


Haines Borough
Borough Assembly Meeting #148
January 27, 2009
MINUTES

Approved

1. CALL TO ORDER/PLEDGE TO THE FLAG Deputy Mayor **LAPP** 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:** Deputy Mayor Jerry **LAPP** and Assembly Members Scott **ROSSMAN**, Doug **OLERUD**, Steve **VICK** and Pete **LAPHAM**.

Absent: Mayor Jan **HILL** and Assembly Member Norm **SMITH**.

Motion by **VICK**: Excuse Assembly Member Smith's absence. It was seconded by **OLERUD**. The motion carried unanimously.

Staff Present: Tom **BOLEN**/Borough Manager, Julie **COZZI**/Borough Clerk, Jila **STUART**/Chief Fiscal Officer, Gary **LOWE**/Chief of Police, Kevin **KENNEDY**/Police Officer, and Stephanie **SCOTT**/ESC Coordinator.

Visitors Present: Jessica **EDWARDS**/CVN, Tara **BICKNELL**/KHNS, John **HUNT**, Robin **STEVENS**, Michael **BYER**/School Superintendent, Bruce **MESSERSHMIDT**, Danny **GONCE**, Jim **TURNBULL**, Bill and Libby **KURZ**, Janet **KURZ**, Tim **SHIELDS**, Michael **AHMUTY**, Andy **HEDDEN**, Karen **HESS**, Dave **WERNER**, Donnie **TURNER**, Don **TURNER JR**, Adam **PATTERSON**, Roger **MAYNARD**, Dave **OLERUD**, Robert **LIX**, and others.

3. APPROVAL OF AGENDA & CONSENT AGENDA

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

*4. APPROVAL OF MINUTES - 1/13/09 Regular

5. PUBLIC COMMENTS

TURNBULL said the roads in the townsite are in great need of maintenance. He highlighted the very poor condition of Oslund Drive.

HUNT spoke in support of the cruise ship resolution.

BYER reported to the assembly that the additional monies through the secure schools program are augmenting the vocational educational program. A work experience program will provide more valuable experience to tie into actual careers. The district also plans an afternoon academy program next year, and a natural resources class is working with Takshanuk Watershed Council. He wants to continue cooperating with the assembly to keep these programs moving forward.

AHMUTY encouraged the assembly to move forward with the cruise line traffic resolution.

HEDDEN emphasized how important it is for the borough to go on record in support of more cruise ship dockings. The fast ferry needs enough passengers between Skagway and Haines to be profitable enough to operate. Royal Caribbean is pulling a ship from Skagway in 2010, so a berth there will open up potentially taking a ship from Haines. Haines need to show that it welcomes cruise ship business.

HESS is part owner of the fast ferry. She supports the resolution to bring in more cruise ships. Haines certainly benefits from the visitors coming over from the Skagway cruise ships because of sales tax, but more Haines dockings would have a greater benefit, especially for non-tour businesses. On another topic, she expressed support for a new hydro power source.

EGOLF supports the increase of cruise ships. In 2000, an advisory vote "limited" the number of dockings and the borough has not been close to that number since then. Additionally, he said he supports the Schubeek Lake hydro plant location rather than Connelly Lake.

6. MAYOR'S COMMENTS/REPORT

LAPP announced the deaths of former city council member Arne Olsson, and Energy & Sustainability Commission member Tom Moody. **LAPHAM** added that former city mayor Walt Wilcox also passed away.

LAPP said the mayor is out of town attending meetings and will be back in Haines very soon.

He said he was informed about threats to the mayor regarding the proposed Connelly Lake project and is appalled. He stated for the record that threats would not be tolerated and that the borough's rewrite of the resolution was in NO WAY a result of the threats.

A. NEW POLICE OFFICER - Administration of Oath

COZZI administered the oath to new police officer, Kevin K. Kennedy.

7. PUBLIC HEARINGS

A. Ordinance 09-01-195 - first hearing

An ordinance of the Haines Borough amending Borough Code Title 16 to 1)Redefine the Boat Harbor Advisory Committee (\$16.08.010), 2)Remove additional harbor fees from the code

that are referenced in the assembly-approved harbor fee schedule (§16.12.030, §16.24.050), and 3) to change the impounded boat appeal hearing timeframe (§16.24.070).

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

Motion by **LAPHAM**: Advance Ordinance 09-01-195 to a second public hearing on February 10, 2009. It was seconded by **VICK**. The motion carried unanimously.

B. Ordinance 09-01-196 - first hearing

An ordinance of the Haines Borough amending Title 14 to clarify the application process for borough right-of-way (ROW) vacations.

Deputy Mayor **LAPP** opened and closed the public hearing at 6:50pm; there were no public comments.

Motion by **LAPHAM**: Advance Ordinance 09-01-196 to a second public hearing on February 10, 2009. It was seconded by **VICK**. The motion carried unanimously.

8. STAFF REPORTS

A. Borough Manager

The manager summarized his written report that provided an update on various projects, activities, and departmental issues.

BOLEN suggested the idea of modular restrooms at the PC Dock instead of porta-potties and he asked for input from the assembly. He said a modular unit could be used elsewhere in the future such as Letnikof and construction sites. He believes it would project a better image to the cruise visitors. **LAPHAM** would like to see a comparison of costs to purchase and lease. He asked how mobile the facilities would actually be and said if they are very movable they might even be used at a ball field. **BOLEN** said a short axel can be put under them to make them very easy to move. The general consensus was for the manager to further research this and return with more information.

BOLEN said ice broke loose and damaged some of the pilings at Letnikof Cove Harbor, and they are not repairable. He suggested a possible change order to the boat harbor project in order to get new pilings installed. **BENNER** explained that the old wood pilings out closest to the cannery are gone, and many of the remaining pilings are old and beyond their useful life. Since there will be a pile driver in town for the boat harbor reconstruction, it would be a perfect time

to address this situation.

The manager said a rescheduled basketball game conflicts with the downtown planning open house set for February 2nd. A consensus of the assembly was to reschedule the open house even though it has already been advertised.

BOLEN announced with great regret that the Harbormaster Phil Benner is resigning effective February 20th to take a position in Juneau. He thanked him for his service to the borough. (The audience applauded.)

There is an Emergency Management Performance grant opportunity (FEMA) aimed at helping people in government to address emergency needs. **BOLEN** explained that when applying for the grant monies (amounting to about \$12K), a work plan must also be submitted. Largely this work plan incorporates the work already being done. The funding would pay for a part-time position, and he believes someone in the volunteer HELP committee would apply for it. It would better cement the relationship between the borough and that committee, and it's also a good opportunity for the borough to reconnect to the state in this area. He promised to have grant information for the assembly to consider at the next meeting.

OLERUD thanked **BOLEN** for the memo from the attorney on the competitive bidding and apologized for misinterpreting the code. Additionally, he followed up on **LAPP's** comments regarding the threats to the mayor. It is disconcerting to him and should be for the general public, as well. **BOLEN** said the mayor did indeed report that she received inappropriate threats.

- ★ 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

LAPHAM said the assembly met as a Committee-of-the-Whole in conjunction with the Commerce Committee to discuss a rewrite of the resolution to support AP&T's efforts to find a new hydro electric source. The committee recommends adoption of this new resolution.

B. Finance & Budget

LAPP said the Finance Committee met just prior to this meeting to review the current financial report. They were informed by the CFO that finances are right on track for this point in the fiscal year. Also good news is that the borough's Permanent Fund weathered the Wall Street fiasco fairly well because 80% of the borough's assets are in fixed income. The committee also discussed a future land sale. **OLERUD** asked what kind of hit the borough would have taken if it had gone with a 75% equity investment strategy. **STUART** said the equity investments lost about %15 in value. **LAPP** added that the Fannie Mae bonds surprisingly brought an increase for the borough.

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**

The January ESC Coordinator's report was distributed to the assembly members. **SCOTT** talked about the new "energy sipper" street lights compared to the traditional energy guzzlers. She sent Senator Begich an email in response to his request for projects that are ready to go. She told him that the Haines Borough will be ready to put street lights up and she asked how to get in line for any monies that might be available. Also, she has been exploring the possibility of separating the pool energy consumption data from the rest of the school. It will cost to make that switch, but she believes the borough would realize savings.

10. OLD BUSINESS - None**11. NEW BUSINESS****A. Resolutions****1. Resolution 09-01-149**

A resolution of the Haines Borough Assembly recognizing the need for a new, cost-effective, environmentally appropriate, reliable, and renewable source of electric power for citizens of the Haines Borough, and supporting the efforts of Alaska Power & Telephone, Inc. (AP&T) to develop a project to address this need.

Deputy Mayor **LAPP** read aloud the resolution.

Motion by **LAPHAM**: Adopt Resolution 09-01-149. It was seconded by **ROSSMAN**. The motion carried unanimously in a roll call vote.

2. Resolution 09-01-150

A resolution of the Haines Borough Assembly supporting the increase of cruise line traffic to the Haines Borough.

Deputy Mayor **LAPP** read aloud the resolution.

Motion by **LAPHAM**: Adopt Resolution 09-01-150. It was seconded by **ROSSMAN**.

ROSSMAN said he supports this resolution but wants to know how the cruise ships can be increased. **BOLEN** said he is scheduling a meeting with the head of the Alaska Cruise Association, John Binkley. The thought behind this resolution is that an assembly resolution in hand sends a stronger message during discussions with the cruise industry. He warned that the cruise calendar for 2009 is set and 2010 pretty much the same. Any net affect will probably not be realized for a couple of years.

The motion carried unanimously in a roll call vote.

B. Ordinances for Introduction

1. Ordinance 09-01-197

An ordinance of the Haines Borough amending Title 18 to increase the time allowed for final plat submission, and to simplify the road construction requirements for a final plat.

Motion by **LAPHAM**: Introduce Ordinance 09-01-197 and set a first public hearing for February 10, 2009. It was seconded by **VICK**. The motion carried unanimously.

2. Ordinance 09-01-198

An ordinance of the Haines Borough amending Title 3 to allow road maintenance service areas to voluntarily request taxation that exceeds the one-percent tax cap in order to maintain or obtain services.

Motion by **VICK**: Introduce Ordinance 09-01-198 and set a first public hearing for February 10, 2009. It was seconded by **LAPHAM**.

ROSSMAN believes this is a temporary measure that does not address the overriding problem with service area road maintenance funding, and no disagreement was voiced. The motion carried unanimously.

12. CORRESPONDENCE

LAPP explained that a complaint had been received from borough

citizen Carolyn Weishahn. The assembly through its Commerce Committee has been working on the various helicopter/heliskiing issues brought up in the complaint. One item that has not yet been addressed is Weishahn's request to remove the Jarvis area from the approved recreational helicopter map. He stated that he is opposed to that change. **LAPHAM** confirmed that the Commerce Committee is working on the whole issue of responsible helicopter use along with other heliskiing issues. **BOLEN** said the current fines may not be enough of a deterrent. A comprehensive Title 5 revision draft is nearing completion and will come soon to the assembly for consideration. The revision includes an increase in fines and penalties. He noted that the Temsco issue may require a helicopter map review, and he suggested that any other proposed changes might be considered at the same time. **LAPP** said if an area gets removed, another should be added. **VICK** suggested that a lot of research will be important to make it a beneficial map for everybody. **BOLEN** said the Weishahn complaints have languished and since it was addressed to the assembly, he felt it was important for the assembly to have an opportunity to respond. **LAPP** noted that a monitorable GPS system will protect both sides---the industry from unwarranted allegations and the citizens from misuse. The assembly took no action.

WERNER said he has proposed a new heliport site at 19-mile that could replace the one at 18-mile. He took the idea to the planning commission and submitted a map to the borough administration. He has not been satisfied with the apparent lack of consideration, because he believes it would take care of "all the problems." **BOLEN** will review the recommendation and the map.

13. SET MEETING DATES

The assembly will meet as a Committee-of-the-Whole at 5:30pm on February 10. Jeff Ottesen, Director of Program Development for AK-DOT&PF, will be present to discuss the gas pipeline possibilities for Haines.

On February 4 at 6:00pm, the Government Affairs & Services Committee will meet to discuss road maintenance service.

The Boat Harbor Advisory Committee will meet at 3:00pm on February 12.

The annual joint meeting with the School Board will be held on Tuesday, March 31 at 6:30pm.

The Finance Committee will meet at 5:00pm on February 10 to discuss a budget amendment the manager plans to propose.

14. PUBLIC COMMENTS

Dave **OLERUD** said he enjoyed the meeting. It shook him up psychologically that the borough's permanent fund actually made money while virtually everyone else in the country seems to have taken a big hit. He congratulated the borough on its investment management.

HUNT questioned the appropriateness of Deputy Mayor **LAPP** weighing in on the helicopter issue. He also invited the assembly to attend the next Tourism Advisory Board meeting.

TURNER JR favors the Connelly Lake location for a new hydro electric project.

WERNER echoed **TURNER JR's** sentiments. He's been affiliated with most of the hydro projects in Southeast and believes the Connelly Lake location is "made in heaven" and it's ridiculous to complain about the affect on the fisheries. He gave the Copper River area as an example saying that bridges, roads, and other infrastructure have not affected the fish population there. Schube Lake is not realistic, in his opinion.

15. ANNOUNCEMENTS/ASSEMBLY COMMENTS

VICK announced that he will be out of town during the next assembly meeting and unable to attend.

16. ADJOURNMENT - 7:47pm

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

ATTEST:

Julie Cozzi
Julie Cozzi, Borough Clerk

Jerry Lapp
Jerry Lapp, Deputy Mayor

