

Haines Borough  
Borough Assembly Meeting #156

June 9, 2009

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 Steve VICK, Douglas OLERUD, Jerry LAPP, Pete LAPHAM, Norman SMITH and Scott ROSSMAN.

Staff Present: Tom BOLEN/Borough Manager, Julie COZZI/Borough Clerk, Jila STUART/Chief Fiscal Officer, Sue NELSON/Property Tax Clerk, Jerrie CLARKE/Museum Director, and Gary LOWE/Chief of Police.

Visitors Present: Jessica EDWARDS/CVN, Leonard DUBBER, Kelly LOWE, Michael BYER/School Superintendent, Eli FIERER, Jason GAFFNEY, Sean GAFFNEY, Joan SNYDER, Robbie and Charlotte CANT, Jack WENNER, Bill and Libby KURZ, Janet KURZ, Dan EGOLF, Marnie HARTMAN, Les HOESTETLER, Heather LENDE, and others.

3. APPROVAL OF AGENDA & CONSENT AGENDA

LAPP asked for removal of the minutes from the consent agenda. At the manager's request, HILL asked that the Well & Fit Community Center MOA be added under Old Business as Item 10A. The mayor also said Item 11C1 should be removed, because she is waiting for board recommendation on one of the applicants.

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

4. APPROVAL OF MINUTES - 5/26/09 Regular

LAPP noted that the second for the motion to adjourn said "Lapp" even though he was absent from that meeting. The clerk will change the typo.

Motion by LAPP: Approve the 5/26/09 minutes. It was seconded by ROSSMAN. The motion carried unanimously.

5. PUBLIC COMMENTS - None

6. MAYOR'S COMMENTS

Mayor HILL provided an update on the tribal youth program for at-risk youth in the community. Rodney Hinson has been hired by SEARHC as the prevention specialist. The participation by youth and families has been very good. The mayor also announced that she will leave for Washington D.C. in the coming weekend with BOLEN and LAPHAM to meet with the Alaska delegation.

## 7. PUBLIC HEARINGS

### A. Revised Commercial Tour Activity - Alaska Mountain Guides

Alaska Mountain Guides (AMG) has a 2009 commercial tour permit with an existing Chilkoot River Corridor bus tour that operates with two departures on Sundays. The company requested approval to increase to 3 departures 7 days a week. They also asked that this be approved without requiring an annual review. HBC 5.18.060 requires a public hearing before the assembly if the tour permittee proposes to expand the capacity of an existing tour by 25 percent or more.

Mayor **HILL** opened and closed the public hearing at 6:47pm; there were no comments.

Motion by **LAPP**: Approve Alaska Mountain Guides' request to increase the capacity of their Chilkoot River Corridor bus tour. It was seconded by **LAPHAM**.

**SMITH** is hesitant to approve the request because of the congestion in that area, and he suspects it is too much increase in capacity at this time. **OLERUD** said AMG is the only tour operator actively working to correct the situation. The assembly should support the tours. **VICK** gave kudos to AMG for their efforts to make things better but adding more activity at this time will not help the problem. He does not support the request.

The motion carried 4-2 in a roll call vote with **VICK** and **SMITH** opposed.

### B. Ordinance 09-04-207 - Second hearing

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

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

Motion by **LAPHAM**: Adopt Ordinance 09-04-207. It was seconded by **ROSSMAN**.

**BOLEN** said it was brought to his attention that the proposed deletion in the 3.72.010 definition of "real property" should be left as is. **LAPHAM** asked what business personal property would be affixed to the land. **BOLEN** speculated a small wind generator. **STUART** added that personal property affixed to the ground becomes real property, such as a mobile home. Also, some of the utility assets like telephone poles would fit in that category.

Motion to Amend by **LAPP**. Reinstate the sentence in 3.72.010 (Remove strikethrough): ~~and includes personal property affixed to the land and improvements.~~ It was seconded by **ROSSMAN**. The amendment motion carried unanimously.

**SMITH** agrees that this is not a fair tax. He asked what the assembly is going to do to replace the \$200K that the repeal is projected to cost, because he cannot support the ordinance until he knows. **VICK** said increased property tax revenue will offset some of that loss. Also, 25% of the \$200K would not be exempt from tax because of being fixed assets like the telephone poles. The projection is that this tax repeal actually has more of a \$50K negative affect. **ROSSMAN** supports the ordinance and observed that \$50K is less than one-percent of the budget. **LAPP** expressed support for the tax elimination, as well.

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

C. Ordinance 09-05-208 - First hearing

An ordinance of the Haines Borough, Alaska amending Title 18 Sections 18.60.010 and 18.70.030, to establish that outhouses and pit privies are not allowed within the townsite and establish guidelines for methods of wastewater and sewage disposal outside of the townsite.

Mayor **HILL** opened and closed the public hearing at 7:13pm; there were no public comments.

Motion by **LAPHAM**: Advance Ordinance 09-05-208 to a second public hearing on June 23, 2009. It was seconded by **LAPP**. The motion carried unanimously.

D. Ordinance 09-05-209 - First hearing

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

Mayor **HILL** opened and closed the public hearing at 7:17pm; there were no public comments.

Motion by **LAPHAM**: Advance Ordinance 09-05-209 to a second public hearing on June 23, 2009. It was seconded by **VICK**.

Regarding the manager's request for funds to put a used freight container out on the dock to store the people mover cart, **OLERUD** said he would prefer that not happen, because it won't be a good appearance for visitors. **BOLEN** said it has been the subject of vandalism during the season as well as off season, and it needs to be secure. It seemed to him a

container would be a way to solve this problem. It could be painted to look better and would also be useful for the harbormaster to store additional items needed at the dock. **VICK** said he is not opposed to the idea. He saw some revamped containers in a magazine that looked really nice. **ROSSMAN** said there is an old garage in the Chilkat Cruises area and wondered if the owner could be approached about storing the cart there. **BOLEN** said it is more convenient on the dock and it's illegal to drive the cart on the road. **SMITH** thinks the cart should be parked and not used at all. He also doesn't like the idea of a container sitting on the dock. **ROSSMAN** said it wouldn't hurt for the borough to have a container for other things. **LAPP** supports the container idea.

**Motion to Amend** by **ROSSMAN**: Amend Ordinance 09-05-209 to add the following items recommended in the 6/5/09 CFO Memo: 1) \$2,000 to purchase a container to store the people mover cart on the PC Dock, and 2) \$10,000 to extend electrical service to the lightering dock and to the container. It was seconded by **LAPHAM**. The amendment motion carried 4-2 with **SMITH** and **OLERUD** opposed.

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

**F. Ordinance 09-04-206** - Third 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 7:29pm.

**CLARKE** thanked the assembly for adding the museum suppression system upgrade to the CIP list. The old system failed and destroyed carpeting. She asked the assembly to put more money into the museum's FY10 personnel budget, as well.

Hearing no further comments, the mayor closed the hearing at 7:32pm.

**Motion** by **LAPHAM**: Adopt Ordinance 09-04-206. It was seconded by **VICK**.

**VICK** mentioned that there is leftover carpeting from the school project that might be useful for the museum in repairing the damage.

**Motion to Amend** by **LAPP**: Amend Ordinance 09-04-206 by accepting the 6/5/09 substitute ordinance recommended by the CFO and

Borough Manager. It was seconded by **LAPHAM**. The amendment motion carried 5-1 with **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.

**OLERUD** believes the borough should consider funding part of the Aasman-proposed marketing effort. The businesses are collecting sales tax money and the borough should consider shifting some of the tourism advertising budget to invest in this. **VICK** agreed saying Haines is losing cruise ships. The borough should target Fairbanks as well as help with funding the Whitehorse marketing program. **BOLEN** agreed that it would be good to help fund the most high-profile portion of the plan and, if tourism funds could be used, it might work well.

**OLERUD** said the new harbor shack has no electrical, phone, or computer, so there is no idea what the total cost of the building will be. He expressed concern that this purchase appears to have been manipulated in a way that bypassed the open forthright process. **VICK** asked the size of the harbormaster office. **BOLEN** said it is 12x12, totally finished on the outside, and framed on the inside. The plan is to wire it to the harbormaster's needs.

**SMITH** asked about the RFP status on the Letnikof launch ramp. **BOLEN** said the state is in the process of drafting the final documents for the tide lands transfer. As soon as the document is in hand that confirms borough ownership, the RFP will go forward.

**ROSSMAN** asked for more information about the Excursion Inlet issues, and **BOLEN** updated the assembly. He has drafted an RFP for survey services and also phoned the previous surveyor, Scott McClintock. McClintock claimed the borough owes him money, and that political squabbling was the reason for all of the problems. **BOLEN** told the assembly that the Finance Department does not have an outstanding invoice, but he is still investigating it. He hopes to see progress within the next two months. **OLERUD** said McClintock's recollection is incorrect, and he explained to the manager that the State Department of Natural Resources had a big problem with the work that was submitted by him. **ROSSMAN**

agreed with **OLERUD** and said the more the borough leaves McClintock out of it, the better off the situation will be.

- \*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
- \*M. Energy & Sustainability Commission
- \*N. Service Area Boards

#### 10. OLD BUSINESS

- A. Memorandum of Agreement (MOA) - Well & Fit Community Center  
(Added during agenda approval.)

Motion by **VICK**: Adopt the MOA, as presented, with the following changes: 1) Lease term shall be 1 year terminating 6/30/2010; the lease may be renewed upon passage of a ballot initiative in support of funding a borough parks & recreation department; and 2) Remove #8 requiring the borough to match dollar for dollar. It was seconded by **SMITH**.

Motion to Amend by **ROSSMAN** Strike #2 completely regarding the borough providing start-up funds. It was seconded by **LAPHAM**.

**VICK** said the start-up funds are important. **LAPP** said the group could be allowed to salvage everything from the other building.

The motion to amend the amendment carried 4-2 with **SMITH** and **VICK** opposed.

**BOLEN** asked **VICK** to consider that his motion provides only one condition whereby the lease could be renewed.

Motion to Amend by **VICK**: Add "or upon other assembly direction"

as another lease renewal condition. It was seconded by **SMITH**. It carried 4-2 with **OLERUD** and **LAPHAM** opposed.

Motion to Amend by **VICK**: Allow a one-time only appropriation grant of \$5K in startup funds to the Well & Fit Community Center. It was seconded by **SMITH**. It failed 2-4 with **OLERUD**, **ROSSMAN**, **LAPP**, and **LAPHAM** opposed.

**LAPP** said the only way he'll support the MOA is for the assembly to get rid of the other building.

Motion to Amend by **ROSSMAN**: Grant \$2,500 for start-up funding. It was seconded by **LAPP**.

**BOLEN** said the borough already has a \$150K budget for demolition. If the assembly wants to allocate some of that to the Well & Fit Community Center once the lease is executed, it could be done at a later time. **ROSSMAN** withdrew the motion. **OLERUD** said he is not against the fitness center but disagrees with this process. He wants a much clearer understanding before this goes forward. **BOLEN** expressed concern that the main motion would require the creation of a borough parks and recreation department. **COZZI** clarified that the borough already has a Parks and Recreation Department in code.

Motion to Amend by **LAPHAM**: Change motion to say "ballot initiative supporting funding of the Well & Fit Community Center through the borough's Department of Parks & Recreation, or upon other assembly direction." It was seconded by **ROSSMAN**. The amendment motion carried 4-2 with **OLERUD** and **LAPHAM**.

The main motion carried 4-3 in a roll call vote with and **OLERUD**, **LAPP**, and **LAPHAM** opposed and Mayor **HILL** breaking the tie in the affirmative.

## 11. NEW BUSINESS

### A. Resolutions

#### 1. Resolution 09-06-162

A resolution of the Haines Borough Assembly approving certain unincorporated communities and their respective native village council and/or incorporated nonprofit entity for participation in the FY 10 community revenue sharing program.

Motion by **LAPHAM**: Adopt Resolution 09-06-162. It was seconded by **ROSSMAN**. The motion carried unanimously in a roll call vote.

### B. Ordinances for Introduction - None

### C. Other New Business

#### 1. Advisory Board Appointments - Removed during approval of

the Agenda and Consent Agenda.

**2. Change Order #1 - Haines Street Improvements Phase I**

**Motion** by **LAPHAM**: Authorize the manager to execute contract change order #1 for an amount not to exceed \$7,000 to allow Southeast Road Builders to purchase two additional storm sewer catch basins needed for the Haines Street Improvements Phase I project. It was seconded by **ROSSMAN**. The motion carried unanimously in a roll call vote.

**3. Liquor License Renewal - Mosey's Restaurant**

**Motion** by **VICK**: Approve the renewal of the liquor license for Mosey's Restaurant. It was seconded by **ROSSMAN**. The motion carried unanimously.

**4. Hire Library Director**

**Motion** by **OLERUD**: Confirm the Library Board of Trustees' decision to offer the position of Library Director to William Harmer at step 4. It was seconded by **VICK**. The motion carried unanimously in a roll call vote.

**12. CORRESPONDENCE**

A. Report - Alaska Municipal League - no discussion

**13. SET MEETING DATES - None**

**14. PUBLIC COMMENTS**

B. **KURZ** thanked the water-sewer or public works crew for good work and timely response.

**15. ANNOUNCEMENTS/ASSEMBLY COMMENTS**

**LAPP** said the assembly needs to budget money for meeting refreshments rather than having it come out of the mayor's discretionary fund.

**ROSSMAN** said he would like the borough to contribute another one to two thousand dollars toward the fireworks display.

**16. ADJOURNMENT - 9:00pm**

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

ATTEST:

*Julie Cozzi*  
Julie Cozzi, Borough Clerk

*Janice Hill*  
Janice Hill, Mayor

