


Haines Borough
Borough Assembly Meeting #190
November 30, 2010
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 Jerry **LAPP**, Daymond **HOFFMAN**, Greg **GOODMAN**, Scott **ROSSMAN**, Joanne **WATERMAN**, and Steve **VICK**. **Absent:** Greg **GOODMAN**.

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

Visitors Present: Krista **KIELSMEIER**/CVN, Joe **PARNELL**, Libby & Bill **KURZ**, Fred **GRAY**, Kelly and Les **HOSTETLER**, Andy **HEDDEN**, Roger **MAYNARD**, Deborah **VOGT**, Paul **NELSON**, Pam **RANGLES**, Cheryl **McROBERTS**, and others.

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

Motion: **LAPP** moved to "approve the Agenda/Consent Agenda," and it was amended to add Item 8D-Chief of Police report to the consent agenda and remove Item 8C-Chief Fiscal Officer Report from it. The motion carried unanimously.

Motion: **WATERMAN** moved to "excuse Assembly Member Goodman from this meeting," and the motion carried unanimously.

*4. **APPROVAL OF MINUTES** – Regular: 11/9

5. **PUBLIC COMMENTS**

PARNELL spoke to the need for a gymnasium to regularly play basketball in. There are many bars in town, but very few places to play ball. He would like the assembly to adopt a resolution of support at this meeting for his efforts to have gyms open more frequently, and he showed an informal petition containing many signatures. He earlier asked the manager to give him a key to the old middle school gym and would like the assembly to tell him to do it. **ROSSMAN** noted that a lot of money was just spent on a covered basketball court at the school. **HILL** informed that a resolution cannot be added to a meeting agenda; it requires public notice.

RANGLES asked for appointment to the Planning Commission. She submitted her application to the mayor and would like to be considered.

NELSON asked if the plow truck and excavator had been put out to bid. [Yes.] He also urged caution in considering a fuel tax since costs will be passed on to the consumer. Regarding the renovation of Harriett Hall, he would like the grant money to remain in Haines by using local goods and services for the work.

L.HOSTETLER gave an update on the Harriett Hall renovation project. The Rasmuson Foundation has awarded the fair over \$66K for the project. Pacific Rim Mechanical got the plumbing heating contract. Northern Construction got the project for demolition and construction. There is a new entry slab that was poured by volunteers. The electrical work is currently out for public bid. The fair staff and volunteers have begun evacuation of the Hall and partial demolition in preparation for the work. The existing mechanical room has been enlarged and is getting prepared for the new boiler that is slated to be installed by the end of the week. The fair is submitting a legislative funding request for fixtures, furniture, and equipment as well as technology, and movable partitions are being considered as one way to make best use of this large space.

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

Mayor **HILL** spoke of the Alaska Municipal League (AML) Conference recently held in Juneau. She brought back a lot of information that she'll have available in her office. She attended a session on Robert's Rules of Order. There was a handout with examples of tricky situations, and she will provide copies for the assembly. She also thanked the Chamber of Commerce for the Doorbuster Sales and thanked the community for shopping at home and the businesses who participated.

She encouraged attendance at the first of two public hearings on Friday, 12/3, regarding the Chilkoot River Corridor and changes being considered to address the problems related to it. Representative Bill Thomas will moderate.

She thanked **LOWE** for forwarding to her a YouTube video that showed Haines police officer Simon Ford participating in a special potlatch in Hoonah that was an important event for community healing. Another officer took part, as well, and she appreciates their willingness to join in the dancing during a traditional healing song. She described this as being a HUGE deal.

7. PUBLIC HEARINGS

A. Ordinance 10-10-242 – third Hearing

An ordinance of the Haines Borough amending Haines Borough Code Title 5, to enlarge the waiting period for persons who have had a commercial tour permit suspended or revoked from one year to two years and to apply the two year waiting period to persons whose application for a commercial tour permit has been denied and to revise the commercial tour permit application fees.

The mayor opened the public hearing at 6:52pm.

HEDDEN reviewed the new attorney draft of the ordinance and continues to have concerns that it would penalize operators who haven't done anything wrong. A three-year permit with an annual renewal might help. He recommended adoption be delayed for additional work.

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

Motion: **WATERMAN** moved to "adopt Ordinance 10-10-242," and it was amended to substitute a new draft proposed by the borough attorney.

During discussion, the assembly expressed concerns that the proposed wording still might make it possible for an operator to be unduly penalized. They considered a written solution from Bart Henderson that would change the permit application fees for operators with denied, suspended, or revoked permits. The assembly decided it was an interesting approach that might have merit and, therefore, it was advisable to refer the ordinance to committee.

Motion: **WATERMAN** moved to "forward Ordinance 10-10-242 to the Government Affairs & Services Committee for consideration of Bart Henderson's suggestion," and the motion carried unanimously.

B. Ordinance 10-05-229 – second hearing

An ordinance of the Haines Borough amending Haines Borough Code, Title 2, Section 2.68, to amend and clarify the Borough's Election procedures.

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

Motion: **HOFFMAN** moved to "adopt Ordinance 10-10-244." The ordinance was amended to substitute a new draft containing technical edits and incorporating residency determination guidelines. The substitute ordinance was then amended to correct citation inconsistencies resulting from the code section renumbering and to remove references to the state PFD residency requirements. Finally, the main motion was amended to "advance the ordinance to a third public hearing on 12/14/10." The motion carried unanimously.

During discussion, the assembly asked **VOGT** to explain her written comments that prompted both ordinance amendments. She summarized them and added that she still recommends the sections not be renumbered. The assembly also considered whether the voter residency requirement could be lengthened to 90 days, and **VOGT** responded that the right to vote is fundamental, where running for office is not. She said it could possibly be lengthened to 60 days. **EARNEST** noted the Charter says "at least 30 days," but he will explore the possibility of lengthening it in code. Regarding renumbering the election code sections, he assured that the borough's code publishing company tracks and records all changes for future reference. The assembly decided that the new amendments were substantial enough to warrant another public hearing.

C. Ordinance 10-10-244 – second hearing

An ordinance of the Haines Borough amending Haines Borough Code, Title 3 to add Chapter 3.100 to levy a fuel transfer tax.

The mayor opened and closed the public hearing at 7:14pm; there were no public comments.

ROSSMAN said the Commerce Committee met prior to this meeting to discuss this and recommends the manager come up with a single-rate throughput tax for everything that goes across the Lutak Dock rather than several different taxes. Additionally, they proposed that both Ordinance 10-10-244 and 10-10-245 be held over for a third public hearing.

Motion: **ROSSMAN** moved to "advance both Ordinance 10-10-244 and Ordinance 10-10-245 to third public hearings on 12/14/10," and the motion carried unanimously.

D. Ordinance 10-10-245 – second hearing

An ordinance of the Haines Borough amending the Port of Haines Terminal Tariff No. 3 to increase wharfage rates for fluid transport.

The mayor opened and closed the public hearing at 7:32pm; there were no public comments.

See Item 7C for action.

E. Ordinance 10-10-246 – second hearing

An ordinance of the Haines Borough amending Haines Borough Code 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 7:34pm; there were no public comments.

Motion: **LAPP** moved to “adopt Ordinance 10-10-246,” and it was amended to add the following text, as proposed by the clerk in her memo dated 11/24/10: *In the event of consecutive meetings occurring on the same day, assembly members shall receive attendance and travel compensation for only one meeting and, in the event the meetings involve different rates, it shall be paid at the higher amount.* The motion carried 4-1 with **ROSSMAN** opposed.

F. Ordinance 10-11-247 – first hearing

An ordinance of the Haines Borough amending Haines Borough Code, Title 18, Sections 18.100.030, 18.100.035, 18.100.085 and 18.20.020 to clarify the utility requirements and procedures pertaining to short plats.

The mayor opened and closed the public hearing at 7:40pm; there were no public comments.

Motion: **WATERMAN** moved to “advance Ordinance 10-11-247 to a second public hearing on 12/14/10,” and the motion carried unanimously. There was no discussion.

G. Ordinance 10-11-248 – first hearing

An ordinance of the Haines Borough adopting a new water-sewer rate schedule to set rates, fees and charges for water and sewer services.

The mayor opened and closed the public hearing at 7:42pm; there were no public comments.

Motion: **VICK** moved to “advance Ordinance 10-11-248 to a second public hearing on 12/14/10,” and the motion carried unanimously.

During discussion, it was noted that the water-sewer rates are heavily subsidized and therefore artificially low. The borough is losing money on the system and the slight increase in rates because of the CCWSS acquisition still makes for low rates.

8. STAFF REPORTS**A. Borough Manager**

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

- Crystal Cathedrals Update
- Heliskiing Work Group
- Fuel Transfer and Port Tariff Ordinances
- Comprehensive Plan Update
- Delta Western Lease Update
- Picture Point Negotiations
- Tourism Director Position
- ESC Coordinator Resignation

VICK asked if the ESC Coordinator will be replaced. **EARNEST** said the ESC and Coordinator were extended for 90 days---to January 31, 2011. He has some ideas that he will bring back to the assembly at the next meeting.

EARNEST said that the next meeting agenda will include legislative priorities. The delegation wants the borough's wish list to be limited to 3 or 4 items. The assembly needs to focus on those projects that the state legislature and the federal delegation have the ability to provide funding for: roads, harbor, port development, etc. Last year's list will be provided to work from at the next meeting.

The manager proposed a combined Skagway-Haines assembly meeting in Skagway the last week of January/first week of February. The assemblies can look at working cooperatively on some regional opportunities. One date possibility was Monday, 1/31, because the ferry that day will go to Skagway

and stay for 3 hours before returning to Haines. Perhaps the meeting could take place on the ferry. The assembly agreed to check their calendars.

- * B. Borough Clerk
- C. Chief Fiscal Officer

STUART distributed a sales tax report and explained it.

- * D. Chief of Police
- * E. Museum
- * F. Library
- * G. Chilkat Center

9. COMMITTEE/COMMISSION/BOARD REPORTS

A. Commerce Committee

The Commerce Committee met prior to this meeting to discuss tariffs, and **ROSSMAN** gave the report and the committee's recommendations during the agenda Item 7C discussion.

- 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. Service Area Boards
- * M. Ad-Hoc Boards & Committees

10. OLD BUSINESS - None

11. NEW BUSINESS

A. Resolutions

1. Resolution 10-11-242

A Resolution of the Haines Borough Assembly authorizing the Borough Manager to negotiate a contract with Lithia Chevrolet of South Anchorage to purchase a plow truck for an amount not to exceed \$45,150.

Motion: LAPP moved to "adopt Resolution 10-11-242," and the motion carried unanimously in a roll call vote. There was no discussion.

2. Resolution 10-11-243

A Resolution of the Haines Borough Assembly authorizing the Borough Manager to negotiate a contract with Miller Construction Company to purchase a rubber tire excavator for an amount not to exceed \$154,784.76.

Motion: LAPP moved to "adopt Resolution 10-11-243," and the motion carried unanimously in a roll call vote.

During discussion, **B.MAYNARD** said he will attempt to use the existing brush cutter to save costs.

3. Resolution 10-11-244

A Resolution of the Haines Borough Assembly adopting an alternative allocation method for the fiscal year 2011 Shared Fisheries Business Tax Program and certifying that this allocation method fairly represents the distribution of significant effects of fisheries business activity in the Northern Southeast Fisheries Management Area.

Motion: ROSSMAN moved to "adopt Resolution 10-11-244," and the motion carried unanimously in a roll call vote.

During discussion, the manager explained the allocation method.

4. Resolution 10-11-245

A Resolution of the Borough Assembly authorizing the Borough Manager to process applications for loans from the State of Alaska for water system improvements.

Motion: LAPP moved to “adopt Resolution 10-11-245,” and the motion carried unanimously in a roll call vote.

During discussion, **EARNEST** and **B.MAYNARD** said the water plant is in pretty good shape, although there are a few issues that the AK-DEC will assist in addressing. The borough is actively pursuing upgrades outside of this loan program. Grant applications are being made for these improvements and, if successful, any loan funds could be used for the grant matching.

5. Resolution 10-11-246

A Resolution of the Borough Assembly supporting the goal of reducing energy consumption for Borough facilities and directing the manager to prepare a Sustainability Guideline booklet based on the recommendations provided by the ESC.

Motion: VICK moved to “adopt Resolution 10-11-246,” and the motion carried unanimously in a roll call vote.

During discussion, the manager said he will make sure the message, the purpose, and the intent of this is communicated and put into practice.

6. Resolution 10-11-247

A Resolution of the Borough Assembly, opposing an application from Aquabounty Technologies, Inc. to the U.S Food and Drug Administration (FDA) to approve and market genetically engineered Atlantic Salmon in the United States.

Motion: HOFFMAN moved to “adopt Resolution 10-11-247,” and the motion carried unanimously in a roll call vote.

During discussion, the manager said that all of the Alaska delegation are onboard with this and have introduced legislation dealing with it.

B. Ordinances for Introduction

1. Ordinance 10-11-249

An ordinance of the Haines Borough amending Haines Borough Code 3.70.040(d) to add one parcel of real property to the existing list of American Bald Eagle Foundation tax-excluded properties.

Motion: WATERMAN moved to “introduce 10-11-247 and set a first public hearing for 12/14/10,” and the motion carried unanimously.

During discussion, the assembly observed that the American Bald Eagle Foundation (ABEF) application does not clearly demonstrate activity occurring on this property that actually relates to the ABEF. They would want more information about how this parcel would meet the “community purpose” requirement in HBC 3.70.040(D). This parcel seems inaccessible to the public. It was noted that the code probably needs more restrictions for the discretionary community exemptions. **EARNEST** said that the ABEF has some definite ideas about this property and this ordinance, if introduced, could be further discussed to see where it goes.

C. Other New Business –

*** 1. Advisory Board Appointments**

HILL recommended the following board/commission/committee appointments and they were confirmed with approval of the consent agenda:

Planning Commission

Rob Goldberg – reappointment – term expires 11/13
Roger Maynard – reappointment – term expires 11/13

Tourism Advisory Board

Michael Ahmuty – reappointment – term expires 11/13
Gregg Johnson – reappointment – term expires 11/13

Chilkat Center Advisory Board

Michael Stark – reappointment – term expires 11/13
John Hunt – reappointment – term expires 11/13

Public Safety Commission

Bob Duis – reappointment – term expires 11/13

Museum Board of Trustees

Frankie Perry – reappointment – term expires 11/13

Jim Shook – reappointment – term expires 11/13
Mary Jane Valentine – reappointment – term expires 11/13

Boat Harbor Advisory Committee

Dean Risley – reappointment – term expires 11/13
Bill Rostad – reappointment – term expires 11/13

Library Board of Trustees

Ann Marie Palmieri – reappointment – term expires 11/13
Cecily Stern – reappointment – term expires 11/13

Historic Dalton Trail RMSA

Carol Meismer – reappointment – term expires 11/13
Robert Venables – reappointment – term expires 11/13

Letnikof Estates RMSA

Michael Marks – new appointment – term expires 11/13

Motion: VICK moved to “suspend the rules and amend the agenda to have Item 14-Public Comment take place prior to the executive session,” and the motion carried unanimously.

PUBLIC COMMENTS: There were no public comments.

2. EXECUTIVE SESSION – Hess vs. Haines Borough/Goodman

Motion: moved to “go into executive session to discuss the Hess vs. Haines Borough and Gregory Goodman lawsuit and provide direction to the borough attorney regarding the Borough’s defense of this specific legal matter, as allowed by Alaska Statute 44.62.310(b) and Haines Borough Charter Section 18.03(B); the borough manager and borough clerk are requested to attend.” The motion carried unanimously.

Present: Mayor Hill; Assembly Members Lapp, Waterman, Vick, Rossman, and Hoffman; Borough Manager Earnest; and Borough Clerk Cozzi. The executive session convened at 9:05pm and ended at 9:58pm.

The mayor reconvened the regular session and made the following statement: “the assembly is directing the manager to ask the borough attorney several questions in preparation for a special meeting on 12/6/10 at 5:30pm.”

12. CORRESPONDENCE - None

13. SET MEETING DATES

The Government Affairs & Services Committee scheduled a meeting for 5:30pm on Tuesday, 12/14, to consider Ordinance 10-10-242 regarding tour permit fees & reapplication for permits that have been denied, suspended, or revoked.

A special assembly meeting was scheduled for Monday, 12/6, at 5:30pm to conduct an Executive Session on the Hess vs Borough/Goodman lawsuit.

14. PUBLIC COMMENTS

The rules were suspended to move this agenda item to take place just prior to the 11C2-Executive Session.

15. ANNOUNCEMENTS/ASSEMBLY COMMENTS - None

16. ADJOURNMENT – 10:02 p.m.

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

Janice Hill, Mayor

ATTEST:

Julie Cozzi, Borough Clerk