

Haines Borough  
Borough Assembly Meeting #125  
January 8, 2008  
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 and led the pledge to the flag.
2. ROLL CALL **Present:** Mayor Fred SHIELDS and Assembly Members Jerry LAPP, Doug OLERUD, Steve VICK, Deborah VOGT, Norm SMITH, and Pete LAPHAM.

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

**Visitors Present:** Jessica EDWARDS/CVN, Vince HANSEN, James TURNBULL, Jerry ERNY, Becky CHAPIN, Heather LENDE, Greg STUCKEY, Jan HILL, Don TURNER III, and others.

3. APPROVAL OF AGENDA & CONSENT AGENDA

The following changes to the Consent agenda were requested:

- Remove Item 11C2 Board Appointments from the consent agenda in order to discuss the Waterfront Improvement Committee appointments and to add "CIA President or designee" to the list of appointees.
- Remove the minutes from the consent agenda at the request of the clerk.

Motion by LAPHAM: Approve the Agenda/Consent Agenda as amended. It was seconded by SMITH. The motion carried unanimously.

- \*4. APPROVAL OF MINUTES - 12/11/07 Regular

The clerk noted an omission of words in Greg Stuckey's tank farm statements during Public Comments on page two. She recommended the following amendment:

He said SCHNABEL's letter to borough property owners contained inaccurate information and the newspaper advertisement stated that people not responding to the survey are actually saying they have no objection to the borough's ~~taking back~~ support of the CIA's obtaining the tank farm property.

Motion by LAPP: Approve the minutes, as amended. It was seconded by SMITH. The motion carried unanimously.

5. PUBLIC COMMENTS

LENDE asked the assembly to reconsider the failed Department of Peace resolution. Local students read the bill and thought it was a good idea. The student council passed a resolution and took it to the school board who turned it down. The student council took the resolution to the Alaska Association of

Student Governments in October 2007 who adopted it. She realizes that what the Haines Borough government does will not likely make any difference in whether or not there is a new branch of government. Her interest lies more in encouraging the assembly to support the local students. "We need to support the kids when they take a stand. It's going to be their town sooner or later." She asked the assembly to take another look at the resolution. **SHIELDS** said he does not believe there is any member on the assembly that is against peace. Because the young people have endorsed and supported a Department of Peace is not a strong enough reason to adopt the resolution. He believes the legislation is flawed. "You cannot fix government by adding more government." He believes the assembly is split on this issue, and he has no intention of breaking the tie in the affirmative. **VOGT** admitted that she deliberately voted against the resolution at the December 11 meeting because she wanted to be on the prevailing side in order to make a motion to reconsider. However, since that time, she has decided not to go that direction because another bureaucracy does not seem to be the answer. **OLERRUD** said in response to **LENDE's** comments that people often learn more by pushing for something and having it fail than achieving success. He said the best way to achieve peace in the world is to encourage peace wherever we go and treat ourselves and others with respect. He thinks the kids did a marvelous job and he would be willing to work on some different language; he cannot support the resolution as it is.

**ERNY** said the voting public is really tired of manipulative government. He wants to see assembly members voting honestly rather than manipulatively. "That is the example that needs to be set for the young people."

**CHAPIN** reported that the anticipated state funding cuts to Lynn Canal Counseling ended up being much less than expected. She thanked the assembly for their funding support.

**STUCKEY** said the information from the Alaska Department of Environment Conservation regarding residential use does not change the CIA's plans for the tank farm property. CIA still believes that industrial use would provide the best value for the community.

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

**SHIELDS** said that Representative Thomas will go to Juneau in the next week. The borough manager and he met with Thomas to review the borough's legislative priorities.

The mayor announced that will be attending a harbor conference in Anchorage this week where he will have an opportunity to speak with key people about the Haines boat harbor expansion project.

On January 22, he will attend the Alaska Conference of Mayors Juneau where he will be sure to bring up PERS/TERS, capital projects, ferries, educational funding, and revenue sharing. All of the Southeast mayors will probably meet together, as well. He informed the assembly that he would like to have the second January assembly meeting occur on the 15<sup>th</sup> rather than the 22<sup>nd</sup>. The meeting would convene immediately following the Committee-of-the-Whole meeting with Bob Storer.

Cynthia "CJ" Jones is representing the Haines Borough while visiting our sister city, Haines City, Florida, and she plans to present a "Key to the Town" on behalf of the mayor.

The mayor said that April 2-3, Robert and he will once again visit the congressional delegation and the lobbyists in Washington, D.C. **VOGT** requested the opportunity to go this year, and she will accompany them. **LAPHAM** will likely participate next year.

**VOGT** said the state should share some of the extra oil money revenues with the municipalities who are being severely hit with the increased fuel costs.

**TURNBULL** asked if the borough gets extra money from the state if it will try to use it to cut expenses to help the taxpayers or if it will just spend more money. **SHIELDS** said these are economically uncertain times so it is important to maintain balanced budgets and maintain essential services.

## 7. **PUBLIC HEARINGS**

### **A. Ordinance 07-12-174** - first hearing

**An ordinance of the Haines Borough amending Haines Borough code Title 9 Section 9.24.010 to allow migratory water fowl hunting within a specific area of the townsite.**

The mayor opened the public hearing at 6:52pm.

**HANSEN** spoke in favor of the ordinance and said it is a traditional hunting area and should be validated in code. **TURNER** spoke in favor as well and said it is a great spot for kids to hunt.

Hearing no further comments, the mayor closed the public hearing at 6:56pm.

**Motion** by **LAPHAM**: Advance Ordinance 07-12-174 to its second public hearing on January 15, 2008. It was seconded by **VOGT**.

**OLERUD** said some citizens have asked if the borough would consider expanding the area to include some upland borough property because it was allowed prior to annexation. With the development of Skyline, he doesn't know if that is feasible, but some of the area behind the tank farm might be good. **VICK**

said he is not opposed to this ordinance in any way but wondered if there is any danger of shooting across the highway. **LAPHAM** said the bird-hunting is near the river away from the highway. **VENABLES** read a clarified description of the location.

**Motion** by **VOGT**: Amend the ordinance as follows:

C. In addition, migratory water fowl may be hunted in the area **identified on the most current map on display in the clerk's office and** determined by the following boundaries:

~~To the west, the Haines townsite boundary at the Chilkat River; to the east, the Haines Highway; and to an extrapolated line running roughly east and west along the access road road to the Crystal Cathedral water source.~~

1. **South of the Haines Highway between the airport and Wellfield Road continuing along the property line of parcel C-HY-01-0120;**
2. **North of the Chilkat River, east of the airport;**
3. **East of the Airport between the Chilkat River and the Haines Highway; and**
4. **West of Wellfield Road between the Chilkat River and the Haines Highway.**

The motion was seconded by **LAPP. SMITH** said the map should be accessible to the public. **VENABLES** agreed. The amendment motion carried unanimously.

The main motion carried unanimously.

**B. Ordinance 07-11-173** - second hearing

**An ordinance of the Haines Borough amending Haines Borough code Title 13 Sections 13.04.045 and 13.08.115 to adjust water and sewer rates, fees, and charges.**

The mayor opened the public hearing at 7:05pm.

**TURNER** wanted to make sure that the public has a chance to comment on future rate increases. **VOGT** said there will be ample opportunity for input since it will be a part of the annual budget process.

Hearing no further comments, the mayor closed the public hearing at 7:10pm.

**Motion** by **VOGT**: Adopt Ordinance 07-11-173. It was seconded by **LAPP**. 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:

- **Grant Awards for Float Replacement, Water Pump Station, Coastal Zone Management, and Fire Suppression System at the Senior Center**

- Summer Ferry Schedule - Dayboat
- Excursion Inlet Request for Dungeness Crab Personal Use/Subsistence Zone
- Lutak Road Update
- Congressional Priorities

**SHIELDS**, regarding the Excursion Inlet request, said those residents don't get a lot for their tax money. If it is a reasonable request, he believes it ought to be supported. The manager will find out if there is a local Fish & Game advisory board in that area. **VENABLES** said he asked Representative Thomas to look into it as well.

**VENABLES** announced that Dave Button finally submitted his briefs to the State Supreme Court after three deadline extensions. The borough will receive a copy soon.

**SMITH** said he recently spoke with Representative Thomas, and he is going to try to convince AMHS that it would be better to have the dayboat based in Juneau rather than Skagway. Two crews would be needed with a Skagway base as opposed to one crew, and half the labor costs would be a good thing. **VENABLES** said because the LeConte and the Fairweather will both be based in Juneau there is a berthing issue. Auke Bay does have a third berth but it is needed by visiting ferries. There is no doubt in his mind that a ferry based in the Upper Lynn Canal will have a positive economic impact on 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
- 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****1. Ordinance 08-01-175**

**An ordinance of the Haines Borough scheduling a land sale of borough-owned real property, identifying property to be sold, and establishing the method of sale.**

**Motion** by **VICK**: Introduce Ordinance 08-01-175 and set it for its first public hearing on January 15, 2008. It was seconded by **LAPP**.

**SHIELDS** said the planning commission discussed this at its last meeting. He called on **VOGT** to explain the rationale. **VOGT** said the property is potentially a campus area because of the school. The planning commission's recommendation was not to let go of the underlying property but to lease it. "There are a dozen ways to convey property that can be tailored in the borough's best interests." She said if Alaska Mountain Guides were the successful bidder, it could be conveyed to them with the stipulation that it would revert back to the borough if it ceased to be used for their educational purposes in the future. She noted that the new school is already full and said we may need additional school space. "The planning commission is the planning body for the borough. They are unanimous in their recommendation, and the assembly ought to respect their determination."

Planning Commissioner **TURNER** was called upon. He said he has no problem with selling the property. When the commission was talking about leasing the land, it was under the assumption that the building was worthless. He suggested that a person might own the building and lease the land so the borough could maintain control over what happens next to the school campuses. He reiterated that he has no problem selling the property.

**SHIELDS** said after Alaska Mountain Guides heard the planning commission's recommendation, they informed him that they would not be interested in a lease because of the great investment they would have to make just to make the property usable. **VICK** said the idea of a lease brings up a lot of questions. He agrees that the commission's role is to plan for the future. He said making a determination for future use, whether selling or leasing, will require the assembly to use forethought and possibly include stipulations on any transaction.

**OLERUD** said the original plan was to demolish the property including putting property up for sale to help offset the Schafer property or to pay down the new school bond. Citizens have asked what has changed and added that some

are very upset and thinking it's the old bait and switch routine. **SHIELDS** said nothing has changed. This information went to the commission since they are the planning body. **LAPP** agreed with **OLERUD** saying, "The Schafer property was to be paid for by the sale of this property. It was going to cost to demo it." **VOGT** reminded the assembly that the proceeds from a land sale would have to go into the Permanent Fund. **VENABLES** will get a legal opinion as to whether or not the \$350,000 paid for the Schafer property could be reimbursed to the General Fund. **OLERUD** said any excess proceeds could then go to the Permanent Fund. He added that the government cannot control everything forever, and there is a lot of revenue that could be generated with that property. The reality is that the building is going to have to be torn down in the not too distant future, since it is currently unheated. The last estimate was \$200,000 to demo it. **VOGT** said the assembly is flying blind. She believes a long-term lease can bring a lot of revenue to the borough. It seems that the assembly needs to flesh out different options and find out the Permanent Fund issues. **VICK** said a Main Street property is probably best suited for commercial use. He would be interested in seeing what a revenue projection would look like between leasing and selling. **OLERUD** said the assembly is also assuming that someone will be willing to buy or lease the property. **SHIELDS** reiterated that the Alaska Mountain Guides is not interested in a lease.

The motion carried 5 to 1 with **VOGT** opposed.

**SHIELDS** asked the manager to come up with best guesses regarding revenue projections between leasing and selling. **WURST** will assist him. Additionally, the manager will get the attorney's opinion regarding the land sale proceeds/Permanent Fund requirements.

### **C. Other New Business**

#### **\*1. Liquor License Renewal - Pioneer Bar**

Recommended motion: The assembly has no objection to a renewal of the liquor license for the Pioneer Bar.

#### **2. Board and Committee Appointments**

##### **\* ■ Fire Service Area #3 (Klehini Valley) Board**

Recommended motion: The assembly confirms Jerry Lapp's reappointment to the FSA #3 Board for a 3-year term to end 11/30/10.

##### **\* ■ Chilkat Center Advisory Board**

Recommended motion: The assembly confirms John Hunt's appointment to the CCAB for a 3-year term to end 11/30/10.

▪ **Waterfront Improvement Committee**

Establish an ad-hoc Waterfront Improvement Committee for 6-months to be chaired by Assembly Member Olerud (BHAC Chair). The mayor recommended the following appointments to the ad-hoc Waterfront Improvement Committee:

- o Planning Commission Chair or designee;
- o Tourism Advisory Board Chair or designee;
- o Parks & Recreation Advisory Board Chair or designee;
- o Chamber of Commerce Board President or designee;
- o CIA President or designee;
- o Boat Harbor Advisory Committee Chair or designee; and
- o Tresham Gregg, at-large member.

**VOGT** said she believes the planning commission should have two seats on this committee. **SHIELDS** disagreed saying that the entire commission has the option to attend all meetings. **VOGT** added that the Takshanuk Watershed Council has asked to be kept informed.

**Motion** by **LAPHAM**: The assembly confirms the mayor's appointments to the Waterfront Improvement Committee. It was seconded by **SMITH**. The motion carried unanimously.

**12. SET COMMITTEE MEETING DATES**

The Boat Harbor Advisory Committee will meet on Thursday, 1/10/07 at 2:00pm in the Assembly Chambers.

**13. PUBLIC COMMENTS**

**TURNER** asked what is happening with the plugged culvert on Union Street. **SHIELDS** said it looked to him like a culvert going from the AK-DOT side over to Sawmill Creek would go a long way toward making it right. **TURNER** said it is really silly to have it paved and then flood right away. **SHIELDS** agreed and said he will discuss this issue with the state. **LAPHAM** said the DOT chose not to address it because it is a fish stream and they believe they could never get the permits. He suggested that they be encouraged to raise the bypass ditch and have it 3-inches higher than normal stream level. Cut around through and go right under the Y.

**14. ANNOUNCEMENTS/ASSEMBLY COMMENTS**

**15. ADJOURNMENT** - 7:44pm

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

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Fred Shields, Mayor

ATTEST:

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Julie Cozzi, Borough Clerk