

Haines Borough
Borough Assembly Meeting #178

May 11, 2010
MINUTES

Approved

1. **CALL TO ORDER/PLEDGE TO THE FLAG:** Mayor **HILL** called the meeting to order at 6:30 p.m. in Assembly Chambers and led the pledge to the flag.

2. **ROLL CALL**

Present: Mayor Jan **HILL**, Assembly Members Jerry **LAPP**, Daymond **HOFFMAN**, Norm **SMITH**, Scott **ROSSMAN**, Joanne **WATERMAN** and Steve **VICK**.

Staff Present: Mark **EARNEST**/Borough Manager, Julie **COZZI**/Borough Clerk, Jila **STUART**/Chief Fiscal Officer, Brad **MAYNARD**/Director of Public Facilities, Jerrie **CLARKE**/Museum Director, and Gary **LOWE**/Chief of Police.

Visitors Present: Jessica **EDWARDS**/CVN, James **CARNAHAN**, Marilee **CARNAHAN**, David **PAHL**, Theresa **RAVEN**/CIA, Scott **HANSEN**/CIA, Bill and Libby **KURZ**, Janet **KURZ**, Bart **HENDERSON**, Mark **ALLEN**, Danny **GONCE**, Sally **MCGUIRE**, Kori **GOERTZ**, Tyler **RYMAN**, Judith **MCDERMAID**, and others.

3. **APPROVAL OF AGENDA & CONSENT AGENDA**

Motion: **LAPP** moved to "approve the Agenda/Consent Agenda" and it was amended to remove item 7E - Ordinance 10-05-229 from the agenda because it was not introduced on 5/7 and add Item 8C - Finance Report to the consent agenda. The motion carried unanimously.

* 4. **APPROVAL OF MINUTES** - Regular: 4/27/10

5. **PUBLIC COMMENTS**

Sally **MCGUIRE** spoke regarding the PC Dock waterfront project. She expressed concerns about the item not being on this agenda. She is against the project and does not believe the assembly has provided information to the general public. A public hearing is needed.

6. **MAYOR'S REPORT/COMMENTS**

Mayor **HILL** said the Washington D.C. trip was very successful, and she thanked **LAPP** and **MAYNARD** for joining her. They met with the USACE, Senators Murkowski and Begich, one of Congressman Don Young's staffers, gas pipeline folks, NACO, and the Governor's office. **LAPP** said the meeting with the USACE was very positive, and they believe the harbor expansion project can be done with the available funds. **MAYNARD** agreed that the Army Corps was very interested in moving the harbor project forward. PND will design a project scope that will fit within the "new start" appropriation, and the borough promised to get a proposal to the Corps within 60 to 90 days. Borough lobbyist Brad Gilman did a great job of coordinating the meetings and transportation to get the most bang for the buck.

The mayor announced that citizens interested in serving on a committee to work on the Centennial celebration should let her know. A lot of good ideas have come forward.

7. **PUBLIC HEARINGS**

A. **Commercial Tour Permit - New for 2010 - Z Taxi LLC**

[Zelda Layne and Tyler Ryman of Z Taxi LLC made application for a 2010 Commercial Tour Permit to conduct scenic pedicab tours originating from and/or occurring within the Haines Borough. The proposed tours would involve a human-powered, low-speed assist, pedicab vehicle with a customer capacity of 3. Title 5 of the Haines Borough code requires a public hearing before the Assembly for all new tour activities.]

The mayor opened the public hearing at 6:51pm.

ALLEN spoke in favor of the tour. He believes it is low-impact with much to offer.

Hearing no further public comments, the mayor closed the public hearing at 6:55pm.

Motion: **VICK** moved to "Authorize the borough clerk to process the Z Taxi LLC application and, if everything is in order, issue a 2010 commercial tour permit," and the motion carried unanimously in a roll call vote.

During discussion, the applicant explained that he has a single pedicab now and has used it extensively around the Juneau area. It has a low-speed electric pedal assist for use on hills and some of the more densely traffic areas. Their tours will use a regular route schedule, and the

borough code allows non-motorized vehicles to pick up people provided they can pull over safely. He plans to live and operate in Haines. He is willing to get auto insurance if it's required but he's not sure it is. **LOWE** said he was satisfied with the applicant's response to his initial concerns. There will be a bit of a traffic impediment, but he is not opposed to it.

B. Ordinance 10-04-227 – Second Hearing

An ordinance of the Haines Borough, providing for the addition or amendment of specific line items to the FY10 budget.

The mayor opened and closed the public hearing at 7:04pm. There were no public comments.

Motion: **LAPP** moved to "Adopt Ordinance 10-04-227," and the motion carried unanimously.

C. Ordinance 10-04-228 – Second Public Hearing

An ordinance of the Haines Borough amending Haines Borough Code Title 2 Sections 2.08.040 and 2.16.070 to revise the compensation amounts for the assembly members and mayor.

The mayor opened and closed the public hearing at 7:08pm. There were no public comments.

Motion: **VICK** moved to "Adopt Ordinance 10-04-228," and the motion failed 3-4 in a roll call vote with **WATERMAN**, **LAPP**, and **ROSSMAN** opposed and Mayor **HILL** breaking the tie in the negative.

D. Ordinance 10-04-226 – First Public Hearing

An ordinance of the Haines Borough providing for the establishment and adoption of the budget of the Haines Borough for the period July 1, 2010 through June 30, 2011.

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

Motion: **LAPP** moved to "Advance Ordinance 10-04-226 to a second public hearing on May 25, 2010," and the motion carried unanimously.

During discussion, the assembly examined the borough's level of responsibility to provide community funding grants. Some members believe it has become an entitlement for some organizations that have infused the funds into their operating budgets so that they depend upon it year after year. All of the programs are worthy, and it is difficult to draw the line. The idea of giving a lump sum to the Community Foundation for distribution was looked at, as well, with some assembly members not fond of the idea. All agreed there needs to be a resolution, and the mayor will meet with the manager to come up with some ideas.

8. STAFF REPORTS

A. Borough Manager

The manager summarized his written report that included the following items:

- FY11 Budget
- State Capital Budget
- Union Negotiations
- Tanani Point Restroom Maintenance

VICK said he likes the way the fund balance is being spent in the proposed FY11 budget. **EARNEST** said the borough has been very reliant on grant funds for expansion, maintenance, and equipment, but those funds are becoming more difficult to obtain and the match requirements are increasing. Even the low-interest loans through DEC are dwindling.

He spoke to the upcoming Resolution 10-05-205 regarding the Fast Ferry. There was a follow-up conversation with the owners of that business, and he requested they be allowed to speak during consideration of that resolution.

Crosswalk painting is high on the list as soon as the temperatures are a bit warmer. **HILL** said last year a concern was that the curb paint was also on the dirt and it didn't look good to citizens who commented about it.

Concerning the maintenance of the Tanani Bay restrooms, **EARNEST** said he has worked this into the harbor runs out to the Lutak Dock. They will maintain the paper and soap products and inform Public Works if a matter needs to be addressed. There have been concerns expressed that the restrooms in town are not always stocked and maintained, and he recognizes that. Increased

attention has been made a priority this year because his philosophy, coming from other communities, is that restrooms are a huge part of the impressions of the community.

EARNEST said the FY11 budget contains \$80K for signage, and 50% is from the cruise ship head tax. Design and location decisions can be made prior to July 1. **STUART** suggested that the assembly could amend the FY10 budget to add the signage and amend the FY11 budget to take it out. Assembly members expressed a desire to have creative signs and have them made locally.

Concerning trash receptacles, assembly members requested them for picnic areas and to make them bear-proof. In addition, "Pooper picker-uppers" were discussed as important for areas like Tlingit Park.

- * 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 and Labor Relations
- 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 - None

11. NEW BUSINESS

A. Resolutions

1. Resolution 10-05-201

A resolution of the Haines Borough Assembly authorizing the manager to enter into a contract with Southeast Road Builders, Inc. to provide D-1, Maintenance Sand and Pit Run materials to the Borough.

Motion: **LAPP** moved to "Adopt Resolution 10-05-201," and the motion carried unanimously in a roll call vote.

During discussion, the assembly observed the increase in the bid amounts for the materials and wondered if the borough could develop a pit of its own. **MAYNARD** explained the biggest consideration for D-1 and pit-run is equipment costs. He does not believe they could be justified with the amount of material the borough uses. The borough could get its own sand using its own dump truck, but the material would still have to be screened. One idea would be to consider a multi-year contract to lock in the prices.

2. Resolution 10-05-202

A Resolution of the Haines Borough Assembly authorizing the Borough Manager to enter into a construction agreement with Southeast Road Builders, Inc. for the Lily Lake Transmission Line Upgrade project for an amount not to exceed \$712,091.50.

Motion: **VICK** moved to "adopt Resolution 10-05-202," and, following discussion about the contingencies such as rock that might have to be blasted, and also the management of water for the community's sake during construction when closure of the pipeline is needed, the motion carried unanimously in a roll call vote.

3. Resolution 10-05-203

A Resolution of the Haines Borough Assembly authorizing the Borough Manager to enter into a professional services agreement with Elgee Rehfield Mertz, LLC to provide audit services for the borough for Fiscal Years 2011 and 2012.

Motion: LAPP moved to "adopt Resolution 10-04-203, and it was amended to correct Fiscal Years to 2010 and 2011 and correct the amount to \$39,008." The motion carried unanimously in a roll call vote.

4. Resolution 10-05-204

A resolution of the Haines Borough Assembly authorizing the Borough Manager to enter into a professional services agreement with _____ to provide comprehensive legal services for the borough and appoint a Borough Attorney.

Motion: WATERMAN moved to "adopt Resolution 10-05-204 and, following discussion, it was amended to fill in the blanks with Boyd, Chandler, and Falconer, and Brooks Chandler as the borough attorney," and the motion carried unanimously in a roll call vote.

During discussion, **EARNEST** explained the RFP and review process and the reasons for recommending the legal firm of *Boyd, Chandler, and Falconer* and the appointment of Brooks Chandler as the borough attorney. Four very qualified firms submitted proposals including the current borough attorney/firm. He has worked with the recommended firm, and finds them to be very knowledgeable, responsive, and efficient, and he believes they can serve the borough well within the \$75K budget he has proposed for FY2011. He recommended this appointment be effective 5/12/10, and there was no objection. The motion carried unanimously in a roll call vote.

5. Resolution 10-05-205

A resolution of the Haines Borough Assembly authorizing the Borough Manager to enter into a special docking and moorage services agreement with Haines-Skagway Fast Ferry, LLC for the 2010 summer tourism season.

Motion: WATERMAN moved to "adopt Resolution 10-05-205 and, following discussion, it was amended to 1) change the agreement amount to \$273 month for five months plus \$10 per night (electrical charge) plus \$20 per landing (466 are projected), 2) amend the fourth WHEREAS text to say *establishes special terms and conditions for docking and moorage for the fast ferry for the 2010 summer tourism season*, and 3) strike the fifth WHEREAS." The motion carried unanimously in a roll call vote.

During discussion, **EARNEST** asked company representatives to provide their perspective. **HENDERSON** said this business is a critical part of the tourism industry in Haines, but it is not profitable and will probably always struggle to succeed. He went on to say that last year was a very tight season, and the projections for this season call for fewer people. The company needs to cut expenses and, during the winter, they negotiated essentially \$100 per day with the former harbormaster. There are questions as to whether or not this negotiation was appropriate but, nonetheless, it was used as a basis for this season's prices. He noted that the amount in the resolution says \$185 per day which is what they paid last year. **EARNEST** explained the company wants to use the harbor transient moorage rate. The former harbormaster believed it was a legitimate interpretation of the code to charge the same as the boat harbor fees but put them over at the PC Dock lightering float. This is a policy issue that belongs at the assembly level because the requested amount is outside of the published tariff. The affect if this is lowered will be less revenue to the general fund. This would be an agreement outside of the tariff, but the assembly can set the tariff rates and enter into a "special" docking and moorage agreement.

6. Resolution 10-05-206

A resolution of the Haines Borough Assembly entering into a Memorandum of Understanding with the Chilkoot Indian Association for borough road maintenance through the Indian Reservation Roads (IRR) program.

Motion: ROSSMAN moved to "adopt Resolution 10-05-206," and the motion carried unanimously in a roll call vote.

B. Ordinances for Introduction

1. Ordinance 10-05-230

An ordinance of the Haines Borough amending Haines Borough Code 2.64.010 to

clarify borough document assent.

Motion: LAPP moved to "Introduce Ordinance 10-05-230 and set a first public hearing for May 25, 2010," and the motion carried unanimously.

2. Ordinance 10-05-231

An ordinance of the Haines Borough, providing for the addition or amendment of specific line items to the FY10 budget.

Motion: LAPP moved to "Introduce Ordinance 10-05-231 and set a first public hearing for May 25, 2010" and the motion carried unanimously.

C. Other New Business

1. Downtown Beautification – Discussion

The assembly discussed ideas for improving the appearance of the downtown area, including the boarded-up/vacant buildings. Some ideas involved dealing with the cigarette butts and trash, painting faux windows, planting flowers, and putting shelving inside the windows of empty buildings to be used for informational or artwork displays. It was also pointed out that the old Port Chilkoot Fire Hall needs paint and attention. **EARNEST** suggested that he could use existing funds within the current budget up to his \$10K spending limit, and he understands that there has been some communication with the owner of one of the boarded-up buildings. He can follow-up on it and will be working on the various suggestions and ideas.

12. CORRESPONDENCE

A. Re. FEMA approval of Hazard Mitigation Plan – There was no discussion.

13. SET MEETING DATES

A Government Affairs & Services Committee meeting was scheduled for Thursday, 5/20, at 5:30pm, to discuss the borough's Election code.

The Finance Committee was set for Tuesday, 5/25, at 5:30pm, prior to Assembly meeting to discuss the budget amendment ordinance.

14. PUBLIC COMMENTS - None

15. ANNOUNCEMENTS/ASSEMBLY COMMENTS

LAPP said the Excursion Inlet residents would like one of the borough assembly meetings to be conducted there, and he wondered if 6/22 would work. **EARNEST** said he has also had discussions with people there regarding administration staff visiting, and that could be combined with an assembly meeting. It would be good to meet people and tour the area.

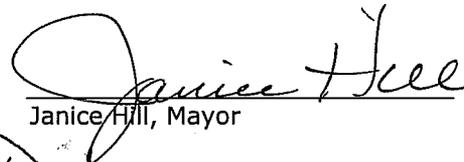
SMITH said he was told that Ocean Beauty is opening 3 weeks later than usual with reduced fish processing. If this is true, it will be less fish tax for the Borough. **LAPP** said they are indeed opening later than usual---June 1st. **EARNEST** said this information is consistent with his conversation with the processing plants managers. The season will be substantially shorter with many fewer employees.

16. ADJOURNMENT -9:45 p.m.

Motion: LAPP moved to "adjourn the meeting," and the motion carried unanimously.

ATTEST:


Julie Cozzi, Borough Clerk


Janice Hill, Mayor

