

Haines Borough
Borough Assembly Meeting #99
August 8, 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 Norm **SMITH**, Luck **DUNBAR**, Jerry **LAPP**, Stephanie **SCOTT** and Scott **ROSSMAN**, and Deborah **VOGT**.

Staff Present: Robert **VENABLES**/Borough Manager, Julie **COZZI**/Borough Clerk, Jila **STUART**/Chief Fiscal Officer, Lori **STEPANSKY**/Tourism Director, and Connie **STASKA**/Sales Tax Clerk.

Visitors Present: Christijan **DRAPER**/KHNS, Bonnie **HEDRICK**/CVN, Chris **SCHELB**, Charles **BETTISWORTH**, Lee **ROBERTS**, Douglas **OLERUD**, Lee **HEINMILLER**/Planning Commission Chair, Shane **ROBERTS**, Dave **AMMON**, and Don **TURNER III**.

3. APPROVAL OF AGENDA & CONSENT AGENDA

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

4. APPROVAL OF MINUTES* July 11, 2006 Regular

5. PUBLIC COMMENTS

BETTISWORTH addressed the assembly and updated them on the current school project budget. He said he is currently showing \$2.4 million worth of additive alternates for the project. The project as designed is worth \$15.8 million. There is nearly \$1.6 million in contingency funds (12%) built in right now. Some of the additive alternates might be paid for out of that. He said he would be addressing the school board and anticipates that the board will be offering a recommendation for the assembly. **ROSSMAN** asked at what point the decision is made whether or not to keep Dawson Construction. **VOGT** noted that the assembly has only authorized preconstruction funds. Ultimately, the final construction contract will be for the assembly to approve. **BETTISWORTH** assured the assembly that Dawson Construction will submit a guaranteed maximum price (GMP) within budget. **SMITH** said fuel prices affect all construction and he expressed concern. **BETTISWORTH** said the amount of work that has been in the state over the last five years has tapered off and contractors are starting to sharpen their pencils.

Commodity prices have gone up so he doesn't see construction costs going down, however he does see them flattening out.

6. MAYOR'S COMMENTS/REPORT

SHIELDS said he and the manager recently entertained the governor and his wife showing them various local projects and taking them to the fair.

The mayor said that Malcolm Menzies, SE Regional Director for AK-DOT/PF, is planning to come to Haines very soon to meet jointly with the assembly and the planning commission. He added that there is rumor of a lawsuit against the State of Alaska over the Juneau access road, and the assembly should think about whether or not to join in. **SMITH** said he would be all for it provided Haines gets the ferry shuttle first. **SCOTT** said there are actually two lawsuits---one against the state and one against the federal government. **ROSSMAN** emphatically declared his opposition to joining any lawsuit.

SHIELDS informed the assembly that a borough attorney/legal services RFP will be put out soon.

The mayor noted that the Prudhoe Bay oil pipeline is shut down indefinitely due to corrosion. The State of Alaska has about two months of daily oil money before it starts spending money it doesn't have. If the pipeline shutdown goes into winter, they probably won't be able to get it going. The oil turns to asphalt. The state gets about \$6.4 million per day.

7. PUBLIC HEARINGS

A. Ordinance 06-06-145 - Second Hearing

An ordinance of the Haines Borough amending Haines Borough code Title 18 Section 18.30.040 to require solicitation for Planning Commission applicants to occur annually.

Mayor **SHIELDS** opened and closed the public hearing at 6:58pm; there were no public comments.

Motion by **LAPP**: Adopt Ordinance 06-06-145. It was seconded by **SCOTT**. The motion carried unanimously in a roll call vote.

B. Ordinance 06-06-146 - Second Hearing

An ordinance of the Haines Borough amending Haines Borough code Title 18 Section 18.30.010 to equalize the penalties for failure to comply with building permit and construction declaration requirements.

Mayor **SHIELDS** opened and closed the public hearing at 6:49pm; there were no public comments.

Motion by **LAPP**: Adopt Ordinance 06-06-146. It was seconded by **ROSSMAN**.

Motion to Amend by **VOGT**: A taxpayer may qualify for the sales tax refund program provided they have a building permit or a construction declaration. It was seconded by **SCOTT**.

SCOTT said the purpose of the ordinance is to equalize the penalties. The amendment doesn't substantially change the ordinance.

The amendment motion failed 2-4 with **SMITH, ROSSMAN, LAPP,** and **DUNBAR** opposed.

The main motion carried unanimously in a roll call vote.

C. Ordinance 06-06-147 - Second Hearing

An ordinance of the Haines Borough amending Haines Borough code Title 3 Section 3.70.050 to clarify the tax assessment method for vessels.

Mayor **SHIELDS** opened and closed the public hearing at 7:07pm; there were no public comments.

Motion by **SCOTT**: Adopt Ordinance 06-06-147. It was seconded by **LAPP**.

LAPP said the Finance Committee recommends adoption as written. **VENABLES** said staff has been asked to draft a follow-up ordinance for future consideration that will make some changes to vessel taxation including equalizing the tax paid in and out of the townsite.

The motion carried unanimously in a roll call vote.

D. Ordinance 06-07-148

An ordinance of the Haines Borough amending Haines Borough Code Title 18 Sections 18.60.010 and 18.100.20 to add the special conditions permit for a subdivision as one of the permits subject to general approval criteria.

Mayor **SHIELDS** opened and closed the public hearing at 7:10pm; there were no public comments.

Motion by **SCOTT**: Motion to advance Ordinance 06-07-148 to a second public hearing on 8/22/06. It was seconded by **LAPP**. The motioned carried unanimously.

The mayor called a brief recess at 7:11pm.

The meeting reconvened at 7:17pm.

8. STAFF REPORTS**A. Borough Manager**

VENABLES summarized his written report including the following topics:

- **Federal Road Money**
- **School Project Update**
- **School Property Disposal**
- **Progress on Other Projects**
- **New Employees**

The assembly discussed the condition of Mud Bay Road and the state's delay in repairing it. It is hazardous and needs to be dealt with as soon as possible. **SMITH** expressed concern that, once again, Haines is being forgotten and needs to stand up and scream. **SHIELDS** said there will be more than one issue to discuss with Malcolm Menzies when he visits Haines.

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**

LAPP said the committee met prior to this meeting and discussed the project bids/proposals before the assembly for award. Additionally, they discussed the options presented to them by the manager for disposing of the primary school and property.

Motion by **LAPP**: Authorize the manager to explore methods of primary school building/property disposition that includes public advertising and to negotiate a sale with the person(s) offering a proposal that provides optimal benefit for the borough. It was seconded by **ROSSMAN**. The motion carried 5-1 with **SCOTT** opposed.

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

1. Resolution 06-08-091

A resolution of the Haines Borough Assembly identifying state fiscal year 2008 legislative capital improvement project priorities and providing for local match.

Motion by **ROSSMAN**: Adopt Resolution 06-08-091. It was seconded by **VOGT**.

SHIELDS said under certain circumstances, raw sewage has made it into the ditch at Tlingit Park or into the street. He proposes that the next time this happens, the borough make it a big spectacle complete with police tape and full press to help communicate the seriousness of the situation. There was no opposition to that idea.

The motion carried unanimously in a roll call vote.

B. Ordinances for Introduction - None

C. Other New Business

1. Award River Road Improvement Contract

LAPP said the finance committee recommends allowing the road width to be 20-feet rather than 24-feet.

Motion by **LAPP**: Allow River Road to remain 20-feet wide, and authorize the manager to negotiate with the low bidder, Southeast Road Builders, to adjust the \$21,141 bid to reflect the project reduction. The motion was seconded by **ROSSMAN**.

DUNBAR asked why the narrower width is being allowed. **VOGT** said the residents were distressed to hear that the road was going to be widened to 24-feet. **SHIELDS** said roads do need to be developed to standards, but at this point, this road is being considered a low-volume "road to nowhere." **VOGT** said she believes the code that was being cited to mandate the 24-foot width is actually for new plats; new subdivisions. **ROSSMAN** said he plans to vote against this because he believes the borough needs consistency and also needs to make sure that emergency and school vehicles have safe access. **VOGT** said the planning commission should think about developing standards to a variety of situations as opposed to "one size fits all." Right now, the code would require a person that divides their lot into two pieces to put in a 24-foot road whether they needed it or not. **HEINMILLER** was called upon. He said the planning commission has talked about road standards.

They are most concerned about fire protection access. However, he said it would be appropriate to allow this particular road to remain narrow. **TURNER** was called upon. He said the code requires a 24-foot width; everyone else is held to it. He has plowed that particular road and he believes the road base is actually 24-foot. **ROSSMAN** said he doesn't want to hold the project up over four feet. **VOGT** disagreed with **TURNER** and said River Road has been a 16-foot width up to this point. **SCOTT** said **TURNER** makes an important point, and the community needs to hear that the assembly is considering changing the borough's road standards. She added that the planning commission should move forward with a recommendation for amending code. **LAPP** said if it becomes problematic at 20-feet, the road could be widened.

The motion carried 5-1 in a roll call vote with **DUNBAR** opposed.

2. Award Public Works Metal Shop Building Contract

Motion by **LAPP**: Award the Metal Shop Building contract to the low bidder Ron's General Construction and purchase the building for \$93,850. The motion was seconded by **SMITH**.

SHIELDS said site preparation is estimated to cost \$50,000 to \$70,000.

The motion carried unanimously in a roll call vote.

3. Award 2007 Haines Vacation Planner Contract

LAPP said the finance committee recommends award of this contract to Chilkat Valley News/Sarah Graphics for a 32-page document...negotiated for a price not to exceed \$22,596 with the money to come from the fund balance.

Motion by **LAPP**: Authorize the manager to negotiate with the sole bidder, Chilkat Valley News/Sarah Graphics, to produce a 32-page 2007 Haines Vacation Planner with no advertising for an amount not to exceed \$22,596. The motion was seconded by **SMITH**.

SHIELDS said many other communities have a cluttered looking travel planner because of advertising. It was the general feeling that the Haines planner is unique and would be best kept that way.

SMITH said he wants to fund it with the bed tax rather than the tourism fund balance. **SHIELDS** said that the bed tax goes into the general fund and those dollars have already been appropriated for the current fiscal

year; there are no reserve bed tax funds. The assembly can certainly address a change to the way the bed tax is handled in the future.

The motion carried unanimously in a roll call vote.

4. Award Porcupine Road Improvement Contract

LAPP said the Finance Committee recommends awarding the contract to Southeast Road Builders for Phase 1 of the project for an amount not to exceed the \$50,000 budget.

Motion by **LAPP**: Authorize the manager to negotiate with the low bidder, Southeast Road Builders, to complete phase 1 of the Porcupine Road Improvement Project for an amount not to exceed \$50,000. The motion was seconded by **SMITH**.

The motion carried unanimously in a roll call vote.

5. Approval of Legal Counsel for Superior Court Appeal

LAPP asked if **VOGT** has all of her legal papers, and **VOGT** said she is indeed licensed to practice law in the State of Alaska.

Motion by **SMITH**: Approve the Memorandum of Understanding with Deborah Vogt to provide *pro bono* legal counsel for the borough in the David Button appeal. The motion was seconded by **SCOTT**.

VOGT said she had a lengthy discussion with the Alaska Bar Association. **SHIELDS** said the current borough attorney was also consulted as was the mayor of Juneau (who is a former state attorney general). He said a lot of effort and energy were put into researching ramifications. **SCOTT** asked about travel expenses, etc. **VENABLES** said the borough would pay for that. *Pro Bono* applies only to **VOGT**'s legal fees. **SCOTT** acknowledged the generous offer considering it will require a lot of unpaid work. **SHIELDS** also recognized the amount of time and effort **VOGT** has put into her assembly position.

The motion carried 4-1 in a roll call vote with **VOGT** recused and **SMITH** opposed.

12. SET COMMITTEE MEETING DATES

A joint work session with the planning commission was tentatively scheduled for 6:00pm on Tuesday, 8/15 to meet with Malcolm Menzies, SE Regional Director for AK DOT/PF.

13. PUBLIC COMMENTS

SCHELB said the oil pipeline problems mainly involve the feeder lines; it affects only a percentage of the production.

HEINMILLER noted that the Washington refinery is 80% supplied by the oil affected by this Prudhoe problem; that refinery supplies most of the fuel for the Seattle-Tacoma Airport.

Shane **ROBERTS** asked the assembly members to take the time to read all through Measure 2 before they vote. He believes there are several points that would be very detrimental to Haines and to the State of Alaska. The cruise lines are not going to lose money; any head tax would be passed on to the passengers and it would ultimately hurt the community. He expressed concern that Haines could end up losing some, if not all, of the cruise ship dockings.

14. ANNOUNCEMENTS/ASSEMBLY COMMENTS

SHIELDS asked the assembly's pleasure for evaluating the manager. **ROSSMAN** asked for a November or December timeframe when people are not so busy. **VOGT** said the other borough officers need to be evaluated. **SCOTT** said she got an superintendent evaluation form and policy from the school district. It seems they also solicit evaluations from the community inviting them to weigh in; the evaluations must be signed to be considered. She said that not many people participate, but she believes it is important. She asked the assembly to consider doing the same thing. **SHIELDS** said he believes it would be counter-productive. **ROSSMAN** said as assembly member he already hears when people are not happy with something. **SHIELDS** said the Committee-of-the-Whole will be advertised, and if the assembly wants to take public comment, they may choose to do so. **DUNBAR** asked what happens after an evaluation. **SHIELDS** said the objective is to increase job performance and provide productive direction. It is not meant to be "a hanging." **VOGT** said it is a good tool that provides an opportunity to give feedback on performance. **SCOTT** agreed and stressed the importance of getting an evaluation tool in place. **SHIELDS** asked the manager to provide an evaluation form for the assembly by the first meeting in September.

15. ADJOURNMENT - 8:42pm

Motion by **LAPP**: Adjourn the meeting. It was seconded by **ROSSMAN**. The motion carried unanimously.

ATTEST:

Fred Shields, Mayor

Julie Cozzi, Borough Clerk