

Haines Borough
Borough Assembly Meeting #204
June 28, 2011
MINUTES

Approved

1. **CALL TO ORDER/PLEDGE TO THE FLAG:** Mayor **HILL** called the meeting to order at 6:33 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**, and Steve **VICK**. **Absent:** Daymond **HOFFMAN**.

Staff Present: Mark **EARNEST**/Borough Manager, Julie **COZZI**/Borough Clerk, Brooks **CHANDLER**/Borough Attorney (via telephone), Gary **LOWE**/Chief of Police, Jila **STUART**/Chief Fiscal Officer, and Tanya **CARLSON**/Tourism Director.

Visitors Present: Krista **KIELSMEIER**/CVN, Tara **BICKNELL**/KHNS, Wayne **HIRSCH**, Lucy **HARRELL**, Don **TURNER III**, Thomas and Sally **MCGUIRE**, Deborah **VOGT**, Sue **WATERHOUSE**, Don "Duck" and Karen **HESS**, Christopher **BROOKS**, Jack **WENNER**, Gary E. **HESS**, Jim and Julie **SHOOK**, Gregg **JOHNSON**, Albert **JUDSON**, and others.

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

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

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

* 4. **APPROVAL OF MINUTES** – None

5. **PUBLIC COMMENTS**

G. **HESS** complained about the price the borough is charging for fuel at the dock and believes it's cheaper to go to the gas stations in town. He wonders why it's a higher rate than when Delta Western was operating the fuel facility. On a different matter, he disagreed with the Police Department going through the Parade Grounds searching for alcohol during the Bike Race weekend. He believes that is private property and not appropriate.

HARRELL said the borough needs to establish a place and method for dealing with abandoned and junk vehicles. They are unsightly and leak contaminated liquids. She volunteered her support.

JUDSON asked the mayor and assembly to consider a ban on the use of cell phones while driving within the Haines Borough.

VOGT commended the US Border staff for the magnificent job they did during this year's Bike Race keeping things moving along smoothly and quickly. On the matter of the tourism sales tax, she said in her 20 years in government, she has seen nothing that invites waste more than a dedicated tax. If the assembly takes away the dedication, then they can appropriate what the tourism department really needs. She added that it might be a good idea to use the proceeds from the bed tax for tourism.

K. **HESS** said the only entity that she has seen waste money is the government. She supports the 1% dedicated sales tax, because tourism benefits everyone. We must reach out to visitors. She went on to say her second issue has to do with respect and nothing to do with tourism. During the 6/13 special meeting, while her supporters were speaking and asking for her appointment, two assembly members behaved disrespectfully, in her opinion. Elected officials should be held to a higher standard of respect.

JOHNSON spoke against doing away with the dedicated 1% sales tax. The dedicated fund gives the opportunity to spend the needed monies without competing against other things from the General Fund. The majority of the Tourism Advisory Board agrees with him.

D. **HESS** said he has been a resident of Haines for 46 years and involved in many different businesses. He has a pretty good idea what tourism has done for Haines. Most people do not realize what the sales tax brings in. The tourism tax benefits everyone in the community one way or another, and he wants it to continue.

HENDERSON said the Backroads Alaska program has great potential. It would be a disservice to the community to bail on the sales tax now. The Backroads partners, Sitka and Hoonah, are excited. There are also positive signs of movement in the cruise lines to begin to bring ships back to Alaska. There is

nothing else on the horizon that has the potential this has for the Haines economy. Continued direction from the assembly and borough manager to keep the tourism budget in place can help make it happen.

T. **MCGUIRE** said people seem to think those against the 1% dedicated tax are against tourism, but that is not the case. The question is whether public dollars should be dedicated to it. That department should come to the borough like other departments to ask for what they need as an appropriation.

6. MAYOR'S REPORT/COMMENTS

Mayor **HILL** said Evelyn Hotch was honored for serving over 30 years on the SEARHC Board. Last week's SEARHC meetings with Board members and staff brought a lot of people to Haines. Additionally, the Sealaska annual shareholders' meeting was in Haines for the first time ever. One of the many highlights for her was getting to dance with the Klukwan Dancers. The total attendees for both meetings numbered more than 200. During both events, she frequently had people approach her with wonderful comments about Haines---how they feel connected to Haines, how beautiful it is, the flowers, the banners, how clean the sidewalks are, how nice the buildings are, and even though there are empty buildings, they could see there are projects happening. Some told her we are too tough on ourselves. She said we certainly need to keep the progress and projects going, but we need to get our chins up and quit beating ourselves up. People really love Haines and enjoy coming here. Sealaska will be back. She thanked the community for cleaning the streets and picking up garbage and said we're doing okay.

Yesterday about 15 Haines people joined Congressman Don Young in Dyea, and there were 30-40 from Skagway, as well. The Congressman is still talking about his Haines visit. He loves the Upper Lynn Canal.

7. PUBLIC HEARINGS

A. Ordinance 11-05-268 - second hearing

An Ordinance of the Haines Borough Alaska, amending Haines Borough Code Section 15.04.010 to adopt the most recent edition of International Fire Code.

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

Motion: **VICK** moved to "adopt Ordinance 11-05-268," and the motion carried unanimously in a roll call vote. There was no discussion.

B. Ordinance 11-06-269 - first hearing

An Ordinance of the Haines Borough Alaska amending Haines Borough Code Chapter 10.34 to authorize the use of ATVs on streets and highways within the borough and allowing use of snow machines on highway shoulders within the borough.

The mayor opened the public hearing at 7:04pm.

G. **HESS** spoke in support of this ordinance. There are places all over the Lower 48 and other communities in Alaska that allow them.

WENNER also spoke in support. He doesn't believe there will be harm if people are cautious.

D. **HESS** spoke in support. He said at a place like Lake Havasu, with over 65,000 people, there are ATVs all over the place, and it works.

Hearing no further comments, the mayor closed the public hearing at 7:07pm.

Motion: **ROSSMAN** moved to "advance Ordinance 11-06-269 to a second public hearing on 7/12/11," and it was amended to schedule the second public hearing for 7/26/11. The motion carried unanimously.

During discussion, it was confirmed that ATVs should not be allowed in Tlingit Park and the Parade Grounds, and staff will make that amendment to the ordinance text. **WATERMAN** said clarity is important, and she would like to try to make the code easier for people to read. Instead of referencing/citing state law, she would like the language to be spelled out in the borough's code. The possibility of this code becoming used is very likely, and people should be educated about the parameters. She wondered if this should be referred to committee. **VICK** agreed that education will be important, and perhaps a pamphlet would make it easy for people. He asked for the Chief's opinion of the ordinance. **LOWE** said he has his opinion and will put it in detail in a written document for the assembly. He is generally opposed to it because there is a higher risk of injury. If the assembly chooses to pass this, there are some things he would like to see spelled out. There must be a helmet requirement to get his support. Generally, the ordinance is very well written, but he will oppose it for safety reasons. **EARNEST** acknowledged there is work that needs to be done to this ordinance. **WATERMAN** asked whether it would be best to copy the state laws right into the code or develop borough language. **EARNEST** said perhaps that should be decided on a section by section

basis. He agreed that education will be important. **LOWE** said Assembly Member Hoffman had mentioned other vehicles. There is a section about golf carts referenced in state law, and that could be incorporated into the borough code, as well. **ROSSMAN** believes the text of state law should be dropped into the ordinance. It will become the borough's code at that point as opposed to just citing state regulations. **COZZI** suggested the assembly consider giving staff more time to prepare the document by scheduling the next public hearing at a later time.

8. STAFF REPORTS

A. Borough Manager

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

- Borough Land Selection HB 273
- Picture Point – National Scenic Byways

* 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 & 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 11-06-284

A Resolution of the Haines Borough Assembly authorizing the manager to execute a contract extension and Change Order #11 with Dawson Construction, Inc. for the Haines Schools Replacement/Renovations project.

Motion: **VICK** moved to "adopt Resolution 11-06-284," and the motion carried unanimously in a roll call vote.

During discussion, **LAPP** asked if this went out to bid. **EARNEST** said there is a current contract with Dawson Construction for related work, and this is a change order. **WATERMAN** added that this involves the original school construction monies. **STUART** said there will still be \$75K left of the General Obligation (GO) Bond. **WATERMAN** asked if there are any immediate ideas for using the remaining money. **EARNEST** said he met with Superintendent Byer regarding the remaining items, and there is a list that will be brought to both the assembly and the school board. The document will identify other funding sources, as well. **WATERMAN** asked that the demolition of the old school gym be added to that list so it is at least considered, and when the time comes, she would be happy to discuss her reasons for that. **ROSSMAN** agreed with her.

2. Resolution 11-06-285

A Resolution of the Haines Borough Assembly formally requesting State of Alaska adjudication of lands to the Haines Borough, as provided by HB273, and requesting elevation of certain other parcels to a higher priority under the BLM National Forest Grant program for adjudication to the State of Alaska.

Motion: **LAPP** moved to "adopt Resolution 11-06-285," and the motion carried unanimously in a roll call vote. There was no discussion.

B. Ordinances for Introduction

1. Ordinance 11-06-270

An Ordinance of the Haines Borough amending Haines Borough Code Title 18, Section 18.90.050 and 18.90.070 to allow the placement of off-premises signs as a conditional use.

Motion: **LAPP** moved to "introduce Ordinance 11-06-270 and set a first public hearing for 7/12/11," and the motion carried unanimously.

During discussion, **EARNEST** explained the ordinance and that the planning commission would look at each specific case before approving a conditional use permit. **TURNER**, a planning commissioner, was asked for his thoughts, and he said the planning commission would be able to put special conditions on a conditional use permit, as needed. He added that this only applies to private property. Off-premises signs would continue to be prohibited on public property, including rights-of-way. **WATERMAN** asked if the businesses that are currently out of compliance will be required to go through the conditional use process, and **EARNEST** said yes.

C. Other New Business

* 1. Settlement Agreement – Hess/Goodman/Haines Borough

The following motion was adopted when the consent agenda was unanimously approved:

Motion: Having directed the borough attorney to accept the terms and conditions of this settlement agreement, the borough manager is hereby authorized to sign it on behalf of the Haines Borough.

2. 1% Sales Tax Dedicated to Economic Development & Tourism – Discussion Item

During discussion, **VICK** said it would be lunacy to be against tourism. We need to fund tourism and that department should have their own budget. The people who want to put this question on the ballot have a concern that it's a dedicated tax. The assembly has an opportunity to have control over the language of the ballot question as opposed to the citizens putting it on the ballot as an initiative. **WATERMAN** asked what the ballot question would be. **ROSSMAN** asked if it's about repealing the tax altogether or just changing it to be undedicated. **VICK** would like the economic development portion of the dedicated tax to also be removed, and he believes no one wants to get rid of the tax but asked to hear from Sally McGuire to get her position. **S.MCGUIRE** said it's a half million dollars that could go into the General Fund. She doesn't like tourism because it's harming the rivers. The initiative would be to repeal the entire 1% tax. **WATERMAN** asked for the borough attorney's review of the language and wondered if staff would be able to draft an ordinance by the first July meeting. **COZZI** outlined the ballot question schedule and said August 23rd would be the last date to adopt the ordinance. **ROSSMAN** said he's not opposed to putting the question on the ballot to leave the matter to the voters. **EARNEST** said staff will bring this topic back to the 7/12 meeting with a draft ordinance that could be introduced, if so desired, at the 7/26 meeting. **CARLSON** said if the money were to go into the General Fund, the tourism department would be competing for dwindling dollars. No winter marketing has been included in the tourism budget, and she would like to change that. The idea of going to a membership-based organization is not feasible here; this is not a large enough community to sustain that. Skagway is tax-based, and Juneau is membership-based. **EARNEST** said he will bring information about other communities to the next meeting.

14. PUBLIC COMMENTS was moved to this point.

WENNER asked if the assembly has an obligation to appoint someone to the vacant seat. **HILL** responded that the assembly chose to fill the seat by special election to be held during the general election.

11.C. Other New Business ---continued---

3. Executive Session – Confidential Personnel Matter

The borough clerk received an employee request for a hearing before the Assembly. The Assembly, upon motion, moved into executive session to discuss with the borough clerk and borough attorney whether and when to schedule a hearing regarding the personnel matter, as allowed by AS 44.62.310(c)(2,4) and Haines Borough Charter Section 18.03(B).

Motion: **WATERMAN** moved to "go into executive session to discuss with the borough clerk and borough attorney whether and when to schedule a hearing regarding a specific personnel matter, as allowed by Alaska Statute 44.62.310(c)(2,4) and Haines Borough Charter Section 18.03(B)," and the motion carried unanimously.

Present: Assembly Members Lapp, Waterman, Vick, and Rossman; Borough Attorney Brooks Chandler (via telephone); and Borough Clerk Julie Cozzi. The executive session convened at 8:26pm and ended at 9:13pm.

Motion: LAPP moved that "the personnel grievance hearing will be scheduled for July 19, 2011 subject to the availability of a hearing officer," and the motion carried unanimously.

12. CORRESPONDENCE

A. Thank you for FY12 Funding – Lynn Canal Counseling

There was no discussion.

13. SET MEETING DATES

There were none scheduled.

14. PUBLIC COMMENTS

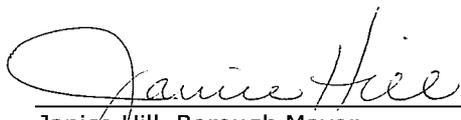
This agenda item was moved ahead of the Executive Session, Item 11C3.

15. ANNOUNCEMENTS/ASSEMBLY COMMENTS

WATERMAN thanked her fellow assembly members for their support and said it is her pleasure to work with them. The special meeting was not pleasant but the assembly members came the next night for the regular meeting and got business done.

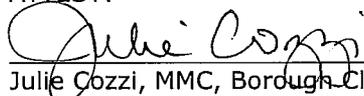
16. ADJOURNMENT – 9:19 p.m.

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



Janice Hill, Borough Mayor

ATTEST:



Julie Cozzi, MMC, Borough Clerk

