

  
**Haines Borough**  
**Borough Assembly Meeting #213**  
**November 15, 2011**  
**MINUTES**

**Approved**

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

**Present:** Mayor Stephanie **SCOTT** and Assembly Members Jerry **LAPP**, Joanne **WATERMAN**, Daymond **HOFFMAN**, Norm **SMITH**, Debra **SCHNABEL**, and Steve **VICK**.

**Staff Present:** Mark **EARNEST**/Borough Manager, Julie **COZZI**/Borough Clerk, Gary **LOWE**/Chief of Police, Brian **LEMCKE**/Director of Public Facilities, Jila **STUART**/Chief Fiscal Officer, Tanya **CARLSON**/Tourism Director, Patricia **BROWN**/Library Director, and Ed **BARRETT**/Harbormaster.

**Visitors Present:** Krista **KIELSMEIER**/CVN, Ned **ROZBICKI**, Jessie **MILLER**, Danny **GONCE**, J.R. **CHURCHILL**, Bill & Libby **KURZ**, Kelly **LOWE**, Darsie **CULBECK**, Jack **WENNER**, Sue **FOLLETTI**, James **KALLENBERG**, Nelle **JURGELEIT-GREENE**, Janine **ALLEN**, Mike **DENKER**, Deborah **VOGT**, Tom **HALL**, Dan **EGOLF**, Thom **ELY**, Adam **RICHARD**, Sean **GAFFNEY**, and others.

2. **APPROVAL OF AGENDA/CONSENT AGENDA** (Items with the \*asterisk are on the consent agenda)

**Motion:** **WATERMAN** moved to "approve the Agenda/Consent Agenda," and it was seconded.

**Primary Amendment:** **SCHNABEL** moved to "postpone agenda items 7B and 7C to the January 10, 2012 meeting to give the Planning Commission an opportunity to discuss them," and it was seconded. The amendment motion carried 5-1 with **VICK** opposed.

The main motion, as amended, carried unanimously.

- \* 3. **APPROVAL OF MINUTES** – Regular: 10/25/11

4. **PUBLIC COMMENTS**

**ROZBICKI** spoke on behalf of the Chamber of Commerce and requested assembly consideration of a solid waste plan.

5. **2011 BOROUGH ELECTION**

- A. **Oaths of Office – Mayor and Assembly Seats C, E, and F**

**COZZI** administered the public oath of office to **SCOTT**, **SCHNABEL**, **SMITH**, and **LAPP** whose elections were certified during the October 25 assembly meeting. They were officially sworn in by the clerk during the week of October 31.

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

- A. **Proclamation – Honoring Former Mayor Janice Hill**

**SCOTT** read the proclamation aloud and presented a gift to **FOLETTI** on **HILL**'s behalf. She announced that **HILL** will continue to be involved with Southeast Conference for the borough as past president. **HILL** appreciated the recognition and plans to continue community involvement.

The mayor acknowledged James Morgan as the grand prize winner of the Fourth Annual Chilkat Valley Peace Prize Awards. His prize winning music piece was a peace rap.

She announced that a resolution of support for the Alcohol Task Force is in progress.

The mayor pointed out that a portion of correspondence regarding Connelly Lake submitted by **MENKE** was inadvertently omitted from the packet but is in the assembly's folders for this meeting. Apologies were expressed.

While at AML in Fairbanks, the manager and the manager participated in a teleconference with AK-DOT and Representative Thomas regarding the Main Street and Second Avenue Right of Way (ROW) encroachment issues. **EARNEST** said because the project involves federal highway funds, there are a number of regulations that come into play including ROW encroachments. Normally, they must either be removed or the property owner enter into an annual permit agreement. Representative Thomas' staff researched the regulations and discovered the existence of a provision for exemption for certain structures. A letter written jointly by the manager and mayor has been sent to Assistant Commissioner Al Clough requesting an exemption for Haines. A copy was also sent to Representative Thomas and the Governor's Assistant Chief of Staff.

Mayor **SCOTT** said borough code limits the number of times the assembly may speak to a topic and also requires that all resolutions be read aloud. These rules cannot be suspended because the code currently limits rule suspension to emergencies. Regarding minutes, **SCOTT** requested that the clerk take action-only minutes until further notice, and she sought the assembly's approval.

**Motion: SCHNABEL** moved to "allow the writing of action minutes (foregoing a synopsis of the discussion) until further notice," and it was seconded. The motion carried unanimously.

## 7. PUBLIC HEARINGS

### A. Ordinance 11-10-273 - First Hearing

**An Ordinance of the Haines Borough providing for the addition or amendment of specific line items to the FY12 Budget.**

Mayor **SCOTT** opened and closed the public hearing at 6:55 pm; there were no public comments.

**Motion: LAPP** moved to "advance Ordinance 11-10-273 to a second public hearing on 12/13/11," and it was seconded.

**Primary Amendment #1: SCHNABEL** moved to "amend Ordinance 11-10-273 to budget a transfer of \$9,000 from the General Fund to Fund 23 (Economic Development) and to appropriate \$9,000 from Fund 23 for an analysis of Alaska Department of Fish & Game data and management policies, creation of a written report, and expenses associated with presenting the results of the research to the Alaska Board of Fisheries and other Alaska regulatory agencies," and it was seconded.

**Secondary Amendment #1: VICK** moved to strike "\$9K" and replace with "up to \$15K," and it was seconded. The motion carried unanimously.

**Secondary Amendment #2: SCHNABEL** moved to add "further to authorize the manager to contract for the services and report to the assembly on the status of the study every three months as part of the manager's report," and it was seconded. The motion carried unanimously.

The amendment motion carried unanimously.

**Primary Amendment #2: SCHNABEL** moved to "return the \$30K revenue to the ordinance regarding junk cars that was removed during the previous meeting," and it was seconded. The motion carried 5-1 with **WATERMAN** opposed.

**Primary Amendment #3: LAPP** moved to "make the following additions to the ordinance as recommended by manager and CFO in 11/8/11 memo," and it was seconded:

| <b>(7)To recognize additional Raw Fish Tax revenues from the State of Alaska for FY12 which were higher than budgeted.</b>  |  |                        |                         |  |
|---|--|------------------------|-------------------------|--|
|   |  | Current<br>FY12 Budget | Proposed<br>FY12 Budget | Fund Balance<br>Increase /<br>(Decrease) |
| 01-01-09-4363   | State Revenue -Raw Fish Tax                      | \$96,800               | \$121,651               | \$24,851                                 |
| <b>(8)To recognize and appropriate grant funds from the Alaska Energy Authority for the Excursion Inlet Hydro Project Phases I&amp;II and to appropriate a \$10,000 operating transfer from the economic development fund as local match for the grant.</b> |  |                        |                         |  |
|   |  | Current<br>FY12 Budget | Proposed<br>FY12 Budget | Fund Balance<br>Increase /<br>(Decrease) |
| 42-01-00-4341   | State Revenue -Grants                            | 0                      | \$93,593                | \$93,593                                 |
| 42-01-00-7392   | Project Expenditures                             | 0                      | \$103,593               | \$(103,593)                              |
| 42-01-00-8255   | Operating transfer IN from Economic Development  | 0                      | \$10,000                | \$10,000                                 |
| 23-98-00-8255   | Operating transfer OUT from Economic Development | 0                      | \$10,000                | \$(10,000)                               |
| Net for Hydro Study   |  |                        |                         | \$(10,000)                               |

The amendment motion carried unanimously.

The main motion, as amended, carried unanimously, and the amended ordinance advanced to a second public hearing to be held on 12/13/11.

- B. **Ordinance 11-10-274** - First Hearing  
**An Ordinance of the Haines Borough adding Haines Borough Code Title 12 Chapter 12.40 to establish a public park at Picture Point.**

This agenda item was postponed to 1/10/12 during approval of the agenda.

- C. **Ordinance 11-10-275** - First Hearing  
**An Ordinance of the Haines Borough adding Haines Borough Code Title 12 Chapter 12. 30 to generally provide for the governance of borough parks.**

This agenda item was postponed to 1/10/12 during approval of the agenda.

- D. **Ordinance 11-10-276** - First Hearing  
**An Ordinance of the Haines Borough amending Haines Borough Code Title 14 Chapter 14.24 to clarify and simplify the methods for disposal of borough personal property.**

Mayor **SCOTT** opened and closed the public hearing at 7:35 pm; there were no public comments.

**Motion:** **WATERMAN** moved to "advance Ordinance 11-10-276 to a second public hearing on 12/13/11," and the motion carried unanimously.

8. **STAFF/FACILITY REPORTS**

- \* A. Borough Manager
- \* B. Borough Clerk
- \* C. Chief Fiscal Officer
- \* D. Chief of Police
- \* E. Museum
- \* F. Library
- \* G. Chilkat Center

9. **COMMITTEE/COMMISSION/BOARD REPORTS AND MINUTES**

- 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 Committee
- \* 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 11-11-313**

A Resolution of the Haines Borough Assembly authorizing and designating certain persons to sign and endorse checks pertaining to certain bank accounts.

**Motion:** "Adopt Resolution 11-11-313." [This motion passed by approval of the consent agenda.]

\* 2. **Resolution 11-11-314**

A Resolution of the Haines Borough Assembly authorizing the mayor, deputy mayor, interim manager, chief fiscal officer, and borough clerk as signatories for the borough's security cash accounts and investments.

**Motion:** "Adopt Resolution 11-11-314." [This motion passed by approval of the consent agenda.]

\* 3. **Resolution 11-11-315**

A Resolution of the Haines Borough Assembly certifying that the Haines Borough did experience significant effects during the program base year from fisheries business activities that occurred within the Northern Southeast Fisheries Management Area.

**Motion:** "Adopt Resolution 11-11-315." [This motion passed by approval of the consent agenda.]

**4. Resolution 11-11-316**

**A Resolution of the Haines Borough Assembly authorizing reaffirming its support of Resolutions 04-04-042 and 07-11-116, and its continued preference for improved ferry service rather than an East Lynn Canal highway.**

**WATERMAN** read aloud the resolution as required by HBC 2.12.110.

**Motion: VICK** moved to "adopt Resolution 11-11-316," and it was seconded. The motion carried unanimously in a roll call vote.

**5. Resolution 11-11-317**

**A Resolution of the Haines Borough Assembly to formally establish the Haines Port Development Steering Committee.**

**SCHNABEL** read aloud the resolution as required by HBC 2.12.110.

**Motion: WATERMAN** moved to "adopt Resolution 11-11-317," and it was seconded. The motion carried unanimously in a roll call vote.

**6. Resolution 11-11-318**

**A Resolution of the Haines Borough Assembly authorizing the Borough Manager to contract with Jensen Yorba Lott, Inc. for \$17,270 to design and provide construction services for the replacement of the Haines High School gymnasium floor.**

**HOFFMAN** read aloud the resolution as required by HBC 2.12.110.

**Motion: LAPP** moved to "adopt Resolution 11-11-318," and it was seconded. The motion carried unanimously in a roll call vote.

**7. Resolution 11-11-319**

**A Resolution of the Haines Borough Assembly authorizing the Borough Manager to contract with L & B Projects to replace the old carpeting in the Borough Administration Building for not-to-exceed price of \$25,778.60.**

**LAPP** read aloud the resolution as required by HBC 2.12.110.

**Motion: WATERMAN** moved to "adopt Resolution 11-11-319," and it was seconded. The motion carried unanimously in a roll call vote.

**Motion: HOFFMAN** moved to "recess for 5 minutes," and it was seconded. The motion carried unanimously.

**B. Ordinances for Introduction**

**1. Ordinance 11-11-277**

**An Ordinance of the Haines Borough Assembly amending Haines Borough Code Title 2 Sections 2.10.040(D), 2.10.060(D-E), and 2.12.110(A) to modify assembly procedures.**

**Motion: LAPP** moved to "introduce Ordinance 11-11-277 and set a first public hearing for 12/13/11, and it was seconded. It was amended to include changes to 2.10.050, as follows:

**2.10.050 Assembly rules – Amendment, suspension and violation.**

~~A. A proposed amendment to, or repeal of, any rule of the assembly shall be submitted in writing, be laid on the table at the meeting to which it is submitted and shall become the first item of unfinished business at the next regular meeting.~~

~~B. A.~~ In all matters of parliamentary procedure not covered in the rules of the assembly, Robert's Rules of Order shall be applicable and govern.

~~B.~~ The borough assembly rules and order of business shall be observed in all cases, unless suspended temporarily for a special purpose ~~of an emergency nature~~ by a vote of the majority of assembly members present. Any member may move at any time for the suspension of any rule, and such motion must be seconded to entitle it to consideration.

~~C.~~ If any member, in speaking or otherwise, transgresses the rules of the assembly, the presiding officer shall, or any member can, call that member to order; in which case the member so called to order shall immediately cease discussion unless permitted by the presiding officer to explain; and the assembly, if appealed to, shall decide the question without debate. If the decision be in favor of the member so called to order, the member shall be at liberty to proceed; if otherwise, the member shall not proceed without leave of the assembly to proceed in order

The motion carried unanimously, and the ordinance, as amended, was advanced to a first public hearing to be held on 12/13/11.

**2. Ordinance 11-11-278**

**An Ordinance of the Haines Borough repealing Haines Borough Code Title 3 Section 3.04.050 to remove the requirement for assembly review and approval of invoices.**

**Motion:** WATERMAN moved to "introduce Ordinance 11-11-278 and set a first public hearing for 11/15/11," and it was seconded. The motion carried unanimously.

**C. Other New Business**

**1. Board Appointments and Committee Assignments**

*Note: (Re)appointment requests were received for seats on the planning commission, and after review the commission recommended all be appointed. The mayor sought assembly confirmation. Additionally, the mayor made the assembly committee assignments.*

**Motion:** LAPP moved to "confirm the mayor's appointments of Andy Hedden, Donnie Turner, and Danny Gonce to the planning commission for three-year terms ending 11/30/2014," and it was seconded. The motion carried unanimously.

**Motion:** LAPP moved to "confirm mayor's appointments of Debra Schnabel (Borough Assembly), Joanne Waterman (Borough Assembly), and Roger Maynard (Planning Commission) to the Haines Port Development Steering Committee," and it was seconded. The motion carried unanimously.

**Motion:** WATERMAN moved to "confirm the mayor's assembly committee and liaison assignments," and it was seconded. It was amended to remove the Museum liaison appointment from Schnabel and leave it unassigned for the time being. The motion carried unanimously, and the following assembly committee and liaison assignments were made:

|                        | Finance      | Commerce     | Government Affairs & Services | Personnel    | Board & Committee Liaisons & Other Assignments  |
|------------------------|--------------|--------------|-------------------------------|--------------|---|
| <b>Daymond Hoffman</b> |              |              | Member                        | Member       | Parks & Rec Advisory Board Liaison<br>Library Board of Trustees Liaison   |
| <b>Steve Vick</b>      |              |              | <b>Chair</b>                  | Member       | Chilkat Center Advisory Board Liaison   |
| <b>Debra Schnabel</b>  | Member       | <b>Chair</b> | Member                        |              | Port Steering Committee Liaison   |
| <b>Joanne Waterman</b> | Member       | Member       |                               | <b>Chair</b> | Planning Commission Liaison,<br>Boat Harbor Advisory Committee Liaison  |
| <b>Norm Smith</b>      |              | Member       |                               | Member       | Public Safety Commission Liaison  |
| <b>Jerry Lapp</b>      | <b>Chair</b> | Member       |                               |              | Deputy Mayor, Tourism Advisory Board Liaison, Alaska Chilkat Bald Eagle Preserve Advisory Committee, ex-officio |

**\*2. Liquor License Renewals**

*[Note: The Alaska Alcohol Beverage Control Board had notified the Borough of pending liquor license renewals for the Halsingland and the Fireweed Restaurant. The Board, prior to its final approval, was providing the local government an opportunity to make a statement, if so desired. The assembly chose not to by approval of the consent agenda.]*

**3. 2012 Meeting/Agenda Schedule**

**Motion:** LAPP moved to "approve the 2012 Haines Borough Assembly Meeting and Agenda Schedule," and it was seconded. It was amended to change the submittal deadline for drafted legislation and packet documents from Wednesday 8:00am to 10:00am. The amended motion carried unanimously.

**4. Sales Tax Exemption Request – Great Alaska Council, BSA**

*[Note: Great Alaska Council, Boy Scouts of America, a 501(c)3 organization, has applied for sales tax exemption status. Per HBC 3.80.050(13), a sales tax exemption may be granted for "sales, services, and rentals to a buyer or made by a seller, organized and administered solely by the exempt organization that has obtained exemption certificate 501(c)3, 501(c)4, 501(c)8, or 501(c)19 from the Internal Revenue Service and an exemption certificate from the borough clerk, upon prior approval of the assembly; provided, this exemption applies to sellers only if the income from the exempt sale is exempt from federal income taxation." The borough has granted sales tax exemption certificates to other non-profit organizations.]*

**Motion:** **LAPP** moved to “approve the request from the Great Alaska Council, Boy Scouts of America for sales tax exemption status, and authorize the borough clerk to issue an exemption certificate,” and it was seconded. The motion carried unanimously in a roll call vote.

#### **5. Economic Task Force**

*[Note: Assembly Member Vick requested this agenda item. This idea came out of recent Government Affairs & Services Committee meetings.]*

**Motion:** **VICK** moved to “appoint a 5-person economic development task force for the purpose of examining the model of a local economic development corporation and making a recommendation to the assembly regarding the advisability of the creation of an economic development corporation in Haines,” and it was seconded. The motion failed with **SMITH**, **WATERMAN**, **SCHNABEL**, and **LAPP** opposed.

#### **6. Items for the December 13, 2011 Assembly Meeting**

**Motion:** **SCHNABEL** moved to “direct the manager provide to the assembly for review a schedule of all the capital projects that will be ongoing in the borough next summer,” and it was seconded. [It will be a discussion item on the 12/13 meeting agenda.] (During discussion, it was noted that there is interest in the State DOT projects, as well.) The motion carried unanimously.

**Motion:** **LAPP** moved to “refer the solid waste management issue brought forward by Mr. Rozbicki on behalf of the Chamber of Commerce to the Government Affairs & Services Committee,” and it was seconded. The motion was amended to strike “Government Affairs & Services Committee” and insert “Committee of the Whole,” and the motion carried unanimously. [The stakeholders will be invited to the meeting.]

**Motion:** **SCHNABEL** moved to “direct the manager to provide the status of the Community Center Request for Qualifications,” and it was seconded. [It will be a discussion item on the 12/13 meeting agenda.] The motion carried unanimously.

**Motion:** **SCHNABEL** moved to “direct the manager to provide more detail regarding his proposal for an Assistant Manager and provide it to the Personnel Committee for exploration of the idea,” and it was seconded. The motion carried unanimously.

**Motion:** **SCHNABEL** moved to “discuss the sale of the Human Resources Building at the 12/13 meeting,” and it was seconded. It was amended to strike “sale” and insert “disposal,” and the motion carried unanimously.

#### **12. CORRESPONDENCE**

- A. Ripinski Transportation Corridor Appropriation – Wenner**
- B. Connelly Lake Comments – Menke**

#### **13. SET MEETING DATES**

- A. Special Meeting to Develop Borough Comment for Federal Energy Regulatory Commission (FERC) Application for Connelly Lake Hydro Project – Tuesday, 11/29, 6:00pm**

The plan is to invite AP&T to address the assembly followed by an opportunity for the public to comment. The assembly would then discuss and draft elements of the Borough’s comment.

**Motion:** **VICK** moved to “have a special meeting on 11/29, 6:00pm, to develop a borough comment for FERC regarding the application for the Connelly Lake hydro project, and it was seconded. The motion carried unanimously.

- B. Government Affairs & Services Committee, 11/22, 6:00pm - Chilkat Center Management**
- C. Committee of the Whole, 12/6, 6:30pm – Solid Waste Management Issue**
- D. Facilities Field Trip – Wednesday, 11/30, Noon - Port and Harbor facilities** [The clerk will provide notice of the meeting place, route, and approximate times]

#### **14. PUBLIC COMMENTS**

**ROZBICKI** thanked the assembly for scheduling the Committee of the Whole on the solid waste management topic.

**ELY** cautioned the assembly and manager to proceed with caution in any consideration of hydro power in the Connelly Lake area.

#### **15. ANNOUNCEMENTS/ASSEMBLY COMMENTS**

- A. Community Christmas Party – Assembly Member Vick**

**Motion:** **VICK** moved "on the day of the Christmas Parade, the borough will try to have a bonfire on the site of the old school, provide hot chocolate, and invite people to sing carols," and it was seconded. The motion carried unanimously.

**16. ADJOURNMENT** – 9:50 p.m.

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

ATTEST

\_\_\_\_\_  
Stephanie Scott, Mayor

\_\_\_\_\_  
Julie Cozzi, MMC, Borough Clerk