Haines Borough
Borough Assembly Meeting #294
June 23, 2015
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 Diana **LAPHAM**, Mike **CASE**, and George **CAMPBELL**, Joanne **WATERMAN**, Dave **BERRY**, **Jr.**, and Ron **JACKSON**.

Staff Present: David **SOSA**/Borough Manager, Julie **COZZI**/Borough Clerk, Robert **GRIFFITHS**/Interim Chief of Police, Shawn **BELL**/Harbormaster, Leslie **ROSS**/Tourism Director, and Jila **STUART**/Chief Fiscal Officer.

Visitors Present: Karen **GARCIA**/CVN, Mike **DENKER**, Sue **WATERHOUSE**, Bill **MCCORD**, Sean **GAFFNEY**, Karen **HESS**, Kathy **GRIFFITHS**, and others.

3. **APPROVAL OF AGENDA & CONSENT AGENDA**
The following Items were on the published consent agenda:

Consent Agenda:
- 4 – Approve Assembly Meeting Minutes
- 8B – Fire Department Report
- 8C – Museum Report
- 8D – Library Report
- 9A – Library Board Minutes
- 11A1 – Adopt Resolution 15-06-630
- 11A2 – Adopt Resolution 15-06-631
- 11C1 – Distillery License Transfer (controlling interest only)
- 11C2 – Reschedule hearings for Ordinance 15-06-413

Motion: WATERMAN moved to "approve the agenda/consent agenda," and it was amended to move items 12, 13, and 14 ahead of the Executive Session and to add item 9A to the consent agenda. The motion as amended carried unanimously.

✱4. **APPROVAL OF MINUTES** – 6/9/15 Regular
The motion adopted by approval of the consent agenda: "approve minutes of the 6/9/15 borough assembly regular meeting."

5. **PUBLIC COMMENTS**

DENKER – Believes the current policy related to agenda preparation is unconstitutional. He submitted his written comments for the record and requested the borough respond point by point.

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

Mayor **HILL** announced the current advisory board vacancies and explained the application process. She encouraged people to assist with filling the vacancies. Also, she read a letter from a recent visitor from Pennsylvania who gave Haines a glowing report.

7. **PUBLIC HEARINGS**

A. **Resolution 15-06-633**
A Resolution of the Haines Borough Assembly Supporting a Marketing Initiative that includes Cruise Ship Docking Fee Waiver Incentives.

Note: As part of the public participation plan, a public hearing on this resolution was conducted.

ROSS provided information via a PowerPoint presentation.

Mayor **HILL** opened the public hearing at 6:52 p.m.

WATERHOUSE – Believes Haines needs to market the independent traveler much more. People like Haines because it's an authentic Alaska town. She would like to see more year-round visitors and less emphasis on cruise ships.

GAFFNEY – This has great potential to have a positive impact. Haines has no more than one ship per day, so cruise ship visitors still experience our authentic Alaska town. His company, Alaska Mountain Guides, also markets to independent travelers. The two are not mutually exclusive.

Hearing no further comments, the mayor closed the public hearing at 6:59 p.m.

Motion: **CAMPBELL** moved to "adopt Resolution 15-06-633," and it was amended to remove the first WHEREAS clause that does not pertain to the subject matter. The motion as amended carried 5-1 in a roll call vote with **JACKSON** opposed.

B. **Ordinance 15-05-411** – Second Hearing
An Ordinance of the Haines Borough authorizing the Borough Manager to enter into a loan agreement in the amount of up to $1,715,000 with the Alaska Department of Environmental Conservation for the Sewer Treatment Plant Health and Safety Upgrades project.

Mayor **HILL** opened and closed the public hearing at 7:33 p.m.; there were no public comments.

Motion: **BERRY** moved to "adopt Ordinance 15-05-411," and the motion carried unanimously in a roll call vote.

C. **Ordinance 15-06-414** – First Hearing
An Ordinance of the Haines Borough amending Haines Borough Code Title 3 Sections 3.60.100 and 3.60.130 to require a Haines Borough business license prior to contract award rather than at the time of bid submission and to require a noncollusion affidavit when submitting a bid.

Mayor **HILL** opened and closed the public hearing at 7:35 p.m.; there were no public comments.

Note: The assembly had already scheduled the second hearing for 7/14/15, so no motion was needed now unless the second hearing date needed to change or some other action was desired.

Motion: CAMPBELL moved to amend to have a bid bond required for any contracts over $50K. **BERRY** seconded for discussion.

SOSA said he will work with staff to provide more information and provide pros and cons.

Motion to Postpone: CAMPBELL moved to "postpone the amendment motion to the next meeting." The motion carried unanimously.

8. STAFF/FACILITY REPORTS

A. Borough Manager – *6/23/15 Report*

The manager summarized his written report.

∗**B. Fire Department** – *Report of May 2015*
∗**C. Sheldon Museum** – *Report of May 2015*
∗**D. Public Library** – *Report of May 2015*

9. COMMITTEE/COMMISSION/BOARD REPORTS & MINUTES

∗**A. Library Advisory Board** – *Minutes of 5/20/15*
B. Assembly Standing Committee Reports

1. Government Affairs & Services Committee – Agenda Preparation Code vs. Policy

BERRY referenced the committee report in the packet and said the committee would like the clerk and manager to determine if the code and policy are in alignment.

Motion: CAMPBELL moved to "follow the GAS Committee's recommendation, as soon as possible," and the motion carried unanimously.

10. UNFINISHED BUSINESS - None

11. NEW BUSINESS

A. Resolutions

∗**1. Resolution 15-06-630**

A Resolution of the Haines Borough Assembly designating the acquisition of State of Alaska, Department of Environmental Conservation (ADEC) grant funds for the project entitled Sewer Treatment Plant Health and Safety Upgrades as the number one local state funding priority for fiscal year 2017.

The motion adopted by approval of the consent agenda: "adopt Resolution 15-06-630."

∗2. **Resolution 15-06-631**
A Resolution of the Haines Borough Assembly authorizing the Borough Manager to apply to the State of Alaska, Department of Environmental Conservation (ADEC) for a loan from the Alaska Clean Water Fund for the project entitled Sewer Treatment Plant Health and Safety Upgrades (Phase 2).

The motion adopted by approval of the consent agenda: "adopt Resolution 15-06-631."

3. **Resolution 15-06-632**
A Resolution of the Haines Borough Assembly approving a written administrative policy setting forth community purpose standards and requirements as authorized by HBC 3.70.040(D)(1).

Motion: **BERRY** moved to "adopt Resolution 15-06-632," and the motion carried unanimously in a roll call vote.

B. Ordinances for Introduction

1. **Ordinance 15-06-415**
An Ordinance of the Haines Borough adopting a revised fee schedule for harbor facility usage.

Motion: **BERRY** moved to "1) Introduce Ordinance 15-06-415 and set a first public hearing for 7/14/15 and a second public hearing for 7/28/15." The motion carried 5-1 with **CAMPBELL** opposed.

C. Other New Business

∗1. **Distillery License Transfer – Port Chilkoot Distillery**
Note: The Alaska Alcohol Beverage Control (ABC) Board notified the Borough of a pending distillery license transfer involving controlling interest of the Port Chilkoot Distillery. The two owners changed from owning 50% each to one owning 75% and the other 25%. This requires ABC Board approval, and the local government is given an opportunity to weigh in. The motion adopted by approval of the consent agenda: "the Assembly does not object to the transfer involving controlling interest of the distillery license belonging to Port Chilkoot Distillery."

∗2. **Minor Offenses Ordinance 15-06-413 – Reschedule Public Hearings**
Note: On 6/9/15, the assembly introduced the ordinance, referred it for review by the Government Affairs & Services Committee and the Public Safety Commission with recommendations to be received no later than 10am on 7/8/15, and scheduled the hearings for 7/14/15 and 7/28/15. Subsequently, it was determined more time is needed for committee and commission review, so the mayor and manager recommended the assembly reschedule the public hearings and provide for a new deadline for committee/commission recommendations. The motion adopted by approval of the consent agenda: "1) Reschedule the first public hearing for Ordinance 15-06-413 for 8/25/15 and the second hearing for 9/8/15 and 2) set 10am 8/7/15 as the deadline for receiving recommendations from the committee and commission."

12. CORRESPONDENCE/REQUESTS – moved to this place during approval of the agenda

A. Citizen Comments in support of Harbor Expansion Project – submitted in petition form

B. Citizen Comment re. Harbor Expansion Design – J. Wenner

C. Citizen Request re. Selection of Next Chief of Police – B. McCord
Note: This included a request to make a brief presentation of no more than ten minutes.

MCCORD distributed an outline of his presentation and spoke of his concerns and recommendations regarding public participation in the selection of a new police chief.

13. **SET MEETING DATES** – moved to this place during approval of the agenda

A. **Government Affairs & Services Committee** – 6:30 p.m., Monday, 7/20, Assembly Chambers, Topic: Ordinance 15-06-413 - Minor Offenses

14. **PUBLIC COMMENTS** – moved to this place during approval of the agenda

DENKER – Has concerns with possible violation of equal protection between classifications within the harbor fees ordinance; there are fundamental rights for individuals engaging in interstate commerce.

11.C. NEW BUSINESS/Other New Business ---continued---

3. **Executive Session – UPDATE ON NELSON LAWSUIT**

Motion: BERRY moved to "go into executive session as allowed by AS 44.62.310(c)(1) and Haines Borough Charter Section 18.03 to receive a update from the borough attorney on the Nelson administrative appeal; this matter qualifies for executive session because a public discussion may adversely affect the finances of the borough and/or the borough's legal position; the borough manager and borough attorney are requested to attend." The motion carried unanimously.

Present: Mayor Hill; Assembly Members Lapham, Jackson, Waterman, Case, Berry, and Campbell; borough attorney Patrick Munson (via telephone); and Borough Manager David Sosa. The executive session convened at 8:23pm and ended at 9:19pm.

Following the executive session, Mayor **HILL** said the assembly gave the attorney direction on how to proceed.

15. **ANNOUNCEMENTS/ASSEMBLY COMMENTS**

CAMPBELL – 1) The Cummins family recently lost everything to a fire at Chilkat Lake, and 2) appreciates the attorney's knowledge and communication abilities.

CASE – He will be traveling for a few days and may miss some committee meetings.

WATERMAN – It's exciting to see what's going on in town; the community's future looks bright.

HILL – Reminded about the Aspen Hotel grand opening on Wednesday, 6/24, 2-4pm.

16. **ADJOURNMENT** – 9:23 p.m.

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

ATTEST:

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Janice Hill, Mayor

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Julie Cozzi, MMC, Borough Clerk