

Haines Borough
Borough Assembly Meeting #101
September 26, 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**, Jerry **LAPP**, Stephanie **SCOTT** and Scott **ROSSMAN**, and Deborah **VOGT**. **Absent:** Luck **DUNBAR**.

Staff Present: Robert **VENABLES**/Borough Manager, Julie **COZZI**/Borough Clerk, and John **WURST**/Lands Manager-Assessor.

Visitors Present: Tom **MORPHET**/CVN, Jessie **BADGER**, Don **TURNER III**, Dave **AMMON**, Dave **BUTTON**, and Wayne **HAERER**.

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

Mayor **SHIELDS** - Add New Business Item 11C6 - Executive Session McGraw Lawsuit, and **SCOTT** - Add Old Business Item 10A - Young Road Sewer Extension Update.

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

4. **APPROVAL OF MINUTES*** 8/22/06 Regular; 8/29/06 Special; 9/5/06 Special; 5/22/06 BOE #1; 5/23/06 BOE #2; 6/6/06 BOE #3

5. **PUBLIC COMMENTS**

BUTTON played a two-minute recording about Jack Dalton. He said Dalton was a dominant character in Haines. The borough needs to have a single goal to unite the community. He believes things have become fragmented. He said he has some ideas and asked the assembly to watch the upcoming newspaper for his ad.

AMMON suggested that an inventory be made of the borough's assets to come up with a maintenance plan so that emergency responses aren't the norm. He also questioned whether it is a good idea for the school project manager to be involved in other projects.

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

SHIELDS made a brief report of the recent Southeast Conference annual meeting in Ketchikan.

The mayor and the manager attended the superior court hearing in Juneau regarding the McGraw appeal. It has been remanded to the assembly for a decisional document to be submitted within

30 days explaining the basis of the borough's decision.

SHIELDS introduced John Wurst the new borough assessor. **WURST** thanked everyone for the opportunity to serve in Haines. The mayor acknowledged **HAERER**'s contract assessment services to the borough and thanked him. **HAERER** said it has been quite a challenge and hopes that he has brought the borough to a good point for **WURST** to take over.

The mayor said he met with Bill Rolfzen of Community Advocacy, and the borough is slated to receive energy assistance funding. **SHIELDS** would like to apply \$5,000 of the funds to the Little League efforts to establish new ball fields at the fairgrounds. He will bring that request formally to the assembly at a future assembly meeting. Additionally, he would like to give a portion of the expected funds to the library. The bulk of the monies would be applied to offsetting the borough's high fuel costs.

7. PUBLIC HEARINGS

A. Ordinance 06-08-149 - First Public Hearing

An ordinance of the Haines Borough amending Haines Borough code Title 2 Article IX, Sections 2.68.250 through 2.68.320, to enable earlier submission of applications for absentee voting and to simplify the absentee voting code.

Mayor **SHIELDS** opened and closed the public hearing at 6:55pm; there were no public comments.

Motion by **SCOTT**: Motion to advance Ordinance 06-08-149 to a second public hearing on October 10, 2006. It was seconded by **LAPP**. The motioned carried unanimously.

8. STAFF REPORTS

A. Borough Manager

VENABLES summarized his written report including the following topics:

- **PERS/TERS Crisis**
- **Senior Village Taxation**
- **Porcupine Road Project**
- **Borough Manager Evaluation Form**
- **Harbor Vacancies**
- **Other Project Updates**

Regarding the assembly's evaluation of the borough manager, he proposed that a good time to do it might be annually around the municipal election. There would be a benefit of collaboration between the experienced outgoing and the new incoming assembly members. **VENABLES** also noted the draft evaluation form he provided that would be used for all other

staff and officers. **VOGT** asked about the assembly having an official input in the evaluations of other officers. **SCOTT** said it would seem proper for the assembly to have an opportunity to evaluate the people with whom it has an "at will" relationship. Perhaps there could be some type of collaborative effort between the assembly and the manager. **SHIELDS** suggested that the Alaska Municipal League Conference in November would be an excellent opportunity to visit with other municipalities regarding officer evaluations. **VOGT** said it is true that the manager is the first line supervisor of the other officers, but it is not an unusual thing for more than one evaluation of each officer. **SCOTT** said there is some benefit to the officers having some level of independence from each other. Perhaps the assembly could evaluate along with the manager and those evaluations could co-exist. **LAPP** suggested the manager could do his evaluation and the assembly could review it and comment on it. He does not believe it would necessary to have a separate assembly evaluation tool. **SMITH** said since the manager is an "at will" employee of the assembly, it can be the assembly's will to evaluate the other officers. **ROSSMAN** said if there are concerns, the assembly can come together at any time. **VOGT** said she does not see an evaluation as a way to deal with an emergency. She sees it as a scheduled feedback tool. **SCOTT** said the maintenance of human resources is important.

VENABLES said the state chip-coated the storm-damaged section Mud Bay Road. **ROSSMAN** took exception saying he believes the job was done poorly, and they do not deserve an attaboy.

Senior Village has been incorrectly paying property tax since 1996. \$31,779.85 that they paid the borough should be refunded. **VOGT** thanked **VENABLES** for discovering the error and bringing it to the board's attention.

- 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 a finance committee meeting took place just prior to this assembly meeting. He said the committee will recommend replacement of the failing fuel pipes with the money coming out of the state harbor monies. The committee

also discussed the PERS/TERS issue and it doesn't look good. Last year the borough paid 22.7% on wages with the state picking up another 5%. It may increase significantly next year. Additionally the committee recommends that the \$3.4m harbor funds be invested in the AML Investment Pool (AMLIP) for the short-term.

VOGT asked if the borough has actually taken title to the harbors yet. **VENABLES** said as soon as the money is received there will likely be a signed document.

- 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. Young Road Sewer Extension Update

SCOTT asked the manager to give an explanation regarding what the borough is doing to help the property owners. **VENABLES** said there is a fundamental misunderstanding regarding the borough's plans and the property owners' responsibilities. He explained the process and the history. **SCOTT** said it is always a good idea to follow up verbal meetings with a written summary when dealing with technical issues. She said she is glad things are on track now.

11. NEW BUSINESS

A. Resolutions

1. Resolution 06-09-093

A resolution of the Borough Assembly of the Haines Borough, Alaska, appointing election officials for the regular election to be held October 3, 2006, and establishing wages for same.

Motion by **LAPP**: Adopt Resolution 06-09-093. It was seconded by **SMITH**.

The assembly decided that it would like this type of housekeeping resolution to be placed on the consent agenda each year.

The motion carried unanimously in a roll call vote.

B. Ordinances for Introduction - None

C. Other New Business**1. Award Boiler Replacement Contract**

Motion by **LAPP**: Authorize the manager to negotiate a contract with the low bidder, Spruce Grove Heating, to replace the boiler in the Human Resources Building for an amount not to exceed the \$10,850 bid. The motion was seconded by **VOGT**.

SHIELDS said that he visited the site with assembly member **SMITH** and determined that the more serious problem is the windows. The funds are in the CIP and replacing the boiler is not a bad idea because it would add a sense of reliability, but the windows need to be replaced. He visited Lutak Lumber and found that the windows have been quoted three times. He recommends that the assembly proceed with the boiler replacement and combine it with window replacement soon. It would be a separate contract to redo the windows. **SCOTT** said window replacement would be a more reasonable way to spend \$5,000 than the Little League ball field. **ROSSMAN** said the real problem is that the borough has an old building that should be unloaded. He believes it is a lost cause and a liability. **LAPP** asked if the primary building would be more efficient for the preschool than the HR building. **VOGT** asked about the preschool moving into the elementary building in a year. **ROSSMAN** said there is nothing that says the borough needs to provide the office space. He suggested just giving it to someone. It will continue to be nothing but a liability every year. It's a 100 years old. **SCOTT** wondered if an assessment should be done so that the assembly what is wrong with the building. **SHIELDS** said an assessment would cost as much the upgrade. New windows make a big difference in an old building. The building has a nice feel, but the current windows mean it is always somewhat open to the outside even when closed. **SMITH** suggested that the new assessor give an appraisal of the current condition of the building. He also recommended that the nineteen windows be replaced for an investment of \$12,000 to \$15,000 and replace only the burner in the boiler for about \$500 installed. For that space, he believes it's a good investment. **ROSSMAN** disagreed and said there is no return on that investment. The borough should get rid of the old buildings. **SMITH** said a public works employee needs to be trained to maintain boilers. "Let's invest in ourselves and invest in our assets." **SHIELDS** said, in a sense, the borough is subsidizing the preschool and maybe that is okay. **LAPP** agreed with **SMITH** regarding

replacing the boiler, but expressed concern that the boiler burner should not be replaced unless the core is inspected to make sure it is adequate.

The motion failed 3-2 in a roll call vote with **ROSSMAN** and **SMITH** opposed.

2. Award Police Patrol Vehicle Contract

Motion by **LAPP**: Authorize the manager to negotiate a contract with the sole bidder, Seekins Ford, to provide a police patrol vehicle for an amount not to exceed the \$23,273 bid. The motion was seconded by **SMITH** for the sake of discussion.

SMITH said it seems to him that the borough is going backwards, and he doesn't understand why the police department would want to move away from SUVs. **VENABLES** said he does not believe the chief intends to replace the whole fleet with sedans. However, this is an all-wheel drive vehicle that the chief believes to be perfectly suitable. It is also significantly lower in cost. **SMITH** wants to hear from the Police Chief.

The motion failed 2-3 in a roll call vote with **SMITH**, **VOGT**, and **ROSSMAN** opposed.

3. Authorize a Special Harbor Funds Account

Motion by **LAPP**: Authorize the chief fiscal officer to open an AMLIP account for the \$3.4 million deferred harbor maintenance funds until a long-term plan is developed. The motion was seconded by **ROSSMAN**. The motion carried unanimously in a roll call vote.

4. Authorize the Third Avenue CIP to be Managed by AK-DOT

Motion by **ROSSMAN**: Authorize the manager to enter into a management agreement with the AK-DOT to do the Third Avenue CIP. The motion carried by **LAPP**.

SHIELDS said the Third Avenue reconstruction project would be combined with the Union Street reconstruction project, and he believes it is a good idea. The borough has been assured that work will begin on these projects in spring 2007. **ROSSMAN** said he doesn't see any reason for concern. **SCOTT** asked if there will be any performance standards that the borough will hold the state to and penalties for adhering to them. **SHIELDS** said the projects have been engineered to particular specifications. **SCOTT** expressed concern about timeline standards. **VENABLES** said it will be a part of the agreement. **TURNER** was allowed to speak and asked what the costs are. **VENABLES** said the state is generally

willing to roll it into their Union Street project and only charge a small percent (1%). **VOGT** asked why the project was not done this summer. **SMITH** explained that it was because the borough is waiting for the state to bring the paving machine to town. He said he wants to see an attorney to review any proposed agreement between the borough and the state. **SCOTT** suggested that the assembly also authorize the manager to negotiate an agreement with the state and bring it to the assembly for review prior to approval. **ROSSMAN** disagreed. **VENABLES** suggested that the state needs to move quickly if it's going to happen, and he recommended that the assembly tell him what it wants to include in the agreement. **SMITH** said he would like the project to be completed before July.

The motion carried unanimously in a roll call vote.

5. Award Emergency Contract for Fuel Pipe Replacement

Motion by **LAPP**: Authorize the manager to negotiate a contract with Statewide Petroleum Service to replace the fuel dock pipes for an amount not to exceed the \$108,697 quote and waive the competitive bidding process. The motion was seconded by **ROSSMAN**. The motion carried unanimously in a roll call vote.

6. Executive Session - McGraw Lawsuit

Motion by **SCOTT**: Go into executive session to discuss the McGraw lawsuit; it qualifies because discussion in open session would tend to jeopardize the finances of the borough. There was no objection.

The executive session convened at 8:43pm and ended at 8:52pm. There was no action taken as a result of the executive session.

12. SET COMMITTEE MEETING DATES

A. Set Election Canvass date

10/10 5:00pm followed by a regular assembly meeting at 6:30pm.

SMITH asked if the harbormaster position should be reevaluated and he suggested a Boat Harbor Advisory meeting to discuss it. The harbor is an integral part of the community and there are significant responsibilities involved in the management of that department. **VENABLES** said his intention is to solicit input from that committee.

13. PUBLIC COMMENTS - None

14. ANNOUNCEMENTS/ASSEMBLY COMMENTS

SCOTT expressed gratitude for the time she served as an assembly member.

LAPP said he appreciated working with **SCOTT**. **VOGT** said she is sorry the assembly is losing **SCOTT**. **SMITH** congratulated **SCOTT** on her new adventure.

SMITH asked about the upgrades to the pool and the use agreement with the swim team. **VENABLES** said things are moving forward and he would provide a more thorough update in his next report.

VOGT noted the borough's permanent fund has only provided a less than 1% return on investment and the assembly needs to look into other options.

15. ADJOURNMENT - 9:12pm

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

ATTEST:

Fred Shields, Mayor

Julie Cozzi, Borough Clerk