



Haines Borough
Borough Assembly Meeting #135
June 24, 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 Doug **OLERUD**, Steve **VICK**, Norm **SMITH**, Pete **LAPHAM**, Deborah **VOGT**, and Jerry **LAPP**.

Staff Present: Bob **WARD**/Interim Borough Manager, Julie **COZZI**/Borough Clerk, Gary **LOWE**/Chief of Police, and Debra **SCHNABEL**/Project Clerk.

Visitors Present: Jessica **EDWARDS**/CVN, John **HUNT**/KHNS, Lee **HEINMILLER**, Joel **TELFORD**, Vince **HANSEN**, Madeleine **SHIELDS**, Don **TURNER III**, Don and Karen **HESS**, William **PRISCIANDARO**, Kelly **LOWE**, and others.

3. APPROVAL OF AGENDA & CONSENT AGENDA

Add New Business 11C8 - ABEF sole source contract (Mayor)

Add Old Business 10A - Temsco discussion (Vogt)

Add Old Business 10B - Deferred Maintenance discussion (Vick)

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

4. APPROVAL OF MINUTES - 6/10 Regular, 5/13 Regular, 5/20 Special

Motion by **LAPP**: Approve the 6/10, 5/13, and 5/20 minutes as presented by the clerk. It was seconded by **VOGT**. The motion carried unanimously.

5. PUBLIC COMMENTS

PRISCIANDARO, representing Chilkat Environmental, informed the borough that his company is overseeing the scrap metal removal at Ed Lapeyri's old mill site. He wanted the assembly to be informed.

6. MAYOR'S COMMENTS/REPORT

SHIELDS thanked **WARD** for being interim borough manager, and he said he is welcome in Haines anytime. One thing **WARD** did for him is raise his consciousness regarding Haines' relationship with Skagway. Skagway has given itself to tourism and has sacrificed some things in the process. Haines benefits from those sacrifices.

The mayor announced that Senator Ted Stevens will be arriving

July 5th. He will speak during a Fort Seward Days ceremony at 1:30 at the parade field and will depart on Sunday. There are several events planned.

7. PUBLIC HEARINGS

A. Ordinance 08-05-183 - second hearing

An ordinance of the Haines borough, providing for the addition or amendment of specific line items to the FY08 budget.

The mayor opened and closed the public hearing at 6:40pm; there were no comments.

Motion by LAPP: Adopt Ordinance 08-05-183. It was seconded by **SMITH**. 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:

- **Young Road/Water Tank Projects**
- **Street Paving**
- **Temsco**
- **Borough Manager Search**
- **Pool Update**
- **Borough-Wide Assessment Plan**
- **Deferred Maintenance Report**
- **Recommendations and Comments regarding Agenda Items**

WARD advised that the school project has progressed to the point that the borough can end its relationship with the architect, Bettisworth. PND has offered to be available on an as needed basis.

Regarding the pending Skayway/Haines sales tax issues, **WARD** said he has recused himself from it. Haines needs an advocate in the discussion, and he does not believe he is the best person for it because of his 22 years experience in Skagway. The next manager will need address the issue.

VOGT expressed appreciation to **WARD** for his excellent work in the interim.

WARD said the pool is a bigger problem than the borough wants to admit. The gutter system is failing at an accelerated rate. The utilidor project is proceeding as scheduled. Some have expressed a desire to complete the utilidor project and continue to limp along with "bandaid" repairs on the pool. There are serious risks involved with that course including

developing a leak that would most likely damage the gymnasium floor. The pool condition survey suggested a temporary fix by removing the gutter cover and epoxying it, however it did not address the surge system. Schmolck Mechanical will look at a 10-15 year fix to give the community time to look at a pool replacement. In fact, they are steering away from the pool assessment recommendations; the pool is almost 30 years old.

- * 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
- * L. Waterfront Improvement Committee

10. OLD BUSINESS

- A. Temsco Discussion (added during agenda approval)

VOGT said she is not necessarily opposed to the assembly granting Temsco a permit but is concerned that they are not here asking for it. Federal preemption is a very complex and fact-specific issue. She doesn't believe it's a simple matter of Temsco having a Forest Service permit and the borough just accepting it. This community has spoken very clearly about allowing no summer helicopter tours, but she has not heard anyone expressing opposition to what Temsco is doing. She observed that the current helicopter map would have to be amended to include the areas that Temsco is operating in. She believes the map should clearly note that those additional areas are open ONLY if accessed from Skagway. She went on to say that Temsco should not be landing without a permit and should be fined as long as they operate without one. They need to come back before the assembly to finalize the permit process as soon as possible. **SHIELDS** asked **WARD** to send a letter to Temsco to ask them to come back to the table as soon as possible. **WARD** agreed to write a letter and added

that Temsco is reluctant to come back to get hammered just because they are helicopter operators. They are willing to get a permit and to talk about flight paths, but they don't want to open up the discussion regarding the Meade Glacier. The forest service has permitted them to land there. **SMITH** said he looks at it as a sales tax issue and not just a permit deal. **WARD** responded that Temsco proposed an amount but it never went anywhere. **SHIELDS** said the assembly first needs to get Temsco permitted and then address the sales tax issue with Skagway. **LAPHAM** agreed. **VOGT** suggested referring it to the Commerce Committee for a discussion of the permit parameters. **SHIELDS** agreed and assigned it to that committee.

- B. Borough Facilities Maintenance** (added during agenda approval)
VICK said that almost every borough facility is in need of some kind of repair, and he wondered if there is a plan. In fact, it seems that the only building without an issue right now is the library. **LAPP** suggested that the Director of Public Facilities would be the one to assess all of the buildings. **VOGT** said the borough needs to put together a plan so that the borough can seek funding. Coordinating this with an energy plan might reveal ways to consolidate services and facilities. **SHIELDS** said when the borough hires a Director of Public Facilities, he/she should make a report to the assembly. **OLERUD** said most of the buildings were built with the first oil money. If the borough is looking at repairing existing facilities or building new ones, it's very important to include maintenance for those buildings in the budget. Money should be put away for regular upkeep.

11. NEW BUSINESS

A. Resolutions

1. Resolution 08-06-125

A resolution of the Haines Borough Assembly supporting equal opportunity in housing and the federal fair housing law that prohibits discrimination in the sale, rental, leasing and/or financing of housing.

SCHNABEL said this resolution along with resolution 08-06-126 will establish policies that good local governments generally have in place. She spoke in support of them.

Motion by **LAPP**: Adopt Resolution 08-06-125. It was seconded by **LAPHAM**. The motion carried unanimously in a roll call vote.

2. Resolution 08-06-126

A resolution of the Haines Borough Assembly adopting a policy of nondiscrimination and affirmative action in hiring personnel.

Motion by **LAPP**: Adopt Resolution 08-06-126. It was seconded by **LAPHAM**. The motion carried unanimously in a roll call vote.

B. Ordinances for Introduction

1. Ordinance 08-06-184

An ordinance of the Haines Borough amending borough code Title 18 Section 18.100.050(A), Preliminary Plat, to require planning commission review of preliminary plats at an earlier stage.

Motion by **VOGT**: Introduce Ordinance 08-06-184 and set a first public hearing for July 8, 2008. It was seconded by **LAPP**. The motion carried unanimously.

2. Ordinance 08-06-185

An ordinance of the Haines Borough amending the official zoning map to change one parcel of property zoned light commercial to a multiple residential zone.

Motion by **VOGT**: Introduce Ordinance 08-06-185 and set a first public hearing for July 8, 2008. It was seconded by **VICK**. The motion carried 5-1 with **OLERUD** opposed.

C. Other New Business

1. Board Appointment - Historic Dalton Trail RMSA

Motion by **LAPP**: Confirm the mayor's appointment of Carol Meismer to the Sub-Zone 2 seat on the Historic Dalton Trail RMSA Board with a term to end November 2010. It was seconded by **LAPHAM**. The motion carried unanimously.

2. HCMP Amendment Contract

Motion by **LAPP**: Award the HCMP amendment project to local bidder Chilkat Environmental. It was seconded by **SMITH**. The motion carried unanimously in a roll call vote.

3. Berthing Fee Waiver Discussion

K.HESS explained that the 2009 cruise season is already set. Waiving berthing fees for the 2010 season is a good goal, because the cruise lines are working on those itineraries now. She believes it would be a very good incentive; she mentioned the possibility to some, and their interest was peaked. **WARD** said he believes that if the objective is to get ships to come to Haines instead of Skagway it won't happen. There is too much money to be made in Skagway, but to the extent that there is overflow and the ship has a choice of going to Haines, Hoonah, or Sitka, free berthing may be a good incentive to choose Haines. He noted that this year, about \$79K is budgeted to be received in berthing fees for the harbor fund, and that

money is important for deferred maintenance. Those funds would have to be replaced somehow. **VICK** asked if there is a way to market Haines as an overflow destination. **WARD** said Haines operators have had discussions to that affect with the cruise lines. **K.HESS** agreed with **WARD** that Haines is not looking at pulling ships out of Skagway. She is looking more at the overflow. **WARD** pointed out that it is actually to Skagway's benefit to keep the ships in the Upper Lynn Canal. **D.HESS** said Haines is close to Skagway for the train, and that is something Sitka and Hoonah don't have. Having the fast ferry is a plus. **SMITH** reminded the assembly that the borough recently got \$1.5m from the legislature to pay off the PC Dock bond service. The borough has a chance to go in the black and receive revenues on the dock. He doesn't believe that giving money away at this time is a good idea, and the cruise ships can afford the berthing fees. **LAPP** said he would not be in favor of completely waiving the fees but perhaps giving half price, because the borough needs some way to pay for upkeep. **LAPHAM** said the assembly shouldn't feel under pressure to make an immediate decision. More information is needed before the assembly acts. **VICK** agreed that there is time to investigate various options. **VOGT** said there is a revenue source associated with this if it is successful. There is the cruise ship head tax along with additional sales tax potential. She believes half off is a good suggestion. **OLERUD** said he would like to see more numbers, because the ports budget is really stretched right now. He said four ships a week would be a nice balance for the community, but he wants some input from the Harbormaster regarding the impact it would have on his budget and dock security issues.

4. Late Filing Requests - 2008 Senior Citizen Exemption

A. Alvaro & Gladys Narino

B. Marilyn Taylor

C. Jenny Lee Johnson

Motion by **LAPHAM**: Approve all three late applications for senior tax exemption. It was seconded by **LAPP**.

Motion by **VOGT**: Divide the question. It was seconded by **SMITH**.

VOGT expressed concern that one of the applicants is not using their home as a primary residence and, in fact, it is empty and on the market for sale. **LAPP** said that both the assessor and the interim borough manager recommend approval.

The "divide" motion failed 1-5 with **OLERUD, VICK, SMITH, LAPP, and LAPHAM** opposed.

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

5. APEI Insurance Quote - Request to Renew Contract

WARD recommended that the assembly approve the 3-year package rather than the one-year proposal, because it provides more benefits to the borough with low risk.

Motion by **LAPHAM**: Approve the 3-year APEI quote for the borough's insurance. It was seconded by **SMITH**. The motion carried unanimously in a roll call vote.

6. Chilkoot Indian Association Subdivision Issue

STUCKEY briefly explained that Fair Drive is not actually built along the legal right-of-way but on CIA property, and West Fair Drive has no legal right-of-way, at all, and goes through CIA land, as well. He said the tribal council still has to decide what it wants to propose to the borough, but he wanted to make the assembly aware of the situation. **WARD** said two options for dealing with the Fair Drive issue is to move it to the legal right-of-way or purchase the land from the CIA. **SHIELDS** recommended that the CIA put together more information and provide it to the planning commission who should delve more into it.

7. Chilkoot River Corridor Bear Monitor - Request for \$2K

TELFORD said no single agency has enough money to completely pay for the bear monitor position. In year's past, the borough has contributed funding. **VOGT** asked who the borough would be giving the money to. **TELFORD** said in the past, it was funneled through a non-profit group such as the Takshanuk Watershed Council. He recommended that the money be given to State Parks earmarked for the bear monitor position. He went on to say that it would be a state parks employee.

Motion by **VICK**: Contribute \$2,000 to State Parks for a bear monitor position in the Chilkoot River Corridor for 2008. It was seconded by **SMITH**. It carried unanimously in a roll call vote.

8. Request for Sole-Source Contract - ABEF

(Topic Added during agenda approval)

Motion by **LAPHAM**: Authorize the American Bald Eagle Foundation to contract with Bigby Steel to provide the remaining architectural service and building components for the eagle mew (funded with a state legislative grant through the Haines Borough). It was seconded by **LAPP**. The motion carried unanimously in roll call vote.

12. SET COMMITTEE MEETING DATES

The Commerce Committee will meet at the call of the chair to discuss the Temsco permit parameters.

13. PUBLIC COMMENTS - None

14. ANNOUNCEMENTS/ASSEMBLY COMMENTS

LAPP thanked **WARD** and complimented him on his efforts as Interim Borough Manager.

VOGT said she had a nice chat with the realtor negotiating for the purchase of a portion of the Burke Riley property along Lutak. Apparently, the land involved in his deal does not include the waterside portion. He suggested that if the borough is interested in that piece, he would be willing to discuss a joint effort.

VICK reminded that he will be gone 7/3 through 7/28 for job reasons and will miss two regular meetings.

15. ADJOURNMENT - 8:31pm

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

ATTEST:

Fred Shields, Mayor

Julie Cozzi, Borough Clerk