

Haines Borough
Borough Assembly Meeting #201
May 10, 2011
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 Janice **HILL**, and Assembly Members Jerry **LAPP**, Scott **ROSSMAN**, Joanne **WATERMAN**, Steve **VICK**, Greg **GOODMAN**, and Daymond **HOFFMAN**.

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

Visitors Present: Krista **KIELSMEIER**/CVN, Tara **BICKNELL**/KHNS, Roger **MAYNARD**/Haines News, Joe **POOR**, David **BUTTON**, Adam **PATTERSON**, Jennifer **FORD**, Pam **RANGLES**, Burl **SHELDON**, Bart **HENDERSON**, and Shawn **MCNAMARA**.

3. APPROVAL OF AGENDA & CONSENT AGENDA

Motion: **LAPP** moved to "approve the Agenda/Consent Agenda," and the motion carried unanimously.

* **4. APPROVAL OF MINUTES** – Regular: 4/26/11

5. PUBLIC COMMENTS

MCNAMARA complained about Resolution 11-05-276 granting the shuttle contract to Northland Excursions, because that company plans to charge \$1.00 per passenger. SEABA was told last year that the borough wanted a free shuttle. Had they known they could charge, SEABA would have purchased a new bus. They did paint their bus in anticipation of getting the contract again this year. He asked the assembly to give them the contract instead. Additionally, he thinks Ordinance 11-04-262 isn't necessary, because no one in their right mind would consider putting a heliport in Mud Bay.

6. MAYOR'S REPORT/COMMENTS

The mayor said she attended Spring Fling at the fairgrounds. Harriett Hall is beautiful and well worth the money the borough invested.

HILL made a special presentation to Borough Police Officer Simon Ford who has completed his basic officer training. She congratulated him on his professionalism and dedication.

7. PUBLIC HEARINGS

A. Ordinance 11-04-260 – first hearing

An Ordinance of the Haines Borough amending Haines Borough Code Chapter 2.105 to re-establish the Parks and Recreation Advisory Board as the Parks and Recreation Advisory Committee and to clarify the Committee's purpose.

The mayor opened and closed the public hearing at 6:37pm; there were no public comments.

Motion: **WATERMAN** moved to "advance Ordinance 11-04-260 to a second public hearing on 5/24/11," and the motion carried unanimously. There was no discussion.

B. Ordinance 11-04-261 – first hearing

An Ordinance of the Haines Borough amending Haines Borough Code Title 3 to authorize enterprise funds for the Lutak Dock and the Portage Cove Dock.

The mayor opened and closed the public hearing at 6:39pm; there were no public comments.

Motion: **LAPP** moved to "advance Ordinance 11-04-261 to a second public hearing on 5/24/11," and the motion carried unanimously. There was no discussion.

C. Ordinance 11-04-262 – first hearing

An Ordinance of the Haines Borough amending Haines Borough Code Sections 18.70.030(B)(3) and 18.70.030(B)(4) to prohibit heliports in the Mud Bay Planning/Zoning District.

The mayor opened and closed the public hearing at 6:41pm; there were no public comments.

Motion: **WATERMAN** moved to "advance Ordinance 11-04-262 to a second public hearing on 5/24/11," and the motion carried 5-1 with **LAPP** opposed. There was no discussion.

D. Ordinance 11-04-263 – first hearing

An Ordinance of the Haines Borough amending Haines Borough Code Title 13, Sewer System, Section 13.08.230 to add a summertime sprinkler allowance for metered residential customers.

The mayor opened and closed the public hearing at 6:43pm.

Motion: **LAPP** moved to "advance Ordinance 11-04-263 to a second public hearing on 5/24/11," and the motion carried unanimously.

During discussion, **EARNEST** explained that this request came out of the Government Affairs & Services Committee meetings with the former CCWSS customers. He said the borough does not have a metered sewer system, and sewer costs are presumed to be equal to the amount of water used. The sprinkler water would not go into the sewer system for treatment.

E. Ordinance 11-04-264 – introduction and 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, 2011 through June 30, 2012.

The mayor opened and closed the public hearing at 6:50pm; there were no public comments.

Motion: **WATERMAN** moved to "advance Ordinance 11-04-264 to a second public hearing on 5/24/11," and the motion carried unanimously.

During discussion, **GOODMAN** asked for a balanced budget without using reserves to do it. Instead, reserves should be used for deferred maintenance. **EARNEST** outlined various potential and unexpected revenues on the horizon that would help to balance the budget without using reserves. **GOODMAN** thanked him for the information, but said the assembly should respect the wishes of the public who voted for the charter amendment requiring the assembly to adopt only balanced budgets. **ROSSMAN** would like any windfall to go toward deferred maintenance. He also reminded staff that every year on the night of budget adoption, he asks for the bottom line budget total. **LAPP** said he would like the mill rate to remain the same. **HOFFMAN** said if this extra revenue comes through, he would like the assembly to consider the open gym request of \$3,000 a year. He's also still pushing for computers for the assembly, because he believes it would cause savings in other areas. Another thing he would like to see is an executive assistant for the borough manager. For next year's budget, he suggested the assembly start thinking about things that should be in the manager's budget ahead of time, say October. **VICK** believes it's a good idea to give some direction and goals to the manager before the holidays so he knows the emphasis the assembly wants in the budget. The Comprehensive Plan update will help, too. He agreed with **ROSSMAN** that any windfall should go to deferred maintenance, especially the Chilkat Center, and with **HOFFMAN** about the computers for assembly members. **ROSSMAN** asked what Excursion Inlet contributes to the tax roll, and **STUART** responded between \$80-90K. **WATERMAN** encouraged assembly members to put forward suggestions to help the staff reduce the budget. She agrees about the Chilkat Center deferred maintenance but there seems to be conflicting reports about the roof's condition.

8. STAFF REPORTS

A. Borough Manager

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

- Portage Cove Dock Trestle Project Update
- State Revenue Sharing Update
- Contract Jails Funding Update
- Backroads Alaska Program Update
- Cruise Ship Welcoming Event
- Scenic Byways Grant Update
- Boat Harbor Fuel Operations
- Borough-School District Major Maintenance Planning Work Group
- Community-Wide Junk Cleanup Program
- Four Wheeler Operations on Borough Roads

- Haines Assisted Living / Denker-Blank Issue Update
- Lynn Canal Broadcasting / Chilkat Center Lease and Operations Discussion

Additionally, **EARNEST** said the apple trees are ready to plant, and Joe Poor has prepared a plan at his request. **POOR** gave a brief overview. The trees were given by Costco for the beautification of Haines. There are 37 trees in all and many will be planted on borough property. There are issues with property ownership in other areas such as Main Street and approval will be required. The Post Office and American Bald Eagle Foundation are interested in having some trees.

ROSSMAN asked if the cannon could be shot off for the first cruise ship, similar to what the Fort use to do when a ship came in.

VICK supports the apple tree project, and he would like to see an actual plot. He also commented on the Downtown Revitalization Committee report in the packet, saying that group made some requests. Perhaps these need to be addressed in a committee. **EARNEST** promised to work on that and bring some ideas to the next meeting. He promised to send the tree plot to the assembly members. The assembly gave its thumbs up to the tree planting.

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

STUART summarized her written "disposition of fund balances" report covering the period since consolidation in 2002.

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

9. COMMITTEE/COMMISSION/BOARD REPORTS

A. Commerce Committee

ROSSMAN reported that the committee met just prior to this meeting and took on the subject of taxi cab insurance. Borough code does not separate taxis from tour operators. They looked at several other communities, and Haines' requirement is half as much as Skagway and twice as much as Sitka. Ours are industry amounts provided by the borough's insurance agent. The committee recommends leaving well enough alone. **WATERMAN** noted that there is not a major medical care facility in Haines. A \$100K insurance limit would be eaten up quickly in such an event if a life flight was required.

- B. Finance & Budget**
- C. Personnel & 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. UNFINISHED BUSINESS - None

11. NEW BUSINESS

A. Resolutions

1. Resolution 11-05-275

A Resolution of the Haines Borough Assembly authorizing the Borough Manager to execute a contract amendment with Carson Dorn, Inc. for the fabrication of controls and engineering reviews and inspections for the Barnett Pump Station Replacement Project for an amount not to exceed \$37,370.

Motion: **WATERMAN** moved to "adopt Resolution 11-05-275," and the motion carried unanimously in a roll call vote. There was no discussion.

2. Resolution 11-05-276

A Resolution of the Haines Borough Assembly authorizing the Borough Manager to contract with Northland Adventures for \$60 per hour for the operation of the 2011 Cruise Visitor Shuttle Service.

Motion: **ROSSMAN** moved to "adopt Resolution 11-05-276," and it was amended to changed "Adventures" to "Excursions" in the text. The motion carried 5-1 in a roll call vote with **ROSSMAN** opposed.

During discussion, **ROSSMAN** observed that both bidders offered \$60/hour and one also proposed charging \$1 per day per passenger. He wondered how the recommendation was determined. **CARLSON** explained that the bids are essentially the same, and her recommendation came down to bus quality. There are a lot of new things coming into play this season: new dock facilities, restrooms, signage, etc. First impressions are important, and Haines is working very hard to get more cruise ships in. The \$1 fee is a small amount that people won't balk at paying. She noted that Skagway is charging \$2 per trip or \$5 per day. **WATERMAN** said SEABA had the contract for three years with no competition. The assembly has a staff recommendation, and she doesn't see any glaring reason to go against it.

3. Resolution 11-05-277

A Resolution of the Haines Borough Assembly authorizing the Borough Manager to enter into an agreement with Southeast Road Builders for the Fourth Avenue, View Street and Lynnview Drive Water-Sewer Upgrade Project for an amount not to exceed \$429,337.50.

Motion: **ROSSMAN** moved to "adopt Resolution 11-05-277," and the motion carried unanimously in a roll call vote.

During discussion, **B.MAYNARD** explained it's a complicated project that probably won't start until mid-June. **VICK** wondered if the Willard and First roads will be paved this summer and **MAYNARD** said they absolutely will, provided the anticipated funding is received by July 1. **EARNEST** said a lot of the road paving money is currently in the legislative process, and he is confident the borough will see some road monies this year. **MAYNARD** added there are several projects in the works with engineering at either 65% or 95%, so if funding comes through the borough should be ready.

4. Resolution 11-05-278

A Resolution of the Haines Borough Assembly authorizing the manager to execute a change order with Southeast Road Builders, Inc. for the Port Chilkoot Dock Waterfront Improvement project for an amount not to exceed \$30,000.00.

Motion: **LAPP** moved to "adopt Resolution 11-05-278," and the motion carried unanimously in a roll call vote.

B.MAYNARD explained the reason for the change order, and said the plan is to start paving on the May 26th. There was no discussion.

B. Ordinances for Introduction

1. Ordinance 11-05-265

An Ordinance of the Haines Borough amending amending Haines Borough Code Chapter 3.20, to repeal the 1974 General Obligation Water Bond Fund.

Motion: **LAPP** moved to "introduce Ordinance 11-05-265 and set a first public hearing for 5/24/11," and the motion carried unanimously. There was no discussion.

2. Ordinance 11-05-266

An Ordinance of the Haines Borough providing for the addition or amendment of specific line items to the FY11 Budget.

Motion: **WATERMAN** moved to "introduce Ordinance 11-05-266 and set a first public hearing for 5/26/11," and the motion carried unanimously.

EARNEST said a few changes will be presented to the Finance Committee for consideration at the next assembly meeting. There was no discussion.

3. Ordinance 11-05-267

An Ordinance of the Haines Borough authorizing the manager to accept loans from

the Alaska Department of Environmental Conservation for water system improvements.

Motion: **LAPP** moved to "introduce Ordinance 11-05-267 and set a first public hearing for 5/24/11," and the motion carried unanimously. There was no discussion.

C. Other New Business

1. Backroads Alaska Program – Discussion

HENDERSON said the general idea is to prepare new itineraries to present to the cruise lines. This would include all the things the different communities have to offer and especially how the cruise ship could make money in each port. This is a new and novel idea, and the package should be as easy and profitable as possible to make it desirable to them. The hope is to capture those people who have already seen Skagway, Juneau, and Ketchikan but want to return and see a different part of Alaska. **VICK** suggested surveying cruise passengers in Skagway, Juneau, etc. to ask if they would return to Alaska and what they would like to see and do on their next trip. **HENDERSON** noted that Haines has the perfect infrastructure for one cruise ship at a time, so the Backroads concept is a good fit for us. To be a viable port, we need to have four ships per week and move away from having to bring people over from Skagway. The cruise lines are very interested in returning to Alaska. The State has smoothed out its relationship with the cruise industry, and they are looking for places to bring their ships to. We have a chance to get in on the 2013 schedules. **EARNEST** asked if there is assembly support for a resolution similar to the one Sitka adopted in January, and everyone indicated support. **HOFFMAN** asked if funding is needed for production of the book. **HENDERSON** said he doesn't envision it to be a huge expensive project, and the payoff potential is great. The borough's tourism fund should be able to fund it. Volunteers can be used to gather data, but the actual production of it should be handled by tourism staff to direct the volunteers and keep them focused and moving. This is a joint effort between three communities. The Haines piece can also be produced as a standalone document that could go out to other opportunities, as well. **CARLSON** said it will be a shared expense between all three ports. The plan right now is that the three will jointly sponsor an event at this year's ATIA to start getting the word out.

2. Borough Manager's Evaluation Follow-up

Motion: **WATERMAN** moved to "grant the borough manager a \$6,000 per year wage increase effective on the anniversary of his hire date," and the motion carried unanimously in a roll call vote.

12. CORRESPONDENCE – None

13. SET MEETING DATES

A Finance Committee meeting was scheduled for Tuesday, 5/24, at 5:45pm to discuss FY11 budget amendment Ordinance 11-05-266.

The Government Affairs & Services Committee will meet on Monday, 5/16, at 5:30pm to discuss water-sewer rates.

14. PUBLIC COMMENTS

STUART suggested that the borough negotiate with the cruise ship shuttle contractor to NOT charge a passenger fee. Since they are already paying the head tax, it seems that the shuttle should remain free.

PATTERSON said he used previous proposals as a template for his bid. He was reluctant to charge a passenger fee but assumed it was required because the documents he was referring to included it. He thanked the assembly for awarding the contract to him.

CARLSON thanked the assembly for supporting the Backroads Program.

15. ANNOUNCEMENTS/ASSEMBLY COMMENTS

VICK announced he will be out of town most of the month of June but may be able to phone in for the meeting on the 14th. He asked to be excused if he is unable to do that.

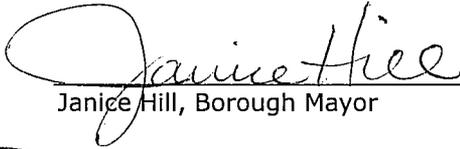
ROSSMAN said there will be cell service out the highway, because ACS is putting in a tower near Klukwan.

HOFFMAN said he may be gone in June when his wife goes into labor, and he asked to be excused if that is the case during a meeting.

LAPP appreciates the efforts of the police chief to get the old cars cleaned up.

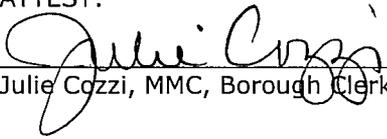
16. ADJOURNMENT – 8:30 p.m.

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



Janice Hill, Borough Mayor

ATTEST:



Julie Cozzi, MMC, Borough Clerk

