

Haines Borough
Borough Assembly Meeting #154

May 12, 2009

MINUTES

Approved

1. CALL TO ORDER/PLEDGE TO THE FLAG Mayor HILL called the meeting to order at 6:36 p.m. in the Assembly Chambers and led the pledge to the flag.
2. ROLL CALL Present: Mayor Jan HILL and Assembly Members Scott ROSSMAN, Jerry LAPP, Doug OLERUD, Pete LAPHAM, Norm SMITH and Steve VICK (joined at 6:51).

Staff Present: Tom BOLEN/Borough Manager, Jamie HEINZ/Deputy Clerk, Jila STUART/Chief Fiscal Officer, Stephanie SCOTT/ESC Coordinator, Jerrie CLARKE/Museum Director, Brad MAYNARD/Director of Public Facilities and Gary LOWE/Chief of Police.

Visitors Present: Ann PETERSON/CVN, Bill KURZ, Janet KURZ, Joe POOR, Nelle JURGELEIT-GREENE, Greg STUCKEY/CIA, Kelly LOWE, Jack WENNER, Roger MAYNARD, Sean GAFFNEY, Eli FIERER and others.

3. APPROVAL OF AGENDA & CONSENT AGENDA

LAPP requested to add the introduction of ordinance 09-05-207 to new business item B1.

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

*4. APPROVAL OF MINUTES - 4/28/09 Regular

5. PUBLIC COMMENTS

Janet KURZ spoke as the state chairperson for the drug awareness program. She will be seeking donations and will also be trying to get children to attend age appropriate educational meetings to get information out to them. MORPHET requested that in the future the specific exemption allowing for each topic to be discussed in executive session be cited on the agenda and also asked that anytime there is an executive session to really look at the topic and think about the possibility of discussing in the open meeting specifically for financial matters. BOLEN addressed Morphet's comment explaining that the need for executive session was for strategizing. He also offered to bring up the property tax issue in his manager's report as there was nothing to talk about that wasn't already common knowledge.

6. MAYOR'S COMMENTS/REPORT

Mayor **HILL** announced she intended on sharing this time with Assemblyman **ROSSMAN**. She shared that she was invited to join in welcoming the first Cruise West ship that docked in Haines and felt that the company was good for our community. She also reported the Governor being in town was a highlight and was pleased that Haines was chosen for the stage to sign bills into law she also expressed that she was happy with the pleasant reception Haines provided for the Governor. The Mayor shared condolences with families involved regarding the teens that were lost in the tragic boating accident last week. She received a phone call from the Coast Guard regarding their annual boating safety program in Haines and they advised her that they are ramping up the program in light of the accident and will be inviting more youth to the course.

ROSSMAN discussed the roto-chipper that the Tok community just purchased. He felt it was relevant because Tok is moving to wood heat which is something Haines is looking at for some of our facilities and Haines may be able to rent the machine to make the fuel if that is the direction we take. He suggested that Lapham could go up and learn more about the unit since he had gone to Montana to tour facilities that used wood heat.

7. PUBLIC HEARINGS

A. 2009 Bus Tour Renewal - AK Mountain Guides

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

Motion by **LAPP**: Approve Alaska Mountain Guides' continued operation of the Route Two (Chilkoot Lake) bus tour. It was seconded by **LAPHAM**.

LAPHAM asked for verification that there were no complaints received by the borough. **HEINZ** assured the assembly that there were no complaints received by the borough during last year's operations. **GAFFNEY** requested to address the assembly. He spoke about improving the overall situation in the Chilkoot Lake area by working with state parks to set up a commercial parking area and discussing with the state a ramp for them to launch kayaks. He also reported that they worked with other organizations to fund the bear monitoring program and felt they had a positive impact to that end and intend to continue to work to improve the bear situations out there.

The motion carried 6-0 in a roll call vote.

B. Ordinance 09-03-201 - Third hearing

An ordinance of the Haines Borough amending borough code

Title 18 Chapter 100 to update and clarify subdivision regulations.

Mayor HILL opened and closed the public hearing at 7:02pm; there were no public comments.

Motion by LAPHAM: Adopt Ordinance 09-03-201. It was seconded by SMITH.

Motion to Amend by LAPHAM: Amend by substituting the version of Ordinance 09-03-201 proposed by the borough manager. It was seconded by ROSSMAN.

BOLEN pointed out where grammatical and formatting changes were made pointing out the one place where a substantive change was made allowing for access to a subdivided lot be via water and not limiting to highway or road for rural areas.

The amendment motion carried unanimously.

The main motion carried unanimously in a roll call vote.

C. Ordinance 09-04-202 - Second hearing

An ordinance of the Haines Borough amending borough code Title 18 Section 18.70.040 Zoning Use Chart, to add guest house and multiple single family residence uses to the zoning use chart.

Mayor HILL opened and closed the public hearing at 7:05pm; there were no public comments.

Motion by LAPP: Adopt Ordinance 09-04-202. It was seconded by LAPHAM.

The motion carried unanimously in a roll call vote.

D. Ordinance 09-04-203 - Second hearing

An ordinance of the Haines Borough amending borough code Title 18 Section 18.80.030 Setbacks and Height, to clarify from where structure height is measured.

Mayor HILL opened and closed the public hearing at 7:10pm; there were no public comments.

Motion by LAPHAM: Adopt Ordinance 09-04-203. It was seconded by SMITH.

Motion to Amend by LAPP: Amend by substituting the proposed ordinance that combines Ordinance 09-04-203 and Ordinance 09-04-204. It was seconded by VICK.

BOLEN explained that the substitute ordinance combined two separate ordinances addressing one paragraph in the same section of code and there were no changes made.

The amendment motion carried unanimously.

LAPP questioned if the ordinance should be held over for a third public hearing. **BOLEN** felt it did not.

The main motion carried unanimously in a roll call vote.

F. Ordinance 09-04-206 - First hearing

An ordinance of the Haines Borough, Alaska, providing for the establishment and adoption of the budget of the Haines Borough for the period July 1, 2009 through June 30, 2010.

Mayor **HILL** opened the public hearing at 7:12pm.

POOR commented about the addition of an economic development staff member and suggested alternately an economic development council made up of senior volunteers working with Southeast Conference that would make money-saving recommendations to the assembly.

Hearing no further comments, the mayor closed the public hearing at 7:15pm.

Motion by **LAPHAM**: Advance Ordinance 09-04-206 to a second public hearing on May 26, 2009. It was seconded by **LAPP**.

VICK asked for clarification of the Southern emphasis in the revised tourism budget and also asked if the budget for the Yukon included radio advertisement. **STUART** answered that there isn't a specific line item for radio advertising because it falls within that portion of the budget. She added that she understands "Southern emphasis" to mean Southeast Alaska. **ROSSMAN** asked at what level the borough is funding the community non-profit organizations. **HILL** responded that it was decided to fund them at the same level as last year. **STUART** clarified that the budget is the manager's proposed budget and the assembly can make amendments to it, if desired. **VICK** asked the manager to meet with tourism director to make sure the regional advertising will focus on the Yukon and Alaska.

Motion to Amend by **ROSSMAN**: Amend Ordinance 09-05-206 by Eliminating the \$13,028 operating transfer from the Land Development & Sales Fund to the Permanent Fund in order to build reserves for the purpose of proceeding with development of a Borough land sale. It was seconded by **LAPP**.

ROSSMAN clarified his reasons for the amendment.

The amendment motion carried unanimously.

Motion to Amend by **LAPP**: Amend Ordinance 09-05-206 by increasing the tourism advertising budget by \$6,900 to be spent on regional advertising, web advertising and radio advertising, and to appropriate a total of \$82,000 to the community

organizations that requested funding with the exception of the Well & Fit Community Center. It was seconded by **SMITH**.

Motion to Divide Question by **ROSSMAN**. There was no objection, so it was divided in order to vote on the tourism and community funding portions separately.

The amendment motion to increase the tourism advertising budget by \$6,900 to be spent on regional advertising, web advertising and radio advertising carried 5-1 with **VICK** opposed.

The amendment motion to appropriate a total of \$82,000 to the community organizations that requested funding with the exception of the Well & Fit Community Center carried 4-2 with **ROSSMAN** and **OLERUD** opposed.

The main motion carried 5-1 with **OLERUD** opposed.

8. STAFF REPORTS

A. Borough Manager

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

- Federal Lobbying
- Borough Attorney visit
- Personal Property Tax
- Availability of funds for water and sewer projects
- Capital Projects

BOLEN reported that he is working closely to ensure we get appropriation in FFY10 for our boat harbor construction projects and a plan has been made to move forward. He also reported that there was nothing new to report on the Chilkoot Lumber Company tax issue, that the lien has been filed. **BOLEN** reported that the Boat Harbor Advisory committee did not approve the newly revised boat harbor master plan, he intends on making more revisions in the near future. **BOLEN** reported that after checking the bid documents, he discovered the proposed Chilkat Center pedestrian bridge was to be fabricated in partial pieces rather than one fully assembled piece, and completion would exceed our budget. He suggested elimination of the roof structure to keep within the budget. **OLERUD** said he felt it was appalling that a bridge couldn't be built for the budgeted amount of money and that by removing the roof it wouldn't be ADA compliant which is what was desired. **VICK** said he was glad we find out now about the bridge and questioned if a roof was needed or if a roof could be built from another material. **BOLEN** said borough staff could add a

roof after the fact to get the project back under budget. **ROSSMAN** asked if it was possible to go to someone in town to build the bridge and suggested an RFP to local contractors. **BOLEN** pointed out the liability issues of the structure being off of ground.

Motion by **ROSSMAN**: Put out an RFP to local contractors for the Chilkat Center Pedestrian Bridge with a roof. It was seconded by **OLERUD**.

MAYNARD explained the differences in contractor liability as and professional liability and the difference in expense with hot dip galvanizing, which the engineers specified, as opposed to steel. He suggested that local welders can construct a steel bridge, but it would cost the same. **VICK** asked where money was coming from and wondered if there were certain conditions if it was grant funded. **BOLEN** answered that grant money was available for the bridge replacement and that the only condition was that it was used for bridge replacement. **ROSSMAN** asked how long wooden bridge had been there. **SMITH** though it had been built in 1982.

The motion carried unanimously.

BOLEN reported that grant documents had been received for the wood heat feasibility study and that it was time to hire a contractor. The ESC recommended a non-competitive bid from CE2 Engineers to do the study.

Motion by **ROSSMAN**: Hire CE2 Engineers to do the wood heat feasibility study. It was seconded by **VICK**.

LAPHAM agreed that it should be competitive but since CE2 is doing the study for other communities, he is supportive of hiring them.

The motion carried 4-2 with **OLERUD** and **LAPP** opposed.

BOLEN reported that there were problems maintaining a volunteer staff for the people mover cart and since head tax monies were available it would be easier to hire seasonal part-time staff to operate it. **SMITH** pointed out that grant money that paid for the cart and now we are faced with spending money to run the cart even if it is the head tax money. He questioned if the cart was really needed and suggested it be added to SEABA's contract for shuttle service.

Motion by **LAPP**: Hire two part-time seasonal employees for \$5,400 to drive the people-mover cart for 2009. It was seconded by **LAPHAM**.

ROSSMAN questioned the problem with volunteers operating the

cart and if volunteers are willing to run it again. **BOLEN** said he felt it was problematic to rely on a volunteer force and felt there were too many liabilities involved. He also said he didn't see a problem with job creation to hire locals to run the cart and spend money in our account not already being spent. **ROSSMAN** said he doesn't feel it is vital to the industry and also pointed out that the museum and library are run on volunteers. **LAPHAM** asked if the volunteers were for the summer or a few days at a time. **STUART** pointed out that the staff person in charge of coordinating volunteers indicated it is getting difficult to sign people up. **LAPP** agreed that liability is an issue and felt it would be in our best interest to hire this year and add the activity to the shuttle service next year.

The motion failed with **OLERUD**, **VICK**, **ROSSMAN** and **SMITH** opposed.

The Mayor called a short recess at 8:10 p.m. The meeting reconvened at 8:16 p.m.

- *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

ROSSMAN reported that the committee met with the group proposing a Well & Fit Community Center and it was decided that they would have another meeting to discuss a Memorandum of Understanding (MOU) between the parties to best facilitate working together to make it happen. **LAPHAM** asked if a citizen's initiative was discussed. **VICK** said a citizen's initiative could actually pass that would be even costlier so they decided to try to find other ways to fund it. **BOLEN** said in the end the closing sentiment was that there was more chance if the borough partnered with them and suggested an MOU as an instrument to facilitate partnership.

- 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

SCOTT shared the April energy bill and pointed out the importance of looking at units rather than cost of energy and also pointed out which buildings were using less energy and said it was a function of conservation. SCOTT also said that as of this report every facility has reduced consumption as compared to this time last year. SCOTT reported that she had been in contact with Chuck Renfro, who does workshops for consumers funded by AHFC and has asked them to come to Haines. SCOTT also discussed the Clean Energy in Alaska conference she is attending in Anchorage and outlined appointments she has made while there. She also said she delivered paperwork to the manager as a way to track energy consumption and savings for the fiscal year as opposed to a calendar year.

N. Service Area Boards

10. OLD BUSINESS - None

11. NEW BUSINESS

A. Resolutions - None

B. Ordinances for Introduction - This item was added during the approval of the agenda.

1. ORDINANCE 09-05-207

An ordinance of the Haines Borough, Alaska, to eliminate personal and business property tax.

In response to the assembly's 5/5 budget meeting request for an ordinance to repeal personal-business property tax, BOLEN prepared a draft ordinance for consideration. He was unable to get it ready for the agenda and packet but explained that it is before them at this meeting for review. The borough clerk advised him that the assembly may still introduce it and set a first public hearing.

Motion by VICK: Introduce Ordinance 09-05-207 and set a first public hearing for May 26, 2009. It was seconded by LAPP.

SMITH asked if the ordinance was run by the attorney. BOLEN responded it had been brought up during the attorney's visit and that he encouraged looking ahead problems weren't encountered a short while down the road that would cause more changes.

The motion carried unanimously.

C. Other New Business

1. Alaska Marine Highway System, 'Alaska Class' Presentation

Robert Ekse, Project Manager for the Alaska Class Project, gave the presentation via teleconference while the Deputy Clerk operated the PowerPoint presentation he had provided.

2. Contract Amendment - Haines Streets Phase I

Motion by **ROSSMAN**: Authorize the manager to execute a project construction contract change order for an amount not to exceed \$22,270 to allow Southeast Road Builders to address the ground water problem on FAA Road. Authorize the manager to execute a project construction contract change order for an amount not to exceed \$22,270 to allow Southeast Road Builders to address the ground water problem on FAA Road. It was seconded by **LAPHAM**.

OLERUD asked about work done a few years ago and if the drainage issues were addressed at that time. **BOLEN** said these issues wouldn't be discovered until holes were dug. **MAYNARD** explained with installation of services there were times the ground water was coming in to the holes at five gallons or more a minute and talks they had with residents proved that there are problems with groundwater in the area. **ROSSMAN** said the previous work done was to lay six inches of D-1. **SMITH** said that the previous work done didn't include excavation, only adding more D-1 to the road bed so the increase in the cost will be for the perforated pipe and that he is hopeful that it will fix the seepage problem that has been going on for thirty plus years.

The motion carried unanimously in a roll call vote.

Motion by **VICK**: Suspend the rules and move public comments ahead of the executive session. It was seconded by **LAPHAM**.

The motion carried unanimously.

WENNER spoke about the people mover cart used for cruise ship passengers badly needing repair.

3. Executive Session - Union Negotiation, Manager Evaluation

The mayor proposed to into Executive Session to discuss the following issues:

- 1) Results of wage negotiations with the union,
- 2) Floreske permit violation issue,
- 3) The borough manager's performance evaluation.

Motion by **VICK**: Move into Executive Session to discuss union wage negotiations, the Floreske permit violation issue, and to discuss

the borough manager's performance evaluation because holding these discussions in open session would clearly affect the finances of the Haines Borough in an adverse way and/or tend to prejudice the reputations of those involved. The motion was seconded by **ROSSMAN**. The motion carried unanimously.

The Executive Session began at 9:25pm and lasted for 50 minutes. The mayor reconvened the regular session at 10:15pm.

Motion by **LAPP**: Drop any former legal proceedings we had against Floreske regarding permit violations, but to be vigilant in enforcing code moving forward. The motion was seconded by **SMITH**.

The motion carried in a roll call vote with **OLERUD** and **VICK** opposed.

12. CORRESPONDENCE

- A. Property Sales Proposal - Byron Rettinger
- B. Thank you - Joe Levesque, borough attorney candidate

13. SET MEETING DATES

Set Budget Committee of the Whole meeting for May 26th at 5:15pm.

Reminder of the Board of Equalization meeting on May 20th at 6:00pm.

14. PUBLIC COMMENTS

This item was moved ahead of the executive session.

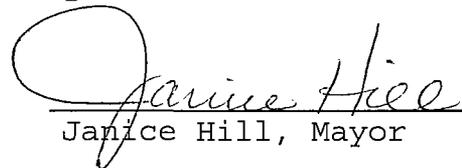
15. ANNOUNCEMENTS/ASSEMBLY COMMENTS

OLERUD asked that if we hadn't already received the official language from CIA regarding the bill for the conveyance of the property we should make that request. **SMITH** asked that food and drink be provided by the borough for double backed meetings.

16. ADJOURNMENT - 10:23pm

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

ATTEST:


Janice Hill, Mayor


Julie Cozzi, Borough Clerk

