 season, TGR used 30 days of helicopter time that would equal almost 100 skier days.

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

**Motion** by **LAPHAM**: Approve TGR's permit request and authorize the clerk to proceed with processing the application. It was seconded by **OLERUD**.

**LAPHAM** asked what the films are for. **DUNBAR** explained that it is for producing DVDs about extreme skiing.

The motion failed 2-3 with **OLERUD**, **DUNBAR**, and **ROSSMAN** opposed.

## **8. STAFF REPORTS**

### **A. Borough Manager**

The manager summarized his written report that included the following topics:

- School Project
- Pool Repairs
- AK DOT Projects in Haines
- Harbormaster

### **B. Borough Clerk**

### **C. Chief Fiscal Officer**

### **D. Chief of Police**

### **E. Museum**

### **F. Library**

### **G. Chilkat Center**

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

### **A. Commerce Committee**

### **B. Finance & Budget**

### **C. Personnel**

### **D. Government Affairs & Services**

### **E. Planning Commission**

### **F. School Board**

### **G. Chilkat Center Advisory Board**

### **H. Parks & Recreation Advisory Board**

### **I. Tourism Advisory Board**

### **J. Boat Harbor Advisory Committee**

### **K. Public Safety Commission**

## **10. OLD BUSINESS**

### **A. Reconsideration of Motion to Approve Mosey's Beer & Wine License Application**

**Motion** by **VOGT**: Reconsider the failed 10/24/06 motion to approve the application for the public convenience beer and wine license for Mosey's Restaurant. It was seconded by **OLERUD**. The motion to

reconsider carried unanimously.

**Motion** by **VOGT**: Approve the application for the public convenience beer and wine license as requested by Mosey's Restaurant. It was seconded by **LAPHAM**.

**VOGT** said she is quite comfortable that a majority of the people in the area do support the application. **OLERUD** agreed but said the assembly needs to be prepared to treat future applicants in the same way.

The motion carried unanimously in a roll call vote.

## **11. NEW BUSINESS**

### **A. Resolutions**

#### **1. Resolution 06-11-096**

**A resolution of the Haines Borough Assembly authorizing a temporary suspension of consumer sales tax on fuel oil or propane purchased for home and business heating within the Haines Borough from December 1, 2006 through February 28, 2007.**

**Motion** by **LAPHAM**: Adopt Resolution 06-11-096. It was seconded by **ROSSMAN**.

**VOGT** said she understands the public sentiment and has had some calls to that affect; however she doesn't believe it will help the borough budget. **OLERUD** said he doesn't see heating oil going down anytime soon, and any tax relief should be considered at budget time. Perhaps some type of codified exemption. He asked if anyone knows of a way to independently research fuel costs to assuage the public's opinion that Haines is paying more than its fair share. **BADGER** was called upon and said that Representative Thomas' office has been researching it. **ROSSMAN** said the borough has some compassion, and the assembly should not be looking at the cost to its budget at this point. **SHIELDS** said any exemption should not be year-round, and he is not in favor of putting it in code. **OLERUD** said he was suggesting codification of a 3-month exemption during the coldest months. **VOGT** said the price of oil goes up and the state gets richer but the individuals get poorer. **LAPHAM** asked at what point the borough says no exemption. He said the fuel prices spiked last year and were a shock. **NELSON** was called upon and said if the borough were to grant a sales tax break on wood (a renewable resource) during the winter months, it would encourage people to burn it. **DEFRANCO** was called upon, and he said it appears that the borough is playing

favorites with oil and propane.

The motion carried unanimously in a roll call vote.

**B. Ordinances for Introduction - None**

**C. Other New Business**

**1. Appoint Borough Attorney**

**Motion** by **VOGT**: Appoint Robertson, Monagle, Eastaugh to provide legal services to the Haines Borough with Bob Blasco designated as the Borough Attorney. It was seconded by **ROSSMAN**. The motion carried unanimously.

**2. Board/Commission/Committee Appointments**

The mayor said he decided to delay appointments to the Public Safety Commission. He also said he would like to make appointments to the Historic Dalton Trail RMSA at this time. **OLERUD** requested that the boards be confirmed separately. There was no objection.

**Motion** by **OLERUD**: Confirm the mayor's appointments of Dawn Thomsen, Lee Heinmiller, and Jim Stanford to the planning commission. It was seconded by **VOGT**.

**OLERUD** asked who the other applicants were. **SHIELDS** said Don Turner III, Chris Schelb, and Gregg Richmond. He said that his intention is to replace an individual who is currently seated on the commission, but he needs to do more research. The borough code says a term shall be until it's expired, but the charter says the appointees serve at the pleasure of the mayor. He does not want to misstep. **VOGT** said it is a step that should be taken very seriously. It's not a good precedent. **SHIELDS** said he does not intend to take it lightly. **ROSSMAN** said he disagrees with the appointment of Jim Stanford and asked for Donny Turner instead. **DUNBAR** agreed.

The motion failed unanimously.

**Motion** by **VOGT**: Confirm the mayor's reappointment of Jeff Butcher to the Tourism Advisory Board. It was seconded by **ROSSMAN**. The motion carried unanimously.

**Motion** by **OLERUD**: Confirm the mayor's appointment of Greg Schlachter and the reappointment of Kim Larsen to the Parks and Recreation Advisory Board. It was seconded by **LAPHAM**. The motion carried unanimously.

**Motion** by **OLERUD**: Confirm the mayor reappointments of Cherri Rakers and Ed Hayes to the Library Board of Trustees. It was seconded by **DUNBAR**. The motion carried unanimously.

**Motion** by **OLERUD**: Confirm the mayor's reappointments of Mike Saunders, Ike Lorentz, and Josh Moore to the Boat Harbor Advisory Committee. It was seconded by **ROSSMAN**.

The mayor said Mike Mackowiak also applied, and he is considering asking the assembly for a code change to add another seat to the committee so Mike can be appointed. **OLERUD** agreed that it would be a good idea to have Mike on the committee because of the ice house and his refrigeration expertise.

**Motion** by **OLERUD**: Confirm the mayor's reappointments of Floy McDowell and Kenneth Waldo to the Historic Dalton Trail RMSA. It was seconded by **ROSSMAN**.

The mayor asked the assembly what it wants to do about planning commission appointments. **ROSSMAN**, **DUNBAR**, and **VOGT** said they want Don Turner III to be appointed to the Planning Commission. **SHIELDS** acquiesced and asked for assembly confirmation to reappoint Lee Heinmiller and to appoint Dawn Thomsen and Don Turner III.

Motion by **ROSSMAN**: Confirm the reappointment of Lee Heinmiller and the appointment of Dawn Thomsen and Don Turner III to the Planning Commission. It was seconded by **DUNBAR**. The motion carried 4-1 with **OLERUD** opposed.

The mayor moved Item 13 - Public Comments to afford a member of the public an opportunity to speak prior to the executive session.

**PUBLIC COMMENTS:** **NELSON** asked the assembly not to eliminate the Public Safety Commission. He believes it is an essential group that can do a lot of good for the community. On another note, he said it has come to his attention that the Alaska delegation to Washington D.C. has violated their oaths of office.

### **3. Executive Session - Borough Manager Evaluation**

**Motion** by **LAPHAM**: Move into executive session to discuss the borough manager's performance evaluation. This topic qualifies for executive session because discussion in an open meeting would tend to affect the manager's reputation. It was seconded by **VOGT**.

The motion carried unanimously, and the assembly went into executive session at 8:09pm.

The executive session ended at 9:45pm for a total of 96 minutes, and the mayor reconvened the regular session at 9:46pm.

**12. SET COMMITTEE MEETING DATES**

There will be a Committee of the Whole meeting on 12/19/06 at 5:30pm to discuss the Union Street and Third Avenue road/utility projects and a transportation plan. It will be immediately followed by the regular assembly meeting.

A Boat Harbor Advisory Committee meeting will be scheduled soon to review the harbormaster applications.

**14. ANNOUNCEMENTS/ASSEMBLY COMMENTS**

**VOGT** said that the borough's brief in the Button appeal was filed last week in Superior Court.

**ROSSMAN** asked for an explanation of the current status on the McGraw hearing. **SHIELDS** explained that a time extension has been granted by the court at the request of McGraw's attorney. Additionally, **ROSSMAN** said that the Tongass monies are done now and next budget cycle the borough will have a half million dollars less in revenue. Combine that with the PERS and TERS increases, and the borough is looking at a very serious budget shortfall. **SHIELDS** said the borough will not dip into reserves to cover it.

**15. ADJOURNMENT - 9:56pm**

**Motion** by **OLERUD**: Adjourn the meeting. It was seconded by **VOGT**. The motion carried unanimously.

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Fred Shields, Mayor

ATTEST:

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Julie Cozzi, Borough Clerk