



Haines Borough  
Borough Assembly Meeting #144  
November 18, 2008  
MINUTES

Approved

1. CALL TO ORDER/PLEDGE TO THE FLAG Mayor HILL 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 Jan HILL and Assembly Members Norm SMITH, Scott ROSSMAN, Doug OLERUD, Jerry LAPP, Steve VICK and Pete LAPHAM.

Staff Present: Tom BOLEN/Borough Manager, Julie COZZI/Borough Clerk, Jila STUART/Chief Fiscal Officer, Gary LOWE/Chief of Police, and Stephanie SCOTT/Energy & Sustainability Coordinator.

Visitors Present: Matt HAWTHORNE/CVN, Mike CASE, Jim STUDLEY, Michael BYER, Carol KELLY, Daymond HOFFMAN, Ray STASKA, Sean GAFFNEY, Leonard DUBBER, Janet and Bill KURZ, and others.

3. APPROVAL OF AGENDA & CONSENT AGENDA

Remove Item 7A *Commercial Tour Permit* at the request of the applicant (HILL)

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

\*4. APPROVAL OF MINUTES - NONE

5. PUBLIC COMMENTS

CASE announced that he recently resigned from the School Board for health reasons.

STUDLEY gave a brief update on the Haines Assisted Living project.

Regarding the October 2008 municipal power bill, SCOTT said the real story is in the kilowatt consumption. She said there is a steady rise in the use of electricity, and she plans to thoroughly survey everything that draws power.

6. MAYOR'S COMMENTS/REPORT

HILL announced that her regular office hours will be every Tuesday and Thursday afternoons unless she is out of town.

The mayor said that the manager and she attended the Alaska Municipal League conference in Ketchikan and had a full and productive time. She was able to reconnect and make new contacts. Much discussion was about energy, employment, and

budget issues. She believes Haines is more fortunate than some other municipalities in Alaska. She attended a funders' forum. It appears that, in the current economic climate, Haines will have to be more creative in finding project funding.

## 7. PUBLIC HEARINGS

A. Commercial Tour Permit - Eco/Orca - withdrawn during agenda approval at the request of the applicant

## 8. STAFF REPORTS

### A. Borough Manager

**BOLEN** summarized his written report including the following topics:

- Travel/Leave
- Legislative Priorities
- Lobbyist Report
- Advisory Boards
- Borough Administrative Structure and Organization
- Projects & Maintenance
  - o Chilkat Center 2<sup>nd</sup> floor bridge
  - o Museum Fire Suppression
  - o School asbestos abatement
  - o Haines Streets Phases I and II
  - o Barnett Drive Pump Station
  - o PC Dock restrooms
  - o Portage Cove Boat Harbor
- Department Activities

**BOLEN** clarified that Representative Thomas wants the legislative priorities list in the same format as last year.

**BOLEN** reported that a compliant arose out of the recent snow removal bid procedures. The RFPs were issued using a template containing standard contract language that said Davis-Bacon wages would be required. One bidder, Little Diggers, claimed that they added those higher wages to their bids subsequently affecting their competitiveness on all of the contracts save the one they were awarded for the Chilkat Center. It appears that no other bidders included the wages. As a result of this protest, the borough is facing the potential for an official protest and a possible rebidding of all snow removal contracts. He suggested that a way to settle this problem would be for the assembly to authorize him to negotiate an additional scope of work for the complainant. This would consist of adding Chilkat Trails and River Road. These two areas were previously a part of the annual snow contracts but were assumed last year by public

works because no bids were received. The money is still in the budget. He added that the complainant said this would satisfy him.

**Motion by VICK:** Authorize the manager to negotiate with Little Diggers & Landscaping to provide snow removal services for Chilkat Trails and River Road. It was seconded by **LAPP**.

**ROSSMAN** said he is more or less supportive of this motion but expressed concern that the other contractors may protest that they were not given an opportunity to bid on these additional areas. **BOLEN** said there is certainly potential for that, but the contract language provides that extra work may be negotiated with assembly approval. The borough is clearly in a situation where a protest could be filed that would trigger a rebidding of everything. In that scenario, there is the potential for everyone to lose something. He said he talked informally about this with the other contractors, and they didn't seem to have a problem. Everyone was provided an opportunity to protest. **OLERUD** asked about costs. **BOLEN** said he has not yet talked with the contractor about that but does have a target number based on input from public works and past contracted amounts for those areas.

The motion carried unanimously in a roll call vote.

Regarding the Tourism Director's trip to Australia, **VICK** asked for the point of the trip. **BOLEN** said it was to encourage that market to travel to Haines. **VICK** believes that the money expended for that trip would have been better spent sending the Tourism Director to Whitehorse. He has not seen a lot of Australians here but sees a lot of Canadians. **OLERUD** asked if that trip is a FY09 budget item. He knows there are always several trips planned. **STUART** said this particular trip was not in the budget. It was something that was put together using air miles and the Tourism Director shifted some things around in her budget to make it happen.

**SMITH** said the AK-DOT budget has been cut in Southeast but increased in South Central. The manager will look into this to see if the cuts will affect the snow removal and maintenance of the state roads in the local area.

- \* 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** reported on the Finance Committee meeting. He said the committee recommends adoption of the budget amendment ordinance and will also propose two amendments during ordinance consideration. Additionally, the manager and Chief Fiscal Officer have requested authorization to purchase two new Dell network servers for \$16,606. The money was already appropriated in the FY09 CIP budget as part of the project to upgrade the accounting software system. **BOLEN** noted that these servers are being bought through a state contract and are the very best price available.

**Motion** by **LAPHAM**: Authorize the expenditure of \$16,606 for two new Dell network servers. It was seconded by **ROSSMAN**. The motion carried unanimously in a roll call vote.

**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****\*M. Energy & Sustainability Commission****10. OLD BUSINESS****A. Assembly Committee and Board Liaison Appointments**

**VICK** pointed out that he is already liaison to the Energy & Sustainability Commission, and he asked to be relieved of one of the other board assignments. The mayor suggested **ROSSMAN** as liaison for the Museum Board of Trustees. No objection was raised.

**Motion** by **LAPP**: Approve the mayor's appointments to the standing committees and the advisory boards, as follows:

**Finance Committee** - Jerry Lapp (Chair), Norm Smith, Scott Rossman

**Commerce Committee** - Pete Lapham (Chair), Jerry Lapp, Norm Smith

**Government Affairs & Services Committee** - Scott Rossman (Chair),  
Steve Vick, Douglas Olerud

**Personnel Committee** - Douglas Olerud (Chair), Steve Vick, Pete Lapham

**Union Negotiating Team** - Jan Hill, Tom Bolen, Pete Lapham, Douglas Olerud

**Planning Commission Liaison** - Pete Lapham

**Boat Harbor Advisory Committee Member** - Douglas Olerud

**Public Safety Commission Liaison** - Norm Smith  
**Tourism Advisory Board Liaison** -Jerry Lapp  
**Chilkat Center Advisory Board Liaison** - Steve Vick  
**Museum Board of Trustees Liaison** - Scott Rossman  
**Library Board of Trustees Liaison** - Douglas Olerud  
**Energy & Sustainability Commission Liaison** - Steve Vick  
**Waterfront Advisory Committee Chair** - Douglas Olerud  
**Eagle Preserve Advisory Council Member** - Steve Vick

The motion was seconded by **LAPHAM**, and it carried unanimously.

**11. NEW BUSINESS**

**A. Resolutions**

**1. Resolution 08-11-145**

A resolution of the Haines Borough Assembly authorizing a refund of 2006 and 2007 property taxes to Haines Borough property owner, John Norton, with the refunded amounts to be applied to his 2008 property tax bill.

**Motion** by **SMITH**: Adopt Resolution 08-11-145. It was seconded by **LAPP**. The motion carried unanimously.

**B. Ordinances for Introduction**

**1. Ordinance 08-11-190**

An ordinance of the Haines Borough, providing for the addition or amendment of specific line items to the FY09 budget.

**Motion** by **LAPP**: Introduce Ordinance 08-11-190 and set a first public hearing for December 9, 2008. It was seconded by **LAPHAM**.

**LAPHAM** asked about heating the old Public Works building and wondered what it would cost to install doors and plug-ins in the new shop. **BOLEN** said the plan is to heat the old building this year to a maximum of 40 degrees and move toward decommissioning the building next year. He wants a minimum of two doors in the new shop.

Regarding the appropriation of Title III funds to the Takshanuk Watershed Council (TWC) for an after school forest ecology program, **LAPHAM** and **ROSSMAN** both said they want the TWC to be required to include in the curriculum the positive effects industry can have on forests. **OLERUD** requested that the assembly receive a copy of the planned curriculum.

**LAPP** explained that the Finance Committee met just prior to this meeting to review the budget amendments. The committee recommends the ordinance and also proposes additional amendments.

**Motion to Amend** by **LAPP**: Amend the ordinance as follows:

1) Use cruise head tax receipts to pay for the part-time summer port security staff that was required because of new homeland security regulations.

2) Increase the additional appropriation to the school district from \$75K to \$150K to be used for vocational education.

The amendment motion was seconded by **LAPHAM**, and it carried unanimously.

**OLERUD** requested clarification on the budget amendments related to the Administrative Assistant/Deputy Clerk and Receptionist positions. **STUART** explained that the first one is essentially the position that was filled by Suzanne Newton. **OLERUD** thought that Kathy Friedle had been hired for that. **STUART** explained that Friedle was actually hired only for the very part-time piece funded by the state's Childcare Assistance Program grant. Attempts were made to convert the rest of the position into an entry-level receptionist with the union's blessing. The new manager believes that it is more important to maintain the administrative assistant position and train the individual to assist the manager and clerk and fill in during the clerk's absence. **COZZI** noted that the Administrative Assistant/Deputy Clerk position is ready to advertise in a week or so with the hope that an individual will be on the job by the first of February.

The main motion carried unanimously.

## **2. Ordinance 08-11-191**

**An ordinance of the Haines Borough amending Borough Code Title 2 Chapter 2.38, Borough Assessor, to clarify the Department of Lands and Assessment.**

**Motion** by **SMITH**: Introduce Ordinance 08-11-191 and set a first public hearing for December 9, 2008. It was seconded by **LAPHAM**.

Regarding the proposed Section 2.38.030(c) "environmental protection division, **ROSSMAN** said he is opposed to duplicating State or Federal Regulations at the local level. **BOLEN** said that DEC and EPA rarely perform onsite monitoring. **SMITH** agreed with the manager saying that there may be a need for local oversight in the future.

**Motion to Amend** by **ROSSMAN**: Remove Section 2.38.030(c) "environmental protection division from the ordinance. It was seconded by **OLERUD**.

**BOLEN** clarified that his intent was simply to reserve this section item for possible future need. **VICK** expressed hesitancy to remove it from the ordinance.

The amendment motion carried 5-1 with **VICK** opposed.  
The main motion carried unanimously.

**3. Ordinance 08-11-192**

**An ordinance of the Haines Borough amending Borough Code Title 2 Chapter 2.58, Department of Public Works, to create a Department of Public Facilities and Capital Projects.**

**Motion** by **LAPP**: Introduce Ordinance 08-11-192 and set a first public hearing for December 9, 2008. It was seconded by **LAPHAM**. The motion carried unanimously.

**4. Ordinance 08-11-193**

**An ordinance of the Haines Borough amending Borough Code Title 3 Section 3.72.060, Assessment Review, to stipulate a complete property assessment cycle every four years.**

**Motion** by **LAPHAM**: Introduce Ordinance 08-11-193 and set a first public hearing for December 9, 2008. It was seconded by **SMITH**. The motion carried unanimously.

**5. Ordinance 08-11-194**

**An ordinance of the Haines Borough amending Borough Code Title 2 Chapter 2.72, Personnel System, to add a classification of positions.**

**Motion** by **LAPHAM**: Introduce Ordinance 08-11-194 and set a first public hearing for December 9, 2008. It was seconded by **SMITH**. The motion carried unanimously.

**C. Other New Business**

**1. Assessment Adjustments Due to Clerical Errors**

The assessor requested the assembly approve two different post-BOE property valuation adjustments due to gross assessment errors. *HBC 3.74.260(C) states that "The assembly may correct manifest clerical errors at any time."*

**a. George & Joan McCament - Parcel #C-SKY-0D-0900**

**Motion** by **LAPP**: Authorize a revaluation of the improvements on parcel C-SKY-0D-0900 from \$129,500 to \$45,480, as recommended by the assessor. It was seconded by **LAPHAM**. The motion carried unanimously.

**b. Connie & Tom Ward, Jr. - Parcel #C-PTC-01-0200**

**Motion** by **LAPHAM**: Authorize a revaluation of the nonexistent improvements on parcel C-PTC-01-0200 from \$73,550 to \$0, as

recommended by the assessor. It was seconded by **VICK**. The motion carried unanimously.

## **2. Advisory Board Appointments**

**Motion** by **OLERUD**: Confirm the following appointments recommended by the mayor:

### **Planning Commission**

*Andy Hedden - reappointment - term expires 11/30/11*

*Greg Brask - reappointment - term expires 11/30/11*

*Donnie Turner - reappointment - term expires 11/30/11*

### **Chilkat Center Advisory Board**

*Tresham Gregg - reappointment - term expires 11/30/11*

### **Tourism Advisory Board**

*Jason Gaffney - new appointment - term expires 11/30/11*

*Judy Heinmiller - reappointment - term expires 11/30/11*

### **Museum Board of Trustees** - 3 appointments needed

*Bob Adkins - reappointment - term expires 11/30/11*

*Pamela Randles - new appointment - term expires 11/30/11*

### **Boat Harbor Advisory Committee**

*Jim Studley - reappointment - term expires 11/30/09*

### **Four Winds RMSA**

*Nick Degtoff - reappointment - term expires 11/30/11*

### **Public Safety Commission**

*Paul Nelson - reappointment - term expires 11/30/11*

### **Historic Dalton Trail RMSA**

*Leonard Banaszak - reappointment - term expires 11/30/11*

### **Riverview Drive RMSA**

*Marianne Rasmussen - reappointment - term expires 11/30/11*

The motion was seconded by **VICK** and carried unanimously.

The mayor publicly thanked the appointees and all applicants for their willingness to serve. She added that she plans in the near future to clarify to the public and to the boards what the responsibilities and authorities are.

## **3. Legislative Priorities**

The assembly had a brief discussion about the draft legislative priorities presented by the manager and decided to meet as a Committee-of-the-Whole to work on them in more detail. The manager and mayor plan to provide the general public with opportunities to suggest items for the list, including a radio call-in program. This topic will be on the December 9<sup>th</sup> meeting agenda.

## **4. Executive Session: Personnel & Legal Matters**

An Executive Session was held for the following reasons:

- 1) Consult with the Borough attorney regarding the Floreske permit violations

- 2) Consult with the Borough attorney regarding potential adverse financial impacts to the Borough regarding Chilkoot Lumber Property Tax disputes
- 3) Discuss a personnel issue regarding the police department.
- 4) Discuss a personnel issue regarding the manager.

**Motion** by **OLERUD**: Move into Executive Session to consult with the borough attorney regarding the Floreske and Chilkoot Lumber Company issues and to discuss the police department and manager personnel issues because holding these discussions in open session may adversely affect the finances of the Haines Borough and/or tend to prejudice the reputations of those involved. It was seconded by **LAPP**.

**STASKA** was allowed to make a comment. He said Sawmill Creek has been polluted, and it's up to the borough to make it right and prevent it from happening in the future. He believes a fine should be levied and go toward reclamation.

The motion carried unanimously.  
The mayor called a brief recess.

The executive session began at 8:47pm and ended at 10:32pm for a total of 1 hour 45 minutes. Mayor **HILL** reconvened the regular session immediately.

**Motion** by **OLERUD**: The manager should proceed as directed during executive session to follow and enforce the borough code in the Chilkoot Lumber Company matter. It was seconded by **SMITH**. The motion carried unanimously.

**Motion** by **VICK**: The manager should proceed as directed during executive session to follow and enforce the borough code in the Floreske gravel extraction matter. It was seconded by **OLERUD**.

**LAPHAM** asked to be recused because he works for Floreske. There was no objection.

The motion carried 4-1 with **LAPP** opposed (and **LAPHAM** abstaining).

**Motion** by **OLERUD**: Grant the manager's request for leave in December and January. It was seconded by **SMITH**. The motion carried unanimously.

## **12. SET MEETING DATES**

The Personnel Committee will meet in the Assembly Chambers at 6:00pm on December 2 to review the personnel-related ordinances and the manager's proposed function chart.

The assembly will meet as a Committee-of-the-Whole at 5:30pm on December 9 to work on the 2009 Legislative Priorities list.

The second assembly meeting in December was moved up to the 16<sup>th</sup> from the 23<sup>rd</sup>.

13. PUBLIC COMMENTS - NONE

14. ANNOUNCEMENTS/ASSEMBLY COMMENTS - NONE

15. ADJOURNMENT - 10:43pm

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

ATTEST:

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Jan Hill, Mayor

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Julie Cozzi, Borough Clerk