

Haines Borough
Borough Assembly Meeting #105
December 19, 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, Jerry LAPP, Luck DUNBAR, and Deborah VOGT.

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

Visitors Present: Bonnie HEDRICK/CVN, Dave AMMON, Scott SUNDBERG, Nick TRIMBLE, Jeff SHIELDS, Don TURNER III, Sean BROWNELL, Mark ALLEN, Duck and Karen HESS, Patty CAMPBELL, Shawn MCNAMARA, Mark SIZEMORE, Vicki GARDNER, Don and Elli BRAATEN, Warren MORRISON, Jami HANSON, Daniel HANSON, Angela ROBINSON, Gale LONG, Krystal NORBERG, Drake OLSON, Deborah DAVIS, Jessie BADGER, and Jim CONWAY (via teleconference).

3. APPROVAL OF AGENDA & CONSENT AGENDA

Mayor SHIELDS - Remove New Business Item 11C4 - *EXI MOU*, and replace it with *Transportation Task Force*. There was no objection to the change.

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

4. APPROVAL OF MINUTES* 11/21/06 Regular
5. PUBLIC COMMENTS

AMMON said he does not agree with the delay in making the emergency petroleum pipe repairs. He is concerned that the borough is taking an unnecessary risk, and in his opinion weather is not a valid excuse. He also asked the assembly to consider putting the current contract on hold and soliciting additional bids for the project to make sure that the borough has the best deal.

SUNDBERG read a letter from Bruce Bauer to the assembly asking the borough to hire Elli Braaten as harbormaster. He then expressed his own opinion that the borough should hire locally.

ALLEN read his written proposal for a land and seaplane airport out the highway, and said Section 31 is a likely location. He agreed to provide the clerk with a copy.

6. MAYOR'S COMMENTS/REPORT

Mayor **SHIELDS** reminded everyone that he is talking on the radio every other Monday morning.

Regarding the school project, he said the architects are finally at the point where they are actually leading the builders. There was a walk-through last week, and the architects were pleased with the building's proportions.

7. PUBLIC HEARINGS

A. Ordinance 06-10-150 - second 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 6:43pm; there were no comments.

Motion by OLERUD: Adopt Ordinance 06-10-150. It was seconded by **LAPHAM**.

The manager had submitted a memo requesting the addition of three additional budget amendments: 1)\$12,000 for replacement windows for the Human Resource Building, 2) \$5,000 grant to Little League for a ballfield, and 3)\$5,000 for a replacement truck for the sewer plant. **ROSSMAN** spoke against putting money into the Human Resource Building since it is an old building. In his opinion, the borough should get rid of it by giving it away or selling it. He has nothing against the Chilkat Valley Preschool, but he doesn't believe it pencils out in the best interests of the borough. **VOGT** agreed with some of **ROSSMAN**'s points and suggested that some building functions could be combined. Perhaps a committee or the manager could be tasked with looking at it. Currently, there are under-utilized borough buildings. **SHIELDS** said he visited the building with the manager and project manager, and **ROSSMAN**'s points are well taken. The borough was given the building by an act of congress, and we may have to retain it. **ROSSMAN** asked why the preschool can't just use the Chilkat Center. **OLERUD** asked if the windows will be replaced during the winter. **VENABLES** said probably early spring. **OLERUD** suggested waiting on this amendment to give some time to research some other options and answer some of **ROSSMAN**'s questions.

Motion to amend by OLERUD: Amend Ordinance 06-10-150 to add the funds for the Little League and a sewer department truck. It was seconded by **VOGT**. The amendment motion carried unanimously.

The main motion carried unanimously in a roll call vote.

B. Application for New Commercial "Tour" - SEABA

Scott Sundberg of Southeast Alaska Backcountry Adventures, has applied for a renewal of the Commercial Tour Permit granted to him in 2006. His 2007 application includes heliskiing which was not a part of his previous permit. Therefore, 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 6:52pm.

SUNDBERG read aloud his 12/19/06 memo to the assembly outlining his business plans.

DAVIS spoke in support of the heliskiing industry in general. She said it has been a boost to the local economy, because the visitors spend considerable time in town and spend money.

ALLEN vouched for SEABA as a business. The company has beautiful equipment, and their operation is impressive.

GARDNER said when heliskiing first came to Haines, the community spoke out. The borough listened and adopted a code regulating the industry. Alaska Heliskiing lost business last year that they could have gotten, but they adhered to the code timeframe restrictions. They need at least 1000 skier days to operate at current levels.

Warren **MORRISON** said there is enough noise out the highway now. He has no problem with the industry but objects to increasing the number of skier days.

Patty **CAMPBELL** spoke in favor of SEABA getting the permit.

Thom **ELY** wondered why SEABA didn't apply for a heliski permit last year. He also noted that the "pie" will just keep being divided up making it harder for any company to make a living.

BROWNELL said he is concerned about business being taken from him. 400 skier days per month is a break-even for his business. He would have to get a snowcat to compete with SEABA if they get a permit. He stated that his company was the very first heliski company in Alaska. After reading SEABA's operations plan, he believes it is surprisingly inadequate and shows that SEABA has not thought of everything. The borough has a responsibility to public safety.

HESS spoke in support of SEABA's application. She visited with the partners about their long-range business plans and believes it to be very viable. Competition is healthy. There should not be a monopoly. Alaska Heliskiing begins operations the first of March, so February has not been tapped. SEABA would utilize the whole month of February within the limits of their allotted skier days. She added that TGR should not be made to get a tour permit since other film companies have not had to get permitted.

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

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

DUNBAR asked if it would be possible to allocate 1,000 skier days for each business. **SHIELDS** said if the assembly approves the additional permits, it will fall to staff to allocate the skier days. **VOGT** said there may be a misapplication of how photographer days are counted. She believes that the question before the assembly is to decide whether or not SEABA is fit, willing, and able to operate and then leave it to the clerk to make skier day allocations. **ROSSMAN** said the code should be reviewed. **VOGT** agreed that there are some inconsistencies. The borough needs better reporting so that there is a better handle on it. She believes the borough should see how the 2007 season goes. **LAPP** says he is not opposed to the SEABA permit but would like to see the assembly give them the days they have asked for without taking days away from Alaska Heliskiing.

The motion carried unanimously in a roll call vote.

8. STAFF REPORTS

A. Borough Manager

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

- **Transportation Issues**
- **Haines Fuel Terminal**
- **Mt. Riley LID Petition**
- **Personnel Issues**
- **Congressional Update from Lobbyist**

In response to **AMMON**'s comments about the fuel repairs, **VENABLES** said that Delta Western has drained one of the tanks and the other one has minimal fuel in it. It is still an emergency and Statewide Petroleum has the materials on hand and is standing by for a break in the

weather. **ROSSMAN** said he has no problem with the way the procurement process has gone on this project. He recalled Fred Gray of Delta Western saying that Statewide Petroleum is one of only two companies capable of doing the work and the other one is not available. **VOGT** said she does have a problem with it and doesn't believe this situation warrants circumventing the public procurement process. In her opinion, the delay in doing the work shows that there would have been time to put it out to bid.

VENABLES announced that the Boat Harbor Advisory Committee has recommended the hire of Phillip Benner from Kodiak as the new harbormaster. It requires assembly confirmation.

Motion by **OLERUD**: Confirm the appointment of Phillip Benner for harbormaster. It was seconded by **LAPHAM**.

VOGT asked why the committee recommended Benner. **VENABLES** said it basically boiled down to experience. **ROSSMAN** wondered if the assistant harbormaster position should be a year-round full-time position to make it more desirable, and **SHIELDS** concurred. **OLERUD** said the Boat Harbor Advisory Committee put a lot of time into the hiring recommendation. It was not taken lightly.

The motion failed 1-5 with **LAPP**, **DUNBAR**, **ROSSMAN**, **LAPHAM**, and **VOGT** opposed.

VENABLES said that the committee will have to be asked for another recommendation. **OLERUD** said the committee is likely to make the same one. **SHIELDS** said he attended the interviews but did not participate in the deliberations. He suggested that the assembly might prepare a message for the committee. **OLERUD** said there is more he could say, but he does not believe it would be appropriate in an open session. **ROSSMAN** said the difference between the committee and the assembly is that the assembly is elected. It's not always going to happen that the assembly will take a committee's recommendation. **LAPHAM** agreed with **ROSSMAN**. He commended **OLERUD** and the committee for what they did but added that several taxpayers contacted him with strong local hire sentiments. **OLERUD** said the committee's assumption was that the assembly wanted them to recommend the most qualified person for the job. He said all three applicants were good, and there were a lot of strong feelings for both locals. He said that **BRAATEN** has done a great job of filling in. But looking at the complete picture, the committee felt that Benner was the most qualified candidate.

Motion by **LAPP**: Reconsider the failed motion. It was seconded by **OLERUD**.

LAPP said he too has received phone calls regarding hiring locals. However, after listening to **OLERUD**, he believes that the assembly should consider standing by the committee. **VOGT** said she supports the committee's work, but it would be nice for the assembly to have a little more information when making confirmation decisions. To rubberstamp doesn't seem appropriate. **OLERUD** asked if an executive session would be appropriate. **SHIELDS** recommended scheduling that the same time as the other executive session.

The motion to reconsider carried unanimously.

Motion by **ROSSMAN**: Discuss the harbormaster topic in executive session. It was seconded by **LAPHAM**. It carried unanimously.

Motion by **OLERUD**: Suspend the rules to allow this executive session to run concurrently with the New Business Item 11C5 executive session. The motion carried unanimously.

- 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 - None

11. NEW BUSINESS

- A. Resolutions - None
- B. Ordinances for Introduction - None
- C. Other New Business

1. Teton Gravity Research (TGR) Tour Permit Application

Motion by **OLERUD**: Reconsider the failed 11/21/06 motion to approve the 2007 permit application for TGR. It was seconded by **LAPHAM**.

The motion to reconsider carried 4-2 with **ROSSMAN** and **DUNBAR**.

CONWAY said they are not a tour company or an outfitter. They don't offer services to the general public. They shoot movies, commercials, kayakers, etc. and not limited to heliskiing. **ROSSMAN** asked if TGR has state and federal permits. **CONWAY** responded that the State of Alaska does not require them to get a permit, and they are in the process of getting their BLM permit. Professional athletes, cinematographers, etc. are the only ones that accompany them. **VOGT** asked him to explain their activities within the borough during the previous year. **CONWAY** said that last year they arrived to find out that the borough had created another layer of permitting. They needed to be able to operate, so they worked under Alaska Heliskiing's permit. However, that is not the way they like to do business; they like to get their own permits into place ahead of time and to do things above board. **SHIELDS**, **ROSSMAN**, and **LAPHAM** expressed belief that TGR's days would be photography days as opposed to skier days. Even the professional athletes working with them would be considered photographer assistants. **ROSSMAN** asked why TGR can't just continue to use Alaska Heliskiing. **BROWNELL** was called upon, and he said he doesn't mind if TGR is on its own but would hope that they would continue to use his guide services. **OLERUD** spoke in favor of the motion.

The reconsidered November 21, 2006 motion: "Approve TGR's permit request and authorize the clerk to proceed with processing the application" carried unanimously.

2. Award 2006 Eagle Vista Subdivision Snow Removal Contract

SHIELDS asked **VENABLES** to address the topic. **VENABLES** said that the Eagle Vista neighborhood is dealing with the snow removal, and they have asked that the assembly not to award this particular contract. Instead, they would like to have contract snow removal only on an emergency, as-needed basis.

Motion by **OLERUD**: Authorize the manager to contract with Chip's Excavating Service on an on-call basis to remove snow in the Eagle Vista Subdivision. It was seconded by **ROSSMAN**. The motion carried unanimously.

3. Board/Commission/Committee Appointments

Motion by **OLERUD**: Confirm the board appointments as requested by the mayor: Public Safety Commission - Art Jess, David Voth, and

Jan Hotze; Library Board of Trustees - Greg Stuckey; Oversight & Strategic Planning Committee (School Project) - Thom Andriesen; Boat Harbor Advisory Committee - Mike Mackowiak, ad-hoc member.

It was seconded by **VOGT**. The motion carried unanimously.

4. Transportation Task Force

VENABLES asked the assembly to consider appointing a task force to develop a coordinated public transportation plan.

Motion by **LAPHAM**: Appoint a task force to develop a coordinated public transportation plan to qualify Haines entities to receive funding for public transportation in the Haines Borough; the task force would be directed by a team composed of representatives of Haines Borough, REACH, SEARHC, Chilkoot Indian Association, Public Health, Haines Senior Citizens and Public Transportation Advocate; and the task force would be charged with compliance with DOT procedures for qualifying for 2007 Grant Application Deadline. It was seconded by **OLERUD**. The motion carried unanimously.

5. Executive Session - Manager Evaluation Follow-up

Motion by **VOGT**: 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 **OLERUD**.

The motion carried unanimously, and the assembly went into executive session at 8:32pm.

The executive session ended at 9:45pm for a total of 73 minutes, and the mayor reconvened the regular session at 9:46pm.

The mayor reminded the assembly that the reconsidered motion to appoint Phil Benner as harbormaster is still on the floor.

The motion carried 4-2 with **DUNBAR** and **ROSSMAN** opposed.

12. SET COMMITTEE MEETING DATES

13. PUBLIC COMMENTS

ALLEN reiterated his valley airport proposal. **SHIELDS** asked him to visit with the Planning Commission to get it on their agenda.

BRAATEN said there was a prior understanding with the borough manager that she would not continue in borough employment if she was not offered the harbormaster job.

14. **ANNOUNCEMENTS/ASSEMBLY COMMENTS**

VOGT asked to be excused from all January assembly meetings since she will be traveling. There was no objection.

ROSSMAN said he knew that Jim Stanford had actually completed his term on the Planning Commission. He used the word "quit" to mean that he did not continue on for another term.

15. **ADJOURNMENT** - 9:52pm

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

Jerry Lapp, Deputy Mayor

ATTEST:

Julie Cozzi, Borough Clerk