


Haines Borough
Borough Assembly Meeting #230
AGENDA

August 28, 2012 - 6:30 p.m.

Location: Assembly Chambers, Public Safety Bldg

Stephanie Scott,
Mayor

Daymond Hoffman,
Seat A
Assembly Member

Steve Vick,
Seat B
Assembly Member

Debra Schnabel,
Seat C
Assembly Member

Joanne Waterman,
Seat D
Assembly Member

Norman Smith,
Seat E
Assembly Member

Jerry Lapp,
Seat F
Assembly Member

Mark Earnest
Borough Manager

Julie Cozzi,
Borough Clerk

1. **CALL TO ORDER/PLEDGE TO THE FLAG**
2. **ROLL CALL**
3. **APPROVAL OF ASSEMBLY AGENDA & CONSENT AGENDA**
[Approval of Consent Agenda passes all routine items indicated by an asterisk (). Consent Agenda items are not considered separately unless an Assembly Member so requests. Upon request, the item is returned to the Regular Agenda].*
- * 4. **APPROVAL OF MINUTES** – Regular: 8/14 Special: 7/31 BOE: 4/30
5. **PUBLIC COMMENTS** [Any topics not scheduled for public hearing]
6. **MAYOR’S COMMENTS/REPORT**
7. **PUBLIC HEARINGS**
 - A. **Ordinance 12-07-296** – Third Hearing
An Ordinance of the Haines Borough repealing Ordinance 08-09-189 and amending Borough Code Title 2 to add Section 2.06.035 to establish a Local Financial Disclosure Requirement and Process and add applicable definitions to Title 2 Section 2.990.010.
The Government Affairs and Services Committee recommends this. It was introduced on 7/10 and had a first public hearing on 7/24 and a second hearing on 8/14.
Suggested motion: Adopt Ordinance 12-07-296.
 - B. **Ordinance 12-07-298** – Second Hearing
An Ordinance of the Haines Borough Assembly amending Haines Borough Code Title 2, Sections 2.10.030, 2.10.200, and 2.12.110 to clarify the borough assembly consent agenda and to provide the option of including resolutions.
This agenda item was suggested by the mayor and drafted by the borough clerk. It was introduced on 7/24 and had a first public hearing on 8/14.
Suggested motion: Adopt Ordinance 12-07-298.
 - C. **Ordinance 12-07-299** – Second Hearing
An Ordinance of the Haines Borough Assembly approving the sale to the State of Alaska, Department of Transportation and Public Facilities (“ADOT&PF”) of Parcel 3, Parcel E-4 and Parcel TCE-4 as described and identified by ADOT&PF for the Haines Ferry Terminal Improvements project (state project #68433).
This is recommended by the borough manager and the planning commission and was introduced on 7/24 and had a first public hearing on 7/31. Negotiations are ongoing, so this is not yet ready for adoption, and the manager requests postponement.
Suggested motion: Postpone Ordinance 12-07-299 until the negotiations with ADOT are concluded.
 - D. **Ordinance 12-07-300** – Second Hearing
An Ordinance of the Haines Borough, Providing for the Addition or Amendment of Specific Line Items to the FY13 Budget.
This is recommended by the mayor and was introduced on 7/24 and had a first public hearing on 8/14. An additional amendment will be proposed.
Suggested motion: Adopt Ordinance 12-07-300.
 - E. **Ordinance 12-08-301** – First Hearing
An Ordinance of the Haines Borough Assembly adopting a major update of the Haines Borough Comprehensive Plan pursuant to Haines Borough Charter and Alaska Statute requirements.
This is recommended by the planning commission and was introduced on 8/14. The draft plan is available on the borough’s website or it may be requested from the borough clerk’s office in hard copy or CD form.
Suggested motion: Advance Ordinance 12-08-301 to a second public hearing on 9/11/12.

7. **PUBLIC HEARINGS** ---continued---

F. **Ordinance 12-07-297** – 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.

*On 7/10, an ordinance to increase the water-sewer rates was recommended by the manager and CFO and was referred to the Government Affairs & Services Committee; it was not introduced. That committee met on 7/17 and again on 8/2, and the result is an amended version of the original draft that was introduced on 8/14. **Suggested motion:** Advance Ordinance 12-07-297 to a second public hearing on 9/11/12.*

8. **STAFF/FACILITY REPORTS**

A. **Borough Manager** – 8/14 report

* B. **Library** – July 2012 report and board minutes

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

A. **Assembly Committees**

1. **Committee of the Whole**

2. **Commerce Committee**

3. **Finance & Budget**

4. **Personnel & Labor Relations**

5. **Government Affairs & Services**

* B. **Planning Commission** – Approved minutes: 7/12/12 Regular

10. **UNFINISHED BUSINESS** - None

11. **NEW BUSINESS**

A. **Resolutions**

1. **Resolution 12-08-398**

A Resolution of the Haines Borough Assembly authorizing the Borough Manager to enter into a construction contract with Whiterock LLC for the Sunshine Street and Piedad Road Water System Upgrades project for an amount not-to-exceed \$63,721.80.

*This is recommended by the borough manager and the director of public facilities. **Suggested motion:** Adopt Resolution 12-08-398.*

B. **Ordinances for Introduction**

1. **Ordinance 12-08-302**

An Ordinance of the Haines Borough amending Haines Borough Code Title 16, Sections 16.28.010 and 16.28.030 to prohibit verbal abuse, physical assault and threats against borough and harbor staff, physical assault and threats against members of the public while within the harbor, and refusing to comply with lawful directives by the harbormaster, and giving the harbormaster the authority to suspend or revoke the privilege of using borough port and harbor facilities.

*This ordinance is recommended by the manager. **Suggested motion:** Introduce Ordinance 12-08-302 and set a first public hearing for 9/11/12.*

C. **Other New Business**

1. **AMHS 2013 Summer Ferry Schedule**

*The comment period for the draft 2013 summer ferry schedule is 8/28, but the mayor was assured the borough may still submit comments on 8/29 to give the assembly an opportunity to weigh in. The mayor has drafted comments for assembly approval prior to submittal. **Suggested motion:** Approve the comments prepared by Mayor Scott for submittal on 8/29 regarding the draft 2013 ferry schedule.*

* 2. **Planning Commission Appointment**

*Planning Commission Seat B became vacant with the resignation of Roger Maynard. In response to a public notice, one appointment application was received. The commission reviewed the application at its 8/9/12 meeting and recommends appointment. The mayor intends to follow that recommendation and seeks assembly confirmation. **Suggested Motion:** Confirm the mayor's appointment of Robert W. Miller to Planning Commission Seat B with a term ending November 30, 2013.*

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

* 3. **Liquor License Renewals**

Explanation/History: *The Alaska Alcohol Beverage Control Board has notified the Borough of pending liquor license renewals for the American Legion, Harbor Bar & Lighthouse Restaurant Fort Seward Lodge, Outfitter Liquor Store, Haines Brewing Company, Mountain Market and Captains Choice Motel. The Board, prior to its final approval, is giving the local government an opportunity to make statements, if so desired. Since these are preexisting liquor licenses, assembly action is optional.*

4. **Manager's Travel Approval**

In conformance with his contract and to keep the assembly informed, the manager has prepared a list of his planned borough business travel for the remainder of FY13. He seeks approval for any travel the assembly believes to be outside of that already authorized through the FY13 budget.

Suggested motion: Approve the manager's planned business travel for the remainder of FY13.

5. **Establish Subcommittee to Work on Federal Priorities**

The mayor proposes the creation of an ad hoc subcommittee to advise the assembly on federal legislative priorities and to work with the borough's Washington D.C. lobbyist Brad Gilman.

Suggested motion: Confirm the mayor's proposal for formation of an ad hoc federal priorities subcommittee.

6. **FY13 Federal Lobbying Services Agreement**

*During the FY13 budget work sessions and the 7/24 committee of the whole meeting with Brad Gilman via teleconference, the assembly discussed the topic of federal lobbying services. A draft agreement has been developed between the borough and the firm Robertson, Monagle & Eastaugh with whom Mr. Gilman is associated. **Suggested motion:** Authorize the FY13 agreement for federal lobbying services between the Haines Borough and Robertson, Monagle & Eastaugh, effective July 1, 2012.*

12. CORRESPONDENCE/REQUESTS

13. SET MEETING DATES

14. PUBLIC COMMENTS

15. ANNOUNCEMENTS/ASSEMBLY COMMENTS

16. ADJOURNMENT

Haines Borough
Borough Assembly Meeting #229
August 14, 2012
MINUTES

Draft

1. **CALL TO ORDER/PLEDGE TO THE FLAG:** Deputy Mayor **LAPP** 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: Deputy Mayor Jerry **LAPP**, and other Assembly Members Joanne **WATERMAN**, Norman **SMITH**, Steve **VICK**, Debra **SCHNABEL**, and Daymond **HOFFMAN**. **Absent:** Mayor Stephanie **SCOTT**.

Staff Present: Mark **EARNEST**/Borough Manager, Julie **COZZI**/Borough Clerk, Jerrie **CLARKE**/Museum Director, Brian **LEMCKE**/Director of Public Facilities, Jila **STUART**/Chief Fiscal Officer, and Darsie **CULBECK**/Executive Assistant to the Manager.

Visitors Present: Tom **MORPHET**/CVN, Margaret **FRIEDENAUER**/KHNS, Bill **KURZ**, Doris **WARD**, Sally **LIX**, Dave **BERRY**, Marianne **MILLS**, Kay **CLEMENTS**, Kristy **LEGASSIE**, Diana **PYLE**, and Leslie **WHITINGTON**, Sally **LIX**, and others.

3. **APPROVAL OF AGENDA & CONSENT AGENDA** (Items with the *asterisk are on the consent agenda)

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

* 4. **APPROVAL OF MINUTES** - Regular: 7/24

5. **PUBLIC COMMENTS** - None

6. **MAYOR'S COMMENTS/REPORT** - *The mayor provided a written report for the meeting packet.*

7. **PUBLIC HEARINGS**

A. **Ordinance 12-07-295** – Second Hearing

An Ordinance of the Haines Borough authorizing the issuance and sale to the Alaska Municipal Bond Bank of a sewer revenue refunding bond of the Borough in a principal amount not to exceed \$1,400,000 to refund an outstanding sewer revenue bond of the City of Haines; authorizing the date, form and terms of the refunding bond and a plan of refunding; and providing the terms under which the Borough may issue future sewer revenue bonds on a parity with the refunding bond.

Deputy Mayor **LAPP** opened and closed the hearing at 6:35pm; there were no public comments.

Motion: **WATERMAN** moved to "adopt Ordinance 12-07-295," and it was amended to substitute the revised draft provided by the Bond Bank. The amended motion carried 5-1 in a roll call vote with **SMITH** opposed.

During the discussion, **SCHNABEL** asked if this is time-sensitive, and **STUART** responded that it is; the sale will happen very soon. **VICK** made a motion to substitute the ordinance with the new draft recommended by the Bond Bank, and it carried unanimously. **SCHNABEL** said the ordinance references several funds to be established, and she wondered how many are new funds and how many are replacements. **STUART** said all are current funds that will be a little bit smaller. **SCHNABEL** noted page 13 requires *adequacy of revenues*, and she wants assurance the fees will satisfy that. **STUART** said in FY13 the borough can definitely make that threshold. Beyond that, she can't be sure but doesn't believe an additional rate increase would be necessary to meet the threshold in FY14. She added the bonds will be sold under a competitive bid so it is still unknown what the sales price will be. **SMITH** asked if the borough can possibly agree that *gross revenue will at all times be adequate*. **STUART** said the ordinance was drafted by the borough's bond council, and the gross revenue requirement is not new. There has only been one year since she became CFO that the revenue requirements weren't made. The borough is required to maintain a redemption fund. **SMITH** is concerned the borough may not end up saving any money after going through this effort. **EARNEST** said in the long term, this will save the borough money. It's one of those situations where the ordinance has to be adopted in order to move forward to a sale, so it's a bit of an unknown. **SCHNABEL** said this is the same as refinancing a home, and she encouraged ordinance adoption.

B. **Ordinance 12-07-296** – Second Hearing

An Ordinance of the Haines Borough repealing Ordinance 08-09-189 and amending Borough Code Title 2 to add Section 2.06.035 to establish a Local Financial Disclosure Requirement and Process and add applicable definitions to Title 2 Section 2.990.010.

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

Motion: **VICK** moved to “adopt Ordinance 12-07-296,” and it was amended as proposed by the mayor in her 8/6/12 and 8/12/12 memorandums to the assembly and also to hold it over for a third public hearing on 8/28/12. The amended motion carried unanimously.

During discussion, **HOFFMAN** moved to amend the ordinance per the 8/6 memo from the mayor, providing for an exemption for health care providers, certified public accountants, stock brokers, financial advisors, and attorneys in order to protect patients and clients from name disclosure, and it carried unanimously. **WATERMAN** then moved to amend the ordinance per the 8/12 memo from the mayor, striking the requirement to report the amount of income---only the source would be required, and it carried 5-1 with **VICK** opposed. He said not having the amount listed makes it less transparent. For example, a \$50,000 income would seem to be more of a conflict than \$5,001.00. **WATERMAN** believes the borough’s Code of Ethics serves that purpose. She noted the email correspondence from school board member Brenda Jones to the mayor asking that the ordinance be postponed to the next meeting. She made that motion, and it carried unanimously.

C. Ordinance 12-07-298 – First Hearing

An Ordinance of the Haines Borough Assembly amending Haines Borough Code Title 2, Sections 2.10.030, 2.10.200, and 2.12.110 to clarify the borough assembly consent agenda and to provide the option of including resolutions.

Deputy Mayor **LAPP** opened and closed the public hearing at 7:04pm; there were no public comments.

Motion: **WATERMAN** moved to “advance Ordinance 12-07-298 to a second public hearing on 8/28/12,” and the motion carried unanimously. There was no assembly discussion.

WATERMAN appreciated the clerk’s agenda mock-up. She likes the consent agenda items being laid out in one place rather than scattered throughout the agenda with asterisks.

D. Ordinance 12-07-300 – First Hearing

An Ordinance of the Haines Borough, Providing for the Addition or Amendment of Specific Line Items to the FY13 Budget.

Deputy Mayor **LAPP** opened the public hearing at 7:06pm.

MILLS read her written statement asking the assembly to support the supplemental appropriation to restore the senior meal program to four days a week.

STUART noted the Secure Schools revenue may change, so it might be premature to recognize the revenues in this particular ordinance.

Hearing no further comments, the deputy mayor closed the public hearing at 7:09pm.

Motion: **WATERMAN** moved to “advance Ordinance 12-07-300 to a second public hearing on 8/28/12,” and it was amended to add the following:

1. Appropriate \$100,000 of areawide general funds for roof replacement and repairs for the Chilkat Center and reappropriate \$50,000 of CIP funds appropriated in FY12 for Chilkat Center roof engineering; and
2. Appropriate \$20,000 of water enterprise funds for Sunshine Street and Piedad Road water system upgrades and reappropriate \$45,000 of CIP funds appropriated in FY13 for water plant upgrades.

The amended motion carried unanimously.

During discussion, **WATERMAN** made the motion to amend the ordinance to appropriate/reappropriate funds for the Chilkat Center roof repair/replacement and appropriate/reappropriate funds for the Sunshine/Piedad water system upgrade as outlined in the memo from the manager and CFO, and the motion carried unanimously. The other memo item recognizing Secure Schools revenues will be postponed until more information is available. **SCHNABEL** asked for the rationale for taking Chilkat Center roof repairs monies from the General Fund rather than the CIP. **EARNEST** explained that is where the funds are right now. **SCHNABEL** said the CIP has a million dollars in fund balance, and she was assuming there would have been another explanation for funding the Chilkat Center roof repairs. It seems important that capital improvements be funded by the CIP. **STUART** said the CIP fund balance represents obligations--- projects already spoken for but not yet completed. It would require reappropriation. **HOFFMAN**

asked where the money came from to perform the emergency repairs last winter for the water plant roof, and **EARNEST** explained that it was 50/50 water enterprise fund and CIP. **SCHNABEL** said she is concerned about the loss of funds for water plant upgrades. **LEMCKE** said the new roof took a lot of the pressure off, and there are other upgrades to the filtering and the generator that are already funded in previous CIP budgets.

8. STAFF/FACILITY REPORTS

A. **Borough Manager – 8/14 Report**

EARNEST summarized his written report.

LEMCKE updated the assembly on the failed Chilkat Center boiler system. It's about 30 years old and very inefficient. It's pretty much an emergency situation, so he had a commercial mechanical contractor evaluate the situation and put together an estimate. He believes the boiler replacement is a capital improvement as opposed to the roofing repairs that are temporary. The boiler situation has to do more with obsolescence than deferred maintenance. **EARNEST** said the issue can be scheduled for the next meeting, but **LEMCKE** does not believe it can wait that long. **COZZI** read aloud the borough code authorizing the manager to enter into emergency contracts up to \$50,000, if needed. **HOFFMAN** asked if this could be a test case for wood heat. **EARNEST** said ideally that would make sense but it might not be possible because of the urgent need to get something installed now.

*B. **Chilkat Center – July 2012 Facility Report**

9. COMMITTEE/COMMISSION/BOARD REPORTS & MINUTES

A. **Assembly Committees**

1. **Committee of the Whole**
2. **Commerce Committee**

SCHNABEL said the committee continues to discuss solid waste management.

3. **Finance & Budget**
4. **Personnel & Labor Relations**
5. **Government Affairs & Services – Manager & CFO Comments re. 7/17 meeting**

VICK said the committee discussed the water-sewer rates and their recommendation is in the meeting packet.

* B. **Planning Commission**

* C. **School Board**

D. **Advisory Boards**

* 1. **Tourism Advisory Board – Approved Minutes 5/31/12 and 6/28/12**

* E. **Service Area Boards**

* F. **Ad Hoc Boards & Committees**

10. UNFINISHED BUSINESS

A. **Ordinance 12-07-290 (Financial Disclosure)**

*Ordinance 12-07-290 was unanimously adopted on 7/10. While preparing it for codification, the clerk discovered an error in the ballot language: It referenced Ordinance 08-09-189 expected to be repealed when Ordinance 12-07-296 was adopted. On 7/24, the assembly reconsidered the 7/10 motion to adopt and postponed the question to this meeting when it could be amended to replace the text "Ordinance 08-09-189" with the text "Ordinance 12-07-296." **Motion already on the table:** Adopt Ordinance 12-07-290.*

Motion to Amend: **VICK** moved to amend the ordinance by striking "(Ordinance 08-09-189)" from the proposition wording and replacing "Ordinance 08-09-189" in both the yes and no vote explanations with "Haines Borough Financial Disclosure Laws," and the amendment motion carried unanimously.

The main motion to adopt Ordinance 12-07-290 carried unanimously in a roll call vote.

11. NEW BUSINESS

A. **Resolutions**

1. **Resolution 12-08-393**

A Resolution of the Haines Borough Assembly authorizing the Borough Manager to enter into a construction contract with Henry Construction Company for providing roofing and door upgrades to the Klehini Valley Volunteer Fire Department for an amount not-to-exceed \$69,800.

There were no public comments.

Motion: WATERMAN moved to "adopt Resolution 12-08-393," and the motion carried unanimously in a roll call vote. There was no discussion.

2. Resolution 12-08-394

A Resolution of the Haines Borough Assembly authorizing the Borough Manager to enter into a construction contract with Stickler Construction Company to provide roofing replacement and repairs for the Chilkat Center for the Arts Critical Roof Repairs for an amount not-to-exceed \$121,160.

There were no public comments.

Motion: WATERMAN moved to "adopt Resolution 12-08-394," and the motion carried unanimously in a roll call vote. There was no discussion.

3. Resolution 12-08-395

A Resolution of the Haines Borough Assembly authorizing the Borough Manager to enter into a contract with Machineworks to provide 2012-2013 janitorial services for the Borough Administration Building and Portions of the Public Safety Building for a not to exceed lump sum price of \$15,840.

There were no public comments.

Motion: WATERMAN moved to "adopt Resolution 12-08-395," and the motion carried unanimously in a roll call vote. There was no discussion.

4. Resolution 12-08-396

A Resolution of the Haines Borough Assembly authorizing the Borough Manager to enter into an agreement with PND Engineers, Inc. for the South Portage Cove Expansion Geotechnical Investigation in the amount of \$567,533, with the following components: \$250,145 of time & materials work by PND for field and office evaluations and geotechnical report preparation, \$49,901 in expenses, and \$267,487 of fixed fee costs driller and landing craft operator.

There were no public comments.

Motion: WATERMAN moved to "adopt Resolution 12-08-396," and the motion carried unanimously in a roll call vote. There was no assembly discussion.

EARNEST said this is very expensive, but without the information the design cannot proceed. This is a very exciting step that could not have happened without the Governor's support and Representative Thomas' efforts to get the funding.

5. Resolution 12-08-397

A Resolution of the Haines Borough Assembly authorizing the borough manager to acquire, in the best interests of the community, the Fair Drive encroachment property consisting of a portion of U.S.S. 735, also known as TL 2-1 totaling 19,182.8 square feet more or less.

There were no public comments.

Motion: VICK moved to "adopt Resolution 12-08-397," and the motion carried unanimously in a roll call vote. There was no assembly discussion.

EARNEST said a second survey was done to absolutely determine the encroachment area. This is a remedy that serves the community well.

B. Ordinances for Introduction

1. Ordinance 12-08-301

An Ordinance of the Haines Borough Assembly adopting a major update of the Haines Borough Comprehensive Plan pursuant to Haines Borough Charter and Alaska Statute requirements.

Motion: WATERMAN moved to "introduce Ordinance 12-08-301 and schedule a first public hearing for 8/28/12," and the motion carried unanimously. There was no discussion.

2. Ordinance 12-07-297

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

Motion: WATERMAN moved to "introduce Ordinance 12-07-297 and schedule a first public hearing for 8/28/12," and it was amended to change the ordinance effective date in Section 2 from September 1, 2012 to October 1, 2012. The amended motion carried 5-1 with SMITH opposed.

During the discussion, VICK said the Government Affairs & Services Committee discussed this ordinance and made two changes to the previous draft: 1) the seasonal turn on/off fee was lowered from \$80 to \$45, and 2) the residential and commercial monthly charges were increased \$0.40 per service. The committee also spent a substantial amount of time discussing the need for a cost analysis. SCHNABEL does not support this ordinance. She is concerned that the data necessary to make sound decisions is not available. Changes in rates need to be justified by the actual costs of operation, and she doesn't think the recommendations are adequate. She looks forward to working on a schedule of rate increases that may be spread over a shorter amount of time. VICK said the committee did discuss the need to review rates more frequently and agrees additional rate increases will be necessary. The committee did have historical data and certainly does not know what the future revenues and costs will be. SMITH commented on the mayor's memo that suggested water meters as a solution. The disparity in the community can be solved by installing meters for all levels of service. EARNEST said the utility needs to serve the rate-payers and not be a burden to the tax-payers. The borough needs to establish policies for the enterprise funds and discuss how to create sustainable utilities for the future.

C. Other New Business

1. Sales Tax Exemption Request – New Hope Fellowship

New Hope Fellowship, a 501(c)3 organization, has applied for sales tax exemption status as allowed by HBC 3.80.050(13).

Motion: WATERMAN moved to "approve the request from New Hope Fellowship 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. No discussion.

2. Distillery License Application – Port Chilkoot Distillery

The Alaska Alcohol Beverage Control Board has notified the borough that Sean Copeland and Heather Shade have applied for a distillery license to operate Port Chilkoot Distillery LLC at 34 Blacksmith Street in Haines. Borough assembly approval is required before the license can be issued by the state.

Motion: WATERMAN moved to "direct staff to issue a statement of borough assembly approval to the Alaska Alcohol Beverage Control Board regarding the Port Chilkoot Distillery application for a distillery liquor license in Haines," and the motion carried unanimously. There was no assembly discussion.

HOFFMAN said they plan to make vodka, gin, and whiskey. Everyone agreed it's great the building is being renovated.

3. Informational Campaign - Financial Disclosure Exemption Ballot Proposition

Upon adoption of Ordinances 12-07-290 and 12-07-296, Proposition #1 pertaining to financial disclosure laws was placed on the October 2, 2012 Haines Borough Election ballot. The assembly wished to conduct a public informational campaign and appropriated \$1,500 for that effort. The mayor had proposed a plan for this 2012 informational campaign that would involve the planning commission and school board, and she asked for assembly consideration.

Motion: WATERMAN moved to "ask the mayor to proceed with her proposed plan for an informational campaign," and it carried unanimously. There was no discussion.

12. CORRESPONDENCE/REQUESTS

*** A. Letters from Senators Murkowski & Begich re. Safe Routes to Schools**

13. SET MEETING DATES

- A. Commerce Committee – Wednesday, 8/22, 5:00pm – Purpose: Continue work on solid waste disposal.
- B. Government Affairs & Services Committee – Tuesday, 9/4, 5:30pm – Purpose: Off-premises signs ordinance.

- C. Assembly iPad Training - Thursday, 9/6, 4:30pm
- D. Haines Port Development Steering Committee, Thursday, 8/23. 5:30pm – Purpose: Northern Economics presentation of draft findings via teleconference
- E. Facilities Master Plan Steering Committee, Friday, 8/24, 3:00pm – Purpose: Discuss technical analysis, needs assessment, funding sources, and other topics
- F. Reminder: Assembly Committee of the Whole, Tuesday, 8/21, 5:30pm – Purpose: Discuss heliskiing

14. PUBLIC COMMENTS

KURZ believes **LEMCKE** is correct in advising that a new oil furnace be installed in the Chilkat Center now. Later, the burner unit could be pulled out and a pellet burner installed.

MORPHET said the Chilkat Indian Village has informed the borough they do not intend to pay the property taxes owed on the Klukwan dock property, and the borough attorney does not want the information disclosed. If the Chilkat Valley News has to use their press attorney to get the information, and if it is determined to be public information, he intends to bill the borough for the attorney fees.

15. ANNOUNCEMENTS/ASSEMBLY COMMENTS

VICK said this has been an enjoyable meeting, and a lot was accomplished.

SCHNABEL would like to understand if the borough manager support's the borough attorney's opinion regarding nondisclosure of information pertaining to the delinquent property taxes on the Klukwan Dock property. **EARNEST** responded that this is a complex legal issue, and a solution is being worked on that would result in tax payment. There is attorney correspondence that lays out case law and strategies that would be inappropriate to disclose at this time. The borough attorney advises that this correspondence falls under attorney-client privilege, and that's how it's being treated. He added this is not a manager decision. It is being dealt with through the borough assessor and will be revealed soon. **SCHNABEL** said the community has to be vested in the whole question of commercial land taxation.

SMITH said he recently participated in a "furnace tour" of borough facilities, and it was very interesting. It's an emergency situation that needs to be addressed. For example, the Public Safety Building boiler is about to "drop through the floor."

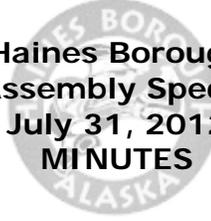
16. ADJOURNMENT – 8:35 p.m.

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

ATTEST:

Jerry Lapp, Deputy Mayor

Julie Cozzi, MMC, Borough Clerk


Haines Borough
Borough Assembly Special Meeting
July 31, 2012
MINUTES

Draft

THIS SPECIAL MEETING WAS HELD SOLELY FOR CONSIDERING THE ITEMS LISTED ON THE PUBLISHED AGENDA. NO ADDITIONAL ISSUES WERE CONSIDERED AT THIS MEETING.

1. CALL TO ORDER/PLEDGE TO THE FLAG

Mayor **SCOTT** called the meeting to order at 6:30pm in Assembly Chambers and led the pledge to the flag.

2. ROLL CALL

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

Staff Present: Mark **EARNEST**/Borough Manager, Julie **COZZI**/Borough Clerk, Dean **OLSEN**/Assistant Assessor, and Darsie **CULBECK**/Executive Assistant to the Manager.

Visitors Present: Margaret **FRIEDENAUER**/KHNS, David **BERRY**, Scott **HANSEN**, Bill **KURZ**, and others.

3. APPROVAL OF SPECIAL MEETING AGENDA

Motion: **LAPP** moved to "approve the special meeting agenda," and the motion carried unanimously.

4. PUBLIC COMMENTS - None

5. BUSINESS

A. Public Hearing

Ordinance 12-07-299 – First Hearing

An Ordinance of the Haines Borough Assembly approving the sale to the State of Alaska, Department of Transportation and Public Facilities ("ADOT&PF") of Parcel 3, Parcel E-4 and Parcel TCE-4 as described and identified by ADOT&PF for the Haines Ferry Terminal Improvements project (state project #68433).

The mayor opened and closed the public hearing at 6:32pm; there were no public comments.

Motion: **WATERMAN** moved to "advance Ordinance 12-07-299 to a second public hearing on 8/14/12," and it was amended to schedule the second hearing for 8/28/12 instead. The amended motion carried unanimously.

During discussion, **SMITH** asked why a special meeting was necessary. **SCOTT** explained ADOT believed they needed to move very quickly in order to secure funding. After the agenda packet was published, the borough was notified the deadlines had been extended to give more time to complete negotiations. **EARNEST** suggested scheduling the second public hearing on August 28 rather than August 14 to give more time to review the appraisal. There may be an adjustment to the square footage. **WATERMAN** made that amendment motion, and it carried unanimously. **SMITH** asked if a drastic change is expected in the appraisal. **EARNEST** said the difference could mean \$50K to \$100K more. **SCHNABEL** noted this is not a controversial issue.

B. Resolution

Resolution 12-07-392

A Resolution of the Haines Borough Assembly authorizing the disposal of borough-owned land dedicated to public use by vacation of right-of-way to the Chilkoot Indian Association.

BERRY said there is a discrepancy between the resolution and the information the CIA has regarding wetlands. The majority of the wetlands are within the right of way, about 80%. They want the same value assigned to the wetlands on both parcels.

Motion: **LAPP** moved to "adopt Resolution 12-07-392," and it was amended to 1) insert the word "other" in front of "CIA-owned land" in the last WHEREAS, and 2) replace the legal description in the second WHEREAS with the following:

ROW Vacation of an alleyway between Lots 3 through 10, Block D Presbyterian Mission Subdivision 2nd Addition to Haines Townsite more described as follows: beginning at the southeast corner of Lot 2, Block D of said subdivision, thence S 9°05'00" W, 204.00 feet to the southeast corner of Lot 10, Block D, thence S 80°55'00" E, 20.00 feet to the southwest corner of Lot 9, Block D, thence N 9°05'00" E, 204.00 feet to the northwest corner of Lot 3, Block D, thence N 80°55'00" W, 20.00 feet to the point of beginning; contains 4,080 square feet.

The amended main motion carried 4-3 in a roll call vote with the mayor breaking the tie in the affirmative and **WATERMAN**, **VICK**, and **SMITH** opposed.

During discussion, **OLSEN** explained appraisers and assessors have to look at today's fair market value. The contract assessor advised him to follow DOT standards and value the *takings*: the larger parcel sets the square-foot value for the smaller portions that will be sold. The parcel on Third Avenue is not designated as wetlands by the U.S. Fish & Wildlife. \$5.00 per square foot is the assessor's opinion of value. **SCHNABEL** argued against it being considered wetlands. **WATERMAN** said it's important to her when considering vacations of rights of way that emergency access be maintained. As these properties are developed, she hopes there is a mandate to take into consideration accessibility for fire equipment. **SCHNABEL** said it seems to her the access issue is an important one and should be addressed at this time. She wondered if negotiation could allow an alleyway between Second and Third Avenues. **EARNEST** said this was discussed, and the CIA's building and parking design would accomplish that. **BERRY** said federal highways funds will require access through the parking lot in addition to access off the alleyway behind the Parts Place. Also, the State Fire Marshal will not approve it if there is not adequate access. **LAPP** moved to amend the legal description of the property to one that is more proper and complete, as proposed by the borough manager, and that motion carried unanimously.

WATERMAN said she never feels good about quick speedy actions and doesn't feel very good about this. CIA may be dealing with some water drainage issues. She hopes it's the right thing to do. **LAPP** said the planning commission took a careful look at this and recommends it. **SCHNABEL** does not understand the compensation statement, and **EARNEST** explained the compensation can be no less than the market value and could come in the form of cash and/or land exchange such as the encroachment area along Fair Drive. **SCHNABEL** moved to amend the resolution to insert the word "other" in front of "CIA-owned land" in the last WHEREAS, and it carried unanimously.

SCHNABEL strongly believes it would be remiss for a community to depend on a private land holding to provide access to emergency services. She has no doubt the CIA will be required by the federal government to provide parking and access. It is the municipality's responsibility to account for it. Maybe it can be done within a negotiated agreement. The public's interest in access needs to be secured. **WATERMAN** agreed. She's not concerned with CIA providing access to its own property. Her concern is the adjacent parcel, and she wondered where the access responsibility lies. She does not see any notes that the planning commission looked at access issues. Right now it may look good, but she has concerns. **SCOTT** said all of the lots on the plat are individual and have not yet been vacated for the one big building to be constructed. Wouldn't the permitting process require access? **BERRY** said all ten lots are accessible from Second and Third Avenues. CIA has put in a request to the planning commission to vacate these lots. **WATERMAN** reiterated that her concern is not with the CIA's plan. Her concern is with the history this borough has with vacating rights of way. Mr. Ward succeeded in getting the ROW vacated so he could build a store but that never happened. There are still two lots there. Her concern is this borough's tendency to vacate rights of way based on propositions that may never come to fruition. **VICK** said he can see the concerns. **SCOTT** said one option is to postpone consideration until August 14 and **SCHNABEL** said she is considering that. **EARNEST** said the CIA is in a rush, and **HANSEN** explained there are a number of time-sensitive issues including the need to complete the final Chilkoot Estates subdivision plat. **SCOTT** said there is no reason to yoke the two parcels. **HANSEN** agreed but said it is a practical matter. He asked if the borough is obligated to approve a plat if the subdivision has been built to standards. **SCOTT** said that is not the topic before the assembly at this time. **HANSEN** said the CIA has real property that cannot be sold until the plat is approved. **SCOTT** said this need not be the vehicle for solving that problem.

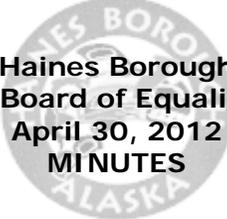
6. **ADJOURNMENT** – 7:32pm

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

ATTEST:

Stephanie Scott, Mayor

Julie Cozzi, MMC, Borough Clerk


Haines Borough
2012 Board of Equalization
April 30, 2012
MINUTES

Draft

1. **CALL TO ORDER:** The Board of Equalization meeting of the Haines Borough, held in the Assembly Chambers of the Public Safety Building, was called to order at 6:00pm by Mayor Stephanie Scott.

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

Staff Present: Mark **EARNEST**/Borough Manager, Julie **COZZI**/Borough Clerk, Mike **RENFRO**/Contract Assessor, and Dean **OLSEN**/Assistant Assessor.

Appellants Present: Roger **SCHNABEL**, John **FLORESKE**, Craig **LOOMIS** (via telephone), and Fred **EINSPRUCH** (via telephone).

Visitors Present: Krista **KIELSMEIER**/CVN and Roger **SCHNABEL**.

3. **APPROVAL OF AGENDA**

Motion: **LAPP** moved to "approve the agenda," and it was seconded. The motion carried unanimously.

4. **SWEARING IN OF BOARD MEMBERS:** **COZZI** administered the following oath to the members of the Board of Equalization:

Do you solemnly swear (or affirm) that you will support the Constitution and laws of the United States, the Constitution and laws of the State of Alaska, and the Charter and laws of the Haines Borough, and that you will faithfully and impartially perform the duties of 2011 Board of Equalization Member to the best of your ability, and that you will not allow your actions as a member of the Board of Equalization to be influenced by personal or political relationships or obligations?

COZZI administered the following oath to the assessment team and the appellants:

Do you solemnly swear (or affirm) that the testimony you shall give shall be the truth, the whole truth, and nothing but the truth?

5. **OVERVIEW AND INSTRUCTIONS:** **RENFRO** provided a brief overview of the BOE roles and responsibilities.

6. **APPEALS**

A. **Appeal # 2012-05**

Subject property: **C-HHY-02-0820**

Appellants: **Craig & Cheryl Loomis**

Assessor's Recommendation: Reduce the initial 2012 site assessment from \$76,300 to \$20,000 to be similar to the adjacent land-locked property. There are no buildings.

LOOMIS said the property is land-locked; there is no way to get to it. It would cost "a million dollars" to build a road up to it, and he has no plans for the property. His estimate of value is \$4,180.

OLSEN said the property values have already been adjusted for terrain issues by previous assessors. It is approximately 11.8 acres. The slope increases rapidly, but it is benched. The upper part of the property has a bowl behind it. When the property was

first assessed, the lack of access was overlooked. After receiving the appeal, and after verifying no easements existed on any plats, the assessors treated the landlocked property in the same way other landlocked properties were assessed last year. This was applied and the initial 2012 value of \$76,300 was reduced to \$20,000 (28% of market value), but the appellant rejected that amount. This neighborhood has had sales activity in it, and the state obligates the borough to assess on market value. That was applied to this area. Property is selling. The Cathedral View area from Brouillette's to the Sebens house was reassessed. **RENFRO** and **OLSEN** shared some photos with the BOE. **D.SCHNABEL** said she recalls that when Stan Jones subdivided his property, an individual bought a piece of the steep property and built a house. People do find ways to do that. **WATERMAN** believes the assessment team has done due diligence.

Motion: **SCHNABEL** moved to "sustain the assessor's recommendation to assess the property at \$20,000," and the motion carried 5-1 in a roll call vote with **SMITH** opposed.

B. Appeal # 2012-10

Subject properties: **C-HHY-02-0810**

Appellant: **Highland Estates Inc.**

Assessor's Recommendation: Sustain the 2012 site assessment of \$117,200. There are no buildings.

R.SCHNABEL said his parcel has 250 feet of road frontage. The property is challenging to develop, because he's at the whim of his neighbors. Even if he can crisscross with switchbacks, it will devalue the best part of his lot. He's trying to develop a route or opportunity. Does he destroy the property below in order to get to the upper part or maintain the best piece and keep the upper part unused? Right now, he has no opportunity to get up there. He believes the property should be valued at \$66,390.

The mayor recused **D.SCHNABEL** from participating in this appeal because the appellant is her brother and there is a possibility for public perception of a conflict of interest. There was no objection, and she moved from the dais into the audience.

RENFRO agreed this is a unique parcel. He looked at the adjoining parcels, and Brouillette's property has a higher assessment. The appellant's parcel is benched all the way up, and there is more than one building site on it. It's a matter of opinion. He believes the assessment is fair and equitable compared to the adjoining properties. In his opinion, it's a pretty nice piece of property, and he doesn't believe the assessment is out of line. The other property owners along the highway that bench like this one did not submit appeals. There would be more appeals if the assessments were wrong. He believes it is a nicer parcel than the appellant does. **OLSEN** explained the percentage increase is not something the assessor decides. It's market-driven. Sometimes it's a large jump. You can't apply a percentage to market value. There are significant benches at 200 feet, 400 feet, and 600 feet. He believes the property crests and there is a bowl behind it. There's a significant amount of property that actually starts to go down before it **begins** to go up again. This property assessment took into consideration the steep terrain. **RENFRO** explained they're dealing with an average for the total parcel rather than area by area.

Motion: **VICK** moved to sustain the assessor's recommendation," and it was seconded. The motion carried 4-1 in a roll call vote with **SMITH** opposed (and **SCHNABEL** recused).

C. Appeal # 2012-03

Subject properties: **C-HHY-02-0830**

Appellants: **Robert & Nancy Loomis**

Assessor's Recommendation: Reduce the initial 2012 site assessment from \$76,300 to \$20,000 to be similar to the adjacent land-locked property. There are no buildings.

OLSEN said the appellant has been nonresponsive in his attempts to communicate since receiving the appeal, so that is why this appeal could not be settled outside of the Board of Equalization.

Motion: **LAPP** moved to "sustain the assessor's recommendation to value this parcel at \$20,000," and the motion carried 5-1 in a roll call vote with **SMITH** opposed.

D. Appeal # 2012-04

Subject properties: **1-HHY-10-0510**

Appellants: **John Floreske & Vicky Cox**

Assessor's Recommendation: Sustain the 2012 site assessment of \$141,900. There are no buildings.

FLORESKE said this parcel is at 10-mile east side of the creek, and much of it is wetlands. **D.SCHNABEL** wondered what he envisions for the property. **FLORESKE** said originally there was a road around it. Before he bought it, the previous owners thought of an RV park. He got an Army Corps of Engineers (ACOE) permit to add to the fill.

RENFRO explained the difference of opinion he and the appellant have is in the amount of developable land. There is no survey that classifies or delineates the wetlands and it is unknown where the cliff is. He walked the property today, and that land is dry and developable behind the fill. He agrees the land in front is wetlands. **FLORESKE** said the ACOE has delineated it as wetlands, and he would have to get a permit to fill it. **WATERMAN** asked how that information can get to the assessors. **OLSEN** said it requires a recorded plat to show what part is wetland and what isn't. Once that is provided, the valuation could qualify for a wetlands reduction. **FLORESKE** said he knows he has approximately 2 acres of usable property, but the assessors are saying 16 acres. **LAPP** asked if the assessors are willing to adjust. **RENFRO** said it's a difference of opinion on what's usable and what isn't. **WATERMAN** reminded that the BOE is charged with adhering to the state mandates. In order to have this assessment changed, the proof would have to be provided by the appellant, and she encouraged the property owner to do that. **LAPP** said he knows there's a big swamp out there and believes the assessment team needs to review it again. **SMITH** agreed it's a swamp and a slue. **VICK** asked if there is market value for this. **RENFRO** responded it is \$7,500 per acre and this property was adjusted for the known wetlands down to \$1,500/acre. The appellant's estimate of value is \$60,485.

Motion: **LAPP** moved to "accept the appellant's value of \$60,485 for this property," and it was amended to a value of \$83,900. The motion carried 5-1 in a roll call vote with **D.SCHNABEL** opposed.

During discussion, **D.SCHNABEL** moved to amend the value to split the difference between the assessor's and appellant's values making it \$101,000. She explained that the appellant's value would amount to a \$2,000 per acre average, and she believes that is too low. This amendment motion failed. **VICK** moved to amend the value to the 2010 assessment amount of \$86,480. This would put it back where it was and give the appellant an opportunity to get wetlands delineation documentation. **LAPP** made a secondary amendment to change the \$86,480 to \$83,900, and it passed unanimously. Then, the amendment motion carried 5-1 with **D.SCHNABEL** opposed.

E Appeal # 2012-14

Subject properties: **C-STR-02-4530**

Appellant: **Fred Einspruch**

Assessor's Recommendation: Reduce the 2012 site assessment from \$20,800 to \$15,800.

EINSPRUCH said it's a very small lot and in a flood plain with a stream that divides it. He does not believe it is a buildable lot, and it is about the worst lot to build on in Haines. His estimate of value is \$1,000. As long as he's owned it, it's been valued at \$20,000. He's become more aware of the situation and has been meaning to appeal the last two years but missed the deadline. There have also been issues with the junk yard next to his property.

OLSEN distributed supplemental information to the BOE. He has examined the property and diligently tried to apply all of the issues brought up by the appellant in his appeal and more. There is a similar property down by Delta Western with a stream in the middle of it that was appealed in 2011. The same principles were applied to that one. In his opinion, this parcel is larger than 10,000 feet and readily accessible from Small Tracts Road and is buildable. You cannot find a buildable site within town limits for less than \$20,000 and more likely \$30,000. Following his review of the appeal, he does recommend reducing the value by \$5,000.

Motion: **LAPP** moved to "sustain the assessor's review action of \$15,800 value for this property," and the motion carried unanimously in a roll call vote.

8. PUBLIC COMMENTS - None

9. ANNOUNCEMENTS/BOARD COMMENTS

WATERMAN said the way the BOE packet was put together, it is difficult to tell what was provided by the appellants and what came from the assessors. Since the burden of proof is on the appellants, it's important for the BOE to know the proof they submitted. **OLSEN** said this is the first time he has assembled a BOE packet. He now understands how important maps are and making sure the documents are clearly marked. **WATERMAN** said she does appreciate the work of the assessment team, and **SMITH** and **LAPP** agreed. **HOFFMAN** noted that electronic packets planned for next year may solve many of the problems. **OLSEN** said what is lacking in the Lands Dept is personnel. Because of that, the assessment cycle is piecemeal. When new plats come up, valuation has to be addressed. There is a difference between an assessor and an appraiser. **D.SCHNABEL** wondered if it would be important to inform the public that they can vacate lines. Are we encouraging the market to be what it is? The BOE's decisions can impact the community in the trends. **RENFRO** agreed that people buying property changes the value. It is an interaction between the market and the value. Assessors chase the values up and follow the values down. He said he will make sure the packet problem is solved for next year's BOE. He believes the Board did a good job and suggested a refresher course next year from the State Assessor.

10. ADJOURNMENT – 7:42pm

Motion: **LAPP** moved to "adjourn," and it was seconded. The motion carried unanimously.

ATTEST:

Stephanie Scott, Mayor

Julie Cozzi, MMC, Borough Clerk

Mayor's Report

Haines Borough
Office of the Mayor
103 Third Avenue S.
Haines, Alaska 99827
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Voice (907) 766-2231 ext. 30

August 28, 2012

Haines Borough Monthly Employee Recognition

This month the Mayor and the Administration would like to recognize Cathy Keller, Accounts Payable and Payroll Clerk. The following commendation has been prepared by Cathy's supervisor, CFO Jila Stuart. I agree 100% and would like to add that Cathy has been unfailingly patient with me as I learn the Borough's system of purchasing and travel authorizations.

Since joining the Haines Borough staff in August of 2006 Cathy Keller has been a vigilant watchdog of the taxpayers' dollars in her role as Accounts Payable and Payroll Clerk. Cathy reviews invoices, purchase orders, and contracts with an eagle eye to make sure the Borough doesn't pay a penny more than is necessary or authorized. She has also instigated several cost saving measures, such as applying for PCE credits for Borough facilities previously not thought to be eligible -saving the Borough thousands of dollars per year. Her excellent work ethic, attention to detail, and passion for her job make her a highly valued member of the Borough team. Moreover, Cathy demonstrates a genuine desire to assist and to inform others. She is tirelessly patient and graceful even when dealing with frustrated employees or members of the public. Cathy loves to learn. She came to the Borough with great job skills and she has continued to accumulate knowledge while here. She does online research, outside reading, and takes classes to improve her ability to contribute to the Borough. Lastly, Cathy is quite simply a good public employee. In her daily work Cathy demonstrates respect for the democratic process, the rule of law, and the Haines Borough. Cathy is very dutiful. She just isn't a procrastinator and she doesn't seem to put off unpleasant tasks. She takes a hard line in enforcing policy and rules and she isn't afraid to set people straight!

We thank you Cathy!

AML Summer Meeting,s Bethel, Alaska, August 2012, Bethel Cultural Center

The meeting had 4 sections: Board of Directors, Alaska Conference of Mayors, Municipal League state and federal priorities worksession; AML Policy Committees

AML Board of Director's Meeting:

The Board ¹evaluated the Executive Director, Kathie Wasserman, and authorized a salary increase. The Board will examine a detailed salary scale for the AML executive director, based on equivalent positions, at the November Director's meeting.

Resolution #2012-01: a draft resolution supporting the repeal of AS 39.35.625. AS 39.35.625 governs PERS termination studies.² The statute was designed to protect the PERS system from unfunded liability. The result is that municipalities, particularly small municipalities, are being billed for hundreds of thousands of dollars to millions of dollars. A vote on the resolution was postponed until the November meeting.

NACO: It may behoove the Haines Borough Assembly to pay more attention to this organization. We heard reports from Hal Smalley (City of Kenai/Kenai Peninsula Borough) and Jerome Selby (Kodiak Island Borough) Apparently, Alaskan priorities can be overlooked absent Alaskan voice and representation. Hal Smalley advised that it was necessary "to be part of the process or run over by it." The Haines Borough is a NACO member. NACO has been active in securing Secure Rural Schools and PILT legislation. The fall Western Interstate Regional 2012 conference will be in Kodiak on October 3-5.

AMLJIA: The Board unanimously approved the reappointed of Rick Gifford (Aleutians East Borough), Pat Cole (City of Fairbanks), Karl Short (Kodiak Island Borough), and Dave Talerico (Denali Borough) to the AMLJIA Board of Trustees.

¹ I represent District 1 which includes the cities of Angoon, Coffman Cove, Craig, Hoonah, Hydaburg, Kake, Kasaan, Ketchikan, Klawock, Kupreanof, Pelican, Petersburg, Port Alexander, Saxma, Thorne Bay, the Ketchikan Gateway Borough, the Haines Borough, the Metlakatla Indian Community, the City and Borough of Sitka, the Municipality of Skagway, the City and Borough of Wrangell, and the City and Borough of Yakutat.

² I refer you to the attached monograph by Michael Lamb, CFO for the Fairbanks North Star Borough, if you are interested in delving further into this subject.

Alaska Conference of Mayors:

Each Mayor presented a snap shot of the challenges and opportunities facing their municipalities. I learned that:

- Residents in the **Denali Borough** are paying as much as \$1.07 per Kwh. The Borough shipped out 865 tons of junk vehicles making an effort to avoid the rubric “Denali Borough & Salvage.”
- Septic systems in the **Ketchikan Gateway Borough** are starting to fail. The problem seems to be related to the new phosphate-free soaps.
- **Valdez** still has 10-15 foot high snow piles. Valdez is hosting the International Symposium on Gas in September. The goal is to let everyone understand why we don’t have a gas pipeline.
- A private company in **Juneau** has launched curb-side recycling. It has 2000 subscribers. They hope to add another 800. No government money is involved. The City/Borough still runs a city-financed recycling center.

Presentation from Susan Fleek, Senator Begich’s State Director:

Senator Begich’s Alaskan office has begun the publication of a grants newsletter. The contact is [Clare boersma@begich.senate.gov](mailto:Clare_boersma@begich.senate.gov). I have asked that the Haines Borough be included in the list of recipients.

Senator Begich is working on federal legislation that will provide revenue sharing between the state of Alaska and the Federal government for off shore development. Currently 100% of the revenue from off-shore development goes to the Federal treasury. Other states with off-shore development do get revenue sharing from legislation passed in 2005; Alaska was not included in that legislation. The legislation provides for 37.5% of the revenue to go to the states distributed as follows: 20% of the 37.5 would go to coastal governments (regardless of the proximity to the development). 33% would go to Alaska regional native corporations; 7% would go to tribes.

Ms. Fleek spoke about the chaos created for the Army Core of Engineers in the absence of earmarks. She said that Senator Begich is devoted to developing local harbor projects. (“harbor projects are our gateway to new jobs...”). According to Fleek, Begich believes that the ban on earmarks will be modified in 2013 so that non-profit projects cannot be earmarked but that municipal projects will be eligible for earmarked.

Kathy Wasserman, AML Executive Director stated that “Army Core is coming to annual conference and will help us put together the small community plan so that we can by pass the earmark ban.”

Resolution 2012-01 Urging the Legislature to Support the Construction of the Knik Arm Bridge. The Knik Arm Bridge and Toll Authority (KABATA) presented its argument for support in a power point. The bridge will be built by concessions in a model of public-private partnership. Written information questioning some of the supportive assumptions was also distributed. Discussing the proposal among themselves, the Mayors concluded that the bridge was necessary transportation infrastructure to connect regions of the state one to another.

It is the policy of AML to avoid support for regional projects. The Conference of Mayors is not constrained by this policy; but Mayors argued that the project was statewide in significance, not regional. The resolution passed with a handful of nays. I was one of the nays.

AML Draft State and Federal Legislative Priorities.

The body met as a whole to make changes to draft priorities. I made the following notes. The official draft version will be posted on the website prior to the November meeting in Anchorage

STATE PRIORITIES 2013

- ENERGY:

We believe the legislature must aggressively facilitate energy efficiency and affordable energy for all Alaskans through:

1. The support of oil and gas, as it remains the primary source of energy for most of Alaska.
2. Adequate funding for public and private weatherization projects, with an emphasis on small businesses.
3. The encouragement of connectivity between communities, as well as incentives for energy project funding and energy efficiency for all consumers.
4. An actual time certain process that selects and priorities projects.
5. Full funding of the PCE (Power Cost Equalization) Endowment fund through joint congressional and state appropriations.

- PERS

The League supports a sustainable salary base to pay off the PERS unfunded obligations. AS 39.35.625 and any other similar statutes or regulations that require termination studies, should be repealed. Simply following AS 39.35.255(a)(2) will provide a more efficient, cost effective and equitable method of ensuring that the required PERS salary base is maintained.

- REVENUE SHARING

The League supports continuation of the current revenue sharing program.

- UNFUNDED MANDATES

The League opposes state unfunded mandates in any form. This includes “optional” exemptions handed down to local governments that will diminish the local tax base.

- TRANSPORTATION

The League Supports...

1. The dedication of funds for the Alaska Transportation Infrastructure Fund.
2. A matching grant component for acquiring federal funds and to help local governments to develop otherwise financially difficult projects.
3. A local government seat at the table during allocation of the Transportation Infrastructure Fund.
4. The completion of the Alaska State Rail Plan.

- FISHERIES

This priority is being drafted. The main idea is to protect wild fish stocks.

FEDERAL PRIORITIES 2013

- PAYMENT IN LIEU OF TAXES

The League supports full funding of the PILT program, to the authorized levels of PL 103-379 (over \$300 million nationwide).

- SECURE RURAL SCHOOLS AND COMMUNITY SELF-DETERMINATION ACT (SRS/TIMBER RECEIPTS)

- The League supports the reauthorization and enhancement of the Secure Rural Schools program (PL 110-343). Reauthorization should maintain coupling between payments to boroughs and active natural resource management, and the connection between sustainable natural resource management and the stability and well-being of forest municipalities

- CLEAN WATER ACT

While supporting Clean Water Act provisions that protect wetland habitats and rivers and streams of Alaska, the League opposes federal efforts to change the definition of the Clean Water Act from “navigable” waters to “waters of the United States,” and also oppose federal efforts to further expand the authority and responsibilities of the federal agencies in regard to these waters.

- ARCTIC ISSUES

The League asks Congress to be aware of the arctic region as it relates to the national security, environmental concerns relating to the use of the seas; and to

economic development for Alaska's coastal communities. And to designate a lead agency concerning arctic issues.

- LAND USE DESIGNATIONS

We oppose decisions on land use designations that are not completely reviewed through the proper congressional system with appropriate state and local input. The League urges Congress to immediately convey all remaining state and native selected land.

- ENERGY EFFICIENCY GRANTS

The League supports full funding the Energy Efficiency and Conservation Block Grant Programs to state and local governments.

AML 2013 Policy Committees

I worked on the Education, Local Government & Public Services Committee. At the request of Superintendent Byer, I proposed that the Municipal League go on record to support changes to regulations so that students with complex disabilities could earn a high school diploma. The League supports the initiative. I will work with Michael Byer, DEED, and an Anchorage Assemblywoman to prepare a resolution to present to the League in November.

PERS III: The Termination Studies

**Prepared By:
Michael E. Lamb, CPA, CGFM
Chief Financial Officer
Fairbanks North Star Borough
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(V6 – 11/12/2010)**

Contents

- **What Is The Issue?**
- **What Employers Are Subject To The Termination Study Regulation?**
- **What Is The Abbreviated History That Led To The Studies?**
- **If That Was The History, Then Why The Termination Studies?**
- **How Did SB 125 Address The Salary Base Shrinkage Concern?**
- **So, The Concern Was A Shrinking Salary Base. Has It Shrunk?**
- **What Are Some Termination Study Fact Pattern Examples?**
 - **City of Ketchikan**
 - **City of Craig**
 - **City of Skagway**
 - **Ketchikan Gateway Borough**
 - **City of Palmer**
 - **City of Cordova**
- **What Are Some Of The Unintended Termination Study Consequences?**
 - 1) **Equitable and consistent application of the State's termination law does not seem to be occurring.**
 - 2) **There is an inescapably inequitable impact to small PERS employers.**
 - 3) **Termination studies negatively impact our decision, and our ability to accept grants because of the potential future liability.**
 - 4) **As administered, there are no offsets taken into account for salary increases in one area, for decreases in other areas.**
 - 5) **Over time, more and more resources will go toward paying down the unfunded obligation than go to the delivery of services.**
 - 6) **An employer will pay more toward the unfunded obligation every pay period on positions that no longer exist than they will for existing paid positions.**
 - 7) **Termination studies nullify the intent of SB 125 that employers pay the exact same rate.**
 - 8) **Will "terminated" salaries pay a higher rate than that set in Statute?**
- **Are There Things That We All Agree On?**
- **Remember: The Termination Language Is Simply Not Needed!**
- **What Should Be Done? What Does AML Support As A Solution?**
- **Appendix: 2 AAC 35.235. Calculation of termination costs (Impacts DB & DC employees, not just DB EE's)**

PERS Termination Studies

What Is The Issue?

PERS says: If you reduce your employee count because you made a decision to alter or suspend one of your programs or services, we just might send you three bills*. It doesn't matter to us (PERS) why the reduction occurred, nor, does it matter that you are a small employer that could end up having to reduce your programs and services because you owe us hundreds of thousands of dollars, to millions of dollars.

One bill we (PERS) will send you will be for the cost of doing a termination study. The second bill will be what the study says you owe the System, due to the employee change(s) you made. The big bill we'll send you, number three, is the one that may require you to pay the past service cost (PSC) on each position we said you needed to opt out of PERS. Just to be clear, you will be required to pay the PSC (currently 18.63%) on the salary(s) we said you needed to opt out until the unfunded obligation goes away, maybe 30 years from now.

The future financial stability of PERS employers, and their ability to efficiently and effectively manage the delivery of their programs and services, is being directly impacted and undermined by how PERS interprets 2 AAC 35.235.

What Employers Are Subject To The Termination Study Regulation?

All PERS employers: the State, boroughs, cities, school districts, and the university system. There are no statutory exclusions for any PERS employer. We are all -- subject to the negative compounding effect that the 2 AAC 35.235 imposes.

* **2 AAC 35.235. Calculation of termination costs:** (a) ***An employer that proposes to terminate coverage of a department, group, or other classification of employees*** under AS 39.35.615 or 39.35.957, or terminate participation of the employer under AS 39.35.620 or 39.35.958, ***must have a termination study completed by the plan actuary*** to determine the actuarial cost to the employer for future benefits due employees whose coverage is terminated.
(b) ***In addition to the costs calculated in (a) ...the employer*** under AS 39.35.620 or 39.35.958, ***is required to pay to the plan until the past service liability of the plan is extinguished an amount calculated by applying the current past service rate adopted by the board to salaries of the terminated employees as required by AS 39.35.625 (a). This payment shall be made each payroll period*** or the employer may enter into a payment plan acceptable to the administrator for each fiscal year.

What Is The Abbreviated History That Led To The Studies?

Due to a variety of historical circumstances and decisions, the PERS and TRS defined benefit systems evolved from being fully funded to being in a state of being billions of dollars underfunded.

The main questions became: Whose debt is it, and how will “we” pay the unfunded obligation down? Great consideration and weight were given the concepts of predictable, affordable, and stable rates.

In the end, the resolution embraced by all parties as acceptable (meaning most affected parties were equally unhappy), and generally incorporated into SB 125:

- set in law that the PERS system is a consolidated system,
- set in law that there would be a flat maximum PERS employer combined normal rate and past service cost rate of 22%,
- set in law that the State would pay the difference in the actuarially determined combined rate and the 22%,
- set in law that PERS employers would pay 22% on defined contribution (DC) salaries as well, with the difference between the 22% and specific DC benefits (approximately 10%) would go toward paying down the DB unfunded obligation,
- and set in law that the State would pay all of the past service cost rate for the TRS system.

If That Was The History, Then Why The Termination Studies?

The combined DB and DC salary base will be required to pay down the unfunded obligation, and sustain predictable, affordable, and stable employer rates. This understanding takes into account that over time the defined benefit (DB) salaries would decrease, due to the establishment of the defined contribution (DC) plan, PERS Tier IV.

Paying off the unfunded obligation is predicated upon a stable and a reasonably growing salary base. A concern at the time SB 125 was adopted was that PERS employers might en-masse elect to convert PERS salaried positions to contracted positions to avoid/reduce their PERS cost.

If enough employers made enough wholesale major changes in the way they deliver their programs and services by converting from a salary based labor force to contract based labor force, the salary base to pay off the PERS unfunded obligation would shrink. Shrinking the PERS salary base jeopardizes the ability to pay off the unfunded obligation.

How Did SB 125 Address The Salary Base Shrinkage Concern?

PERS employers pay 22% on the total of their current combined DB and DC salaries, ***Or, pay the greater of 22% times the payroll period that ended on 6/30/08.*** This basically ***set the minimum contribution*** amount that a PERS employer would pay, once PERS converted to a consolidated system. ***This provision sets a future, per pay period, contribution floor for all PERS employers, and it was, and is, appropriate and fair. This provision deals with an employer's need to modify their programs!***

However, other language was added to deal with employers that might try to purposely reduce their benefit costs, and therefore, reduce their fair share contribution toward paying off the unfunded obligation.

So, The Concern Was A Shrinking Salary Base. Has It Shrunk?

No. In fact, it has grown steadily. The fear that employers would act in a manner that jeopardized payment of the unfunded obligation has not materialized. The table below clearly shows a strong salary base growth, not a decline.

PERS									Defined Benefit and		
Defined Benefit Salaries Only (in thousands)									Defined Contribution Salaries		
Report Date	6/30/1999	6/30/2000	6/30/2001	6/30/2002	6/30/2003	6/30/2004	6/30/2005	6/30/2006	6/30/2007	6/30/2008	6/30/2009
FY Applies	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Total DB Salaries	1,283,549	1,321,480	1,360,401	1,402,686	1,460,783	1,472,987	1,586,891	1,676,318	1,689,969	1,657,186	1,662,781
Total DC Salaries									115,329	221,931	340,360
Salary Base That Pays Unfunded	1,283,549	1,321,480	1,360,401	1,402,686	1,460,783	1,472,987	1,586,891	1,676,318	1,805,298	1,879,117	2,003,141
Annual Increase over PY		37,931	38,921	42,285	58,097	12,204	113,904	89,427	128,980	73,819	124,024
Annual % Increase over PY		3.0%	2.9%	3.1%	4.1%	0.8%	7.7%	5.6%	7.7%	4.1%	6.6%
% Increase 6/30/06 - 6/30/09											19.5%
								6/30/09 Salaries	2,003,141		
								FY 6/30/06 Salaries	1,676,318		
								Salary Growth	326,823		
								Divided By FY 6/30/06 Salaries	1,676,318		
								Equals % Growth	19.5%		

Take note: The underlying fear that certain employers would shrink the salary base has simply not happened! **The termination language was a solution to a problem that never materialized, and it's not needed.** But even worse, the negative consequences, **the additional charges and payments that result from what PERS interprets as being required from the termination language, were never contemplated or intended, and they are destructive.**

What Are Some Termination Study Fact Pattern Examples?

City of Ketchikan:

Terminated Position(s): Eight employees of Gateway Center for Human Services.

Positions(s) Funding Source: Grants, patient fees, and sales taxes.

Reason for Termination(s): In addition to reduced federal and state grant funding, the City Council determined that it was no longer appropriate for the City of Ketchikan to operate a health care clinic. The mental health and substance abuse treatment services offered by Gateway Center for Human Services were not typical local government services and the City was ill equipped to deliver the services in a cost effective and efficient manner.

Termination Cost:

- 1) \$ 5,000 to Buck for the termination study,
- 2) 10,364 to the State for liability increase to the System
- 3) 2,235,421 = (\$399,968/yr) x (18.63% PSC rate) x (30 years) = estimate
\$ 2,250,785

Observations:

The City Council was forced to alter its services as a direct result of reductions in critical grant funding, and the questioned appropriateness of the City continuing this program. The loss of grant funding levels has led to a potential \$2.3 million obligation. The City plans to divert resources, approximately \$74,514/year, from its Hospital Sales Tax Fund to make the annual past service cost payments, thus negatively impacting future hospital funding and possibly other paid positions.

What about communities that rely on law enforcement grants, domestic violence grants, fire fighting grants, Homeland Security grants, education grants, etc.? Will entities need to stop accepting critical grants out of fear that the grant will end sometime in the future, and then, they'll have to pay benefits on salaries they no longer get grant funding for?

City of Craig:

Terminated Position(s): Five and a half employees were transferred to the City to staff the Craig Clinic, a primary health care clinic (2 DB and 3.5 DC employees).

Positions(s) Funding Source: Fees for services with shortfall covered by general government funds.

Reason for Termination(s): In 2000, the City of Craig assumed operation of a clinic. Two prior operators of the clinic had abruptly halted their operation of the clinic, citing the inability to collect revenues sufficient to cover their operating costs. The City Council directed staff to develop a plan to keep the clinic open.

Financially, the clinic was a mixed bag for the City of Craig. Some years revenues exceeded expenses, in other years expenses exceeded revenues. The trend for the past four years was one of operating losses. The City never wanted to be in the clinic business, and got out of it as soon as it could, while still ensuring that the service would continue to be available locally. In April, 2010, the City of Craig turned over operation of the clinic to a private non-profit corporation. The City is not paying the new clinic operator to run the clinic, nor is the operator paying the City to run the clinic.

Termination Cost:

- 1) \$? to Buck for the termination studies
- 2) ? to the State for liability increase to the System
- 3) 2,065,694 = (\$396,600/yr) x (18.63% PSC rate) x (30 years) = estimate
\$2,065,694 plus unknown study and termination liability costs

Observations: This was not a “municipal service” that was “contracted out” to the private sector, nor was this a service the City decided to contract out to avoid PERS costs. It was a medically necessary service that the City provided on a temporary basis between 2000 and 2010. In short, the clinic was an operation not suited for the City. For community based health and safety reasons, the City took over for a temporary period. Staff were not long term PERS participants, but a combination of Tier III and IV members, and therefore, the City could not have built up any huge obligation to the DB system for the two DB employees. But, the City is faced with possibly having to pay into the System over \$2 million for those temporary clinic positions. Where will the funding come from? The PSC rate (18.63%) times 5.5 employees salaries (\$68,756/year) equates to possibly terminating another employee in order to have enough funds to pay the System.

Other Issues for the City of Craig:

Not as a consequence of, but, at about the same time that the City stopped operating the Clinic, the City of Craig's EMS Coordinator applied for a transfer from the EMS Department to the Police Department, to work as a dispatcher. The City Administrator is considering refilling the EMS Coordinator position with a part time employee, rather than a full-time employee. He asked PERS staff if this transition, in their view, might also trigger some sort of payment to the PERS system. PERS staff stated that it might, and said they would need to make a determination on the matter.

City of Skagway:

Terminated Position(s): Single position, Fire Chief

Positions(s) Funding Source: General government funds

Reason for Termination(s): Skagway changed its Fire Chief position from paid to volunteer due to budget reasons. The fire department will have a paid administrator position instead. Extract from State e-mail: "As a volunteer, *the position is no longer eligible for PERS. Therefore, you must amend your participation agreement to exclude the Fire Chief.*" "Even if the Fire Chief position is vacant, the termination study must still be done."

Termination Cost:

- 1) \$ 2,500 to Buck for the termination study,
- 2) 17,470 to the State for liability increase to the System
- 3) 416,643 = (\$74,547/yr) x (18.63% PSC rate) x (30 years) = estimate
\$436,613

- **Observations:** Here was a PERS employee that only worked for Skagway for 4.73 years. Skagway didn't even have this person employed long enough for this employee to become vested if the person had worked as a PERS employee only for Skagway. Yet, Skagway will have to pay huge sums in the future as though they were that person's sole PERS employer, and as if, the entire benefits due that employee were created during their years of service at Skagway; but that's not the case! Skagway's future payments will cover past service costs for other employers, costs that should be paid (under a single-agent, multiple employer system) by the other employer(s), not by Skagway. This was one of the very issues (one employer's decisions financially affecting another employer) that was the basis for going to a consolidated system. Extract from State e-mail: "Benefits due to terminated employees must be funded by the employer..." "In addition to this cost, you will continue to make contributions toward the unfunded liability for this position (Tiers I, II and III) each pay period by the amount determined by applying the past service rate times the salary of the individual you are removing, or the salary of the person that last held the position. The current past service rate is 18.19%. The past service rate changes every fiscal year."

Ketchikan Gateway Borough:

Terminated Position(s): Single position, Borough Manager

Positions(s) Funding Source: General government funds

Reason for Termination(s): 34+ year PERS employee that wanted to draw retirement. The Assembly wanted to keep the manager, so it changed the position from employee to contracted.

Termination Cost:

- 1) \$ 2,500 to Buck for the termination study,
- 2) 12,392 to the State for liability increase to the System
- 3) $\frac{676,269}{\$691,161} = (\$121,000/\text{yr}) \times (18.63\% \text{ PSC rate}) \times (30 \text{ years}) = \text{estimate}$

Observations: Here was a PERS employee that only worked for the KGB for less than three years of their over 34 years in the System. For a little over 27 years the person was employed by the State. The employee and the employee's employers paid into the System four years beyond when that employee had reached 30 years of employment, able to retire with full benefits. This also means the employee did not draw on the System for over four years that they could have, had they retired at 30 years. And yet, KGB still owed money to the System for this person. KGB didn't even have this person employed long enough to vest, yet, it could possibly have to pay \$700,000 into the System for this employee? It is interesting that although this person and the employers paid into the System for 34 years, KGB might have to pay into the System for another 30 years, and therefore the System will have received just under 65 years of contributions to fund this person's retirement! Something just does not seem right about this!!

City of Palmer:

Terminated Position(s): City Manager

Position(s) Funding Source: General Fund

Reason for Termination(s): Change in managers with newly hired manager wishing to retain current retirement status.

Termination Cost:

- 1) \$ 2,500 to Buck for the termination study,
- 2) 12,483 to the State for liability increase to the System
- 3) 582,212 = $(\$104,171/\text{yr}) \times (18.63\% \text{ PSC rate}) \times (30 \text{ years})$ = estimate
\$ 597,195

Observations: The termination costs are based on the wages of the last individual holding the position being removed from PERS. In the City of Palmer's case, the former manager had approximately 17 years in the PERS system equally distributed between the State of Alaska, Fairbanks North Star Borough and the City of Palmer. The last employer is the entity with the financial burden even though only three years of service were provided to the City.

City of Cordova:

Terminated Position(s): Police Chief

Positions(s) Funding Source: General Fund

Reason for Termination(s): Change in Police Chief with new proposed Chief wishing to retain current retirement status. Previous Chief was employed for two years. Proposed new Chief is a retired State Trooper.

Termination Cost:

- 1) \$?? to Buck for the termination study,
- 2) ?? to the State for liability increase to the System
- 3) 381,768 = (\$68,307/yr) x (18.63% PSC rate) x (30 years) = est.
\$ 381,767 + one-time cost to be determined to PERS

Observations: The termination costs are based on the wages of the last individual holding the position being removed from PERS. In the City of Cordova’s case, this individual came from Louisiana, had approximately two years in the PERS system, was not vested, and moved back to Louisiana. The City began a search and determined that the best candidate for the position was a retired State Trooper. The City had no knowledge of the changes in PERS rules and proceeded to ask the State what needed to be done to remove the Chief position from PERS. The City was informed about the changes in the process that includes the termination study and liability payments. The City was unable to fund those amounts, the City is currently operating with an Interim Chief (Temporary employee) while hoping the Legislature will remove the termination study and liability during the 2011 legislative session.

2 AAC 35.235 says that an employer “... ***must have a termination study completed by the plan actuary to determine the actuarial cost to the employer for future benefits due employees whose coverage is terminated.***” In this case, there is absolutely no additional cost to the PERS System as a result of the Louisiana individual’s termination, yet the City is being charged anyway.

The result of the new PERS rule is that a highly qualified Alaska State Trooper can go to work in any other state without impact to his/her Alaska retirement, and without impact to his/her non-Alaska employer. However, if the Trooper wants to work in Alaska they must give up their retirement while working in Alaska, or their Alaska employer must pay excessive costs to PERS for a study and liability expense. The consequence of this is that the most qualified employees are being driven out of Alaska if they want to continue to work.

What Are Some Of The Unintended Termination Study Consequences?

1) Equitable and consistent application of the State's termination law does not seem to be occurring, nor likely can it ever occur given the uniqueness of all PERS employers' positions. A law like this that has such a material financial impact on PERS employers should at a minimum be able to be fairly, equitably, and consistently applied to all PERS employers. Looking at which entities have had termination studies done, and what drove those studies to be done, versus studies not done and the reasons behind them not being done, there is a clear and valid question as to is there really any equal treatment under the law?

How is the State complying with these termination laws, how has it applied the termination laws unto itself, as the administrator of the PERS System? You may also wonder: How many termination studies has the State had conducted on itself? When thinking about what the answer should be, keep in mind that the State is the largest PERS employer, with about 50% of the salary base, about \$1 billion per year. Keep in mind that the State opens and closes offices all the time, and contracts out work which it cannot hire salaried staff to do. So again, how many studies? According to the State, none have been done for State positions! ***Further, according to the State, they don't even know how they'd administer the law, these regulations, unto themselves.***

Does it seem like an equitable and consistent application of the law when the entity that drafted the regulations, and has the largest salary base in the System, doesn't even apply the regulations to itself, and yet, it imposes them on others?

2) There is an inescapably inequitable impact to small PERS employers. This State law, or its application by PERS creates a clear and unconscionable inequitable impact on small PERS employers, versus larger PERS employers. Many smaller communities only have "one" employee for a program or service. If they lose a grant, or simply are faced with budget constraints and they have to cut a person, say a nurse in a school, they'd be required to have a termination study done, then pay all of the related costs because they actually cut a "function or a group." However, applying the law to a larger PERS employer that loses some grant money or is faced with budget constraints does not result in the same impact from the loss of the only nurse. The larger employer has more than one nurse, so they are not required to do a termination study.

So, the small employer gets financially punished with the requirement to opt that position (function/group of one) out of PERS. Then they get hit with all of the related termination costs that the large employer doesn't get. Even though they both paid, say, \$50,000 a year for those nurse employees they had to lay off, one gets a bill for the

salaries they aren't paying, and the other one doesn't get a bill. Both are not paying an equal \$50,000 into the PERS system!

Imagine now that the large employer cut five nurses and therefore, reduced by \$250,000 the salary used to pay down the unfunded obligation. The small employer impacted the System by \$50,000, the large employer by \$250,000. No termination study or past service costs for the large employer, the small employer, they're (excuse the language) screwed. Going back to consequence #1 just made above, does this seem like a fair and equitable application of the law, or the intent of the law? Obviously, no. But worse, there is clearly not a fair and equitable financial impact on these two different employers for taking the exact same action, for the exact same reason, with the exact same impact on the System? The little PERS employer gets financially punished for taking the same action as the larger employer!

3) Termination studies negatively impact our decision, and our ability to accept grants because of the potential future liability. Grant funded positions may become subject to the termination studies, once the positions are terminated due to grant funding ending. Employers will find themselves paying the past service cost rate on former grant funded position salaries with other revenues. Essentially, if you accept a grant it is possible, depending upon the circumstances, that once those grant funded positions are ended that you'll need to use other dollars to pay the PSC on those former grant funded salaries that you're no longer paying. This will force diverting dollars from the actual delivery of other necessary services and programs to paying benefits on grant salaries no longer being paid until the unfunded obligation is gone. This result clearly raises the question of whether or not an entity should accept any grants that might have new positions attached to them. Look at the City of Ketchikan set of facts. Shall we talk about public safety grants, shall we talk about Homeland Security grants, shall we talk about Emergency Medical Services grants, shall we talk about air quality grants, shall we talk about, say ARRA grant funded positions at our schools and the university system?

4) As administered, there are no offsets taken into account for salary increases in one area, for decreases in other areas. In other words, the ability for entities to adjust their programs and services to meet their constituent's needs is negatively impacted. If an employer needs to cut in Area A, and add in Area B, that employer could find itself paying the PSC rate times the salary(s) it is no longer paying in Area A because it shifted its employees to Area B where there is more need, whether driven by local need or a mandate. An employer could keep/maintain the exact same salary base, but, by

stopping some service completely and simply moving those employees to an existing or a new service, they could get hit with a demand for a termination study as that group is no longer providing that program or service (such as your only EMS Coordinator going to the Police Department). As currently administered, the PERS program only really allows for an upwards spiraling increase in PERS salaries, and those total salary dollars will be subject to either the statutory 22%, or, the PSC rate on opted out salaries.

5) Over time, more and more resources will go toward paying down the unfunded obligation than go to the delivery of services such as fire protection, law enforcement, teaching, recreational services, landfill services, library services, flood control services, emergency response services, and the list goes on from here. Once you start shifting employee resources from one area of responsibility to another, you start a negative downward spiraling in your programs and services. If an employer, for example, lost their grant funding for a healthcare program that had 6 staff that averaged \$50,000 per year, they could possibly have to cut another position to cover the termination costs. The math is: $\$50k \times 6 \text{ employees} \times 18.63\% \text{ PSC rate} = \$57k/\text{year}$ in past service costs on salaries no longer being paid. To get the \$57k an employer could very well need to lay off another employee. Over time, there is a terrible compounding effect and an undermining of an entity's ability to deliver its programs and services.

6) An employer will pay more toward the unfunded obligation every pay period on positions that no longer exist than they will for existing paid positions. This is true because the rate set by statute is capped at 22%. The 22% first covers the current normal cost rate then the difference is applied to the unfunded obligation. The current (FY '11) normal cost rate is 9.33%, therefore, an employer pays 11.67% times the working employee's salary toward the unfunded obligation. This same employer is required to pay 18.63% times the salary of an employee they are no longer paying toward the unfunded obligation. That employer is paying almost 7% more for positions that no longer exist because of the unfunded obligation than it pays on salary dollars for existing positions.

7) Termination studies nullify the intent of SB 125 that employers pay the exact same rate. ***"INTENT.** It is the intent of this Act to change the public employees' retirement system to a cost-sharing plan and provide for one integrated system of accounting for all employers. Under the integrated system, the public employees' retirement system defined benefit plan's unfunded liability will be shared among all employers, and each employer will pay a single, uniform contribution rate of 22 percent.* It is clear that one result of these termination studies is

that different employers will in fact be paying different net rates, and therefore, there will not be a single uniform contribution rate for PERS employers. The adoption of SB 125 was based on the acknowledgement that we do not have a single-agent, multiple employer PERS system, but rather we have had a consolidated un-equitable cost share system. The intent of SB 125 was that all employers would pay the same exact rate. That cannot happen when each employer pays a different termination cost amount, or pays none at all.

8) Will “terminated” salaries pay a higher rate than that set in Statute? What happens to these “termination” payments when the PSC rate is greater than the 22% employer rate set out in Statute, which is projected to be the case for FY 2012?

Are There Things That We All Agree On?

Clearly, and absolutely, the answer is yes. We agree on most everything:

- We all agree that we want to see the unfunded obligation paid off.
- We all agree that the entire PERS salary base is needed to pay off the unfunded obligation, and that it must be sustained and have reasonable growth, which it has to the tune of about 19% since the floor was set.
- We all agree after looking at the history that PERS employers have been loyal to the System and have not made material and purposeful changes in the way they deliver their programs and services from employees to contracted persons.
- We all want and need predictable, affordable, and stable PERS rates.
- We all agree, given the PERS history, that PERS is a consolidated system, and we all need to share as fairly as is reasonably possible in paying off the unfunded obligation.
- We all agree that we want to effectively and efficiently as possible deliver our programs and services. But, we all want and need the ability to adjust our programs and services over time as deemed prudent and necessary, without adding the financial penalty that the termination studies thrust upon us.
- We all agree that the fear of a shrinking salary base has not materialized, and thus the termination studies are not needed.
- We all agree that our legislators, in struggling hard to come up with a fair and equitable solution to a problem that most of them didn't create; never envisioned, intended, nor wanted to see any inequitable financial damage nor any inequitable application of the termination studies law.

Remember: The Termination Language Was A Solution To A Problem That Never Materialized, It's Simply Not Needed!

PERS Defined Benefit Salaries Only (in thousands)									Defined Benefit and Defined Contribution Salaries		
Report Date	6/30/1999	6/30/2000	6/30/2001	6/30/2002	6/30/2003	6/30/2004	6/30/2005	6/30/2006	6/30/2007	6/30/2008	6/30/2009
FY Applies	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
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Annual % Increase over PY		3.0%	2.9%	3.1%	4.1%	0.8%	7.7%	5.6%	7.7%	4.1%	6.6%
% Increase 6/30/06 - 6/30/09											19.5%
								6/30/09 Salaries	2,003,141		
								FY 6/30/06 Salaries	1,676,318		
								Salary Growth	326,823		
								Divided By FY 6/30/06 Salaries	1,676,318		
								Equals % Growth	19.5%		

What Should Be Done? What Does AML Support As A Solution?

- 1) AML supports a sustainable salary base to pay off the PERS unfunded obligations.
- 2) A.S. 39.35.625, that requires termination studies, and any other similar statutes or regulations, should be repealed.
- 3) Amending A.S. 39.35.255(a)(2) (**this is the 6/30/08 salary floor language**) to include inflation adjustment language will provide a more efficient, cost effective, and equitable method of ensuring that the required PERS salary base is maintained.
- 4) Talk with your legislators. They never wanted to harm our communities! Ask them to remove the termination language this legislative session.

Appendix

2 AAC 35.235. Calculation of termination costs (Impacts DB & DC employees, not just DB EE's)

(a) An employer that proposes to terminate coverage of a department, group, or other classification of employees under [AS 39.35.615](#) or 39.35.957, or terminate participation of the employer under [AS 39.35.620](#) or 39.35.958, **must have a termination study completed by the plan actuary** to determine the actuarial cost to the employer for future benefits due employees whose coverage is terminated. **The employer shall pay the termination costs determined by the study** either in a lump sum or under a payment plan acceptable to the administrator. **The employer shall pay the cost of the study.**

(b) In addition to the costs calculated in (a) of this section, an employer that proposes to terminate coverage of a department, group, or other classification of employees under [AS 39.35.615](#) or 39.35.957. or termination of participation of **the employer** under [AS 39.35.620](#) or 39.35.958, **is required to pay to the plan until the past service liability of the plan is extinguished an amount calculated by applying the current past service rate adopted by the board to salaries of the terminated employees as required by AS 39.35.625 (a). This payment shall be made each payroll period or the employer may enter into a payment plan acceptable to the administrator for each fiscal year.**

(c) Interest as provided under [AS 39.35.610](#) (a) is applied to the termination costs if an employer defaults in the payments under (a) or (b) of this section.

History: Eff. 1/13/2010, Register 193

Authority:

[AS 39.35.615](#) **Effect of termination by amendment of agreement (DB Plan)**

[AS 39.35.620](#) **Termination of participation (DB Plan)**

[AS 39.35.625](#) **Termination costs (DB Plan)**

(Note Extracted 39.35.625 Language: Termination costs not paid as prescribed by (a) of this section or in accordance with an approved payment plan may be collected by the administrator in accordance with [AS 39.35.610\(b\).](#))

"INTENT. *It is the intent of this Act to change the public employees' retirement system to a cost-sharing plan and provide for one integrated system of accounting for all employers. Under the integrated system, the public employees' retirement system defined benefit plan's unfunded liability will be shared among all employers, and each employer will pay a single, uniform contribution rate of 22 percent. ...*

[AS 39.35.957](#) **Designation of eligible employees, agreement to contribute, and amendment of participation (DC Plan)**

[AS 39.35.958](#) **Termination of participation in the plan (DC Plan)**

Other Relevant Reference:

AS 39.35.610. Transmittal of contributions to administrator; claims against funds of an employer

(b) If contributions are not submitted within the prescribed time limit, the amount of contributions and interest due may be claimed by the administrator from any agency of the state or political subdivision that has in its possession funds of the employer or that is authorized to disburse funds to the employer that are not restricted by statute or appropriation to a specific purpose. ...



Haines Borough Assembly Agenda Bill

Agenda Bill No.: 12-130

Assembly Meeting Date: 8/28/12

Business Item Description:	Attachments:
Subject: Local Financial Disclosure Requirements & Process	1. Ordinance 12-07-296 2. Two possible additional amendments for the assembly's consideration prior to adoption
Originator: Gov't Affairs & Services (Agenda Bill by Clerk's Office)	
Originating Department: Assembly	
Date Submitted: 6/27/12	

Full Title/Motion:
Motion: Adopt Ordinance 12-07-296.

Administrative Recommendation:

Fiscal Impact:

Expenditure Required	Amount Budgeted	Appropriation Required
\$	\$	\$

Comprehensive Plan Consistency Review:
Comp Plan Policy Nos. : Consistent: Yes No

Summary Statement:
This ordinance will establish a Local Financial Disclosure Requirement and Process should the ballot measure be passed by the voters. It is recommended by the Government Affairs & Services Committee. On 8/14, the assembly chose to postpone adoption and schedule a third public hearing. In the mean time, it has come to the borough's attention that additional amendments may be needed prior to adoption: in 2.06.035(E)(2), include "real estate brokers" in the list of those professionals exempt from disclosing the names of patients or clients, and strike the last sentence excluding corporations and other business entities from that exemption.

Referral:
Sent to: _____ Date: _____
Recommendation: _____ Refer to: _____ Meeting Date: _____

Assembly Action:
Workshop Date(s): _____ Public Hearing Date(s): 7/24, 8/14, 8/28/12
Meeting Date(s): 7/10, 7/24, 8/14, 8/28/12 Tabled to Date: _____

An Ordinance of the Haines Borough repealing Ordinance 08-09-189 and amending Borough Code Title 2 to add Section 2.06.035 to establish a Local Financial Disclosure Requirement and Process and add applicable definitions to Title 2 Section 2.990.010.

BE IT ORDAINED BY THE ASSEMBLY OF THE HAINES BOROUGH, ALASKA:

Sec. 1. Classification. This ordinance is of a permanent nature and shall be codified into Haines Borough Code.

Sec. 2. Severability. If any provision of this ordinance or any application thereof to any person or circumstance is held to be invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.

Sec. 3. Effective Date. This ordinance shall become effective immediately upon voter approval to exempt the borough from the requirements of AS 39.50.

Sec. 4. Repeal and Reenactment: Ordinance 08-09-189 is hereby repealed in its entirety and Chapter 2.06 shall be amended to add the following Section 2.06.035:

2.06.035 Public Financial Disclosure

A. The borough assembly members, mayor, school board members, planning commissioners, and borough manager must annually file a financial disclosure statement listing each source of income over \$5,000, including business interests, real property interests, interests in trusts and retirement accounts exceeding \$5,000, natural resources leases, government contracts and leases, and loans, loan guarantees, and debts over \$5,000. The borough clerk shall provide the forms.

B. The annual financial disclosure statements must be filed by March 15 each year. A newly appointed official must file a financial disclosure statement within 30 days of taking office. Each candidate for elected borough office, except an incumbent seeking reelection with a current disclosure statement on file, must file a financial disclosure statement at the time the candidate files. Refusal or failure of a candidate to file the required financial disclosure statement before the end of the time period for filing a declaration of candidacy shall cause the candidate's declaration of candidacy to be rejected and the candidate disqualified. A person who fails to file a properly completed and certified financial disclosure statement within the time required by this section is subject to a civil penalty of \$10 a day for each day the delinquency continues. The penalty may be deducted from any payments due.

C. The disclosure must be true, correct and complete and shall be signed under oath or affirmation, or certified to be true under penalty of perjury. A person required to file a financial disclosure statement under this section who refuses or knowingly fails to disclose required information within the time required in this chapter, or who provides false or misleading information, knowing it to be false or misleading, is guilty of a violation and upon conviction is punishable by a fine of not less than \$100 nor more than \$1,000 notwithstanding HBC 1.24. A municipal officer or candidate for an office who refuses or fails to file a financial disclosure statement required under this section when due shall not hold office, and the person's name shall not be submitted to the assembly for appointment or reappointment, until the person complies. The person may not be confirmed, hired, or appointed, and the person forfeits and may not be paid any salary, per diem, or travel expenses, until

the person complies. If, after installation in office or beginning employment in the position, the person refuses or fails to file the required financial disclosure statement when due, the person is guilty of a violation and upon conviction is punishable by a fine of not less than \$100 nor more than \$1,000 notwithstanding HBC 1.24. Any citizen eligible to vote in Alaska may bring a civil action to enforce any of the sections of 2.06.035.

D. The disclosures shall be filed with the borough clerk and shall be open to public inspection and copying at the office of the borough clerk. The disclosures will not be sent to the Alaska Public Offices Commission and shall not be posted on the Haines Borough's website.

E. Each statement must be an accurate representation of the financial affairs of the filer and must contain the information specified in sections E (1-8) of this section for the filer, the filer's spouse or domestic partner, and the filer's dependent child.

(1) The source of income over \$5000 during the preceding calendar year, including taxable and nontaxable capital gains, received by the filer, the filer's spouse or domestic partner, and the filer's dependent child, except that a source of income that is a gift must be included if the value of the gift exceeds \$250;

(2) The identity, by name and address, of each business in which the filer, the filer's spouse or domestic partner, and the filer's dependent child had an interest or was a stockholder, owner, officer, director, partner, proprietor, or employee during the preceding calendar year, with the following exceptions:

a. Interest of less than \$5,000 in the stock of a publicly traded corporation need not be included, or

b. Notwithstanding other provisions of this chapter, health care providers, certified public accountants, stock brokers or financial advisors and attorneys are not required to disclose, as sources of income, the names of individual patients or clients who receive professional services. Covered individuals who are the spouses or domestic partners of health care providers, certified public accountants, stock brokers or financial advisors and attorneys are not required to disclose the names of their professional spouse's or domestic partner's individual patients or clients who receive professional service. This exemption shall not apply to the identity of any corporation or other business entity having a contract with the professional producing income of five thousand dollars (\$5,000.00) or more for services to its members or a defined group, nor to the identity of clients receiving services that do not fall within the covered individual's field of professional expertise;

(3) The identity and nature of each interest in real property in the Haines Borough, including an option to buy, owned at any time during the preceding calendar year by the filer, the filer's spouse or domestic partner, and the filer's dependent child;

(4) The identity of each trust or other fiduciary relation in which the filer, the filer's spouse or domestic partner, and the filer's dependent child held a beneficial interest exceeding \$5,000 during the preceding calendar year, a description and identification of the property contained in each trust or relation, and the nature and extent of the beneficial interest in it;

(5) A list of all mineral, timber, oil, or any other natural resource lease held in the Haines Borough, or lease offer made in the Haines Borough, during the preceding calendar year by the filer, the filer's spouse or domestic partner, and the filer's dependent child, a partnership or professional corporation of which the filer is a member, or a corporation in which the filer, the filer's spouse or domestic partner, and the filer's dependent child, or a combination of them, holds a controlling interest;

(6) A list of all contracts and offers to contract with the state of Alaska or with the Haines Borough (including the School District or other Haines Borough entity) during the preceding calendar year held, bid, or offered by the filer, the filer's spouse or domestic partner, and the filer's dependent child, a partnership or professional corporation of which the filer is a member, or a corporation in which the filer, the filer's spouse or domestic partner, and the filer's dependent child, or a combination of them, hold a controlling interest;

(7) Any loan or loan guarantee of more than \$5,000 made to the filer, the filer's spouse or domestic partner, and the filer's dependent child, and the identity of the maker of the loan or loan guarantor and the identity of each creditor to whom the filer, the filer's spouse or domestic partner, and the filer's dependent child owed more than \$5,000; this paragraph requires disclosure of a loan, loan guarantee, or indebtedness only if the loan or guarantee was made, on the indebtedness incurred, during the preceding calendar year, or if the amount still owing on the loan, loan guarantee, or indebtedness was more than \$5,000 at any time during the preceding calendar year.

Sec. 5. Amendment of Section 2.990.010. Section 2.990.010 of the Haines Borough Code is hereby amended to read as follows:

NOTE: **Bolded/UNDERLINED** ITEMS ARE TO BE ADDED

2.990.010 Definitions.

...

"Demotion" means the transfer of a person from a position in one class to a position in another class with a lower salary range.

"Dismissal" means separation of a person from the borough service for reasons other than resignation, retirement, or layoff.

"Domestic partner" means a person who is cohabiting with another person in a relationship that is like a marriage but that is not a legal marriage (AS 39.50.200 Definitions (4)).

"Electioneering" means any form of persuasion to attempt to affect the decision of any voter, including, but not limited to, campaign buttons, bumper stickers, posters, flyers, pennants, banners or by voice.

"Employee" means any person in the borough service who is paid a salary or wage by the borough regardless of the original source of the funds, other than an elected official.

"FLSA" means the Fair Labor Standards Act.

"Graveyard shift" means those hours worked between midnight through 8:00 a.m.

"Immediate family member" means spouse and any person related by blood or marriage within and including the second degree of kindred.

"Layoff" means an involuntary separation of an employee in the borough service because a position has been abolished, there are insufficient funds to pay the employee, or there is an insufficient amount of work for the employee to do.

"Manager" means the borough manager or designee.

"Pay plan" means a schedule of salaries which shall be established and amended by resolution and which covers all classes of positions in the borough service.

“Permanent status” means the status of a person who has satisfactorily completed the probationary period.

“Position” means an office or employment in the borough service composed of specific duties and requiring the full-time or part-time services of one person.

“Probationary period” means the in-service test period which follows an appointment and precedes permanent employment in a class.

“Promotion” means the change of a person from a position in one class to a position in another class with a higher salary range.

“Resignation” means termination of employment at the request of the person.

“Second degree of kindred” means father, mother, son, daughter, brother, sister, husband, wife, grandfather, grandmother, grandson, granddaughter, uncle and aunt and includes those relationships involving half or step relationships.

“Short list” means a list of at least three qualified candidates for employment.

“Source of income” means the entity for which service is performed or that is otherwise the origin of payment; if the person whose income is being reported is employed by another, the employer is the source of income; but if the person is self-employed by means of a sole proprietorship, partnership, professional corporation, or a corporation in which the person, the person’s spouse or domestic partner, and the person’s dependent child, or a combination of them, hold a controlling interest, the “source” is the client or customer of the proprietorship, partnership, or corporation, but, if the entity that is the origin of payment is not the same as the client or customer for whom the service is performed, both are considered the source.

...

ADOPTED BY A DULY CONSTITUTED QUORUM OF THE HAINES BOROUGH ASSEMBLY THIS _____ DAY OF _____, 2012.

Stephanie Scott, Mayor

ATTEST:

Julie Cozzi, MMC, Borough Clerk

Introduction: 07/10/12
First Public Hearing: 07/24/12
Second Public Hearing: 08/14/12
Third Public Hearing: 08/28/12

Possible additional amendments to Ordinance 12-07-296 prior to adoption on 8/28/12:

2.06.35(E)

(2) The identity, by name and address, of each business in which the filer, the filer's spouse or domestic partner, and the filer's dependent child had an interest or was a stockholder, owner, officer, director, partner, proprietor, or employee during the preceding calendar year, with the following exceptions:

a. Interest of less than \$5,000 in the stock of a publicly traded corporation need not be included, or

b. Notwithstanding other provisions of this chapter, health care providers, **real estate brokers**, certified public accountants, stock brokers or financial advisors and attorneys are not required to disclose, as sources of income, the names of individual patients or clients who receive professional services. Covered individuals who are the spouses or domestic partners of health care providers, **real estate brokers**, certified public accountants, stock brokers or financial advisors and attorneys are not required to disclose the names of their professional spouse's or domestic partner's individual patients or clients who receive professional service. ~~This exemption shall not apply to the identity of any corporation or other business entity having a contract with the professional producing income of five thousand dollars (\$5,000.00) or more for services to its members or a defined group, nor to the identity of clients receiving services that do not fall within the covered individual's field of professional expertise;~~



**Haines Borough
Assembly Agenda Bill**

Agenda Bill No.: 12-140

Assembly Meeting Date: 8/28/12

Business Item Description:

Subject:
Clarify Assembly Consent Agenda & Provide Option to
Include Resolutions

Originator:

Mayor Scott (Agenda Bill by Clerk's Office)

Originating Department:

Mayor's Office

Date Submitted:

7/10/12

Attachments:

1. Ordinance 12-07-298
2. Mock-up of how the assembly agendas might look if this ordinance is adopted

Full Title/Motion:

Motion: Adopt Ordinance 12-07-298.

Administrative Recommendation:

Fiscal Impact:

Expenditure Required

\$

Amount Budgeted

\$

Appropriation Required

\$

Comprehensive Plan Consistency Review:

Comp Plan Policy Nos.:

Consistent: Yes No

Summary Statement:

The 7/10 assembly agenda contained 10 resolutions and, most of them were adopted with no public comment or assembly discussion. This has often been the case during other meetings, as well. Having the option of placing resolutions on a consent agenda would help to shorten the meetings. The clerk offered to draft an ordinance that would provide that option. The draft also includes the requirement to give assembly members and other interested persons an opportunity to request removal of any item from a consent agenda prior to approval of the agenda. If an item is removed, it is then placed under the appropriate regular agenda item for assembly consideration. This is very similar to the way the City and Borough of Juneau handles their assembly consent agendas. It provides a means for efficiency while protecting the public process. This ordinance was introduced on 7/24/12. The clerk has prepared a mock-up of how the agendas might look.

Referral:

Sent to:

Date:

Recommendation:

Refer to:

Meeting Date:

Assembly Action:

Workshop Date(s):

Public Hearing Date(s): 8/14, 8/28/12

Meeting Date(s): 7/24, 8/14, 8/28/12

Tabled to Date:

An Ordinance of the Haines Borough Assembly amending Haines Borough Code Title 2, Sections 2.10.030, 2.10.200, and 2.12.110 to clarify the borough assembly consent agenda and to provide the option of including resolutions.

BE IT ENACTED BY THE HAINES BOROUGH ASSEMBLY:

Section 1. Classification. Sections 4 through 10 of this ordinance are of a general and permanent nature and the adopted amendment shall become a part of the Haines Borough Code.

Section 2. Severability. If any provision of this ordinance or any application thereof to any person or circumstance is held to be invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.

Section 3. Effective Date. This ordinance is effective upon adoption.

Section 4. Amendment of Section 2.10.030 Section 2.10.030 of the Haines Borough Code is hereby amended to read as follows:

NOTE: **BOLDED/UNDERLINED ITEMS ARE ADDED**

2.10.030 Agenda.

A. Regular and Special Assembly Meetings. All reports, communications, ordinances, resolutions, contract documents, or other matters to be submitted to the assembly shall be delivered to the clerk by the deadlines stipulated in the current assembly-approved agenda preparation schedule. The mayor, with assistance from the clerk, shall arrange a list of such matters according to the order of business and the clerk shall furnish each member of the assembly, the mayor, manager and chief fiscal officer with a copy of the same in packet form five calendar days in advance of the assembly meeting. Packets may also be prepared as necessary for other officers, department heads, and members of the press or other interested parties.

B. Work Sessions. Any matter to be considered by the assembly in work sessions shall be listed in agenda form by the clerk and be given to the assembly at least 48 hours prior to said work session. Any written material for the assembly's use during the work session shall be furnished by the clerk to the assembly, mayor and manager and any other interested officer, department head or person as directed by the mayor. Reasonable public notice for work sessions of the assembly shall be given.

C. Consent Agenda. The following may be included under a consent agenda:

1. Ordinances for introduction;

2. Resolutions; and

3. Other items requiring assembly action which do not involve substantial public policy questions.

Included with the agenda shall be such supplemental information as may be necessary to explain each item on the consent agenda and shall include a specific recommendation for assembly action on each item. Prior to approval of the consent agenda, members of the assembly and other interested persons shall be provided an opportunity to request removal of an item from the consent agenda. If an item is removed, it shall be placed under the appropriate regular agenda item for assembly consideration. Upon adoption of a motion to approve the consent agenda, all consent agenda items are adopted, and minutes of the meeting shall reflect the action taken on each item.

Section 5. Amendment of Section 2.10.200 Section 2.10.200 of the Haines Borough Code is hereby amended to read as follows:

NOTE: **BOLDED/UNDERLINED ITEMS ARE ADDED**; STRIKETHROUGH ITEMS ARE DELETED

2.10.200 Quorum – Voting.

A. Four assembly members constitute a quorum. Four affirmative votes, by either four assembly members or three assembly members on a tie vote, plus the vote of the mayor, are required for the passage of an ordinance, resolution, or motion, excepting the provisions for filling of vacancy and emergency ordinances provided for in this title.

B. **Except when adopted as part of a consent agenda,** ~~t~~The final vote on each ordinance, resolution, or substantive motion is a recorded roll call vote. All assembly members present shall vote unless the presiding officer, for special reasons, permits a member to abstain. (See HBC 2.10.190(C).) A member of the assembly is considered present for the purposes of a quorum if the member is disqualified from voting or is allowed to abstain by law. Attendance at regular and special assembly meetings by long-distance teleconferencing may be utilized to establish a quorum for voting or to allow attendance by an absent assembly member at the member's request, providing:

1. The assembly members meeting in-person approve the attendance by members who participate by long-distance teleconference; and

2. Costs of long-distance teleconference are borne by assembly member.

Assembly members participating by long-distance teleconferencing shall be considered present and shall have all rights and privileges of any other member.

Section 6. Amendment of Section 2.12.110 Section 2.12.110 of the Haines Borough Code is hereby amended to read as follows:

NOTE: **BOLDED/UNDERLINED ITEMS ARE ADDED**; STRIKETHROUGH ITEMS ARE DELETED

2.12.110 Resolutions —~~Reading~~—~~Hearing~~—~~Final passage~~—~~Posting~~.

A. Every resolution shall be introduced in writing and shall be noticed with the posted agenda.

B. ~~On any vote for passage of the resolution, all persons interested who appear shall be given~~ **A resolution may appear on a consent agenda provided assembly members and other interested persons may request removal from the consent agenda and thereby be provided** an opportunity to be heard. After such hearing, the assembly may finally pass such resolution with or without amendments. First hearing of any resolution shall be final and no further passage shall be required.

C. After final passage, every resolution shall be posted in full on the borough website and a printed reference copy shall be permanently maintained in the clerk's office. Every resolution, unless it shall specify a later date, shall become effective following final passage, or, if the resolution be submitted at a referendum election when state law or Borough Charter so requires, then upon a favorable vote of the requisite number of those voting thereon.

ADOPTED BY A DULY CONSTITUTED QUORUM OF THE HAINES BOROUGH ASSEMBLY THIS ____ DAY OF _____, 2012.

ATTEST:

Stephanie Scott, Mayor

Julie Cozzi, MMC, Borough Clerk

Date Introduced: 07/24/12
Date of First Public Hearing: 08/14/12
Date of Second Public Hearing: 08/28/12

Agenda Mock-up

September 25, 2012 - 6:30 p.m.

Location: Assembly Chambers, Public Safety Bldg.

Stephanie Scott,
Mayor

Daymond Hoffman,
Seat A
Assembly Member

Steve Vick,
Seat B
Assembly Member

Debra Schnabel,
Seat C
Assembly Member

Joanne Waterman,
Seat D
Assembly Member

Norman Smith,
Seat E
Assembly Member

Jerry Lapp,
Seat F
Assembly Member

Mark Earnest
Borough Manager

Julie Cozzi,
Borough Clerk

1. CALL TO ORDER/PLEDGE TO THE FLAG

2. ROLL CALL

3. APPROVAL OF AGENDA & CONSENT AGENDA

[Consent Agenda items will be enacted by the motion to approve the agenda. There will be no separate discussion of these items unless an assembly member or other person so requests, in which event the item will be removed from the Consent Agenda and placed under the appropriate regular agenda item for assembly consideration.]

[Clerk's Note for this mock-up: prior to approving the agenda/consent agenda, the mayor would ask if any member of the assembly or other persons present wish to remove an item from the Consent Agenda.]

4. CONSENT AGENDA

A. Approval of Minutes

1. September 11, 2012 Regular Meeting

B. Staff/Facility Reports

1. Museum Staff Report of July 2012
2. Chilkat Center Facility Report of August 2012

C. Committee/Commission/Board Reports & Minutes

1. Commerce Committee – *Written Report of September X Meeting*
2. Planning Commission – *Minutes of August 9, 2012 Meeting*
3. Tourism Advisory Board – *Minutes of August 9, 2012 Meeting*

D. Ordinances for Introduction

1. Ordinance 12-09-XXX

An ordinance of the Haines Borough Assembly xxxxxx.

This is recommended by xxxxxx. Motion: Introduce Ordinance 12-09-XXX and set a first public hearing for October 9, 2012.

2. Ordinance 12-09-XXX

An ordinance of the Haines Borough Assembly xxxxxx.

This is recommended by xxx. Motion: Introduce Ordinance 12-09-XXX and set a first public hearing for October 9, 2012.

E. Resolutions

1. Resolution 12-07-384

A Resolution of the Haines Borough Assembly authorizing the Borough Manager to execute a purchase order with xxxxxx to purchase a Caterpillar 160H grader for an amount not to exceed \$xxxx.

This is recommended by xxxxxxxx. Motion: Adopt Resolution 12-07-384.

2. Resolution 12-09-XXX

A Resolution of the Haines Borough Assembly xxxxxxxx.

This is recommended xxxxx. Motion: Adopt Resolution 12-09-XXX.

F. Other Business

[Clerk's Note for this mock-up: These are other items requiring assembly action which are not anticipated to involve substantial public policy questions, such as board appointments, liquor license renewals, correspondence/requests, etc.]

1. XXXXXXXX

This will xxxxxx and is recommended by xxxxx. Xxxxx. Motion: xxxxxxxx.

2. XXXXXXXX

This will xxxxxx and is recommended by xxxxx. Xxxxx. Motion: xxxxxxxx.

Agenda Mock-up

5. **PUBLIC COMMENTS** [Any topics not scheduled for public hearing]
6. **MAYOR'S COMMENTS/REPORT**
7. **PUBLIC HEARINGS**
 - A. **New Commercial Tour** – xxxxxxxxxx
xxxxxxxxxxxxxxxxxxxx.
xxxxxxx. **Suggested motion**: Approve the xxxx tour.
 - B. **Ordinance 12-08-301** – Second Hearing
An Ordinance of the Haines Borough Assembly adopting a major update of the Haines Borough Comprehensive Plan pursuant to Haines Borough Charter and Alaska Statute requirements.
xxxxxxx. **Suggested motion**: Adopt Ordinance 12-08-301.
8. **STAFF/FACILITY REPORTS**
 - A. **Borough Manager** – *9/25 Report*
9. **COMMITTEE/COMMISSION/BOARD REPORTS & MINUTES**
 - A. **Finance Committee** – *Oral Report of September X Meeting*
 - B. **Port Development Steering Committee** – *Oral Presentation*
10. **UNFINISHED BUSINESS** - None
11. **NEW BUSINESS**
 - A. **Resolutions**

[Clerk's Note for this mock-up: resolutions starting out here rather than the Consent Agenda would be topics known to or likely to involve substantial policy questions]

 1. **Resolution 12-09-XXX**
A Resolution of the Haines Borough Assembly xxxxxxxx.
xxxxxxx. **Suggested motion**: Adopt Resolution 12-09-3xx.
 2. **Resolution 12-09-3XX**
A Resolution of the Haines Borough Assembly xxxxxxxx.
xxxxxxx xxxxxx. **Suggested motion**: Adopt Resolution 12-09-3xx.
 - B. **Ordinances for Introduction**

[Clerk's Note for this mock-up: ordinances for introduction starting out here rather than the Consent Agenda would be topics known to or likely to involve substantial policy questions]

 1. **Ordinance 12-09-3XX**
An Ordinance of the Haines Borough Assembly xxxxxxxx.
xxxxxxx. **Suggested motion**: Introduce Ordinance 12-09-3xx and set a first public hearing for 9/25/12.
 2. **Ordinance 12-09-3XX**
An Ordinance of the Haines Borough Assembly xxxxxxxx.
xxxxxxx. **Suggested motion**: Introduce Ordinance 12-09-xxx and set a first public hearing for 9/25/12.
 - C. **Other New Business**

[Clerk's Note for this mock-up: other new business items starting out here rather than the Consent Agenda would be topics known to or likely to involve substantial policy questions]
12. **CORRESPONDENCE/REQUESTS**
13. **SET MEETING DATES**
14. **PUBLIC COMMENTS**
15. **ANNOUNCEMENTS/ASSEMBLY COMMENTS**
16. **ADJOURNMENT**



Agenda Bill No.: 12-115

Assembly Meeting Date: 8/28/12

Business Item Description:	Attachments:
Subject: Lutak Dock Land Sale to ADOT&PF	1. Ordinance 12-07-299 - current draft 2. 7/27/12 ADOT email re. timeframe 3. ADOT Letters offering to purchase
Originator: Borough Manager (Agenda Bill by Clerks Office)	
Originating Department: Administration	
Date Submitted: 6/18/12	

Full Title/Motion:

Motion: Postpone Ordinance 12-07-299 until the negotiations with ADOT are concluded.

Administrative Recommendation:

Fiscal Impact:

Expenditure Required	Amount Budgeted	Appropriation Required
\$	\$	\$

Comprehensive Plan Consistency Review:

Comp Plan Policy Nos. : Consistent: Yes No

Summary Statement:

The ADOT&PF has made an offer for a portion of the Lutak Dock owned by the borough (Parcel Nos. 3, E-4, & TCE-4). This Borough property is needed for the Haines Ferry Terminal Improvements project. A brief project description and explanation for the requested property is provided in the Offer Letter. The ADOT&PF requested fee simple interest in Parcel 3 (Tract C), a permanent slope easement for Parcel E-4 (Tract A), and a temporary construction easement for Parcel TCE-4. The Planning Commission reviewed this on 7/12/12 and classified Parcels 3 & E-4 for sale and recommends the assembly approve the easement requests. HBC 14.20.100 gives the assembly authority to approve by ordinance a negotiated sale of borough land. Negotiations are ongoing, so the ordinance is not yet ready for adoption. The manager requests postponement until the negotiations are concluded. (This ordinance was introduced on 7/24/12.)

Referral:

Sent to: Planning Commission Date: 6/26/12
 Recommendation: Approve Refer to: Meeting Date: 7/12/12

Assembly Action:

Workshop Date(s): Public Hearing Date(s): 7/31, 8/28/12
 Meeting Date(s): 6/26, 7/24, 7/31, 8/28/12 Tabled to Date:

An Ordinance of the Haines Borough Assembly approving the sale to the State of Alaska, Department of Transportation and Public Facilities ("ADOT&PF") of Parcel 3, Parcel E-4 and Parcel TCE-4 as described and identified by ADOT&PF for the Haines Ferry Terminal Improvements project (state project #68433).

BE IT ENACTED BY THE HAINES BOROUGH ASSEMBLY:

Section 1. Classification. This ordinance is for the specific purpose of approving a sale of three specific parcels of land to ADOT&PF and shall not become a part of the Haines Borough Code of Ordinances.

Section 2. Severability. If any provision of this ordinance or any application thereof to any person or circumstance is held to be invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.

Section 3. Effective Date. This ordinance is effective immediately upon adoption.

Section 4. Purpose. This ordinance authorizes the manager to conclude arrangements for the sale of the parcels identified and described in the attached Memorandum of Agreement and conveyance documents for Parcel 3, Parcel E-4 and Parcel TCE-4, upon the terms and conditions described in the Memorandum of Agreement.

Section 5. Authority. This ordinance is adopted under the authority granted the Assembly by HBC 14.20.100 to approve the sale of borough land by negotiation.

Section 6. Approval. The attached Memorandum of Agreement between ADOT&PF and the Haines Borough for the sale of Parcel 3, Parcel E-4 and Parcel TCE-4 by the borough to ADOT&PF for \$302,000 is hereby approved, provided that in accordance with HBC 14.20.100(D), all costs such as but not limited to surveying, platting, appraisal, escrow, and recording fees associated with this negotiated sale shall be paid by ADOT&PF. The manager and mayor are hereby authorized to take all such steps as may be necessary to finalize and sign the Memorandum of Agreement and conveyance documents on behalf of the Haines Borough.

Adopted by a duly-constituted quorum of the Haines Borough Assembly on the ____ day of _____, 2012.

ATTEST:

Stephanie Scott, Mayor

Julie Cozzi, MMC, Borough Clerk

Date Introduced: 07/24/12
Date of First Public Hearing: 07/31/12
Date of Second Public Hearing: 08/28/12



STATE OF ALASKA
 DEPARTMENT OF TRANSPORTATION
 AND PUBLIC FACILITIES
 P.O. BOX 112500 - JUNEAU, ALASKA 99811-2500

WARRANT DATE: _____
 WARRANT NO.: _____
 WARRANT REC'D: _____

PURCHASE VOUCHER

PAYEE MUST SIGN THE CERTIFICATION BELOW AND RETURN THIS VOUCHER TO THE DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES BEFORE PAYMENT CAN BE MADE.

NAME OF PAYEE: HAINES BOROUGH
 ADDRESS OF PAYEE: PO BOX 1209, Haines, Alaska 99827
 TELEPHONE NO.: (907) 766-2231

Date of Agreement	Project Number 68433 FB-NH-095-5(14)	Parcel Number 3; E-4; & TCE-4	Type of Document Warranty Deed; Easement; TCE	Amount
	RIGHT OF WAY ACQUISITION			
	Parcel 3			\$194,560.32
	Parcel E-4			47,116.60
	Parcel TCE-4			60,323.08
GRAND TOTAL (LESS DEDUCTIONS)				\$302,000.00

PAYEE'S CERTIFICATION: I certify that the above bill is correct and just and that payment therefore has not been received:

 Print Name
 (HAINES BOROUGH)

 SIGNATURES MUST BE IN INK OR INDELEBIL PENCIL

APPROVED BY: _____
 RIGHT -OF -WAY (NEGOTIATOR)

ACCOUNTS TO BE CHARGED

ACCOUNT CODE	DEBIT	CREDIT	AMOUNT
24433744 57371 30284032 75150			\$302,000.00
I certify that the above services were performed or expenses incurred as stated; that they were necessary and proper; that the amounts claimed are just and reasonable; that no part thereof has been paid.	GRAND TOTAL (NET)		\$302,000.00

PREPARED BY:	APPROVED FOR PAYMENT
R. Preston	
CHECKED BY:	REGIONALCHIEF RIGHT-OF-WAY AGENT



STATE OF ALASKA
DEPARTMENT OF TRANSPORTATION
AND PUBLIC FACILITIES
MEMORANDUM OF AGREEMENT

PROJECT NAME: HAINES FERRY TERMINAL
IMPROVEMENTS
STATE PROJECT #: 68433
FEDERAL-AID PROJECT #: FB-NH-095-5(14)
PARCEL #: 3, E-4; AND TCE-4

AGREEMENT has been reached this _____ day of _____, 2012, between the owner or owners of the below designated parcel or parcels and the DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES, for the purchase of said parcels. The amount to be paid, and other considerations to be given in full satisfaction of this Agreement, are as follows:

Right-of-Way Acquisition:	\$	<u>302,000.00</u>	
Retention Value	\$		
		Total Compensation	\$ <u>302,000.00</u>
Fixtures and improvements purchased:	\$		
Land purchased: Parcel 3: 16,187 sq. ft. Parcel E-4: 3,920 sq. ft.			
		TCE-4: 25,700 sq. ft.	
Damages are a considerations: <input type="checkbox"/> yes <input checked="" type="checkbox"/> no Amount of Damages \$ _____ included in total compensation			
Other Conditions: _____			

1. Taxes and Special Assessments, if any, delinquent from former years, and Taxes and Special Assessments for the current year, if due and/or payable, shall be paid by the vendor or vendors.
2. This Memorandum embodies the whole Agreement between the parties hereto as it pertains to the real estate, and there are no promises, terms, conditions or obligations referring to the subject matter hereof, other than as contained herein.
3. The vendor or vendors hereby agree that the compensation herein provided to be paid includes full compensation for their interest and the interests of their life tenants, remaindermen, reversioners, liens and lessees, and any and all other legal and equitable interest that are or may be outstanding and said vendor or vendors agree to discharge the same.
4. THIS AGREEMENT shall be deemed a CONTRACT extending to and binding upon the parties hereto and upon the respective heirs, devisees, executors, administrators, legal representative, successors and assigns of the parties, only when the same shall have been approved by the Regional Chief Right-of-Way Agent on behalf of the Department.

Of the total amount of compensation hereinabove agreed upon, the sum of \$302,000.00 shall be paid upon execution and delivery of a good and sufficient: Warranty Deed Easement, and Temporary Const. Easement or Other, and the balance of the compensation, amounting to \$ n/a shall be paid upon compliance by the vendor or vendors with the terms hereof.

Disbursement of funds will be made in the following manner:

Vendor or Vendors	Amount of Payment
HAINES BOROUGH	\$302,000.00

The Vendor or Vendors certify that there are no known hazardous materials on the property.
The terms of this Agreement are understood and assented to by us and payment is to be made in accordance with the above. The Vendor occupants will be allowed a thirty-day rent-free period after receipt of the warrant and legal occupants will not be required to vacate the premises without at least ninety days written notice.

DEPARTMENT OF TRANSPORTATION & PUBLIC FACILITIES Vendor and Vendors

DESIGN PROJECT MANAGER _____ Date _____
Note: Regional Pre-Construction Engineer or Designee must sign when construction consideration is involved

MARK EARNEST Date: _____
BOROUGH MANAGER

BY: _____ Date _____
Right-of-Way Agent

APPROVED FOR PAYMENT AS ABOVE

REGIONAL CHIEF RIGHT-OF-WAY AGENT _____ Date _____
Region:



STATE OF ALASKA
DEPARTMENT OF TRANSPORTATION
AND PUBLIC FACILITIES

**REVIEW APPRAISER'S DETERMINATION OF
JUST COMPENSATION**

Original

PROJECT NAME: HAINES FERRY TERMINAL
IMPROVEMENTS

STATE PROJECT #: 68433

FEDERAL-AID PROJECT #FB-NH-095-5(14)

PARCELS 3, 4 AND TCE 4

Owner: **City and Borough of Haines**

The following appraisals were reviewed and approved, using Department and nationally-recognized appraisal standards:

Appraiser: Charles Horan

Date of Appraisal: 2/7/2012

Reviewer: L. Bruce Bowler Approved

This Determination was prepared in conformity with 49 CFR 24, the Uniform Standards of Professional Appraisal Practice and Chapter 5 of DOT&PF's Appraisal Guidelines. The data and statements of fact presented in the appraisal have not been verified by this office, and are assumed to be true and correct. All of the assumptions and limiting conditions contained in the appraisal report are also conditions of this review, unless otherwise stated. My Determination is the result of my independent, personal, unbiased professional analysis, opinions, and conclusions, based upon a technical review of the appraisal and other relevant factual data, without significant professional assistance or direction. My compensation is not contingent on the results of this review or the reporting of any predetermined result. I will not benefit in any manner from the acquisition of the property being appraised. I have no direct, indirect, present, or prospective personal interest or bias toward this property or to the parties involved.

I attempted to make a physical inspection of the subject and comparables, but weather prevented it. I am familiar with the property and the area from previous appraisals.

Just Compensation for the property to be acquired is:

\$ 302,000.00 (rd)

Parcel 3 Land: 16,187 SF @\$12/SF	\$ 194,244.00
Parcel 4 Slope Easement: 3,920 SF @ \$12/SF	\$ 47,040.00
TCE-4	\$ 60,225.00
No damages or improvements were noted	
TOTAL	\$ 301,509.00

This determination is based on Mr. Horan's appraisal, which meets existing department and Uniform Act appraisal standards. The reports' analyses, opinions and conclusions appear to be appropriate and reasonable given the data and analyses presented. The land value was rounded in the City's favor.

It is understood that this Determination of Just Compensation is to be used in conjunction with a Federal-Aid or State project, and is intended for use only by the Alaska Department of Transportation and Public Facilities. To the best of my knowledge, items compensable under State Law but not eligible for Federal reimbursement, if any, are attached on a separate sheet.

Federal Participation: \$302,000.00

State Funds: n/a

Date: March 16, 2012

Review Appraiser, AK Certification # 0022

From: Preston, Ray C (DOT) [<mailto:ray.preston@alaska.gov>]

Sent: Friday, July 27, 2012 12:20 PM

To: Mark Earnest

Cc: Murphy, Robert B (DOT); Correa, Charles W (DOT); Howard, Chad J (DOT); Miller, Kirk D (DOT)

Subject: Haines Ferry Terminal Project

Mark,

This message follows our teleconference earlier today concerning this department's project to improve the Haines ferry terminal. This is to confirm that a decision has been made to push back the timetable that had been established for the project. Our goal had been to be able to certify the project before the end of the current federal fiscal year. However, it began to appear that too many things would have to come together in order for us to meet that goal. If any one of those things did not happen in a timely fashion, we would not make the deadline.

One of the considerations was the timing of our negotiations with the borough. That is something that should be a deliberative process with neither party being unduly squeezed for time.

However, the project is still very much a priority with us. We still intend to proceed with the project with all due speed. We intend to advertise the project before the end of the calendar year.

Again we thank you and others involved with the borough for your cooperation and your support of the project. We look forward to hearing from you as soon as you are ready. It is my understanding that you expect a report from Mr. Wold by August 7.

Ray Preston



THE STATE
of **ALASKA**
GOVERNOR SEAN PARNELL

Department of Transportation
and Public Facilities

SOUTHEAST REGION
Director's Office

6860 Glacier Highway
PO Box 112506
Juneau, Alaska 99811-2506
Main: 907.465.1763
Toll free: 877.305.6630
Fax: 907.465.2016

July 20, 2012

Mr. M. Earnest
Haines Borough Manager
PO Box 1209
Haines, AK 99827

Dear Mr. Earnest,

I am writing in reference to the Department of Transportation and Public Facilities' proposed improvements to the Haines ferry terminal and our need to acquire certain property rights from the Haines Borough for the proposed project. We are doing our best to complete all preliminary matters to include this project in this fiscal year's budget. In order to complete our required property ownership certifications, we must hold all necessary property rights by August 25, 2012. We are concerned about the time that will be necessary to secure approval from the Borough Assembly. If we do not meet that deadline, the proposed project cannot be included in the list of funded projects for this fiscal year. We really do not want this to happen, as it is certainly possible to have this beneficial project funded in a timely manner.

My staff informs me that you expressed an interest in a materials site located just north of the Haines ferry terminal. I understand you inquired about obtaining rights to this materials site in exchange for, or as part of, the transaction for the necessary ferry terminal property. Alaska statutes only allow the department to dispose of rights in land that are in excess of its needs. The subject materials site must be used by the department as part of the proposed project; therefore, the parcel will not be excess to the department's needs at least until the completion of the Haines ferry terminal improvements. We would gladly consider a written request for the department to dispose of its rights in the materials site, but not in the context of acquiring necessary property for a proposed project.

I thank you for your continued cooperation and support regarding the proposed project, and I truly hope that we can complete any necessary transaction prior to the department's August 25, 2012 deadline.

Sincerely,


for Albert H Clough, CPG
Regional Director

STATE OF ALASKA

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

SOUTHEAST REGION DESIGN & ENGINEERING SERVICES
PRECONSTRUCTION

SEAN PARNELL, GOVERNOR

6860 GLACIER HIGHWAY
PO Box 112506
JUNEAU, AK 99811-2506

PHONE: (907) 465-4444
TTY/TDD: (907) 465-4647
FAX: (907) 465-4414

May 24, 2012

Mr. Mark Earnest
Borough Manager
Haines Borough
P.O. BOX 1209
Haines, Alaska 99827

LETTER OF OFFER

Re: Haines Ferry Terminal Improvements
Project No. 68433
FHWA No. FB-NH-095-5(14)
Parcel Nos. 3; E-4, and TCE-4

Dear Mr. Earnest,

The Department of Transportation and Public Facilities (the department) has plans to improve the Haines Ferry Terminal. Among other things, the department plans to remove four deteriorated sheet pile cells, and replace them with a new fill slope covered with armor rock. In the process, approximately 49,000 cubic yards of material will be removed and disposed of in a new area of expansion, primarily in an area identified as Parcel 2 shown on the enclosed drawing.

The project requires the acquisition of a parcel of land owned by the borough known as Tract C of A.T.S. 1464. A copy of A.T.S. 1464 also accompanies this letter. For purposes of the project, Tract C has also been identified as Parcel 3. Parcel 3 consists of 16,187 sq. ft. The project will also include a concrete retaining wall on the north side of the terminal building in an area identified on the enclosed drawing as E-4. The retaining wall requires the acquisition of a permanent easement which has been designated as Parcel E-4. Parcel E-4 consists of .09 acre. Parcel E-4 is shown both on the enclosed overall drawing and on a special drawing for the easement which is attached to the enclosed easement conveyance for Parcel E-4. The improvements to the terminal will also require the acquisition of a Temporary Construction Easement (TCE-4) consisting of .59 acres or 25,700 sq. ft. TCE-4 is shown on a drawing attached to an enclosed Temporary Construction Easement form. Parcels E-4, and Parcel TCE-4 are areas also owned by the Haines Borough. They are part of Tract A of A.T.S. 1464.

The department is duty bound to pay just compensation for all property rights which must be acquired for its construction projects. Accordingly, the department engaged a private

appraiser, Horan and Company of Sitka to appraise the value of the property rights that must be acquired from the Haines Borough. Mr. Horan did perform an appraisal and a copy of his appraisal is enclosed with this letter. Mr. Horan opined that the several property rights involved have a fair market value as follows:

Parcel 3: a fee simple interest in 16,187 sq. ft.:	\$194,244
Parcel E-4: a permanent 3,920 sq. ft. slope easement:	47,040
Parcel TCE-4: a 25,701 sq. ft. temporary construction easement:	<u>60,225</u>
Total:	\$301,509

Mr. Horan's appraisal has been reviewed and approved by one of the department's review appraiser's, Mr. Bruce Bowler. Mr. Bowler also made a determination of just compensation and rounded the total amount to **\$302,000**.

The department hereby offers to purchase all of these rights, and each of them for a total of **\$302,000**.

Assuming that this amount is acceptable to the borough, I have prepared the necessary documents by which the property rights would be conveyed. Enclosed is a warranty deed for Parcel 3 (Tract C), a permanent easement conveyance for Parcel E-4, and a temporary construction easement for Parcel TCE-4. Also enclosed is a Memorandum of Agreement, a Purchase Voucher, and a W-9 form.

Finally, as this process moves forward we would like to clarify or re-establish the department's ownership interest in Tract B of A.T.S. 1464.

If you have any questions or concerns about this offer, please call me at 465-4519. I thank you for your consideration.

Ray C. Preston



Right of Way Agent

enclosures



**Haines Borough
Assembly Agenda Bill**

Agenda Bill No.: 12-134
Assembly Meeting Date: 8/28/12

Business Item Description:	Attachments:
Subject: FY13 budget amendment Ordinance #2	1. Ordinance 12-07-300
Originator: Mayor Scott (Agenda Bill by Clerk's Office)	
Originating Department: Mayor's Office	
Date Submitted: 7/16/12	

Full Title/Motion:
<u>Motion:</u> Adopt Ordinance 12-07-300.

Administrative Recommendation:

Fiscal Impact:		
Expenditure Required	Amount Budgeted	Appropriation Required
\$ see ordinance draft	\$	\$ see ordinance draft

Comprehensive Plan Consistency Review:	
Comp Plan Policy Nos.:	Consistent: <input type="checkbox"/> Yes <input type="checkbox"/> No

Summary Statement:
<p>The mayor requests consideration of a \$15K supplemental appropriation to Southeast Senior Services to restore the Haines senior meals program to 4-days-per-week for FY13. Funds would come from the unexpected Payment in Lieu of Taxes revenue. This is a temporary measure, so it is understood to be a one-time appropriation while the parties work to develop something more sustainable.</p> <p>On 8/14, the assembly amended the ordinance to add the following, as recommended by the borough manager:</p> <ol style="list-style-type: none"> 1. Appropriate/reappropriate funds for Chilkat Center roof repair/replacement 2. Appropriate/reappropriate funds for Sunshine/Piedad water system upgrade.

Referral:	
Sent to: Finance Committee	Date:
Recommendation: Adopt	Refer to: Meeting Date: 7/31/12

Assembly Action:	
Workshop Date(s):	Public Hearing Date(s): 8/14, 8/28/12
Meeting Date(s): 7/24, 8/14, 8/28/12	Tabled to Date:

AN ORDINANCE OF THE HAINES BOROUGH, PROVIDING FOR THE ADDITION OR AMENDMENT OF SPECIFIC LINE ITEMS TO THE FY13 BUDGET.

BE IT ENACTED BY THE HAINES BOROUGH ASSEMBLY:

Section 1. Classification. This ordinance is not of a general and permanent nature and shall not become a part of the Haines Borough Code of Ordinances.

Section 2. Effective Date. This ordinance shall become effective immediately upon adoption.

Section 3. Appropriation. This appropriation is hereby authorized as part of the budget for the fiscal year July 1, 2012 through June 30, 2013.

Section 4. Purpose. To provide for the addition or amendment of specific line items to the FY13 budget as follows:

(1) To appropriate an additional \$15,000 of areawide general funds to Southeast Senior Services to restore the senior meal program to 4 days a week.				
		Current FY13 Budget	Proposed FY13 Budget	Fund Balance Increase / (Decrease)*
01-01-11-7710	Assembly Appropriations (Southeast Senior Services)	\$6,600	\$21,600	(\$15,000)
(2) To appropriate \$100,000 of areawide general funds for roofing replacement and repairs for the Chilkat Center for the Arts and to re-appropriate \$50,000 of Capital Improvement Project (CIP) funds which were appropriated in FY12 for Chilkat Center roof engineering. This amendment would create a total project budget of \$150,000 with \$100,000 coming from the areawide general fund and \$50,000 coming from the CIP fund.				
		Current FY13 Budget	Proposed FY13 Budget	Fund Balance Increase / (Decrease)*
01-98-00-8200	Operating Transfer - from General Fund (Chilkat Center Roof)	\$0	\$100,000	(\$100,000)
50-98-00-8200	Operating Transfer – Into CIP Fund	\$0	\$100,000	\$100,000
50-01-00-7392	Project Expenditures – Chilkat Center Engineering	\$50,000	\$0	\$50,000
50-01-00-7392	Project Expenditures – Chilkat Center Roof Replacement & Repair	\$0	\$150,000	(\$150,000)
Additional Appropriation for Chilkat Center Repairs				(\$100,000)
(3) To appropriate \$20,000 of water enterprise funds for Sunshine and Piedad Road 2012 water system upgrades and to re-appropriate \$45,000 of CIP funds which were appropriated in FY13 for Water Plant Upgrades. This amendment would create a total project budget of \$65,000 with \$20,000 coming from the water enterprise fund and \$45,000 from the CIP fund.				
		Current FY13 Budget	Proposed FY13 Budget	Fund Balance Increase / (Decrease)*
90-01-00-7371	Maintenance & Repairs	\$17,000	\$82,000	(\$65,000)
50-01-00-7392	Water Plant Upgrades	\$45,000	\$0	\$45,000
50-98-00-8257	Operating Transfer out from CIP	\$0	\$45,000	(\$45,000)
90-98-00-8257	Operating Transfer in to Water Fund	\$0	\$45,000	\$45,000
Additional Appropriation for Water Utility Improvements				(\$20,000)

* A positive amount in this column is favorable. A negative amount is unfavorable.

Haines Borough
Ordinance No. 12-07-300
Page 2 of 2

Adopted by a duly-constituted quorum of the Haines Borough Assembly on the ____ day of _____, 2012.

ATTEST:

Stephanie Scott, Mayor

Julie Cozzi, MMC, Borough Clerk

Date Introduced: 07/24/12
Date of First Public Hearing: 08/14/12
Date of Second Public Hearing: 08/28/12



**Haines Borough
Assembly Agenda Bill**

Agenda Bill No.: 12-141

Assembly Meeting Date: 8/28/12

Business Item Description:		Attachments:
Subject: Adopt Updated Haines Borough Comprehensive Plan	Originator: Planning Commission (Agenda Bill by Clerk's Office)	1. Ordinance 12-08-301 2. Public Comment re. Lynn Canal Road - J.Wenner (Note: The draft plan is very large. Rather than being attached to this agenda bill, it is available on the borough's website, www.hainesalaska.gov, or it may be requested from the borough clerk's office in hard copy or CD form.)
Originating Department: Planning & Zoning	Date Submitted: 7/23/12	

Full Title/Motion:
Motion: Advance Ordinance 12-08-301 to a second public hearing on 9/11/12.

Administrative Recommendation:

Fiscal Impact:		
Expenditure Required	Amount Budgeted	Appropriation Required
\$	\$	\$ 0

Comprehensive Plan Consistency Review:
Comp Plan Policy Nos. : Consistent: Yes No

Summary Statement:
The borough is mandated by AS 29.40.030 and Borough Charter 8.04 to have a comprehensive plan adopted and implemented by the assembly, which shall be presented to the assembly by the planning commission for adoption by ordinance. Title 29 requires that the assembly shall, after receiving the recommendations of the planning commission, periodically undertake an overall review of the comprehensive plan and update the plan as necessary. The existing Plan was adopted on 5/5/04, and on 2/8/11, the assembly determined an update of the Plan to be one of its top priorities and appropriated funds for the project. The planning commission, assisted by a consultant, conducted a comprehensive review and update of the Plan that included extensive citizen participation and public hearing opportunities. The overall review and update is now complete, and the planning commission recommends adoption of the updated Haines Borough Comprehensive Plan. The ordinance was introduced on 8/14.

Referral:
Sent to: _____ Date: _____
Recommendation: _____ Refer to: _____ Meeting Date: _____

Assembly Action:
Workshop Date(s): _____ Public Hearing Date(s): 8/28/12
Meeting Date(s): 8/14, 8/28/12 Tabled to Date: _____

An Ordinance of the Haines Borough Assembly adopting a major update of the Haines Borough Comprehensive Plan pursuant to Haines Borough Charter and Alaska Statute requirements.

WHEREAS, Alaska Statute 29.40.030 and Haines Borough Code 18.30.040 define a comprehensive plan as a compilation of policy statements, goals, standards and maps for guiding the physical, social and economic development, both private and public, of the borough, including:

- (1) statements of policies, goals, and standards,
- (2) a land use plan,
- (3) community facilities plan,
- (4) classification, plan, and requirements for disposal of borough lands,
- (5) a transportation plan, and
- (6) recommendations for implementation of the comprehensive plan; and

WHEREAS, the Haines Borough is mandated by Alaska Statute 29.40.030 and Borough Charter 8.04 to have a comprehensive plan adopted and implemented by the assembly, which shall be presented to the assembly by the planning commission for adoption by ordinance; and

WHEREAS, Borough Charter 8.04 requires that the plan shall serve as a guide for all planning commission recommendations and all assembly legislative action concerning land use and development issues; and

WHEREAS, Title 29 requires that the assembly shall, after receiving the recommendations of the planning commission, periodically undertake an overall review of the comprehensive plan and update the plan as necessary; and

WHEREAS, the existing Haines Borough Comprehensive Plan was adopted on May 5, 2004; and

WHEREAS, on February 8, 2011, the assembly determined an update of the borough's comprehensive plan to be one of its top priorities and appropriated funds for the project; and

WHEREAS, the assembly shall be guided in the adoption of the comprehensive plan by the recommendations of the planning commission; and

WHEREAS, the planning commission, assisted by a consultant, conducted a comprehensive review and update of the Plan that included extensive citizen participation and public hearing opportunities in order that the plan reflect community goals and values; and

WHEREAS, the overall review and update is now complete, and the planning commission recommends adoption of the updated Haines Borough Comprehensive Plan,

NOW THEREFORE BE IT ENACTED BY THE HAINES BOROUGH ASSEMBLY:

Section 1. Classification. This ordinance is not of a general and permanent nature and shall not become a part of the Haines Borough Code of Ordinances.

Section 2. Severability. If any provision of this ordinance or any application thereof to any person or circumstance is held to be invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.

Haines Borough
Ordinance No. 12-08-301
Page 2 of 2

Section 3. Effective Date. This ordinance shall become effective immediately upon adoption.

Section 4. Repealer. Any and all prior comprehensive plans pre-dating this ordinance are hereby repealed.

Section 5. Adoption. The updated Haines Borough Comprehensive Plan, dated July 2012, is incorporated herein by reference and is hereby adopted.

Section 6. Interpretation. The provisions of the Comprehensive Plan are not intended to be self-executing unless so specified by their terms. All provisions which are not self-executing are deemed to be directive and advisory. Directive and advisory provisions are intended to establish a continuity of borough government. The borough shall, when appropriate, consider advisory provisions and shall take positive action toward meeting directives within a reasonable time.

Adopted by a duly-constituted quorum of the Haines Borough Assembly on the ____ day of _____, 2012.

Stephanie Scott, Mayor

ATTEST:

Julie Cozzi, MMC, Borough Clerk

Date Introduced: 08/14/12
Date of First Public Hearing: 08/28/12
Date of Second Public Hearing: __/__/__

ADDITIONS TO COMPREHENSIVE PLAN 2/10/12

7.1.3 LYNN CANAL ROAD

SPECIFY EAST WHEN REFERRING TO THE EAST LYNN CANAL ROAD (TWO PLACES)

RECENT PLANNING HAS DEFINED AN IMPROVED WEST LYNN CANAL ROAD, STARTING WITH A SHUTTLE FERRY CROSSING FROM BERNERS BAY TO WILLIAM HENRY BAY THEN NORTH INTERSECTING THE HAINES HIGHWAY NORTH OF THE HAINES AIRPORT.

TURNING LEFT FOR ANCHORAGE OR FAIRBANKS, TURNING RIGHT TO LUTAK ROAD AND THE HAINES FERRY DOCK, A CONNECTING SHUTTLE FERRY WOULD PROVIDE SERVICE TO SKAGWAY AND THE KLONDIKE HIGHWAY. THIS ROUTE WOULD BE LESS COSTLY, AND SAFER, WITH INSIGNIFICANT VISUAL AND ENVIRONMENTAL IMPACT, COMPARED TO THE EAST LYNN CANAL ROAD.

FUTURE PLANNING COULD COMPARE^M THE SKAGWAY SHUTTLE FERRY COST WITH A ROAD CONNECTION TO SKAGWAY OVER A 30 YEAR FERRY LIFE.

8/7/12

JACK WENNER
Jack Wenner



**Haines Borough
Assembly Agenda Bill**

Agenda Bill No.: 12-132
Assembly Meeting Date: 8/28/12

Business Item Description:	Attachments:
Subject: Ordinance revising the water-sewer rate schedule	1. Ordinance 12-07-297
Originator: Jila Stuart (Agenda Bill by Clerk's Office)	
Originating Department: Finance	
Date Submitted: 7/5/12	

Full Title/Motion:
Motion: Advance Ordinance 12-07-297 to a second public hearing on 9/11/12.

Administrative Recommendation:
This is recommended by the borough manager.

Fiscal Impact:

Expenditure Required	Amount Budgeted	Appropriation Required
\$	\$	\$

Comprehensive Plan Consistency Review:

Comp Plan Policy Nos.:	Consistent: <input type="checkbox"/> Yes <input type="checkbox"/> No
------------------------	--

Summary Statement:

This action is recommended due to rising operating costs and inflation. The last rate increase was 12/2010. On 7/10, an ordinance to increase the rates was referred to the Government Affairs & Services Committee; it was not introduced. That committee met on 7/17 and again on 8/2, and the result is an amended version of the original draft. The changes they made to the previous draft are:

- The seasonal turn on/off fee was lowered from \$80 to \$45
- The residential and commercial monthly charges were increased \$0.40 per service

The ordinance was introduced on 8/14.

Referral:

Sent to: Government Affairs & Services Committee	Date: referred 7/10/12
Recommendation: Adopt	Refer to: Meeting Date: 7/17, 8/2/12

Assembly Action:

Workshop Date(s):	Public Hearing Date(s): 8/28/12
Meeting Date(s): 7/10, 8/14, 8/28/12	Tabled to Date:

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

WHEREAS, the Haines water and sewer systems are operated and maintained by the Haines Borough; and

WHEREAS, the Borough Assembly establishes rates and fees for Haines Borough water and sewer services; and

WHEREAS, Haines Borough Code, section 2.12.020(J), requires regulation of the rate charged by a public utility to be done by ordinance; and

NOW THEREFORE BE IT ENACTED, by the Haines Borough Assembly, that the following water-sewer schedule is hereby adopted by ordinance.

Section 1. Classification. This ordinance is a non-code ordinance.

Section 2. Severability. If any provision of this ordinance or any application thereof to any person or circumstance is held to be invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.

Section 2. Effective Date. This ordinance shall become effective on October 1, 2012.

Section 3. Purpose. To readopt the water-sewer rate schedule and set new rates, fees and charges for water and sewer services.

ADOPTED BY A DULY CONSTITUTED QUORUM OF THE HAINES BOROUGH ASSEMBLY THIS _____ DAY OF _____, 2012.

Stephanie Scott, Mayor

ATTEST:

Julie Cozzi, Borough Clerk

Date Introduced: 08/14/12
Date of First Public Hearing: 08/28/12
Date of Second Public Hearing: ___/___/___

Haines Borough – Water-Sewer Rate Schedule

(See HBC Title 13 for regulations and more information)

1. Monthly Surcharge for Crystal Cathedrals Special Assessment District

	WATER	SEWER
Commercial / Residential Surcharge	\$15.05 <u>\$11.10</u>	\$7.40 <u>\$6.85</u>
Total Combined Surcharge for Water-Sewer Service: \$22.45 <u>\$17.95</u>		

2. Unmetered Residential Water-Sewer Service

	WATER	SEWER
Base/Service Charge	\$20.70 <u>\$21.40</u>	\$13.40 <u>\$14.00</u>
Minimum Usage Charge	\$11.90 <u>\$12.60</u>	\$29.80 <u>\$30.40</u>
Residential Flat Rate	\$32.60 <u>\$34.00</u>	\$43.20 <u>\$44.40</u>
Total Combined Monthly Flat Rate for Water-Sewer Service: \$75.80 <u>\$78.40</u>		

3. Metered Residential Water-Sewer Service ¾"

	WATER	SEWER
Base/Service Charge	\$20.70 <u>\$21.40</u>	\$13.40 <u>\$14.00</u>
Minimum Usage (up to 4,000 gallons)	\$9.73 <u>\$10.43</u>	\$23.72 <u>\$24.32</u>
Residential Metered Rate(first 4,000 gallons)	\$30.43 <u>\$31.83</u>	\$37.12 <u>\$38.32</u>
Total Combined Monthly Metered Rate for Water-Sewer Service: \$67.55 <u>\$70.15</u>		

4. Metered Commercial Water-Sewer Service

¾" Service Line / Meter	WATER	SEWER
Base/Service Charge	\$19.45 <u>\$20.15</u>	\$12.88 <u>\$13.48</u>
Minimum Usage Charge	\$10.85 <u>\$11.55</u>	\$28.37 <u>\$28.97</u>
¾" Commercial Rate	\$30.30 <u>\$31.70</u>	\$41.25 <u>\$42.45</u>
Total Monthly Rate for the first 5,000 gallons of Water-Sewer: \$71.55 <u>\$74.15</u>		

1" Service Line / Meter	WATER	SEWER
Base/Service Charge	\$29.18 <u>\$30.23</u>	\$12.88 <u>\$13.48</u>
Minimum Usage Charge	\$10.85 <u>\$11.55</u>	\$28.37 <u>\$28.97</u>
1" Commercial Rate	\$40.03 <u>\$41.78</u>	\$41.25 <u>\$42.45</u>
Total Monthly Rate for the first 5,000 gallons of Water-Sewer: \$81.28 <u>\$84.23</u>		

1 ½" Service Line / Meter	WATER	SEWER
Base/Service Charge	\$38.90 <u>\$40.30</u>	\$12.88 <u>\$13.48</u>
Minimum Usage Charge	\$10.85 <u>\$11.55</u>	\$28.37 <u>\$28.97</u>
1 ½" Commercial Rate	\$49.75 <u>\$51.85</u>	\$41.25 <u>\$42.45</u>
Total Monthly Rate for the first 5,000 gallons of Water-Sewer: \$91.00 <u>\$94.30</u>		

2" Service Line / Meter	WATER	SEWER
Base/Service Charge	\$48.63 \$50.38	\$12.88 \$13.38
Minimum Usage Charge	\$10.85 \$11.55	\$28.37 \$28.87
2" Commercial Rate	\$59.48 \$61.93	\$41.25 \$42.25
Total Monthly Rate for the first 5,000 gallons of Water-Sewer: \$100.73 \$104.18		

3" Service Line / Meter	WATER	SEWER
Base/Service Charge	\$77.80 \$80.60	\$12.88 \$13.38
Minimum Usage Charge	\$10.85 \$11.55	\$28.37 \$28.87
3" Commercial Rate	\$88.65 \$92.15	\$41.25 \$42.25
Total Monthly Rate for the first 5,000 gallons of Water-Sewer: \$129.90 \$134.40		

Extra Gallonage Charge: (Each 1,000 gals or fraction thereof used after the minimum usage charge)	\$2.17 \$2.22	Extra Gallonage Charge: (Each 1,000 gals or fraction thereof used after the minimum usage charge)	\$6.08
Note: If a commercial service includes residential dwellings, an additional 5,000 gals is allowed for each dwelling, covered by the residential flat rate charge as defined in HBC 13.04.240.			

5. **Application Fees**

Water or Sewer Connection fee (nonrefundable service charge)	\$50.00
Combined Water and Sewer Connection fee (nonrefundable service charge)	\$50.00
Subdivision application for five or more services (nonrefundable service charge)	\$150.00
Other Agency Permit Fee (nonrefundable)	Actual Cost of the Permit plus \$50 administrative charge

6. **Hook-Up Fees**

	WATER	SEWER
Minimum Hook-Up Fee	\$550.00 \$650.00	\$450.00
Inspection Fee per Hook-Up	\$100.00	\$100.00
Additional Water Main Extension Inspection Fee ~First 100 Feet ~Each Additional Foot	\$25.00 \$0.25	\$25.00 \$0.25

7. **Expansion Charges**

		WATER	SEWER
Size of Water Service Line	Capacity (GPM)	Expansion Charges	Expansion Charges
3/4" – 1"	8 – 15	\$450.00	\$500.00
1-1/2"	45	\$1,030.00	\$1,040.00
2"	80	\$1,830.00	\$2,030.00
4"	500	\$7,300.00	\$8,120.00

8. **Miscellaneous Water Fees and Charges**

Meter Installation Fee	\$75.00
Meter Inspection Fee	\$25.00

Meter Testing Fee ~3/4" and smaller ~Larger than 3/4"	\$75.00 \$100.00
Frost Bottom Replacement	\$50.00
Control Valve Shut-off or Turn-on ~Minimum service fee <u>(when water is off for less than 3 months)</u> ~Excess fees, if necessary ~ <u>Seasonal Turn-ons and turn-offs (when water is off for 3 months or more)</u>	\$30.00 <u>\$35.00</u> \$40/hour <u>\$45.00</u>
Bulk Water Purchase ~Per 1,000 gallons ~ Service Charge ~ <u>Seasonal Bulk Water Permit (fill at sewer plant)</u> Note: Bulk water charges apply to fire hydrants, Port Chilkoot Dock, and Small Boat Harbor. The charge does not apply to Lutak Dock.	\$4.00 \$50.00 <u>\$25.00</u>
After Hours Employee Call-Out	\$100.00
Deposits and Credit Establishment ~Residential Water Account ~Commercial Water Account	An amount equaling two months of the residential flat fee for water service An amount equaling an estimate of two months' water service charges based on like accounts already in service.
Unauthorized Water Turn On ~Charge to Shut Off Water at the Main or Remove Meter	Actual cost to the water department plus 15% overhead (but not less than \$25.00)

9. Miscellaneous Sewer Fees and Charges

Termination or Restoration of Sewer Service ~Minimum Service Charge (nonrefundable)	\$35.00
Deposits and Credit Establishment ~Residential Sewer Account ~Commercial Sewer Account	A sum equal to the established bill for two months' service but not less than \$40. An amount equaling like accounts in service.
Septic Waste Disposal (at sewage plant only) ~Per Load of Up to 500 Gals of Waste ~Single Loads in Excess of 500 Gals	\$100 minimum \$20.00 for each 100 gals excess or fraction thereof
After Hours Employee Call-Out	\$100.00
RV Dump Stations ~Monthly Flat Rate in Addition to Any Other Water and Sewer Charges	\$53.00
RV Parks	Same as Metered Commercial Charges



Haines Borough Administration
Mark Earnest, Borough Manager
 (907)766-2231 • Fax(907)766-2716
 mearnest@haines.ak.us

August 28, 2012

Haines Highway Picture Point Wayside Project

We are preparing a Purchase and Sales Agreement between the Haines Borough and Roger Beasley for the acquisition of Picture Point Wayside property. I expect to bring that document and a resolution for Assembly consideration on September 11, 2012.

AMHS Ferry Terminal – Lutak Dock Land Sale

We are continuing to work with Alaskan Appraisal Associates and the Borough Attorney to prepare a counter offer to the Alaska Department of Transportation and Public Facilities (ADOT&PF) appraised value of \$302,000 acquisitions and easements of a portion of the Borough-owned Lutak Dock. Once a market-based counter offer is established, we will commence negotiations with the ADOT&PF. If those negotiations are successful, we will bring the negotiated value back to the Assembly for approval.

Williamson vs. Haines Borough, et al

Trial in this matter is scheduled for eight days, to begin on Monday, September 24, 2013.

Personnel

Jerrie Clarke has submitted her resignation as Museum Director effective January 11, 2013, or until a week after the new director arrives, whichever comes first. As you may be aware, Jerrie has served as Museum Director for the Haines Borough for the past 5 years. Her service to the Sheldon Museum and community is greatly appreciated.

I am pleased to report that Michelle Webb has accepted employment as Deputy Clerk and will begin in the office on September 4th.

HAINES BOROUGH PUBLIC LIBRARY

[Best Small Library in America 2005]

Director's Report

July 25, 2012

June Statistics

Library Visits 6,132

Circulation 9,751

Internet Use 2,148

Catalog Computer access 1,263 visits for May and June

Meeting Room Use: 18 groups, Total Attendance, 119

Programs: 57, Total Attendance, 761

Updates

- James assisted us with adding the online Interlibrary Loan (ILL) form to the webpage. Patrons are now able to request an ILL and pay via a Paypal account. The online form is located under the services tab. As of July 1, the ILL fee has increased to \$2.00 per item requested as approved by the Board.
- In addition, we have added the WorldCat local search option on the homepage. This will allow patrons to search our catalog and expand their search to libraries worldwide. While searching, they will be able to link to the interlibrary loan form and request an item.
- Bill Hall, of Alaska Common Ground, was unable to be here due to health issues. He hopes to be able to reschedule for late August or early September.
- Shane Southwick, head of the OWL project, contacted me after our launch to commend us on the originality and asked for photos to use on the OWL statewide information page.
- Brian Lemcke reported that he is working on a proposal for the boiler and will keep us updated as it progresses. The storage addition is in the discussion phase.
- The Microsoft Surface computer has arrived and is set up in the back room.

Friends of the Library

- The 4th of July BBQ was, again, a success. Bake and book sales were down but the BBQ sale saw an increase of nearly \$1000. Total sales over \$5,200. Thanks to everyone that helped make this a success.

Technology

- Erik and I met with Warren Johnson while he was in town. Warren is currently filling the Borough System Administrator position on a temporary basis. He talked with us about moving the Borough's WAN connection onto our gigabit switch in an attempt to improve the transfer speed of backups. We agreed that this would be helpful. Erik and Warren attempted the change but encountered complications. Warren will continue to work on it and will be in touch with us about it.

Grants

- We've received the funding for staff computer replacement and upgrades through designated legislative grant funds in the amount of \$7,173.00. Erik will begin ordering computers later in August.

Travel

- Jolanta and I will be traveling to Haines Junction on Sunday, July 29th to meet with representatives of the Champagne and Aishihik First Nations and tour their new Heritage Center. We will be discussing an Arts and Culture Exchange program.
- Janine and I will be attending the Pacific Northwest Library Association meeting August 1-4 in Anchorage. IMLS Basic grant funds, state library continuing education funds and a travel scholarship from PNLA will be used to pay for this conference.



LIBRARY DIRECTOR

Patricia Brown

LIBRARY BOARD

Anne Marie Palmieri,
Chair

Heather Lende, Vice-
Chair

Richard Flegel, Treasurer

James Alborough,
Secretary

JoAnn Ross Cunningham

Cecily Stern

Lorrie Dudzik

Meredith Pochardt

Stacey Gala

Haines Borough Public Library
Approved Meeting Minutes
6/20/12

Call to Order: 4:04pm

Present: James Alborough, Dick Flegel, Anne Marie Palmieri, Heather Lende, Patty Brown, JoAnn Ross-Cunningham, Lorrie Dudzik, Cecily Stern

Additions or Revisions to Agenda

Consent Agenda Items

The following items are consent items for final action to be taken on all by a single vote. Any item may be removed for separate consideration if necessary.

* Approval of Agenda

M/S Ross-Cunningham/Dudzik to approve the agenda. All approved.

* Approval of Minutes 05/16/2012

* Director's Report

Financial Report

* Treasurer's Report for May (Dick)

Checking: \$17,937.56

Savings: \$14,189.62

CD: \$20,503.81

Board members reviewed and signed the register.

Old Business

* Building committee report (James or Dick) Committee met with Ed Bryant and Brian Lemke to discuss storage options, HVAC control system. Possibility of piggy-backing with the borough for storage needs adjacent to the borough building. Brian and Ed will be pursuing a proposal for the boiler and controls.

* FY13 updates

The Borough approved our budget at FY12 levels.

New Business

* Approval of new Board applicants

Two new applicants applied: Meredith Pochart and Stacey Gala.

M/S Alborough/Dudzik to approve Stacey Gala's application. Some discussion. All approved.

M/S Flegel/Ross-Cunningham to approve Meredith Pochart's application.

Some discussion. All approved.

* OWL Launch Party

There will be an OWL launch party on June 29 at 11 am with owls from ABEF. Board members to bring refreshments.

* 4th of July BBQ needs

Friends are looking for assistance:

- bring barbecue
- get ice
- tables from the fair
- pick up grills

Contact Patty or Nelle at nellegreen@yahoo.com

Other

* Policy Review - XII. Employee Appraisals, XIII. Emergency Leave Combine section A and B.

Some grammatical changes.

M/S Alborough/Stern to adopt the changes suggested. All approved.

* Radio

June 22 (Dick), July 13 (Heather), July 20 (James)

Board Comments

IMLS presentation was well received.

Director's Comments

Patty will be gone July 13-19.

Next Meeting

July 25th at 9:30am - Bring snacks.

Adjourned: 5:04pm

--

James Alborough



**Haines Borough
Planning Commission Meeting
July 12, 2012
MINUTES**

Approved

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

2. **ROLL CALL** – **Present:** Chairman Rob **Goldberg**, Commissioners Robert **Venables**, Lee **Heinmiller**, Andy **Hedden**, Danny **Gonce**, and Roger **Maynard**. **Absent:** Don **Turner III**.

Staff Present: Steve **Ritzinger**/Borough Planning and Zoning Technician

Also Present: Mayor Stephanie **Scott**, Bill **Kurz**, Scott **Hansen**, Carol **Tuynman**, Joe **Poor**, Chris **Brooks**, Marge **Ward**, Mike **Ward**, Sean **Copeland** and Heather **Shade**, Barb **Sheinberg** (via teleconference).

3. **APPROVAL OF AGENDA**

Venables requested to add sidewalks to the agenda. **Goldberg** included the item 10D2 as Other New Business.

Motion: **Venables** moved to “approve the agenda as amended,” and the motion carried unanimously.

4. **APPROVAL OF MINUTES**

Motion: **Gonce** moved to approve the June 14 and June 21, 2012 minutes,” and the motion carried unanimously.

5. **PUBLIC COMMENTS**

6. **CHAIRMAN’S REPORT**

Goldberg mentioned that he had been out of town and would be sending rezoning surveys to Chilkat Lake Road area and Carrs Cove residents in the near future.

7. **STAFF REPORTS**

Ritzinger reported recent permitting and enforcement activity.

8. **PUBLIC HEARINGS**

A. **Tony Zedda setback variance request**

Goldberg opened up the public hearing at 6:37 p.m.

Zedda mentioned that the property is surrounded on 75% of the circumference by right-of-way, and that the lot is under the 10,000 square foot minimum lot size currently required in single residential zoning.

Goldberg closed the public hearing at 6:40 p.m.

Goldberg pointed out that the Lindholm Way right-of-way exceeds the 10% maximum grade required by Haines Borough Code road standards, and that because of that he did not believe that the ROW would ever get developed.

It was mentioned that the applicant submitted an application to purchase a portion of the ROW, but that the application was withdrawn due to uncertainty regarding the

Lutak Road movement and alternate routes out of Highland Estates and Skyline Subdivisions.

Goldberg pointed out that variances are allowable per code due to the shape of the lot.

Gonce mentioned that there are no power or phone utilities in the ROW. It was pointed out that there are water and sewer mains in the ROW.

Motion: **Hedden** moved to “approve the Zedda variance” and the motion carried unanimously.

B. Chilkoot Indian Association right-of-way vacation

Hansen pointed out that the CIA owns nine undersized lots that they wish to consolidate and vacate the right-of-way to build a community services facility. The alley adjacent to lot 2 was not requested to be vacated to allow for snow storage.

Goldberg opened up the public hearing at 6:49 p.m. There were no public comments and **Goldberg** closed the public hearing at **6:50 p.m.**

Motion: **Venables** moved to “recommend for the Assembly to vacate the alley within Block D, Mission Subdivision.” Further discussion ensued.

Venables mentioned that the Borough vacated the alley to the south of this property owned by Mike Ward’s company.

The motion carried unanimously.

C. Haines Borough Comprehensive Plan Update

Goldberg opened the public hearing at 7:34 p.m.

Kurz complemented consultant Barb Sheinberg’s efforts to include the community.

Hansen questioned whether the well property acquired by the Borough as part of the Chrystal Cathedral Water & Sewer System purchase was accurately reflected on the maps.

Earnest responded that the matter would be examined.

Scott pointed out that the statistics were cited well and that she found good practical application for the document because of that.

Earnest pointed out that he read the previous Comprehensive Plan prior to his interview for the manager position and that it was a priority coming into the job to update the plan. He continued with mentioning that it is an important milestone getting to this point, that he is pleased with the document, and thanked participants for their efforts.

Goldberg closed the public hearing at 7:38 p.m.

Gonce questioned whether the road going to the golf course is a Borough owned road.

Discussion on statements for Objective 15L ensued.

Venables suggested for objective 15L 1 should be changed to “to work with local utility companies to establish a cheaper rate of 15 cents per KwH or lower.”

Goldberg agreed based on the number of consumers.

Sheinberg confirmed that the first sentence shown in Objective 15L will be replaced with the proposed sentence in grey, and add the second sentence underlined, which was agreed upon.

Venables suggested striking the first sentence in #1. He suggested rewording #2 to read “Explore the concept of net metering as a consumer-based renewable energy incentive.” He agreed with statement #3. He requested to drop #4, and liked #5 and #6.

Objective 4B was discussed.

Venables liked the 4 actions, but requested to drop “concept 3A” from action #2.

Inclusion of support for a day boat to Juneau was discussed

Goldberg suggested including language for home docking a day boat in Haines, or Skagway.

Venables mentioned that Skagway does not seem that interested in home-porting a day boat and that the Haines terminal is slated for an expansion that would allow it to be the homeport for the new Alaska Class Ferry.

Sheinberg requested to include the motion to adopt the updated Comprehensive Plan language to allow for editing, which was agreed upon.

Motion: **Hedden** moved “to adopt the updated comprehensive plan with the edits listed above, and to give Barb Sheinberg the latitude to make edits,” and the motion passed unanimously.

9. **UNFINISHED BUSINESS** - None

10. **NEW BUSINESS**

A. **Historic District/Building Review**

Sean Copeland and Heather Shade Historic Fort Seward Building Renovation

Heinmiller provided historical context for the proposal.

Motion: **Heinmiller** moved to “approve the Sean Copeland and Heather Shade renovation of the old bakery building in the Fort Seward, and recommend that he following the guidelines incorporated into code to preserve the historic look of the structure.” Further discussion ensued.

Copeland mentioned that the roof will be a future project. The building will be raised 8 to 12 inches, reframe the alley side of the building, and replace the windows.

Goldberg mentioned that the building is in the industrial part of the fort area, allowing for more latitude on the design standards than areas such as officer’s row.

Paint color was discussed. **Copeland** mentioned that he wishes to leave the building unpainted.

Venables mentioned that the building could remain unpainted, and that if the building is to be painted in the future that it would be required to come before the Planning Commission.

The motion passed unanimously.

B. **Haines Borough Code Amendments** - None

C. **Project Updates** – None

D. Other New Business

1. Haines Borough – State proposal to acquire property near the Haines Ferry Terminal

Earnest mentioned that the dock improvement is a federal highway project and that the Alaska Department of Transportation has 10 years to obligate the funds, and that it is close to the final year of the project. The 12.2 million dollar project includes installing mooring dolphins, dredging, relocation of existing berth, and some building relocations. DOT is requesting three parcels as a temporary construction easement, a permanent slope easement and fee simple acquisition.

Goldberg clarified that one lot is a purchase, and the other two are easements, one of which is a temporary easement.

Earnest continued saying that the Borough is obtaining an independent appraisal, that the state is anxious to move forward with the project, but that he wanted to be sure that Haines Borough is fairly compensated. He mentioned that there is interest in acquiring a gravel source from the state near the ferry terminal.

Goldberg questioned whether the sale of the .6 acre parcel would affect the usability of the dock.

Earnest said that it does impact the amount of dock space, but that it wouldn't affect the usability.

Motion: **Venables** moved to recommend to the Assembly to classify for sale the three parcels of Lutak Dock as indicated in the manager's report for sale. Further discussion ensued.

Gonce questioned about the usability of one of the parcels.

Earnest responded that it would be a riprap two to one slope that would not be usable.

Goldberg pointed out that another parcel would essentially be leased by the state for the construction process. He continued mentioning that the state is only requesting to purchase one parcel, and that the other parcels are easement requests. It was questioned whether all three parcels should be classified for sale.

Venables mentioned that the manager is aware that the Borough does not want to sell anything that it does not have to, but that having all three parcels classified for sale gives him more options for negotiating.

Motion: **Gonce** moved to amend the motion to only classify Tracts C and E4 for sale.

Venables accepted the amendment.

The motion carried unanimously.

2. Sidewalks

Venables suggested considering policy that does not allow installing metal poles in the middle of sidewalks from this point forward. He continued pointing out that there is new technology that does not require poles to be placed in the middle of sidewalks, and that the poles are not consistent with and increased awareness of accessibility and mobility on sidewalks.

Motion: **Venables** moved to “Haines Borough adopt a policy of not planting infrastructure in the middle of sidewalks, and that the sentiment be conveyed to DOT.” Further discussion ensued.

Gonce agreed, but recommended to remove “and that the sentiment be conveyed to DOT” be removed, due to the timing while the project is under construction. Further discussion ensued.

Motion: **Gonce** moved to “remove ‘and that the sentiment be conveyed to DOT’ be removed from the motion

Venables mentioned that he trusts the manager to discretely communicate the message with DOT at an opportune time.

Gonce withdrew the motion.

Mike **Ward** mentioned that the Borough needs to get involved in the planning stage of such projects.

The motion carried unanimously

11. **COMMISSION COMMENTS**

Venables requested for the Planning Commission hear comments from Mike Ward, which was agreed upon.

Ward addressed parking concerns. He pointed out employees misusing short term parking. He stated that he has invested in property for parking. He stated concern over cars parked in one hour parking all day, and requested for the Planning Commission to address the item at a future Planning Commission meeting. It was agreed upon to schedule the item on the September 13th PC agenda when Mr. Ward could attend.

Maynard stated that he will be resigning from the Planning Commission effective at the end of the meeting due to relocating.

12. **COMMUNICATION**

13. **SET MEETING DATES** – The next Regular Planning Commission meeting is scheduled for 6:30 p.m. on Thursday, August 9th.

14. **ADJOURNMENT**– 6:45 p.m.



**Haines Borough
Assembly Agenda Bill**

Agenda Bill No.: 12-150

Assembly Meeting Date: 8/28/12

Business Item Description:	Attachments:
Subject: Authorize a contract for water system upgrades for Sunshine Street & Piedad Road	1. Resolution 12-08-398 2. Request for Bids 3. Bid Results and Bids
Originator: Brian Lemcke (Agenda Bill by Clerk's Office)	
Originating Department: Public Facilities	
Date Submitted: 8/16/12	

Full Title/Motion:

Motion: Adopt Resolution 12-08-398.

Administrative Recommendation:

This resolution is recommended by the borough manager.

Fiscal Impact:

Expenditure Required	Amount Budgeted	Appropriation Required
\$ 63,721.80	\$ See summary below	\$ See summary below

Comprehensive Plan Consistency Review:

Comp Plan Policy Nos.:

Consistent: Yes No

Summary Statement:

The borough recently accepted bids for the project to upgrade the water system on Sunshine Street and Piedad Road, and the manager recommends award to the apparent low bidder, Whiterock LLC for \$63,721.80.

An FY13 budget amendment ordinance (#12-07-300) is currently being considered by the assembly and adoption will appropriate \$20,000 of water enterprise funds for the Sunshine Street and Piedad Road 2012 water system upgrades and re-appropriate \$45,000 of CIP funds that were appropriated in the FY13 budget for Water Plant Upgrades. This will create a sufficient project budget of \$65,000.

Referral:

Sent to:

Date:

Recommendation:

Refer to:

Meeting Date:

Assembly Action:

Workshop Date(s):

Public Hearing Date(s):

Meeting Date(s): 8/28/12

Tabled to Date:

HAINES BOROUGH
RESOLUTION No. 12-08-398

Draft

A Resolution of the Haines Borough Assembly authorizing the Borough Manager to enter into a construction contract with Whiterock LLC for the Sunshine Street and Piedad Road Water System Upgrades project for an amount not-to-exceed \$63,721.80.

WHEREAS, the West 300 feet of Sunshine Street and the North 400 feet of Piedad Road are in need of water system upgrades; and

WHEREAS, this project consists of furnishing and installing approximately 560 feet of 8-inch AWWA C-900 PVC water pipe and associated fire hydrants and gate valves and also includes removal of existing road surfacing and replacing it with a D-1 surface and imported backfill in areas with unsuitable subsurface soils; and

WHEREAS, the Haines Borough (borough) recently issued a request for sealed bids from qualified, licensed contractors; and

WHEREAS, the borough received the following five responsive bids:

Whiterock LLC - \$63,721.80,
Northern Construction Inc - \$66,140.00,
Southeast Road Builders Inc - \$67,850.00; and

WHEREAS, the Director of Public Facilities recommends contract award to the apparent low bidder, Whiterock LLC; and

WHEREAS, the borough assembly is considering an amendment to the FY13 budget through Ordinance 12-07-300 to appropriate \$20,000 of water enterprise funds for Sunshine and Piedad Road 2012 water system upgrades and to re-appropriate \$45,000 of CIP funds which were appropriated in FY13 for Water Plant Upgrades, creating a total project budget of \$65,000,

NOW, THEREFORE, BE IT RESOLVED BY THE HAINES BOROUGH ASSEMBLY:

Section 1. Construction Contract. The borough manager is hereby authorized to enter into a construction contract with Whiterock LLC for the Sunshine Street and Piedad Road Water System Upgrades project for an amount not-to-exceed \$63,721.80; and

Section 2. Effective Date. On or before the date on which the contract Notice to Proceed is issued, non-code Ordinance 12-07-300 shall be adopted by the borough assembly appropriating sufficient funds for the project.

Adopted by a duly-constituted quorum of the Haines Borough Assembly on this ____ day of _____, 2012.

Stephanie Scott, Mayor

Attest:

Julie Cozzi, MMC, Borough Clerk

NOTICE INVITING BIDS AND BIDDER INSTRUCTIONS

SUNSHINE STREET AND PIEDAD ROAD

2012 WATER SYSTEM UPGRADES

Issue Date: August 3, 2012

The Haines Borough is soliciting sealed bids from qualified and licensed contractors to perform the work for the **Sunshine Street and Piedad Road 2012 Water System Upgrades** project.

RECEIPT OF BIDS / BID DEADLINE: Bids will be accepted until **12:00 noon Local Time, Thursday, August 16, 2012** at the Office of the Borough Clerk in the Borough Administration Building in Haines, Alaska. Bids must be mailed or hand-delivered and will not be accepted by email or fax.

Submit Bids to:

<u>Physical Address:</u> Office of the Borough Clerk Borough Administration Building 103 Third Ave S. Haines, Alaska	<u>Mailing Address:</u> Haines Borough Attn: Borough Clerk PO Box 1209 Haines, AK 99827
--	---

BID OPENING: The bid opening will be 12:30 p.m. on the same date in the Borough Administration Building conference room.

BID DOCUMENTS: A Bid packet including instructions, forms, specs, and drawings is available on the Haines Borough website: www.hainesalaska.gov/rfps for viewing and printing.

If prospective bidders request that borough staff print the documents, the cost will be 25 cents per standard 8½x11 page and 50 cents per 11x17 page. (Each side of a page counts as one.)

QUESTIONS:

For questions regarding viewing and printing:

Attn: Julie Cozzi, MMC, Borough Clerk
103 Third Ave / P.O. Box 1209, Haines, AK 99827
Phone: 907-766-2231 ext.31
Email: jcozzi@haines.ak.us

For technical questions:

Attn: Brian Lemcke
Public Facilities Office, 213 Haines Highway / P.O. Box 1209, Haines, AK 99827
Phone: 907-766-2257
Email: blemcke@haines.ak.us

PRE-BID CONFERENCE: A mandatory pre-bid conference will take place at **11:00 a.m. Local Time Monday, August 13, 2012**, at the Haines Borough Public Facilities Office located upstairs in the Public Safety Building, 213 Haines Highway.

DESCRIPTION OF WORK: The work consists of furnishing and installing approximately 560' of 8-inch AWWA C-900 PVC water pipe and associated fire hydrants and gate valves. It also includes removal of existing road surfacing, replacing it with a D-1 surface and imported backfill in areas with unsuitable subsurface soils.

SITE OF WORK: The site of the work is the West 300 feet of Sunshine Street and the North 400 feet of Piedad Road in Haines, Alaska.

COMPLETION OF WORK: All work within these Contract Documents shall be completed by October 30, 2012.

PROJECT SCHEDULE: The Haines Borough anticipates the following project schedule:

Request for Bids issued	August 3, 2012
Receive and open bids	August 16, 12:00 noon Local Time
Borough Assembly Authorization	August 28, 2012
Notice of Intent to Award	August 29, 2012
Notice to Proceed	September 5, 2012 (approximate)
Project Completion	October 30, 2012

REQUIRED BID SUBMITTALS: To be considered, all bidders must include the following at the time of the bid opening:

- One copy of the Bid Form signed in ink by an authorized representative of the business;
- Non-Collusion Affidavit;
- Copy of a current Alaska business license;
- Copy of a current Haines Borough business license;
- Copy of an Alaska contractor's certificate of registration;
- Acknowledgement of all addenda;
- A bid bond of at least five-percent of the amount of the bid or a certified check drawn to the Haines Borough in like amount. Checks and bid bonds will be returned to unsuccessful bidders; and
- Sealed in an envelope clearly labeled with the bidder's business name and "*Sunshine Street and Piedad Road 2012 Water System Upgrades.*"

BID MODIFICATIONS: Any bidder may modify a Bid by mail, telegram, email, or fax (**Fax: 907-766-2716**) up to the scheduled closing time for receipt of Bids, provided that such modification is received by the Haines Borough prior to the time set for opening of Bids. Bidders are strongly advised to telephone the Haines Borough (**Telephone: 907-766-2231**) to confirm the successful and timely transmission of all Bid modifications. A bid modification should not reveal the Bid price but should provide the addition or subtraction or other modification so that the final prices will not be known by the Borough until the sealed Bid is opened. Modifications shall include both the modification of the unit bid price and the total modification of each item modified. The Borough shall not be responsible for its failure to receive modifications, whether such failure is caused by transmission line problems, fax device problems, operator error or otherwise.

Unauthorized conditions, limitations, or provisos attached to the Bid will render it informal and cause its rejection as being non-responsive. The completed bid forms shall be without interlineations, alterations, or erasures in the printed text. All changes shall be initialed by the person signing the Bid. Alternative Bids will not be considered unless called for.

DISCREPANCIES IN BIDS: In the event there is more than one pay item in a Bid Schedule, the Bidder shall furnish a price for all pay items in the schedule, and failure to do so may render the Bid non-responsive and cause its rejection. In the event there are unit price pay items in a Bid Schedule and the “amount” indicated for a unit price pay item does not equal the product of the unit price and quantity, the unit price shall govern and the amount will be corrected accordingly, and the Bidder shall be bound by said correction. In the event there is more than one pay item in the Bid Schedule and the total indicated for the schedule does not agree with the sum of the prices bid on the individual items, the prices bid on the individual items shall govern and the total for the schedule will be corrected accordingly, and the Bidder shall be bound by said correction.

WITHDRAWAL OF BID: The Bid may be withdrawn by the Bidder by means of a written request, signed by the Bidder or its properly authorized representative. Such written request must be delivered to the place stipulated in the Notice Inviting Bids for receipt of Bids prior to the scheduled closing time for receipt of Bids. Bids may not be withdrawn for sixty days following the date of opening.

QUALIFICATIONS OF BIDDERS: To demonstrate qualifications to perform the work, each Bidder must be prepared to submit evidence within 5 days after Bid opening, and upon the Borough’s written request, such as financial data, previous experience, and present commitments. Nothing indicated herein will prejudice the Borough’s right to seek additional pertinent information as evidence of Bidder’s qualifications for the work prior to contract award.

EXAMINATION OF BID DOCUMENTS AND SITE: It is each Bidder’s responsibility, before submitting a Bid, to:

1. Examine thoroughly the Bid Documents and other related data identified in the Bidding Documents (including “technical data” referred to below);
2. Inspect the site to become familiar with and satisfy Bidder as to the general, local, and site conditions that may affect cost, progress, performance, or furnishing of the work;
3. Consider federal, state, and local laws and regulations that may affect cost, progress, performance, or furnishing of the work;
4. Study and carefully correlate Bidder’s knowledge and observations with the Bid Documents and such other related data; and
5. Promptly notify, in writing, the Borough Clerk or Director of Public Facilities of all conflicts, errors, ambiguities, or discrepancies which Bidder has discovered in or between the Bid Documents and such other related documents.

The submission of a Bid will constitute an incontrovertible representation by Bidder that Bidder has complied with every requirement of this section; that without exception the Bid is premised upon performing and furnishing the work required by the bidding Documents and applying the specific means, methods, techniques, sequences, or procedures of construction (if any) that may be shown or indicated or expressly required by the Bidding Documents; that Bidder has given the Haines Borough written notice of all conflicts, errors, ambiguities, and discrepancies that Bidder has found.

OWNER'S RIGHTS RESERVED: The Haines Borough reserves the right to reject any or all Bids, to waive any informality in a Bid, and to make award to the lowest responsive, responsible Bidder as it may best serve the interests of the Borough.

RETURN OF BID BOND: Within 14 days after award of the contract, the Borough will return the Bid securities accompanying such Bids not considered in making the award. All other Bid securities will be held until the Agreement has been executed. They will then be returned to the respective Bidders whose Bids they accompanied.



Haines Borough

Bid Opening Record

Project: Sunshine St. & Piedad Rd. Water System Upgrade
 Project No: 12-08-01
 Bid Deadline: 12:00noon ADT, 8/16/12

Location: Admin Bldg. Conference Room
 Date/Time: 12:10pm, 8/16/12

Bidder	Bid Rcvd by Deadline?	Bid on Req. Form & Signed?	Non-Collusion Affidavit ?	Copy of Current Alaska Business License?	Copy of Current Borough Business License?	Copy of AK Contractor's Certificate of Registration ?	Bid Bond or certified check of at least 5% of bid?	Addenda Noted	BID	Comments
Southeast Road Builders	✓	✓	✓	✓	✓	✓	✓	N/A	\$67,850.00	
Whiterock	✓	✓	✓	✓	✓	✓	✓	N/A	\$63,721.80	Apparent Low Bidder
Northern Construction	✓	✓	✓	✓	✓	✓	✓	N/A	\$66,140.00	

Present: Julie Cozzi, Borough Clerk
Dean Olsen, Assistant Assessor

John Floreske (representing Northern Construction)

**HAINES BOROUGH
SUNSHINE STREET AND PIEDAD ROAD
2012 WATER SYSTEM UPGRADES**

BID FORM

Bid of WHITEROCK LLC (hereinafter called *Bidder*), doing business as (underline one) a corporation, partnership or individual, to the Haines Borough (hereinafter called *Borough*). The Bidder agrees to furnish to the Haines Borough all information and data that may be requested to give evidence that the undersigned is properly qualified to carry out the obligations of the Contract Documents.

The undersigned Bidder agrees, if this bid is accepted, to furnish all tools, equipment, supplies, manufactured articles, labor, materials, services and incidentals, and to perform all work necessary to complete the work required under the Request for Bids by October 30, 2012 and to accept as full payment the Contract Price stated on this Bid Form, and in the manner stipulated by the Request for Bids, subject to any negotiated changes in the work that might increase or decrease the contract amount. The Borough reserves the right to reject any and all bids and negotiate with the responsible bidder submitting the lowest bid amount.

Bidder accepts all of the terms and conditions of the Request for Bids and, if this bid is accepted, will furnish, within ten calendar days after the Notice of Intent to Award letter, the following documents required by borough code for this project:

1. Contract document or Agreement;
2. [Proof of insurance: general liability, auto insurance, worker's compensation];
3. Any overdue unpaid debts owed the borough must be current prior to award;
4. Payment and Performance bonds, if applicable; and
5. Subcontractor report, if applicable.

Bidder acknowledges receipt of the following addenda:

Addendum No. _____ Initials: J.S Addendum No. _____ Initials: _____

BIDDER INFORMATION:

Principal Contact: JACK SMITH

Business Name: WHITEROCK LLC

Business Physical Address: 540 FAA RD HAINES AK. 99827

Business Mailing Address, if different: P.O. BOX 906 HAINES AK 99827

Phone: 907 766 2514 Fax: 907 766-3887 Email: naime@aptalaska.net

Jack Smith SR
Bidder's Authorized Signature
JACK SMITH SR
Printed Name

8-15-12
Date

BASE BID:

Item No.	Pay Item Description	Pay Unit	Approx. Quantity	Unit Price		Amount	
				Dollars	Cents	Dollars	Cents
2601.1	Water Pipe, AWWA C-900 8-inch PVC, Class 150	LF	560	83	28	46636	00
2602.1	Gate Valve and Valve Box, 8-inch	Each	4	2290	00	9160	00
2603.1	Fire Hydrant Assembly	Each	1	6300	00	6300	00

TOTAL BASE BID 63,721.80
COMPANY NAME Whiterock LLC

SECTION 00310 - BID SCHEDULE
Updated August 13, 2012

BASE BID

ITEM NO.	PAY ITEM DESCRIPTION	PAY UNIT	APPROX. QUANTITY	UNIT PRICE		AMOUNT	
				DOLLARS	CENTS	DOLLARS	CENTS
2203.3	Additional Trench Excavation/Shot Rock Borrow	CY	50	22	50	1125	00
2601.1	Water Pipe, AWWA C-900 8-inch PVC, Class 150	LF	560	83	28	46636	80
2602.1	Gate Valve and Valve Box, 8-inch	Each	4	2290	00	9160	00
2603.1	Fire Hydrant Assembly	Each	1	6800	00	6800	00

TOTAL BASE BID 63,721.80

COMPANY NAME: WHITEROCK LLC

**HAINES BOROUGH
SUNSHINE STREET AND PIEDAD ROAD
2012 WATER SYSTEM UPGRADES**

BID FORM

Bid of Northern Construction, Inc. (hereinafter called *Bidder*), doing business as (underline one) a corporation, partnership or individual, to the Haines Borough (hereinafter called *Borough*). The Bidder agrees to furnish to the Haines Borough all information and data that may be requested to give evidence that the undersigned is properly qualified to carry out the obligations of the Contract Documents.

The undersigned Bidder agrees, if this bid is accepted, to furnish all tools, equipment, supplies, manufactured articles, labor, materials, services and incidentals, and to perform all work necessary to complete the work required under the Request for Bids by October 30, 2012 and to accept as full payment the Contract Price stated on this Bid Form, and in the manner stipulated by the Request for Bids, subject to any negotiated changes in the work that might increase or decrease the contract amount. The Borough reserves the right to reject any and all bids and negotiate with the responsible bidder submitting the lowest bid amount.

Bidder accepts all of the terms and conditions of the Request for Bids and, if this bid is accepted, will furnish, within ten calendar days after the Notice of Intent to Award letter, the following documents required by borough code for this project:

1. *Contract document or Agreement;*
2. *[Proof of insurance: general liability, auto insurance, worker's compensation];*
3. *Any overdue unpaid debts owed the borough must be current prior to award;*
4. *Payment and Performance bonds, if applicable; and*
5. *Subcontractor report, if applicable.*

Bidder acknowledges receipt of the following addenda:

Addendum No. _____ Initials: _____ Addendum No. _____ Initials: _____

BIDDER INFORMATION:

Principal Contact: John Floreske

Business Name: Northern Construction, Inc.

Business Physical Address: Mile 1.5 Haines Highway Haines , AK

Business Mailing Address, if different: PO Box 489 Haines, AK 99827

Phone: 907-766-2899 Fax: 907-766-2699 Email: northern@aptalaska.net


Bidder's Authorized Signature

John Floreske, Jr.
Printed Name

August 15, 2012
Date

BASE BID:

Item No.	Pay Item Description	Pay Unit	Approx. Quantity	Unit Price		Amount	
				Dollars	Cents	Dollars	Cents
2601.1	Water Pipe, AWWA C-900 8-inch PVC, Class 150	LF	560	91	25	51110	00
2602.1	Gate Valve and Valve Box, 8-inch	Each	4	1870	00	7480	00
2603.1	Fire Hydrant Assembly	Each	1	5800	00	5800	00

TOTAL BASE BID \$66,140.00

COMPANY NAME Northern Construction, Inc.

SECTION 00310 - BID SCHEDULE
Updated August 13, 2012

BASE BID

ITEM NO.	PAY ITEM DESCRIPTION	PAY UNIT	APPROX. QUANTITY	UNIT PRICE		AMOUNT	
				DOLLARS	CENTS	DOLLARS	CENTS
2203.3	Additiional Trench Excavation/Shot Rock Borrow	CY	50	35	00	1750	00
2601.1	Water Pipe, AWWA C-900 8-inch PVC, Class 150	LF	560	91	25	51110	00
2602.1	Gate Valve and Valve Box, 8-inch	Each	4	1870	00	7480	00
2603.1	Fire Hydrant Assembly	Each	1	5800	00	5800	00

TOTAL BASE BID \$66,140.00

COMPANY NAME: Northern Construction, Inc.

**HAINES BOROUGH
SUNSHINE STREET AND PIEDAD ROAD
2012 WATER SYSTEM UPGRADES**

BID FORM

Bid of Southeast Road Builders, Inc. (hereinafter called *Bidder*), doing business as (underline one) a corporation, partnership or individual, to the Haines Borough (hereinafter called *Borough*). The Bidder agrees to furnish to the Haines Borough all information and data that may be requested to give evidence that the undersigned is properly qualified to carry out the obligations of the Contract Documents.

The undersigned Bidder agrees, if this bid is accepted, to furnish all tools, equipment, supplies, manufactured articles, labor, materials, services and incidentals, and to perform all work necessary to complete the work required under the Request for Bids by October 30, 2012 and to accept as full payment the Contract Price stated on this Bid Form, and in the manner stipulated by the Request for Bids, subject to any negotiated changes in the work that might increase or decrease the contract amount. The Borough reserves the right to reject any and all bids and negotiate with the responsible bidder submitting the lowest bid amount.

Bidder accepts all of the terms and conditions of the Request for Bids and, if this bid is accepted, will furnish, within ten calendar days after the Notice of Intent to Award letter, the following documents required by borough code for this project:

1. Contract document or Agreement;
2. [Proof of insurance: general liability, auto insurance, worker's compensation];
3. Any overdue unpaid debts owed the borough must be current prior to award;
4. Payment and Performance bonds, if applicable; and
5. Subcontractor report, if applicable.

Bidder acknowledges receipt of the following addenda:

Addendum No. 1 Initials: RS Addendum No. _____ Initials: _____
08/13/12

BIDDER INFORMATION:

Principal Contact: Roger Schnabel
 Business Name: Southeast Road Builders, Inc.
 Business Physical Address: 4.5 Mile Haines Highway, Haines, AK 99827
 Business Mailing Address, if different: HC 60 Box 4800, Haines, AK 99827
 Phone: (907)766-2833 Fax: (907)766-2832 Email: roger@seroad.com ; cheryls@seroad.com


 Bidder's Authorized Signature

Roger Schnabel
 Printed Name

August 16, 2012
 Date

BASE BID:

Item No.	Pay Item Description	Pay Unit	Approx. Quantity	Unit Price		Amount	
				Dollars	Cents	Dollars	Cents
2601.1	Water Pipe, AWWA C-900 8-inch PVC, Class 150	LF	560	See attached	revised bid	schedule	
2602.1	Gate Valve and Valve Box, 8-inch	Each	4	See attached	revised bid	schedule	
2603.1	Fire Hydrant Assembly	Each	1	See attached	revised bid	schedule	

TOTAL BASE BID See attached revised bid schedule

COMPANY NAME Southeast Road Builders, Inc.

SECTION 00310 - BID SCHEDULE
 Updated August 13, 2012

BASE BID

ITEM NO.	PAY ITEM DESCRIPTION	PAY UNIT	APPROX. QUANTITY	UNIT PRICE		AMOUNT	
				DOLLARS	CENTS	DOLLARS	CENTS
2203.3	Addtional Trench Excavation/Shot Rock Borrow	CY	50	20	00	1,000	00
2601.1	Water Pipe, AWWA C-900 8-inch PVC, Class 150	LF	560	100	00	56,000	00
2602.1	Gate Valve and Valve Box, 8-inch	Each	4	1,000	00	4,000	00
2603.1	Fire Hydrant Assembly	Each	1	6,850	00	6,850	00

TOTAL BASE BID \$ 67,850.00

COMPANY NAME: Southeast Road Builders, Inc.



Agenda Bill No.: 12-155
Assembly Meeting Date: 8/28/12

Business Item Description:	Attachments:
Subject: Amend Title 16 to prohibit certain behaviors and give the harbormaster authority to suspend or revoke privileges Originator: Borough Manager (Agenda Bill by Clerk's Office) Originating Department: Administration Date Submitted: 8/7/12	1. Ordinance 12-08-302

Full Title/Motion:
 Motion: Introduce Ordinance 12-08-302 and schedule a first public hearing on 9/11/12.

Administrative Recommendation:
 The manager recommends this ordinance.

Fiscal Impact:

Expenditure Required	Amount Budgeted	Appropriation Required
\$	\$	\$ 0

Comprehensive Plan Consistency Review:

Comp Plan Policy Nos. :	Consistent: <input type="checkbox"/> Yes <input type="checkbox"/> No
-------------------------	--

Summary Statement:

This ordinance amends Title 16 to prohibit:

1. verbal abuse, physical assault and threats against borough and harbor staff,
2. physical assault and threats against members of the public while within the harbor, and
3. refusing to comply with lawful directives by the harbormaster.

It also gives the harbormaster the authority to suspend or revoke the privilege of using borough port and harbor facilities.

Referral:

Sent to:	Date:
Recommendation:	Refer to: Meeting Date:

Assembly Action:

Workshop Date(s):	Public Hearing Date(s):
Meeting Date(s): 8/28/12	Tabled to Date:

An Ordinance of the Haines Borough amending Haines Borough Code Title 16, Sections 16.28.010 and 16.28.030 to prohibit verbal abuse, physical assault and threats against borough and harbor staff, physical assault and threats against members of the public while within the harbor, and refusing to comply with lawful directives by the harbormaster, and giving the harbormaster the authority to suspend or revoke the privilege of using borough port and harbor facilities.

BE IT ENACTED BY THE HAINES BOROUGH ASSEMBLY:

Section 1. Classification. This ordinance is of a general and permanent nature and the adopted amendment shall become a part of the Haines Borough Code.

Section 2. Severability. If any provision of this ordinance or any application thereof to any person or circumstance is held to be invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.

Section 3. Effective Date. This ordinance is effective upon adoption.

Section 4. Amendment of Section 16.28.010. Haines Borough Code 16.28.010 is amended, by the addition of sections S – U, to read as follows:

NOTE: **Bolded/UNDERLINED** ITEMS ARE TO BE ADDED
~~STRIKETHROUGH~~ ITEMS ARE DELETED

16.28.010 Prohibited Acts

It shall be unlawful for any vessel owner, master or manager or other person in charge of the operation of a vessel using the borough port and harbor facilities to commit any of the prohibited acts:

...

S. To verbally abuse, physically assault, or threaten any Borough or harbor personnel at any time.

T. To physically assault or threaten other harbor users or members of the public while within the Borough port and harbor facilities.

U. To refuse to comply with any lawful order of the harbormaster or his representatives.

Section 5. Amendment of Section 16.28.030. Haines Borough Code 16.28.030 is amended, as follows:

NOTE: **Bolded/UNDERLINED** ITEMS ARE TO BE ADDED
~~STRIKETHROUGH~~ ITEMS ARE DELETED

16.28.030 Penalties for violations.

A. Any person violating any of the provisions of this title will be fined according to the fees set out in the most current assembly approved fee schedule.

B. In addition to the remedies under subsection A, the privilege of using the Borough port and harbor facilities may be suspended or revoked if the harbormaster

determines that suspension or revocation is in the best interest of the Borough or other harbor users. Notice of suspension or revocation of privileges shall be delivered in person or by certified mail to ensure receipt, and, for the purposes of AS 11.46.320 -- 11.46.350, shall constitute a lawful directive by the person in charge of the premises to vacate and to refrain from entering all borough port and facilities for any reason for as long as the suspension or revocation is in effect. Failure to comply with the harbormaster's revocation of mooring privileges or an order to vacate may result in impoundment under Chapter 16.24.070 of this title. The remedies of this title are in addition to any civil and criminal remedies the harbormaster, Borough, State of Alaska, or any other authority may have.

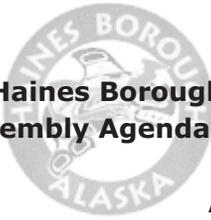
ADOPTED BY A DULY CONSTITUTED QUORUM OF THE HAINES BOROUGH ASSEMBLY THIS ____ DAY OF _____, 2012.

ATTEST:

Stephanie Scott, Mayor

Julie Cozzi, MMC, Borough Clerk

Date Introduced: 08/28/12
Date of First Public Hearing: ___/___/___
Date of Second Public Hearing: ___/___/___



**Haines Borough
Assembly Agenda Bill**

Agenda Bill No.: 12-119

Assembly Meeting Date: 8/28/12

Business Item Description:	Attachments:
Subject: AMHS - Draft 2013 Summer Ferry Schedule	1. Draft Comment prepared by Mayor Scott 2. 8/20 Email String between the mayor & Capt Neussl 3. AMHS Committee Update 4. Traffic Patterns - Upper Lynn Canal 5. Draft 2013 Summer Ferry Schedule
Originator: Mayor Scott (agenda bill by the Clerk's Office)	
Originating Department: Mayor's Office	
Date Submitted: 6/18/2012	

Full Title/Motion:

Motion: Approve the comments prepared by Mayor Scott for submittal on 8/29 regarding the draft 2013 ferry schedule.

Administrative Recommendation:

N/A

Fiscal Impact:

Expenditure Required	Amount Budgeted	Appropriation Required
\$ n/a	\$	\$

Comprehensive Plan Consistency Review:

Comp Plan Policy Nos.:

Consistent: Yes No

Summary Statement:

The mayor has been participating via teleconference in the meetings of the ad hoc Skagway Marine Highway Committee regarding the draft 2013 summer ferry schedule. On 6/26, the assembly approved a letter to the AMHS drafted by the mayor. It is similar to a Skagway letter. The committee has continued to meet and communicate with Captain Neussl, AMHS Deputy Commissioner. For the assembly, Mayor Scott has prepared a recap of the committee's work, including a report on the August 17 Skagway community round table. The comment period for the draft 2013 summer ferry schedule is 8/28, but the mayor was assured the borough may still submit the comment on 8/29 to give the assembly an opportunity to weigh in.

Referral:

Sent to:

Date:

Recommendation:

Refer to:

Meeting Date:

Assembly Action:

Workshop Date(s):

Public Hearing Date(s):

Meeting Date(s): 6/26, 8/28/12

Tabled to Date:



HAINES BOROUGH, ALASKA
P.O. BOX 1209 • HAINES, ALASKA 99827
Administration 907.766.2231 • (fax) 907.766.2716
Tourism 907.766.2234 • (fax) 907.766.3155
Police Dept. 907.766.2121 • (fax) 907.766.2128
Fire Dept. 907.766.2155 • (fax) 907.766.3373

**[DRAFT COMMENT PREPARED BY THE MAYOR TO BE REVIEWED BY THE
ASSEMBLY AUGUST 28.]**

August 28, 2012

Captain Michael Neussl
Deputy Commissioner, AMHS
Dept. of Transportation & Public Facilities
P.O. Box 112500
Juneau, AK 99811-2500
michael.neussl@alaska.gov

Dear Captain Neussl,

Thank you for restoring the Sunday southbound sailing to the FY13 summer schedule for the Lynn Canal. This plugs a hole in the access pattern between the three communities (Haines, Skagway, and Juneau) that was sorely missed this summer. We believe that a Sunday southbound ferry is integral both to the needs of residents to access professional services in Juneau at the beginning of the week as well as the visitors traveling to and from Haines and Skagway for a weekend retreat in either community or in the Yukon. Absent the Sunday sailing, access to our signature "Golden Circle" is seriously jeopardized.

We would like to suggest that you re-think categorizing the Columbia's sailing as a "day-boat." It does not complete its Lynn Canal circuit in 24 hours. Using the Columbia as a "day boat" does not allow access to the upper Lynn Canal in "a day." According to the spider graph, departure from Haines on the Columbia on Mondays is a little before midnight, necessarily arriving in Juneau Tuesday.

Additionally, and perhaps more significantly, leaving us with the Columbia as our sole sailing on Monday is problematical due to capacity issues. This year, the Columbia sailed on Monday along with the Malespina. Upon occasion, the Columbia was full or had very few vehicle spaces left. For example, on July 30 both the Columbia and the Malespina were sold out for departures to Juneau; on August 13, there were only 3 standard car spaces available on the Columbia.

We understand that the Malespina will not sail Monday in order to provide time for the crew to do maintenance drills, etc. We note that you have scheduled two sailings for Thursday (the Matanuska and the Malespina). We suggest that the Malespina take its down-time on Thursday and sail on Monday instead. That will ensure space for the probable traffic, and will allow residents to arrive in Juneau the same day they sail from Haines. Full "day boat" service will be restored.

We sincerely appreciate consideration of our comments and appreciate that you have allowed us to submit one day after the due date so that the Assembly can affirm the above comment during its August 28 Regular meeting.

Sincerely yours,

Stephanie Scott
Mayor, Haines Borough

Cc: Mayor Stan Selmer, Municipality of Skagway

From: Stephanie Scott [mailto:sscott@aptalaska.net]
Sent: Monday, August 20, 2012 3:41 PM
To: Neussl, Michael A (DOT)
Cc: Jan Wrentmore; Julie Cozzi; Robert
Subject: Re: Traffic Patterns: Upper Lynn Canal

Captain Neussl,

I would like to say that you set a very high bar for State/Municipal communications! A feel a letter of commendation to the governor coming on....

Seriously, thank you so much for giving all of our concerns your time and attention. I am content to recommend adoption of the FY13 draft summer schedule as prepared by your office.

Stephanie

On Aug 20, 2012, at 2:55 PM, Neussl, Michael A (DOT) wrote:

Mayor Scott: My staff set me straight on a couple issues related to these schedules that I overlooked in my initial response this morning.

As for the traffic volumes, we will monitor end of year numbers for summer 2012, but based on what I have seen so far with volume nearly comparable to last year but with fewer runs, I believe continuing to run the Malaspina out of Juneau makes sense, especially since we are adding runs next summer that, hopefully, will boost ridership and not just spread it out among more sailings. We cannot wait until the end of this summer to set next summer's schedule, so despite the incomplete traffic data and the known scheduling issues with no Sunday southbound run and no Thursday run, we will let that ride for another year with MAL homeporting/overnighting in Juneau.

The COL vs. MAL and Monday vs. Thursday issue is not quite so discretionary. While MAL and MAT deconflict (barely) in Haines on Thursdays at noon, trying to run the MAL on the same dayboat schedule on Monday is impossible. Both MAL and COL would be at the Haines and Skagway dock at virtually the same time going northbound, and COL has some tide restrictions on when it can get into Haines, limiting its flexibility. Being a larger ship with 1.5 times the car carrying capacity of MAL, the COL requires the longer inport times for loading and unloading shown on Mondays. In order to run MAL on Monday, it would need to leave Juneau much earlier than the already complained about 7 AM departure time in order to deconflict with COL. Also, during the work session, I heard complaints about no Thursday sailing for MAL this summer and the impact that had on local business.

I like your closing idea in your email below...let's experiment with the schedule as proposed for a summer to see how it works. Columbia is not always full when operating in Northern Lynn Canal as a significant amount of traffic gets off in Juneau northbound. Southbound could present more challenges, but with 16 port calls in Haines a week, 8 of them being southbound, I believe there is adequate capacity to meet the traffic demands. Haines residents have the ability to make reservations for travel just like anyone else, and I encourage them to do so. And lastly, I agree, having Columbia consistently sailing full would be a nice "problem" to have from a system perspective.

Respectfully,
Mike
Captain Michael A. Neussl
Deputy Commissioner, Marine Operations
Alaska DOT&PF, AMHS

From: Stephanie Scott [<mailto:sscott@aptalaska.net>]
Sent: Monday, August 20, 2012 1:12 PM
To: Robert
Cc: Neussl, Michael A (DOT); Jan Wrentmore; Julie Cozzi
Subject: Re: Traffic Patterns: Upper Lynn Canal

True enough. Maybe this is a case when we apply the idea of discretionary travel vs. necessary travel. Or I suppose we could "experiment." If the Columbia is consistently over-booked, then we shift the following year. An over-booked Columbia might be a great problem to have!

S

On Aug 20, 2012, at 9:09 AM, Robert Venables wrote:

More thought should be given to this. Thursday is very important due to the ripple effect on weekend traffic. Please look carefully at both scenarios.

Thanks
Robert

On Aug 20, 2012, at 9:06 AM, Stephanie Scott <sscott@aptalaska.net> wrote:

Thanks Captain Neussl. I apologize for not be more alert to the role of the Columbia as a substitute day boat on Mondays. I do think giving the Malespina a rest on Thursdays and a sailing on Monday would be a good switch. The Matanuska, as scheduled on Thursdays, sails more like a "day boat" than the Columbia's sailing on Monday.

Thanks for thinking about this.

Stephanie

On Aug 20, 2012, at 8:50 AM, Neussl, Michael A (DOT) wrote:

Mayor Scott: Thank you for your input. I will look into your concerns.

On first review, I agree that we will need to continue to monitor the traffic numbers on MAL due to the home port shift. While the per trip numbers are up, the number of trips was down resulting in a slight decline (so far to date) in the total traffic numbers. Additional trips scheduled in 2013 should correct that decline, and we'll see how 2012 turns out after the summer season is complete.

As for COL substituting for MAL on Mondays, I acknowledge that the times are different. I'll check on the capacity availability on COL. As with other communities, I think your argument centers on the fact that vacationer's plan and book travel well in advance, while locals might determine the need to travel shortly before sailing. Walk on passenger traffic on COL is probably not an issue, but vehicle space could be. Short of adding another day of MAL service (7 days a week, with double service on Mondays and Thursdays), an alternative could be to switch the Thursday MAL sailing to Monday since MAT on the Prince Rupert run may have more available capacity than COL. It would have been good to kick these ideas around during the work session, but the impression I got from the meeting was that people were satisfied with the proposed schedule.

Let me do a little research.

Mike
Captain Michael A. Neussl
Deputy Commissioner, Marine Operations
Alaska DOT&PF, AMHS

From: Stephanie Scott [<mailto:sscott@aptalaska.net>]
Sent: Monday, August 20, 2012 7:44 AM
To: Neussl, Michael A (DOT)
Cc: Jan Wrentmore; Robert Venables; Julie Cozzi
Subject: Traffic Patterns: Upper Lynn Canal

Dear Captain Neussl,

Thank you very much for attending the August 17 Marine Highway Work session hosted by the Municipality of Skagway. I think that we all have a clear understanding of the draft FY13 Summer schedule for the upper Lynn Canal. I have two concerns: the ridership numbers and the substitution of the Columbia as Monday's day-boat.

The numbers: I believe you said that the numbers justify the plan to home port the day-boat in Juneau next year as was done this year. I need some help understanding how your staff developed those numbers. I asked the Assistant Manager at the Haines Terminal to provide numbers from her load sheets. I have the numbers for embarking and disembarking passengers and vehicles from Haines for May, June, and July for 2010, 2011, 2012: twelve discreet numbers for each of the three years. Eight of the twelve 2012 numbers compared to the 2011 numbers are down. See attached spread sheet. Of course, the numbers are not yet in for August and September.

To me, this indicates that home porting the ferry in Juneau is not yet conclusively demonstrated to increase ridership. I would say that so far the experiment requires another year of steady implementation in order to be determined as conclusive.

The Columbia as day-boat: I would like to see ridership numbers (embarking/disembarking) correlated with capacity. I am concerned that the FY13 summer schedule, which substitutes the Columbia as the "day-boat" on Monday's might create two problems: 1) the Columbia doesn't arrive in Juneau on the day of departure (Monday); it arrives Tuesday. It is not a day-boat. 2) the Columbia is normally targeted by Seattle-bound passengers; there may not be sufficient space for travelers accessing Juneau for "the day." I think, if records are checked, the system will find that the Columbia has sailed from Haines either sold out or with very few car spaces remaining - certainly not enough to accommodate "day" traffic - traffic that is essentially local.

Thank you for thinking about these 2 issues.

Sincerely yours,

Stephanie

Stephanie K. Scott
Mayor, Haines Borough

Memorandum

Haines Borough
Office of the Mayor
103 Third Avenue S.
Haines, Alaska 99827
sscott@haines.ak.us
Voice (907) 766-2231 ext. 30

August 19, 2012

To: Assembly

Cc: Julie Cozzi, Borough Clerk; Mark Earnest, Borough Manager; Jan Wrentmore, Chair, Municipality of Skagway Marine Highway ad hoc Committee

From: Stephanie Scott, Mayor, Haines Borough

Subject: Up-date on Municipality of Skagway Marine Highway ad hoc Committee and Skagway Community Round Table Work Session on Marine Highway Scheduling Issues

The comment period for the AMHS draft FY13 summer schedule closed August 28. However, I have requested permission to submit a comment from the Haines Borough August 29. The information in this update will serve as background for the draft comment that is before you at the regular Assembly meeting August 28.

In May, the Municipality of Skagway appointed an ad hoc committee to work on issues related to the Alaska Marine Highway service to the upper Lynn Canal. The two major issues were scheduling and the tariff between Skagway and Haines.

The first meeting of the committee was held May 24.¹ The Mayor of Haines and the Marine Transportation Advisory Board (MTAB) Chairman, Robert Venables, were invited to attend as ex-officio members via teleconference.

As a result of the committee's discussion and input the municipalities of Haines and Skagway sent letters to Deputy Commission Captain Neussl emphasizing the need to restore the summer day boat and to regularize the schedule in the Upper Lynn Canal.² Members of the committee also testified to the need for a 7-day-a-week day-boat via teleconference during the MTAB Board meeting in July.

¹ Meetings were held every other week via teleconference.

² See the attached June 8 letter from the Municipality of Skagway; Captain Neussl's June 13 response; the June 26 letter from the Haines Borough; and the August 10 letter from the Municipality of Skagway commenting on the FY13 summer ferry schedule; and the May 14-June 5 email correspondence between Captain Neussl and Mayor Scott.

On August 17, the Municipality of Skagway hosted a community round table work session to address marine highway scheduling issues. Haines was able to join via teleconference; and I did so. Captain Neussl was present via teleconference as was MTAB Chair Venables. Sheila Dodd, Director of Tourism and Economic Development, also participated. Dodd said that Whitehorse “loves the day boat” and that the day boat is integral to marketing the “Golden Circle Route.” The more routine the day boat schedule (every day, same time) the easier it is to market it to visitors, especially non-English speaking visitors.

Captain Neussl opened the August 17 meeting with an explanation of spider graphs, a report on this year’s traffic compared to last years, and a description of the proposed FY 13 summer schedule for the upper Lynn Canal.

- Spider Graphs. Spider graphs can be confusing and may account for the fact that resident reviewers did not “catch” the lack of a Sunday southbound boat in this year’s schedule. AMHS will publish a “how to read spider graphs” paper when it next puts out a draft schedule.
- Traffic Numbers. According to Captain Neussl, the average ridership per trip Juneau to Haines this year is 169 compared to last year’s 118. He concludes that the ferry should continue to be home ported in Juneau because doing so positively affects ridership.
- Draft FY13 Summer Schedule. The Malespina is scheduled round-trip Juneau-Haines-Skagway 6-days a week, including Sunday. The Columbia will run on Mondays. There will be two ships on Thursday.

Skagway residents raised several issues that might interest you.

- The historic ridership on the Malespina day boat will exceed the capacity of the Alaska Class ferry, especially in the case of special events. From time to time extra vessels will need to sail in addition to the Alaska Class ferry. Captain Neussl concurred.
- Port time in Skagway is overly long (2.5 hours). Captain Neussl agreed that this may be so, and stated that the scheduler is working on a schedule that cuts the turn around time in Skagway to 2 hours.
- The fare from Skagway to Haines is \$31. The fare from Skagway to Sitka is \$45. Captain Neussl stated that he is aware of the inequity of the fare structure and has discovered that “there is no master fare guide, program, or logic that defines how we are suppose to set our fares.” The AMHS is working to address this. Captain Neussl said that AMHS has not calculated an

average cost per mile to operate the ships. Seventy percent of the operating costs are paid by the state; 30% are recovered through fares. The total operating costs are \$170 million dollars; some routes are cents per mile; others are \$2+ per mile.

- If a choice needs to be made, one Skagway resident suggested that necessary travel should be prioritize over discretionary travel. Travel north from Juneau is usually for recreation; travel south from Skagway is more often to obtain professional services or to catch a connection elsewhere.
- One businesswoman said that she personally prefers home porting the ferry in Skagway as it was last year, but that the two groups of people she works with the most – shopkeepers and visitors – are very pleased with this year’s schedule based on home porting the ferry in Juneau.
- Separate the baggage cart into a section for Skagway passengers; leave it on the ferry until arrive in Skagway so that Skagway passengers do not have to worry about their luggage when the ferry off loads in Haines. Everyone liked the idea, including Captain Neussl, but the details have to be developed.

Attachments:

- June 8 letter from the Municipality of Skagway;
- Captain Neussl’s June 13 response;
- June 26 letter from the Haines Borough;
- August 10 letter from the Municipality of Skagway commenting on the FY13 summer ferry schedule;
- May 14-June 5 email correspondence between Captain Neussl and Mayor Scott.



Municipality of Skagway

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June 8, 2012

Captain Michael Neussl
Deputy Commissioner, AMHS
Dept. of Transportation & Public Facilities
P.O. Box 112500
Juneau, AK 99811-2500
michael.neussl@alaska.gov

Dear Captain Neussl,

Recently at a meeting of the Skagway Municipal Assembly, the issue of this summer's ferry schedule was brought to my attention. As you know, Skagway has always been a strong advocate for the Alaska Marine Highway System (AMHS) and in particular for day boat service in Lynn Canal. We applaud the AMHS's attempts to find efficiencies and improve scheduling. The decision to over night the Malaspina in Auke Bay this summer created an opportunity for greater capacity and a schedule which could better support traditional traffic patterns in Lynn Canal. Unfortunately, the lack of a southbound sailing on Sunday and a northbound sailing on Thursday means that the Malaspina no longer functions as a "day boat" and the current schedule fails to realize its full potential.

The AMHS website states that the mission of the Alaska Marine Highway "*is to provide safe, reliable, and efficient transportation of people, goods, and vehicles among Alaska communities, Canada, and the "Lower 48," while providing opportunities to develop and maintain a reasonable standard of living and high quality of life, including social, education, and health needs.*"

The economies of Juneau, Haines and Skagway depend upon reliable and predictable patterns of transportation and the Alaska Marine Highway forms an integral part of our economic structure and our lifestyle. We are concerned that this year's scheduling will undermine the public's confidence in the day boat concept with subsequent adverse impacts on the local economies of the three affected communities as well as the revenue stream generated by the AMHS.

In 2003 the Haines Borough and the City of Skagway commissioned the McDowell Group to study traffic patterns in Lynn Canal. The report, entitled Analysis of Traffic on Lynn Canal Ferry Routes found that, "The communities of Haines and Skagway are strategically located on the Alaska Marine Highway, generating significant traffic volumes. Haines and Skagway are two of the highest-volume ports in terms of passenger, vehicle and freight traffic and in terms of

revenue contributed to the overall system ... The combination of a high volume of passengers using local Lynn Canal service together with passengers from many distant ports making road connections through Haines and Skagway means the Lynn Canal market is an economic opportunity for the system that can help underwrite the essential service provided to lower volume communities.” (Highlights added)

We recognize the difficulties in creating a schedule that meets the needs of many Southeast communities in a diverse region with varying conditions. However, I would like to point out that the Lynn Canal day boat is a key component of the shuttle concept originally proposed by the Alaska Department of Transportation as a way to realize economic efficiencies within the Alaska Marine Highway and maximize travel opportunities within the Lynn Canal Corridor. For this reason, we feel strongly that it is important to the welfare not only of our communities but of the entire system that we make every effort to preserve and protect the day boat in Lynn Canal as an example of successful application of the shuttle concept.

The loss of the summer Sunday southbound sailing is particularly problematic for people who live in Whitehorse, Juneau, Haines and Skagway. Historically, the residents of all four communities have used the day boat to take advantage of week-end recreation opportunities. Because Juneau and Whitehorse are both capital cities, their residents are additionally constrained by the dictates of the government work week.

The Sunday night scheduling adjustments made to accommodate the recent Haines Beer Fest and the upcoming Kluane Bike Race are proof that it can be done and were much appreciated by all communities and participants. While I understand that you would be hesitant to change a schedule that already exists, I believe that having the Malaspina return to Auke Bay on Sunday nights on a regular basis would provide a service and economic benefit to all the communities at a minimal cost to AMHS. I would also ask that you consider restoring the Malaspina’s Lynn Canal day boat schedule each Thursday.

I look forward to hearing your assessment of the costs and benefits of this proposal. Our community is excited to celebrate the 50th anniversary of the Marine Highway and we appreciate the spirit of partnership inherent in this dialogue.

Sincerely,



Stan Selmer, Mayor
Municipality of Skagway

cc: Marine Transportation Advisory Board
MOS Marine Highway Ad Hoc Committee

DRAFT endorsed by Government Affairs & Services Committee 6/19/12 and moved to Assembly agenda 6/26/12.

June 26, 2012

Captain Michael Neussl
Deputy Commissioner, AMHS
Dept. of Transportation & Public Facilities
P.O. Box 112500
Juneau, AK 99811-2500
Michael.neussl@alaska.gov

Dear Captain Neussl,

The Haines Borough Assembly would like to echo the appreciation for the Alaska Marine Highway System (AMHS) recently expressed in the Municipality of Skagway's June 8, 2012 letter to you. Our economy does depend on reliable and predictable transportation services. That's why we were thrilled with last year's day boat schedule, and concerned about the changes to this year's schedule.

Last year we were able to confidently plan travel, business, and special events, knowing that visitors and residents could come and go at reasonably the same time, during the day, day after day. To us, "day boat" came to mean not only a boat north and a boat south every day of the week, arriving and departing predictably and during hours that the public generally finds convenient. The current schedule is something less than regular, less than convenient. The Malaspina does not sail south on Sunday (no ferry does, unless specially scheduled to accommodate a special event); nor does it sail north on Thursday (no ferry does, but there are two on Wednesday).

This year, when our day boat departs Haines, it departs at variable times: Mon. 9:15 AM and another at 9:15 PM; Tuesday and Wednesday at 6:30 PM; Thursday at 11:30 AM; Friday back to 6:30 PM; and there is not a boat on Sunday. We would like to mention that arrival in Juneau at 11 PM is an awkward time for families or for people expected to do business the following day.

This year, when our day boat departs Juneau, it departs at 7 AM everyday but there is no ferry on Thursday; last year it departed Juneau at 3 PM (M-Sat) and at 4:30 PM on Sunday.

Last year we had a day boat that was rationale and regular; this year we do not.

When we learned that the Malaspina was to overnight in Auke Bay this summer, we were concerned, but our concerns were allayed by the explanation. It was explained that the schedule was selected because it seemed to offer even better support for the traditional traffic patterns in the Lynn Canal, and thus would result in even more

ridership. We definitely want to work with you to increase ridership. We understand the need to use the ferries in order to justify service. We believe that reliability and convenience are keys to increasing ridership.

Though we recognize that a schedule adjustment at this late date is difficult, we would urge you to continue to run the Malaspina south to Juneau on Sunday evenings as you did to accommodate Juneau bound travelers for the Haines Beer Fest and the Kluane Bike Race. Our assumption is that the increased ridership (revenue) will offset the expense incurred.

We also request that the Malaspina be scheduled to serve the Lynn Canal on Thursdays, thus restoring the day boat schedule as originally conceptualized: a boat every day.

We look forward to hearing your assessment of the costs and benefits of the proposal to sail the Malaspina on the Lynn Canal route on Thursdays and south on Sundays. We would also like to know how the numbers of this seasons (summer) passengers and vehicles compare so far to last seasons. Is there any evidence yet that the new schedule is achieving its intended purpose? We assume that the evidence that the schedule provides better support for traditional traffic patterns would be an increase in ridership this year over last.

We are also looking forward to celebrating the 50th anniversary of the Alaska Marine Highway System in 2013!

Sincerely yours,

Stephanie Scott
Mayor, Haines Borough

Cc: Marine Transportation Advisory Board
Municipality of Skagway Marine Highway Ad Hoc Committee

STATE OF ALASKA

**DEPARTMENT OF TRANSPORTATION
AND PUBLIC FACILITIES**

OFFICE OF THE COMMISSIONER

SEAN PARNELL, GOVERNOR

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JUNEAU, ALASKA 99811-2500

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June 13, 2012

Mayor Stan Selmer
Municipality of Skagway
P.O. Box 415
Skagway, AK 99840

RECEIVED

JUN 18 2012

**MUNICIPALITY
OF SKAGWAY**

*CC'd Manager +
assembly*

Dear Mayor Selmer:

Thank you for your letter dated June 8, 2012 regarding the Alaska Marine Highway System (AMHS) summer 2012 schedule and the service provided to Northern Lynn Canal.

This summer's scheduling of the M/V Malaspina is a large change from previous years in that we shifted the overnight port for the vessel to Auke Bay from Skagway. That proposed schedule was made available for public comment last August and discussed at a public Marine Transportation Advisory Board meeting on September 9th before being finalized and implemented in early October, 2011 when it was opened for public reservations. Comments received on the new schedule were overwhelmingly favorable, including two commenters from Skagway who were strongly in favor of the change.

As you know, in order to have adequate berthing space for the M/V Columbia each Monday morning in Auke Bay, the Malaspina spends Sunday night in Skagway. We do a similar night away from homeport for the M/V LeConte Monday night in Hoonah to make room for the M/V Kennicott in Auke Bay each Tuesday morning. Despite making special accommodations for Malaspina to return to Auke Bay on Sunday afternoon in support of special community events such as the BeerFest and Kluane Bike Race, those accommodations require extra efforts to move the ship away from the dock in a non-revenue status, are inefficient, and are not our normal method of operation.

Given that the schedule is already published and hundreds of reservations made for the existing schedule, I am very reluctant to change it mid-season. As I stated publically at the September MTAB meeting, this is not a permanent schedule. I am certainly willing to address your concerns and issues that became apparent after this schedule was fully implemented as we develop the summer 2013 schedule. Your concerns, along with those of Mayor Scott in Haines, are currently under consideration by the AMHS scheduler.

We strive to provide adequate service to all the communities we serve. Thank you for making the concerns of your community known so that we can factor them in to our scheduling process.

If you have any further questions, please feel free to contact me at 465-6977.

Sincerely,



Michael A. Neussl
Deputy Commissioner, Marine Operations

Cc: Mr. Marc Luiken, Commissioner, DOT&PF
Ms. Brenda Hewitt, Special Assistant, DOT&PF
Captain John Falvey, General Manager, AMHS
Ms. Kerri Traudt, AMHS Scheduler
Mr. Robert Venables, Chair, Marine Transportation Advisory Board



Municipality of Skagway

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August 10, 2012

Captain Michael Neussl
Deputy Commissioner, AMHS
Dept. of Transportation & Public Facilities
P.O. Box 112500
Juneau, AK 99811-2500
michael.neussl@alaska.gov

Dear Captain Neussl,

After review of the proposed Summer 2013 schedule, I would like to commend you and your staff for responding to the day boat concerns that Mayor Scott of Haines and I presented to you earlier this summer. We are pleased you were able to work out the conflicts at the Auke Bay dock to allow for a Sunday southbound Malaspina sailing next summer and a Thursday Lynn Canal round trip as well. We are confident that the traffic numbers will justify this increase in service.

Thank you also for agreeing to participate in our community marine highway round table work session on Friday August 17th. Should you wish to teleconference, our number is 1-888-204-5987 and the participant code is 5085533#.

In a recent meeting of our local Ad Hoc Marine Highway Committee, the issue of in-port times for the Malaspina was raised. There was a suggestion that perhaps the Malaspina schedule could be “tweaked” a bit in order to allow for an earlier than 11:00 pm return to Auke Bay. Perhaps you have already thought of this for next summer but if not, we would respectfully ask that you and your staff take a look at the possibility of shaving the in-port time in Haines by 15 minutes each way and cutting the layover in Skagway from 2.5 hours to 1.5 hours. The resulting 2 hours gained could permit a later departure from Auke Bay in the morning or an earlier return to Auke Bay or both. It would seem that the traveling public would be better served and perhaps AMHS could save some expense as well.

Of course, we realize that such a schedule change could put the Malaspina in conflict at the Auke Bay dock again with other ferries and we leave that up to you and your staff to determine. On the whole we believe the schedule you have developed for 2013 will prove very successful at building ridership.

Thank you again for working with us on our scheduling concerns.

Sincerely,

Stan Selmer, Mayor

From: "Neussl, Michael A (DOT)" <michael.neussl@alaska.gov>
Date: June 5, 2012 11:12:16 AM AKDT
To: Stephanie Scott <sscott@aptalaska.net>
Cc: Jan Wrentmore <jan@redonion1898.com>, Robert Venables
<energy@seconference.org>
Subject: RE: Ferry Service in the Upper Lynn Canal

Mayor Scott: Every community would like to have the ferry arrive and depart on the most convenient and consistent schedule possible to conform to the cultural facts you mention. I understand that, but I also have multiple communities requesting that level of service/convenience and multiple ship schedules that need to use, without conflict, a limited number of dock spaces. It is just not a simple process, and for every change that one group favors, one or more groups frequently oppose. For example, you mention getting to Juneau to catch jets – yet no AK Air flights depart Juneau on Sunday evening after the ferry would arrive back in Juneau, forcing an overnight in Juneau. Conversely, the Monday morning southbound sailing arrives in Juneau in alignment with a variety of afternoon departing flights, without the need for an overnight in Juneau.

I do believe you that if there were a southbound Sunday afternoon ferry, it would get used, however, I am reluctant to alter the published schedule for this summer. Numerous people have already made reservations and changing the schedule midstream causes inconvenience for travelers, extra work for staff, and it alone generates complaints.

We will be starting the summer 2013 scheduling process soon. Input on community desires is always welcome and it will be considered and factored into the scheduling process. Like with all our schedules, a public comment period and scheduling teleconference is afforded after the draft schedule is made public before it is finalized and published.

Mike

Captain Michael A. Neussl
Deputy Commissioner for Marine Operations
AK DOT&PF, AMHS
Juneau, AK
907-465-6977 (Office)
907-723-0642 (Cell)

From: Stephanie Scott [mailto:sscott@aptalaska.net]
Sent: Saturday, June 02, 2012 9:48 AM
To: Neussl, Michael A (DOT)
Cc: Jan Wrentmore; Robert Venables
Subject: Re: Ferry Service in the Upper Lynn Canal

Dear Captain Neussl,

Thank you for your response. And thank you for making arrangements to support the special events in the Upper Lynn Canal. However, if the ferry schedule were designed so that travelers could routinely return south (to catch jets or return home) at the weekend's end, the Upper Lynn Canal communities would undoubtedly see an increase in weekend long events or excursions. We are culturally conditioned to recreate on weekends and return to work at the beginning of the week. Correspondingly, we are culturally conditioned to take care of business on weekdays. The absence of a southbound Sunday ferry impedes the capacity of travelers from the Upper Lynn Canal to do business in Juneau on Monday mornings. Instead, it requires dedicating at least half of a work day to travel. It seems to me the lack of a Sunday southbound ferry overlooks these strong cultural facts.

Though making room for the Malaspina was not an intentional experiment, it seems like now the cost of the maneuver can now be definitely quantified.

That cost can be balanced against the increased revenue from passengers.

How did it work out? Was the cost offset by revenue?

I am pleased to learn that the present schedule ought not to be interpreted as a two-year schedule. When do you begin the process of considering next year's summer schedule? I believe it might be useful to offer the community an opportunity to weigh in sooner than later. Doing so would allow you to assess the impacts of the absence of a Sunday southbound ferry now. Captain Neussl, we are Alaskans. We do "adjust" to our circumstances. We are grateful for ferry service. But we do want to remind you that summer ferry travel to and from the Upper Lynn Canal is robust; but sustaining that robust use requires regularization of the service. We would like to have Sunday evening south bound service restored. I think of "demand" not as a fixed number but a number that results from the interaction between the traveling public and the traveling options. The demand for the southbound Sunday ferry is bound to fall since the option is not available! Absent the option to prove the demand, you might just have to believe us when I say that "If we could travel south Sunday on the ferry, we would!"

Thank you.

Stephanie

Stephanie K. Scott
Mayor, Haines Borough

Box 1209
Haines, Alaska 99827
907-766-2231, ext. 30

On Jun 1, 2012, at 7:31 PM, Neussl, Michael A (DOT) wrote:

Mayor Scott: AMHS did not perform an experiment with scheduling on May 27th. We did alter the schedule of the Malaspina to return to Juneau on that Sunday afternoon in order to provide support to the Beerfest festival, one of a number of community events that we try hard to support with ship scheduling. In order to accomplish that, and not impact the Columbia's early Monday morning arrival in Auke Bay, we had to get Malaspina underway from the dock to clear space for Columbia for the duration of her port call, when Malaspina could then return to the dock. As you can imagine, that is not a very efficient way to run a ship, getting underway without passengers just to clear dock space for another ship, consuming fuel, and exposing ourselves to the inherent risk of an additional undocking and docking evolution. The bottom line is that this is not an easily managed evolution, and it was done strictly in support of the community festival.

I would like to know more about the impacts of the new schedule without the southbound Sunday sailing. My staff and I have not heard any complaints about it (except from you and from Robert Venables). People seemed to have adjusted to the change. I heard anecdotally that a bunch of people showed up at the terminal that first Sunday when there was no southbound run and were disappointed. I can only say that it is important for people to check the schedule and, ideally, make a reservation in advance to travel. That helps us operate more efficiently. Just assuming the ship will always be there at the same time every day is not realistic and can lead to disappointment.

The current schedule is not a 2 year schedule. I do not know where you heard that information. AMHS schedules are published for the summer season and the fall/winter/spring season, and each scheduling cycle is unique. We do always try to maintain consistency in our schedules, only making changes when there are valid reasons to do so, not just change for the sake of change. As I told the MTAB when they asked about the Malaspina route change, that is subject to review after it runs for a season and is subject to change.

As for capacity, you are correct in terms of the number of ship visits. The real issue however is not the total number of ships coming and going, but whether those ships can carry the traffic demand without leaving people or vehicles behind. So far, I am not aware of the ships providing Northern Lynn Canal service being sold out with demand exceeding capacity. Scheduling beyond that becomes a matter of convenience rather than one of capacity.

Thank you,
Mike

Captain Michael A. Neussl
Deputy Commissioner for Marine Operations
AK DOT&PF, AMHS
Juneau, AK
907-465-6977 (Office)
907-723-0642 (Cell)

From: Stephanie Scott [mailto:sscott@aptalaska.net]
Sent: Thursday, May 31, 2012 11:59 AM
To: Neussl, Michael A (DOT)
Cc: Jan Wrentmore
Subject: Re: Ferry Service in the Upper Lynn Canal

Dear Captain Neussl,

Thank you for responding to my concern. I believe that AMHS may have performed a little experiment on Sunday, May 27, when the Malaspina did return to Juneau to accommodate Beerfest travelers. Am I correct? If so, how were the three vessels managed Monday morning in Auke Bay? If the vessels were easily managed, perhaps you could consider returning the Malaspina to Juneau Sunday evenings on a regular basis. This would be of a considerable benefit to southbound Lynn Canal passengers.

I would like to point out that capacity comparison for the upper Lynn Canal should be based on the vessel running the day boat schedule last summer (the Malaspina) and the present configuration. The LeConte and the Fairweather have considerably less capacity, but they did not provide day boat summer service last summer season. The present schedule does result in reduced capacity if I am not mistaken. Please do correct me if I am wrong. Our concern over the present schedule is elevated given that it is proposed as a 2-year schedule.

Thank you.

Stephanie
Stephanie K. Scott
Mayor, Haines Borough
Box 1209
Haines, Alaska 99827
907-766-2231, ext. 30

Mayor Scott: This plan was in the summer schedule draft that was put out for public comment last August before the schedule was published. The reason Malaspina only goes northbound on Sundays, and spends the night in Skagway before running the southbound leg on Monday, is that I have to free up a berth in Auke Bay for Columbia which arrives Auke Bay early Monday mornings. I cannot have both LeConte and Malaspina in port Auke Bay on Monday mornings or Columbia would not have a berth. We do a similar maneuver with LeConte overnighing in Hoonah on Monday nights to make room for Kennicott in Auke Bay on Tuesday morning. I do not see a remedy for this season since the schedule is already published and reservations have been made, but I have asked Operations and Schedules to take a look at it with your (and MTAB Chair Venables) concerns in mind.

In terms of profitability, no AMHS route actually earns a profit (operating expenses exceed revenue generated on every AMHS route). Some generate more revenue than others, with the Columbia's Bellingham to Skagway run and Northern Lynn Canal being the best revenue generators. With the Malaspina, Matanuska (on Thursdays), and Columbia providing service to Haines and Skagway, we have much more capacity on the Northern Lynn Canal route to handle the traffic demand than we did with the LeConte and Fairweather.

Mike

Captain Michael A. Neussl
Deputy Commissioner for Marine Operations
AK DOT&PF, AMHS
Juneau, AK
907-465-6977 (Office)
907-723-0642 (Cell)

From: Stephanie Scott [mailto:sscott@aptalaska.net]
Sent: Monday, May 14, 2012 6:53 AM
To: Neussl, Michael A (DOT)
Subject: Ferry Service in the Upper Lynn Canal

Dear Mr. Neussl,

It was brought to my attention yesterday that there will not be daily service on the Marine Highway this summer between the Upper Lynn Canal (Haines-Skagway) and Juneau. Sunday service has been eliminated. One of the mysteries of this development is that it has caught us all unaware! My question to you is: was this lack of service on Sunday in fact part of the summer schedule that was circulated for comment late winter? I understand that the MTAB is also surprised by the lack of a Sunday day-boat. If the elimination of the Sunday sailing was part of the schedule circulated, then that speaks to the design of schedule itself. There would probably be a problem with the layout if so many eyes mis-read.

The Upper Lynn Canal is the most profitable summer route in your system.

It makes no sense to make cut backs on this leg. I hope you can install a correction.

Thank you.

Stephanie
Stephanie K. Scott
Mayor, Haines Borough
Box 1209
Haines, Alaska 99827
907-766-2231, ext. 30

AMHS Traffic*

	Embarking Passengers						Disembarking Passengers					
	Haines			Skagway			Haines			Skagway		
	2010	2011	2012**	2010	2011	2012	2010	2011	2012**	2010	2011	2012
January	1797	1484		634	570		1718	1348		623	455	
February	1258	1335		543	461		1370	1584		534	449	
March	1883	1465		1104	729		1704	1645		1110	730	
April	1621	1225		962	590		1887	1435		1186	883	
May	2742	3008	2707	1445	1656		2706	3232	2990	1566	1680	
June	3949	4166	4099	3445	3286		4787	4680	4841	3539	3195	
July	6240	6542	6822	5031	4669		6526	6777	6332	5409	5170	
August	6476	5755		4539	4418		4936	4926		4346	4115	
September	3173	3542		2492	2881		2375	2651		2334	2548	
October	2085	2108		1077	863		1868	1774		1042	856	
November	1892	1788		542	556		1722	1630		445	469	
December	1179	1577		383	537		1388	1602		405	531	
Totals	34295	34005		22197	21216		32987	33284		22539	21081	
Subtotal Summer	22580	23013	13628	16952	16910	0	21330	22266	14163	17194	16708	0

	Embarking Vehicles						Disembarking Vehicles					
	Haines			Skagway			Haines			Skagway		
	2010	2011	2012**	2010	2011	2012	2010	2011	2012**	2010	2011	2012
January	581	490		182	161		570	448		188	123	
February	456	448		185	137		500	543		179	140	
March	605	547		349	204		582	618		342	208	
April	662	530		347	236		747	635		425	300	
May	971	1092	1041	544	634		1009	1206	1194	480	589	
June	1512	1665	1596	1142	1055		1788	1823	1822	1080	998	
July	2371	2352	2449	1457	1383		2162	2210	2158	1639	1633	
August	2383	2218		1269	1183		1833	1772		1402	1312	
September	1316	1468		709	791		979	1145		761	841	
October	830	880		314	298		692	650		362	319	
November	685	646		189	194		604	587		164	169	
December	417	540		113	178		479	567		128	174	
Totals	12789	12876		6800	6454		11945	12204		7150	6806	
Subtotal Summer	8553	8795	5086	5121	5046	0	7771	8156	5174	5362	5373	0

*Numbers transferred from published AMHS Annual Traffic Schedules for 2010 and 2011.

** Numbers gathered by the Assistant Manager at the Haines Ferry terminal from load reports.

Schedule Characteristics

2010

In 2011, the ferry overnights in Skagway. Ferry traveled daily, 7-days a week. Leaving Skagway/Haines in the 2011 AM; leaving Juneau for Skagway/Haines in the PM.

The ferry overnights in Juneau every night except Sunday when it overnights in Skagway. Leaves Skagway Haines late morning or evening, every day except Sunday with two ferries on Wednesday. Leaves Juneau at 7 2012 AM everyday except Thursday. There is no ferry north on Thursday; no ferry south on Sunday.



THE STATE
of **ALASKA**
GOVERNOR SEAN PARNELL

Department of Transportation and Public Facilities

OFFICE OF THE COMMISSIONER

3132 Channel Drive
P.O. Box 112500
Juneau, Alaska 99811-2500
Main: 907.465.6977
Fax: 907.586.8365
dot.state.ak.us

August 6, 2012

Dear Community Advisory Group Members:

It is time to begin the public review process for the next Alaska Marine Highway System (AMHS) scheduling cycle. The proposed schedule patterns that will be reviewed cover the summer 2013 schedule.

The schedule patterns that are being proposed are based on a funding level for FY14 that will support 416.6 ship-weeks of service. The operating plan has been designed to meet the needs for community service, stay within available funding, and maintain regulatory and safety standards for the vessels.

Please take the time to review and comment on this proposal paying particular attention to any need for special events scheduling. Be sure to give the name of the event, date, location, and arrival and departure times needed for each special event if you propose adding any.

Please provide your written comments prior to August 28, 2012. Information may be faxed to (907) 586-8365 or emailed to dot.amhs.comments@alaska.gov. A teleconference to hear comments and consider adjustments is scheduled for Tuesday, August 28, 2012 at 10:00 a.m. for Southeast schedules and at 1:30 p.m. for Southwest and Southcentral schedules. The meeting will be held in Ketchikan at the Port Engineer's waterfront office, 3713 Tongass Avenue for participants wishing to attend in person.

The toll free number to participate in both teleconferences is: 1-800-315-6338, conference code 3902#. The link to access the proposed schedule patterns is <http://www.dot.state.ak.us/amhs/share/schedule/considerations.pdf>.

It is the policy of the Department of Transportation & Public Facilities (DOT&PF) that no person shall be excluded from participation in, or be denied benefits of any and all programs or activities we provide based on race, religion, color, gender, age, marital status, ability, or national origin, regardless of the funding source including Federal Transit Administration, Federal Aviation Administration, Federal Highway Administration and state of Alaska funds.

DOT&PF complies with Title II of the Americans with Disabilities Act of 1990. Individuals with disabilities who may need auxiliary aids, services, and/or special modifications to

"Get Alaska Moving through service and infrastructure."

participate in this public meeting should contact AMHS Operations Manager, Captain Tony Karvelas at (907) 228-7252 and TDD (907) 269-0743, TTY 1-800-770-8793, Alaska Relay, Voice: 7-1-1 or 1-800-770-8255 no later than August 13, 2012 to make any necessary arrangements.

If you have any additional questions or need additional information, please contact the AMHS Operations Manager, Captain Tony Karvelas, at (907) 228-7252 or (907) 617-4277.

Sincerely,



Michael A. Neussl
Deputy Commissioner, Marine Operations

ENCLOSURES:

Draft FY13 Operating Plan 13.06
Proposed Vessel Deployment
Calendars of Events
Weekly Vessel Pattern Graphs (Spider Graphs)

DISTRIBUTION:

All Southeast Alaska Mayors
All Southcentral Alaska Mayors
All Southwest Alaska Mayors
Alaska Travel Industry Association
Alaska Regional Development Organizations (ARDORS)
Commercial Shipping Companies
Convention and Visitors Bureau (CVB)
DOT/PF Southeast Regional Director
Marine Transportation Advisory Board
Managers, AMHS Terminals
Masters, AMHS Vessels
Unions
 IBU
 MM&P
 MEBA
Tlingit & Haida Central Council
S.E. Alaska Tribal Government Advisory Committee
Governor's Office, Office of Management and Budget
Governor's Office, Deputy Chief of Staff

DRAFT

**Operating Plan
2012-2013**

Revision Number 13.06
07/10/2012

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	Operating Weeks		
	2012											Implementation of an Operating Plan is dependent upon funding from the legislature and earned revenue.		2013	
KEN	Jul 1, Sun	BEL -X-GULF		Sep 17, O.H		Nov 03, YPR-X-GULF SW						May 09 BEL-X-GULF	45.4		
COL	Jul 1, Sun	BEL-Fri				Dec 5, Wed Layup		Feb 1, Fri Overhaul		Mar 31, Sun	BEL-Fri		35.6		
MAT	Jul 1, Sun	YPR/SGY		Oct 2, Overhaul		Dec 5, BEL-FRI				Apr 1, YPR-JNU-SGY			43.0		
MAL	Jul 1, Sun	NLC - Dayboat		Oct 1, Layup/CIP					Mar 04, O.H.		May 01 NLC - Dayboat		21.9		
TAK	Jul 1, Sun	YPR/JNU								Apr 1, Mon OH			42.3		
LIT	Jul 1, Sun	MET Service					Jan 10, Overhaul		Jan 26, MET Service			Jun 9, Sun YPR/JNU	49.9		
LEC	Jul 1, Sun	NP/Dayboat	Aug 22, O.H.	Oct 01, Mon	NP/Dayboat								46.4		
TUS	Jul 1, Sun	SW				Nov 01, Thu CIP			Mar 04, Overhaul/CIP	Apr 20, SW			27.9		
AUR	Jul 1, Sun	PWS	Aug 18, In Transit	Aug 22, NP Dayboat	Oct 04, PWS			Feb 13, Overhaul	Apr 01, PWS				44.4		
FWX	Jul 1, Sun	SIT 6X - PSG 1X		Oct 01, O.H.	Nov 01, Thu Layup				Feb 27, Wed	NLC + SIT 4X wk	May 01, SIT 4X		30.9		
CHE	Jul 1, Sun	PWS		Oct 04, Layup				Feb 14, PWS 4X	Apr 01, Mon OH	May 01, Wed	PWS		28.9		

LEGEND

 On Line	BEL - Bellingham to Skagway Route	PWS-Prince William Sound	SW- Southwest	Mainline Vessels	188.2
 Overhaul	YPR - Prince Rupert to Skagway Route	MET - Metlakatla Service	YPR-X-Gulf-SW Pr. Rupert Cross Gulf Southwest	Feeder Vessels	127.2
 Layup	BEL-X-Gulf Bellingham Cross Gulf SW	NP - Northern Panhandle	NLC + SIT - Northern Lynn Canal + Sitka	Southwest Vessels	101.2

Note: Dates represent the first day of the period. Overhaul and refurbishment periods include vessel travel time.

Total Operating Weeks 416.6

Alaska Marine Highway System

Summer 2013

July 25, 2012

Proposed Vessel Deployment

- Kennicott to operate Bellingham cross the Gulf to Southwest
- Columbia to remain on the Friday Bellingham Route
- Matanuska to sail from Prince Rupert to Skagway and from Prince Rupert to Juneau once per week
- Malaspina to homeport in Juneau and sail North Lynn Canal daily except Monday
- Taku to sail from Prince Rupert to Juneau twice per week
- Lituya to sail 5 days per week between Annette Bay and Ketchikan
- LeConte to sail a Northern Panhandle Route
- Tustumena to sail the Southwest Route with two Aleutian chain trips per month
- Aurora to sail between Valdez and Whittier, also serving Tatitlek twice per month
- Fairweather to sail: May 1 to June 30, Sitka 2 days/Sitka with Angoon 2 days. July 1-Sept 30: Sitka 4 days, Sitka with Angoon 2 days, Petersburg 1 day
- Chenega to sail: May 1 to Aug 21, between Cordova and Whittier 5 days, reversing triangle Cordova, Whittier, Valdez 2 days. Aug 22 to Sept 30, between Cordova and Whittier 1 day, reversing triangle Cordova, Whittier, Valdez 6 days to cover for Aurora while she is in SE

Adjustments to the schedule:

- Malaspina homeport in Juneau, Lynn Canal schedule starting in Juneau northbound six days per week
- LeConte overnight Angoon on Sunday, Hoonah on Monday and Pelican every other Wednesday. LeConte is scheduled for overhaul Aug 22- Sept 30. Her schedule will be covered by the Aurora .
- Taku to operate as Lynn Canal day boat in September due to Columbia repower/Malaspina to Bellingham run

2013 SUMMER COMMUNITY EVENTS
SOUTHEAST
Rev 08/08/2013

MAY

Annual Great Alaska Craftbeer & Homebrew Festival HNS – May 24-25
Little Norway – Petersburg – May 17-20

JUNE

Kluane to Chilkat Bike Relay – Haines June 15, 2013

JULY

Annual Dustball Tournament – Whitehorse
SE AK State Fair & Bald Eagle Music Fest

AUGUST

Founder's Day – Metlakatla
Dog Salmon Festival – Kake

SEPTEMBER

Klondike Road Relay – Skagway

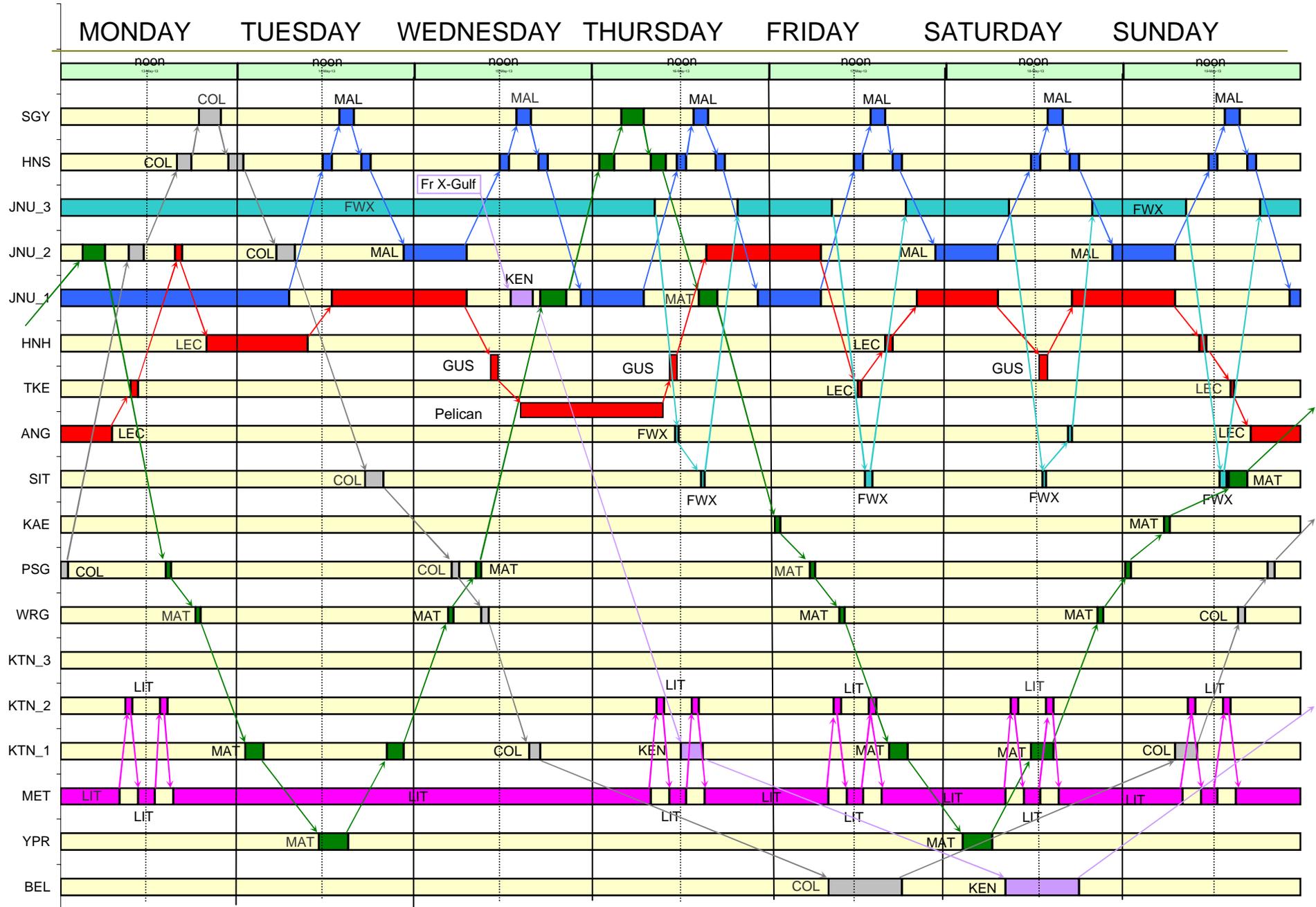
Please review the above Community Calendar of Events and comment on any events that are missed for your community. Schedule patterns may be changed as warranted to be able to provide service to/from the events.

DRAFT

SE Summer 2013 May - June 08 Wk 1 & 3

DRAFT

Revised 07-25-2012

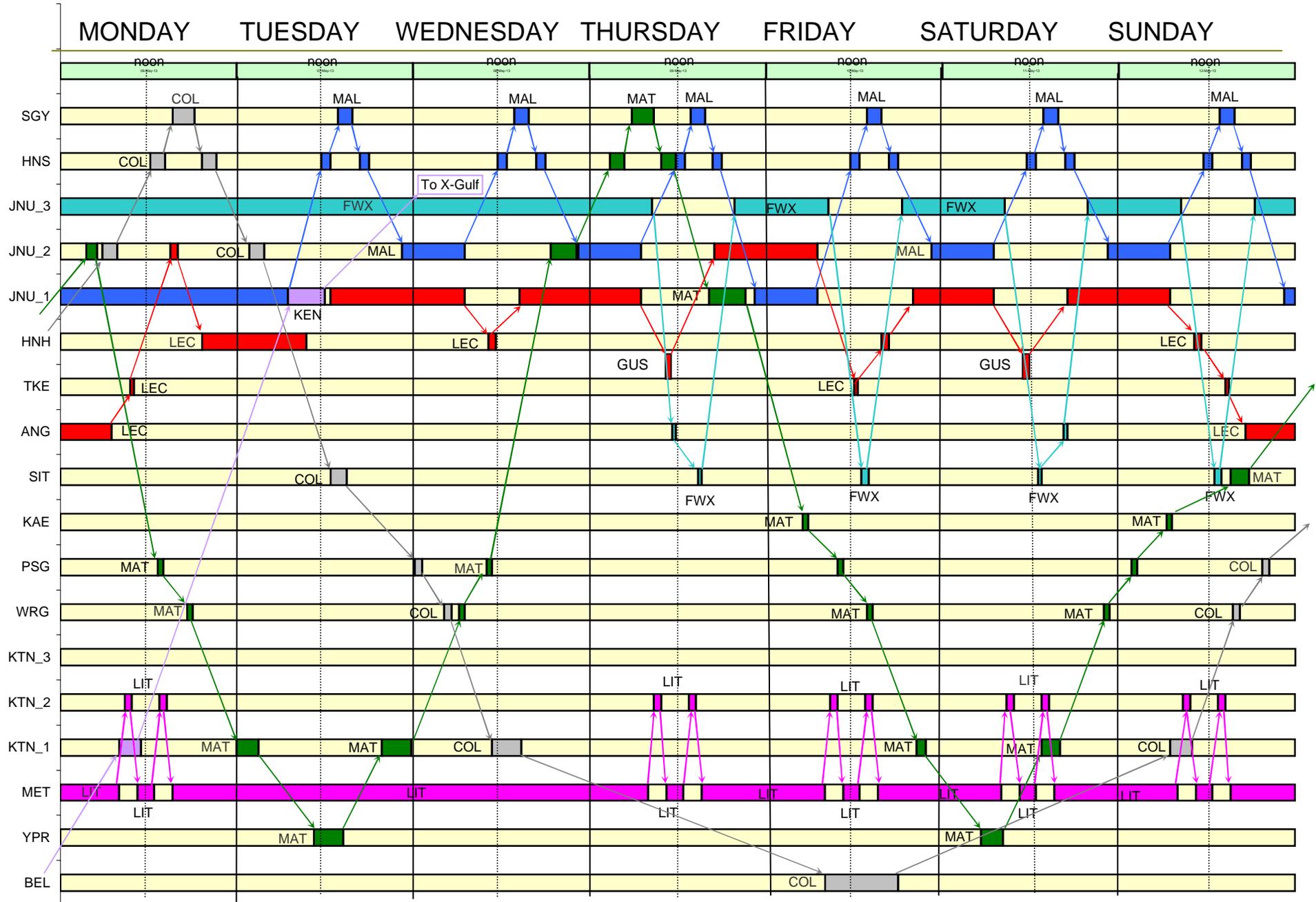


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SE Summer 2013 May - June 08 Wk 2 & 4

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Revised 07-25-2012

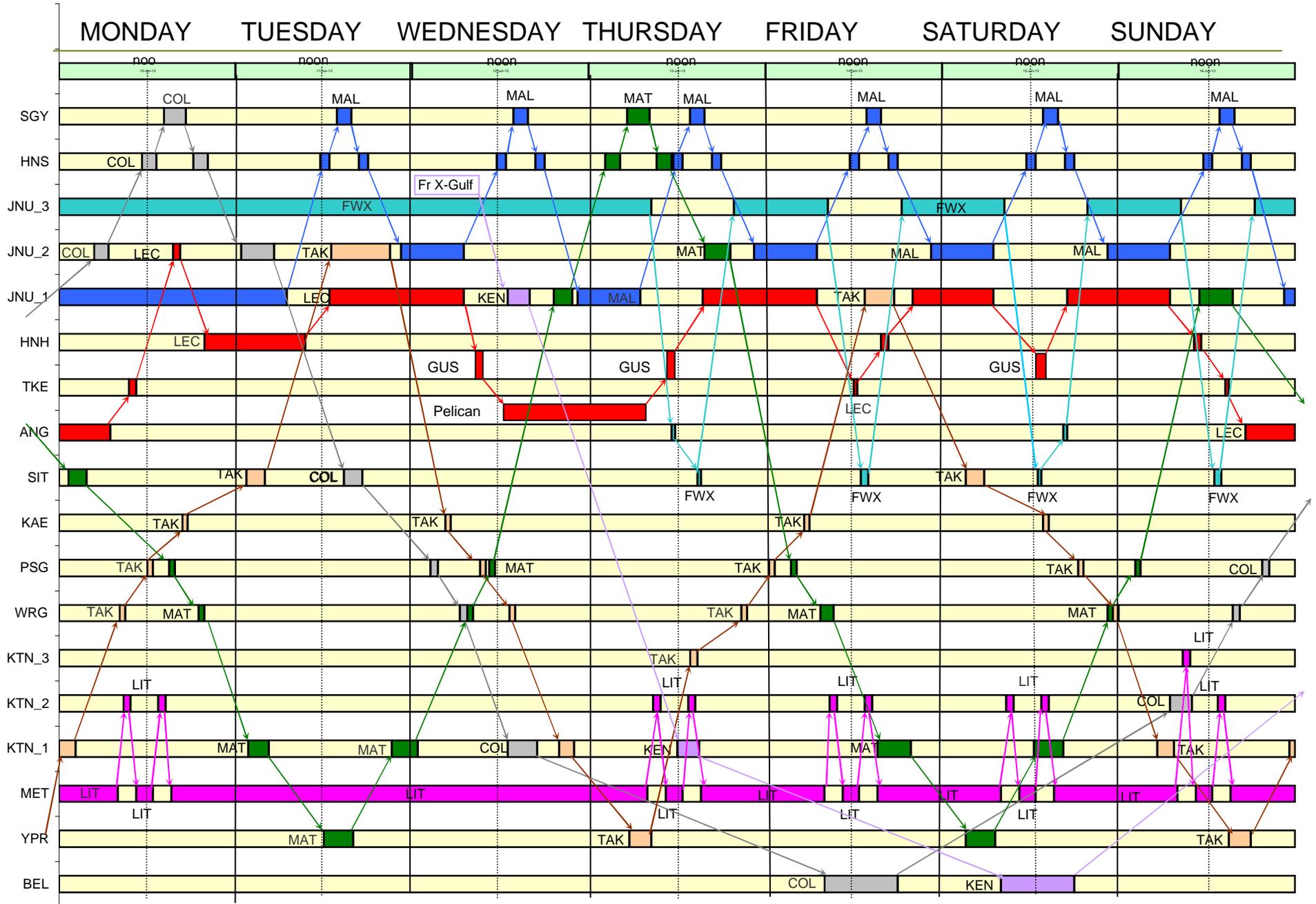


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SE Summer 2013 June 09-June 30 WK 1 & 3

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Revised 07-25-2012

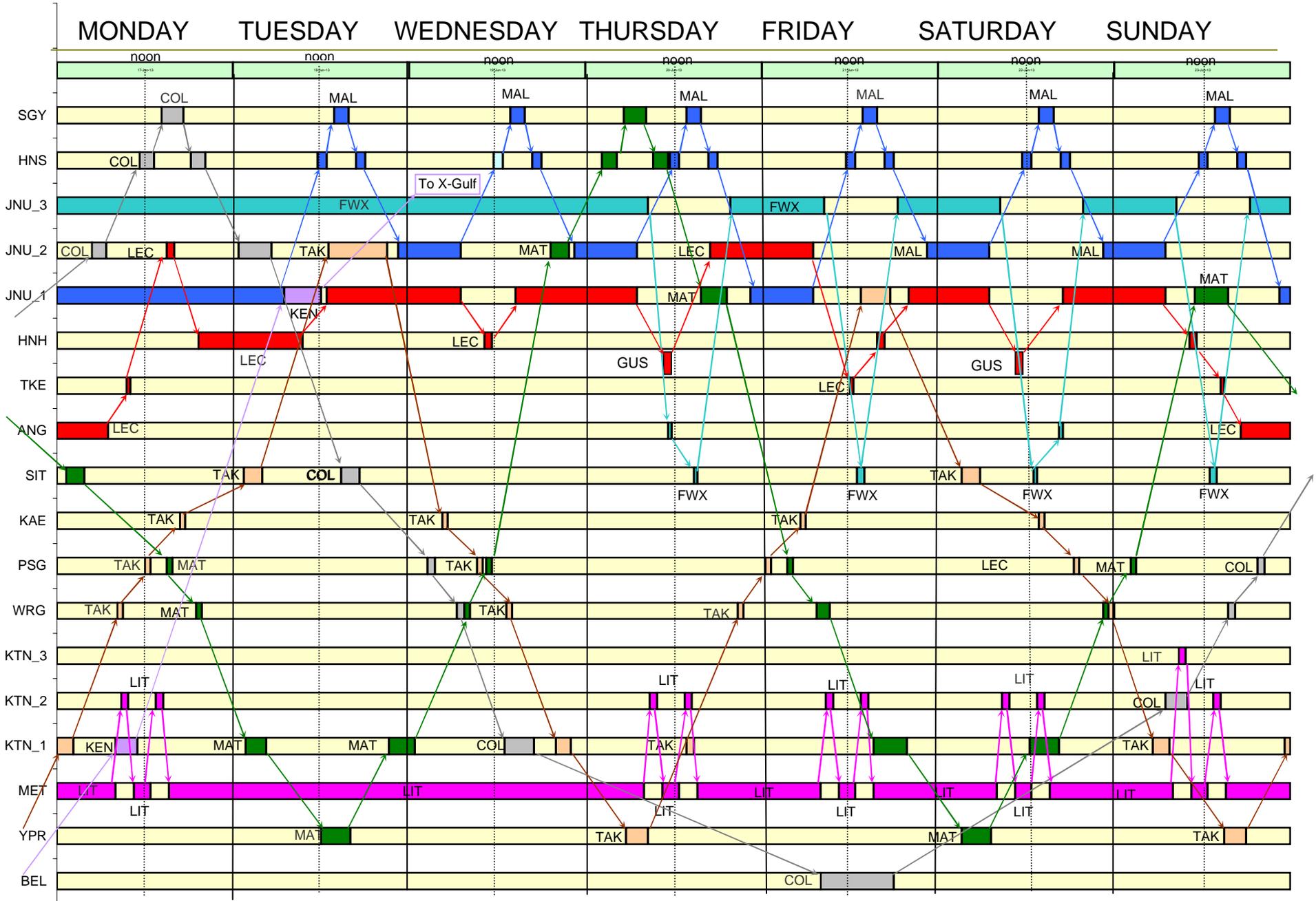


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SE Summer 2013 June 09- June 30 Wk 2 & 4

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Revised 07-25-2012

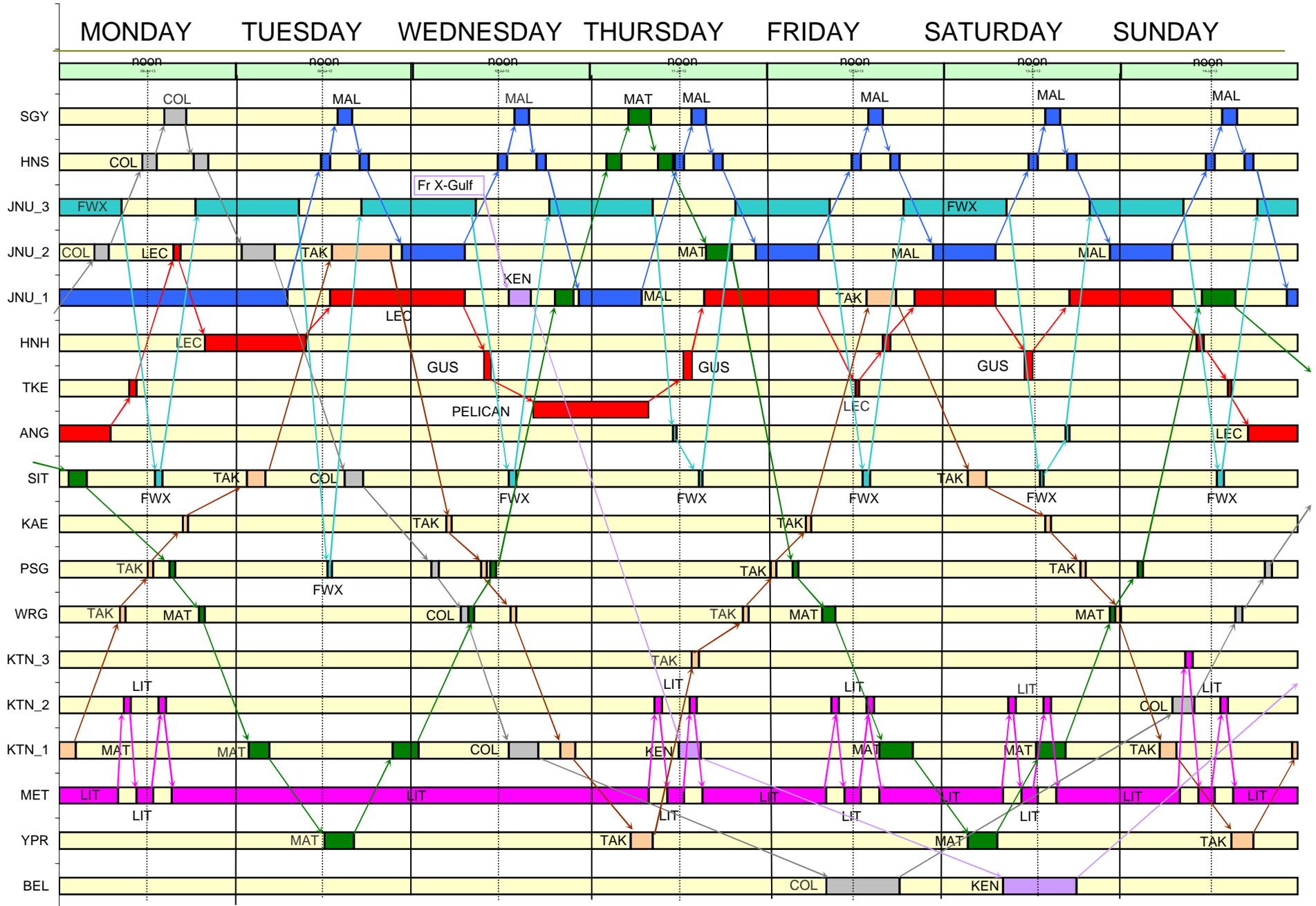


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SE Summer 2013 JUL-AUG Wk 1 & 3

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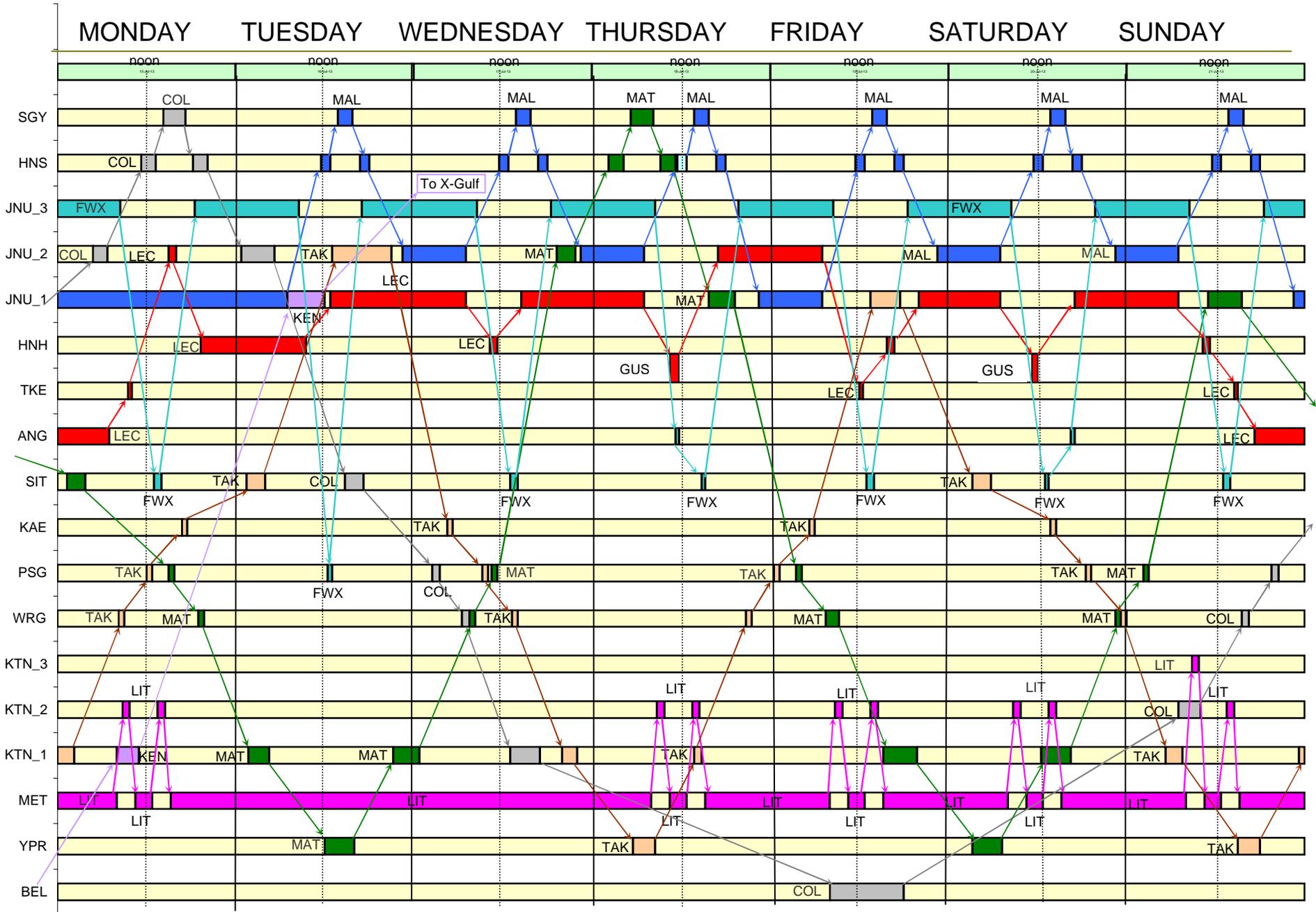


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SE Summer 2013 JUL-AUG Wk 2 & 4

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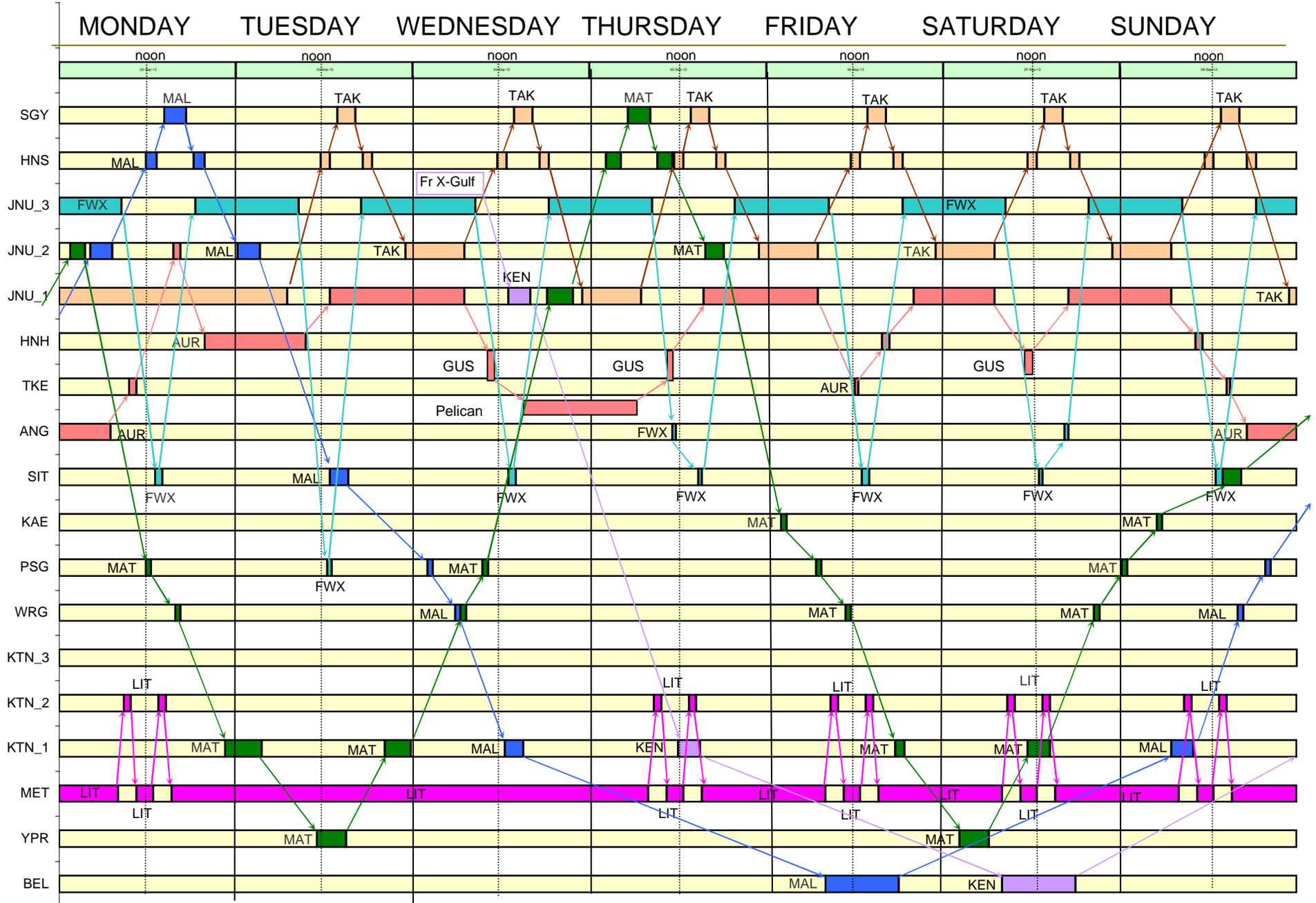


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SE Summer 2013 Sept Wk 1 & 3

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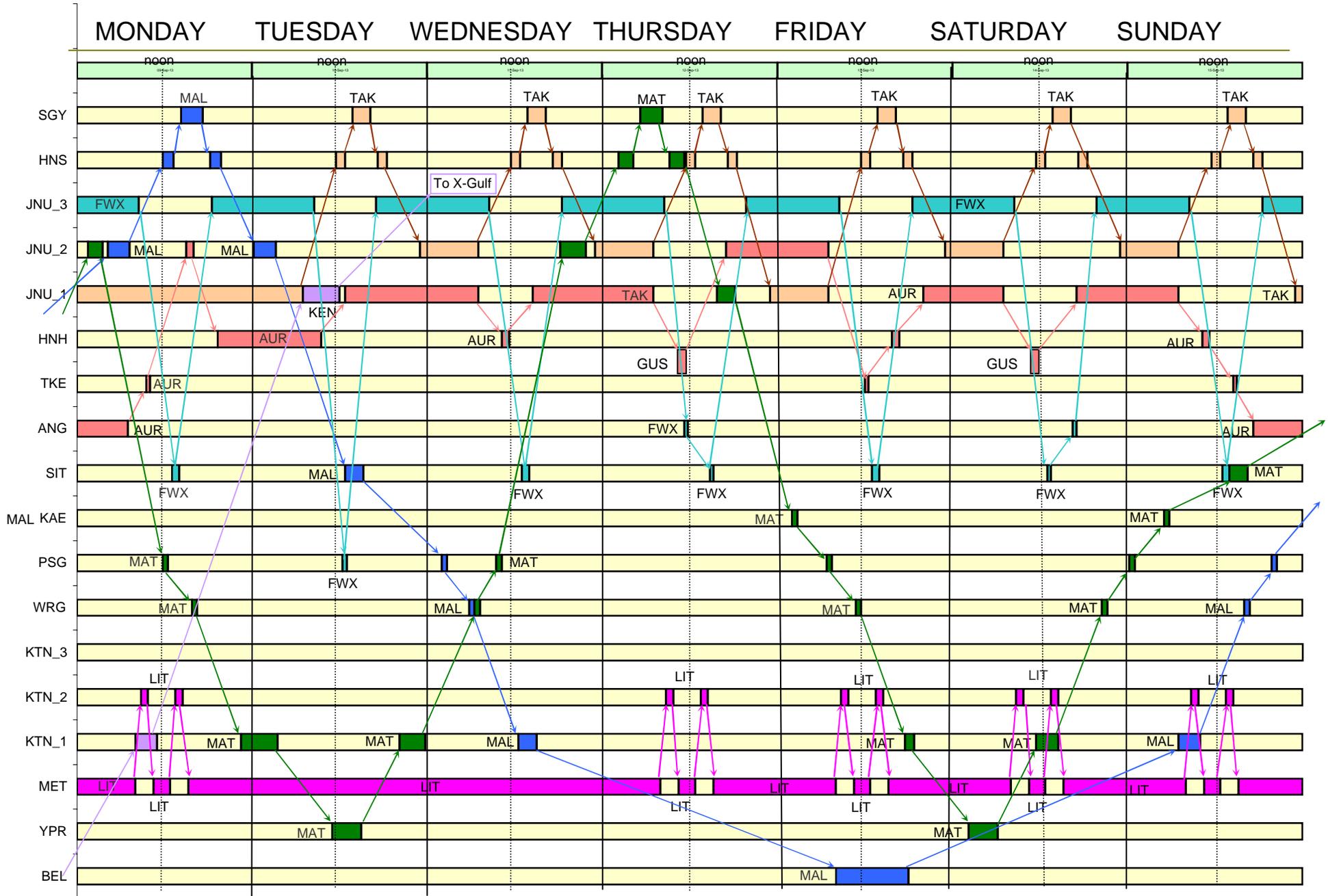


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SE Summer 2013 Sept Wk 2 & 4

DRAFT

Revised 07-25-2012



2012 SUMMER COMMUNITY EVENTS
SOUTHWEST/SOUTHCENTRAL
Rev 08/08/2013

MAY

Eastern Aleutian Tribes, Inc – Health Fair AKU, CBY, KCV, SDP
PWS Shorebird Festival – Cordova May 2-5
Kodiak Crab Festival May 23-27

JUNE

JULY

Wild Copper River Salmon Days - Cordova

AUGUST

Fungus Festival – Cordova

SEPTEMBER

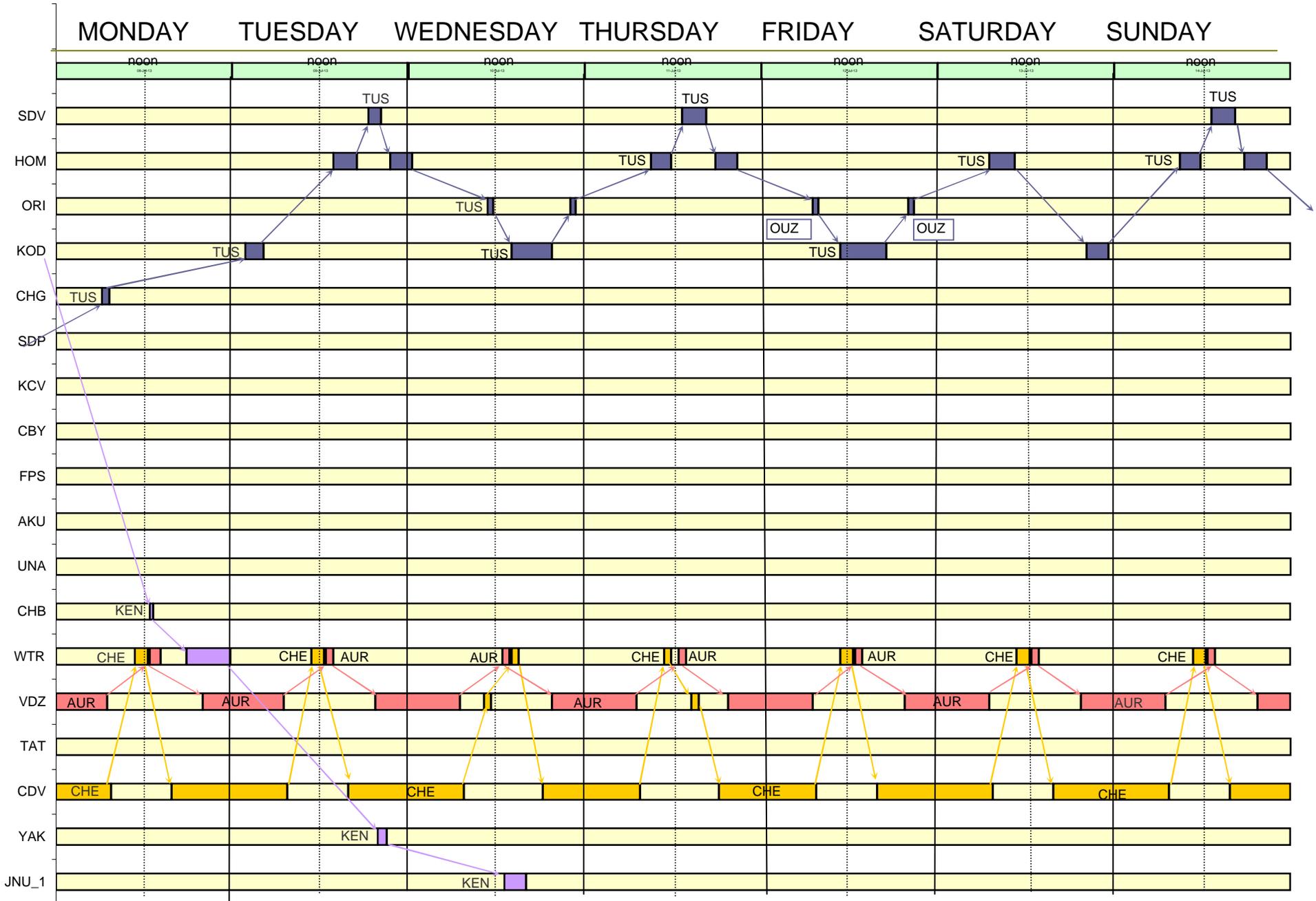
Please review the above Community Calendar of Events and comment on any events that are missed for your community. Schedule patterns may be changed as warranted to be able to provide service to/from the events.

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SW-PWS Summer 2013 Wk 1 & 3

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Revised 07-25-2012

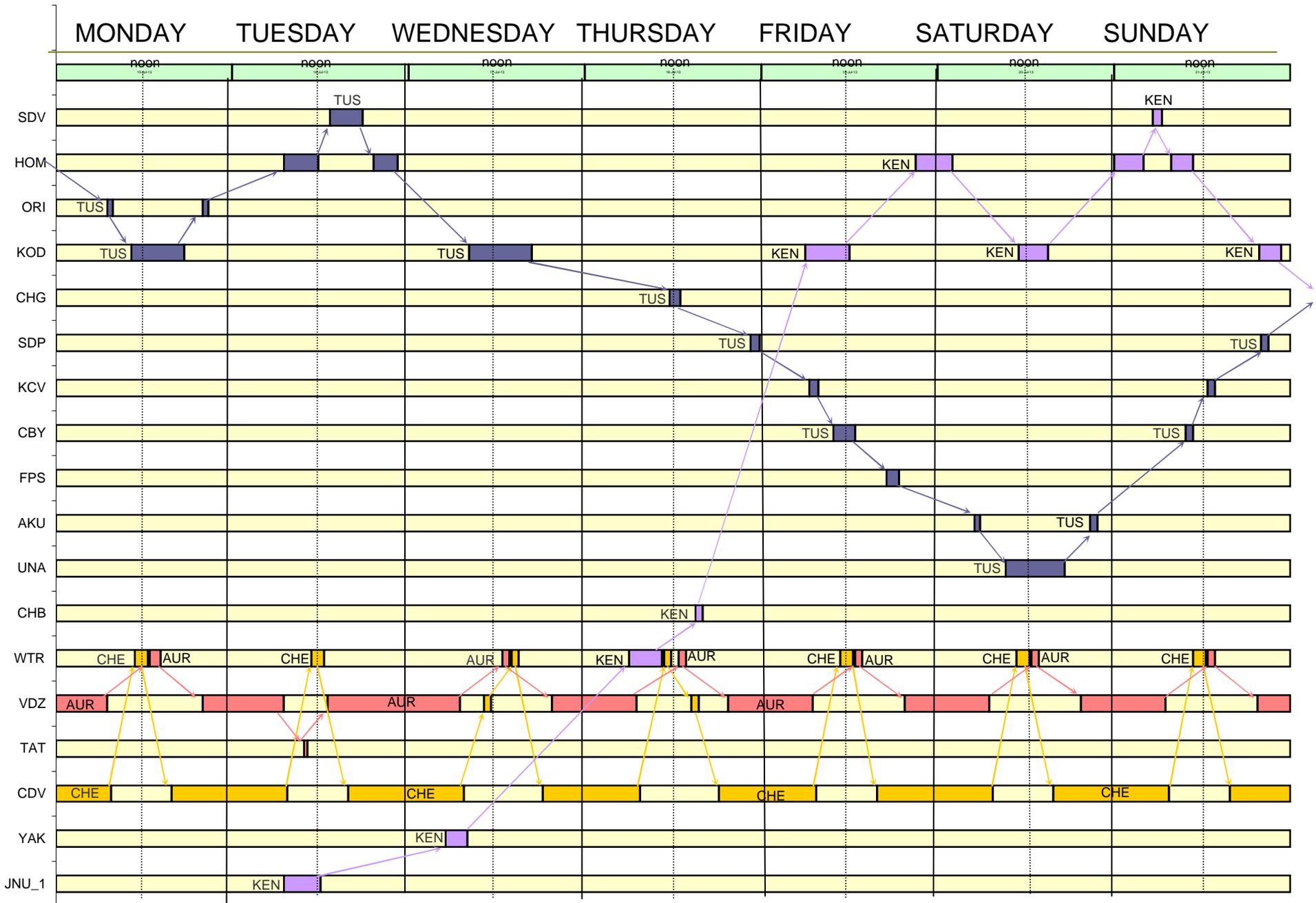


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SW-PWS Summer 2013 Wk 2 & 4

DRAFT

Revised 07-25-2013



DRAFT

PWS Summer 2013 AUG 18 - SEP 30

DRAFT

Revised 07-25-2012

	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY	SUNDAY
	noon 18 Sep-13	noon 19 Sep-13	noon 20 Sep-13	noon 21 Sep-13	noon 22 Sep-13	noon 23 Sep-13	noon 24 Sep-13
SDV							
HOM							
ORI							
KOD							
CHG							
SDP							
KCV							
CBY							
FPS							
AKU							
UNA							
CHB							
WTR	CHE						
VDZ			CHE			CHE	
TAT							
CDV	CHE						
YAK							
JNU_1							



**Haines Borough
Assembly Agenda Bill**

Agenda Bill No.: 12-151

Assembly Meeting Date: 8/28/2012

Business Item Description:	Attachments:
Subject: Planning Commission Appointment	1. Mayor's Appointment 2. Application - Robert W. Miller 3. Public Notice of Board Vacancies 4. Roger Maynard resignation
Originator: Mayor Scott (agenda bill by the Clerk's Office)	
Originating Department: Mayor	
Date Submitted: 8/20/12	

Full Title/Motion:
Motion: Confirm the mayor's appointment of Robert W. Miller to Planning Commission Seat B with a term ending November 30, 2013

Administrative Recommendation:
N/A

Fiscal Impact:		
Expenditure Required	Amount Budgeted	Appropriation Required
\$	\$	\$

Comprehensive Plan Consistency Review:	
Comp Plan Policy Nos.:	Consistent: <input type="checkbox"/> Yes <input type="checkbox"/> No

Summary Statement:
Planning Commission Seat B became vacant with the resignation of Roger Maynard. In response to a public notice, one appointment application was received. The commission reviewed the application at its 8/9/12 meeting and recommends appointment. The mayor intends to follow that recommendation and seeks assembly confirmation

Referral:			
Sent to:	Recommendation:	Date:	Meeting Date:
	Refer to:		

Assembly Action:	
Workshop Date(s):	Public Hearing Date(s):
Meeting Date(s): 8/28/12	Tabled to Date:

Mayoral Appointment 8/28/12

Planning Commission

Robert W. Miller – New Appointment – term expires 11/13

This will leave 0 vacancies

Remaining Board Vacancies:

Tourism Advisory Board – 1 seat

Note: two applications were received and the board is currently reviewing them for recommendation to the mayor

Chilkat Center Advisory Board – 1 seat

Parks and Recreation Advisory Committee – 1 seat

Public Safety Commission – 3 seats

Fire Service Area #1 – 2 seats

Four Winds RMSA Board – up to 4 seats

Riverview Drive RMSA Board – 2 seats

Port Development Steering Committee – 1 planning commission seat TBD

Facilities Master Plan Steering Committee – 1 chamber of commerce seat TBD

Haines Borough Application for Board Appointment



RECEIVED Haines Borough

AUG 03 2012

Clerk's Office

- Appointment** (I am not currently on the board)
- Reappointment** (I am currently a member of the board)

Check the board, commission, or committee for which you are applying :

<input checked="" type="checkbox"/>	Planning Commission		Boat Harbor Advisory Committee
	Tourism Advisory Board		Fire Service Area Board #1
	Chilkat Center Advisory Board		Fire Service Area Board #3 (Klehini)
	Parks and Recreation Advisory Board		Letnikof Estates Road Maintenance Service Area Board
	Museum Board of Trustees		Riverview Road Maintenance Service Area Board
	Library Board of Trustees		Historic Dalton Trail Road Maintenance Service Area Board
	Public Safety Commission		Four Winds Road Maintenance Service Area Board
	Temporary (Ad-hoc) Board/Committee _____		

Name: Robert W. Miller

Residence Address: Lot 7 Block 1 Chilkoot Inlet Subdivision

Mailing Address: PO Box 742 Haines AK 99827

Business Phone: _____ Home Phone: 907 766-2755

Fax: _____ Email: robandardy@gmail.com

I declare that I am willing to serve as a member of the designated board, commission, or committee. Please enter my name for consideration of appointment by the mayor, subject to confirmation by the assembly. I am a registered voter of the State of Alaska and have resided within the Haines Borough for at least thirty (30) days preceding this date or the date of appointment.

Robert W. Miller
Signature of Applicant

Aug 3, 2012
Date

PLEASE BRIEFLY DESCRIBE YOUR QUALIFICATIONS (You may attach a resume):
see attached resume and letter of interest

* HBC 2.60.020 - A member of a committee, board or commission shall be a resident of the borough as defined below...a person qualifying as a borough resident shall: A) Continue to maintain the person's principal place of residence within the corporate boundaries of the borough and have done so for at least 30 days immediately preceding the date of the person's appointment by the mayor; and B) Physically occupy said residence for at least 30 days immediately preceding the date of the person's appointment by the mayor.

Ms. Stephanie Scott, Mayor
Haines Borough
Haines, Alaska

August 3, 2012

Robert W. Miller
PO Box 742
Haines, AK 99827

Dear Ms. Scott:

I am hereby expressing my interest in being appointed to the vacant Haines Borough Planning and Zoning Commission seat. I have lived in Haines since October, 2008, and owned property here since 1985. I have been an Alaska resident for over 30 years. As a retired civil/structural engineer, I feel that my experience will enable me to make a significant contribution to the Commission and have a positive impact on the development of this community, my chosen home.

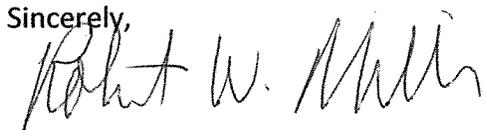
During my 23 year engineering career, I conducted public meetings, regularly met with municipal officials, and contributed technical expertise on a project-based level to a variety of Alaskan communities. I would very much enjoy an opportunity to use some of what I have learned here at home.

During this time, I became very familiar with a variety of building and construction codes, from both design and construction perspectives. I saw first-hand how the enactment (as well as non-enactment) of codes and requirements affected Alaskan communities and their residents, contractors, and governments. I worked with the Uniform Building Code as well as its successors, the International Building Code and the Residential Building Code. I worked extensively with the American Welding Society codes, served on a national subcommittee that modified and maintained them, and was a certified welding inspector for 9 years. As a bridge and marine designer, I worked with the American Association of State Highway and Transportation Officials (AASHTO) Bridge design and welding codes, as well as working in areas of engineering (i.e. offshore design and coastal engineering) where no code clearly applies.

In addition, as an engineering manager, I worked closely with planners and budgetary personnel to help set DOT&PF priorities for the Southeast region. This task involved interacting with communities, soliciting input, and obtaining local concurrence for DOT&PF projects.

If there are any questions about my experiences, views, general outlook, or any aspect relevant to the duties of this seat, please feel free to contact me at 766-2755.

Sincerely,



Robert W. Miller, P.E.

RESUME OF ROBERT MILLER, P.E.

P.O. Box 742
Haines, Alaska 99827
(907) 766-2755

Date of Birth: February 17, 1953

Certifications: Registered Professional Engineer, State of Alaska no. CE 7436 (1987 initial registration, currently in retirement status).

Previous (expired) certifications:

Certified Welding Inspector, American Welding Society no. 97050531 1997-2006
ICBO Special Inspection certifications for Structural Steel, Masonry, and Reinforced Concrete, 1990-1995

Education: Bachelor of Arts in Philosophy, University of Washington, 1982
Bachelor of Science in Civil Engineering, University of Washington, 1982
Master of Science in Civil Engineering, University of Washington, 1984, emphasis on structural engineering.

Work History: Project Engineer, State of Alaska Northern Region, Nome, 2005-2007

Managed Construction of Kotzebue Airport Maintenance and Flight Control facility (ARFF & SREB), and Sand Storage Building. Position required enforcement of contracts and payment approvals for work appropriately completed. Knowledge of building codes and practices essential. Supervisor: Al Moor

Bridge Engineer, State of Alaska Bridge Design Section, Juneau, 2001-2005

Designed highway bridges. All work done in accordance with AASHTO code for Highway Bridges. Supervisors: Steve Bradford, Rich Pratt

Marine Engineering Manager, State of Alaska Southeast Region, Juneau, 1998-2001

Supervised a team of 5 engineers and detailers which designed and inspected ferry terminals and harbor facilities. Supervisor: Jack Beedle

Bridge Engineer, State of Alaska Bridge Design Section, Juneau, 1992-2001

Designed Highway bridges. Supervisors: Larry Carlson, Steve Bradford.

Design Engineer, Peratrovich, Nottingham, and Drage Consulting Engineering, Juneau, 1984-1991.

Wide variety of coastal engineering as well as residential and commercial structural design.

Additional: Served on American Welding Society subcommittee D1.4, which was responsible for writing and maintaining code provisions governing welding of reinforcing steel.

HAINES BOROUGH
HAINES, ALASKA

PUBLIC NOTICE

BOARD/COMMISSION VACANCIES

Planning Commission – 1 seat
Tourism Advisory Board – 1 seat
Chilkat Center Advisory Board – 1 seat
Public Safety Commission – 3 seats
Fire Service Area #1 – 2 seats
Four Winds RMSA Board – up to 4 seats
Riverview Drive RMSA Board – 2 seats



These are mayor-appointed positions. If you are interested in being considered, please submit either a letter of interest or the appointment application form available on the Borough's website or from the Borough Clerk. Resumes or a detailed description of qualifications are strongly encouraged. Please be aware that the planning commission position is subject to Alaska financial disclosure (APOC) laws. Applications will be accepted until appointments are made. Submit applications directly to:

Julie Cozzi, MMC, Borough Clerk
Haines Borough
P.O. Box 1209 or 103 Third Ave.S
907-766-2231 ext.31
jcozzi@haines.ak.us
www.hainesalaska.gov

(Note: Travel assistance funds are available for advisory board members traveling more than 10 miles one way to attend regular meetings.)

P.O. Box 1273
HAINES, AK 99872

JULY 12, 2012

RE: PLANNING COMMISSION RESIGNATION

HON. STEPHANIE SCOTT, MAYOR;
ROB GOLDBERG, P.C. CHAIRMAN;
PLANNING COMMISSION MEMBERS;

PLEASE ACCEPT MY RESIGNATION FROM THE
HAINES PLANNING COMMISSION, AND FROM THE
HAINES PORT DEVELOPMENT ADVISORY COMMITTEE
EFFECTIVE AT THE CLOSE OF TONIGHT'S PLANNING
COMMISSION REGULAR MEETING.

IT HAS BEEN AN HONOR TO SERVE —

Sincerely,

ROGER L. MAYNARD

RECEIVED Haines Borough

JUL 12 2012
JEL
Clerk's Office



**Haines Borough
Assembly Agenda Bill**

Agenda Bill No.: 12-152

Assembly Meeting Date: 8/28/12

Business Item Description:		Attachments:
Subject:	Approve FY13 Manager's Travel	1. Mayor's Memo re. Authorization of Manager's Travel 2. Manager's Memo re. Travel
Originator:		
Originating Department:		
Date Submitted:		
8/13/12		

Full Title/Motion:
Motion: Approve the manager's planned business travel for the remainder of FY13.

Administrative Recommendation:

Fiscal Impact:		
Expenditure Required	Amount Budgeted	Appropriation Required
\$	\$	\$

Comprehensive Plan Consistency Review:	
Comp Plan Policy Nos.:	Consistent: <input type="checkbox"/> Yes <input type="checkbox"/> No

Summary Statement:
Regarding travel, the manager's contract states the following:

5. Travel, Meetings, and Professional Development. The Manager shall receive allowance for travel, out-of-town meetings, and professional development expenses as authorized by the Borough Assembly in the budget for each fiscal year or as approved in advance by the Borough Assembly from time to time.

To keep the assembly informed, the manager has prepared a list of his planned borough business travel for the remainder of FY13. He seeks approval for any travel the assembly believes to be outside of that already authorized through the FY13 budget.

Referral:			
Sent to:		Date:	
Recommendation:	Refer to:	Meeting Date:	

Assembly Action:	
Workshop Date(s):	Public Hearing Date(s):
Meeting Date(s): 8/28/12	Tabled to Date:

Memorandum

Haines Borough
Office of the Mayor
103 Third Avenue S.
Haines, Alaska 99827
sscott@haines.ak.us
Voice (907) 766-2231 ext. 30

August 13, 2012

To: Mark Earnest, Borough Manager

Cc: Julie Cozzi, Borough Clerk; Jila Stuart, Chief Financial Officer; Julie Cozzi, Borough Clerk

From: Stephanie Scott, Mayor, Haines Borough

Subject: Contract Language Re Manager Travel and in-house procedures for authorization of travel

Thank you very much for your patient and respectful conversation regarding my concerns about my responsibility to “authorize” manager travel requests. In most cases, I do not believe that my “authorization” is required.

As you know, the authority allocated to the mayor in our form of government is very circumscribed. The Manager’s contract gives the mayor explicit authority to approve leave or to cash-in leave, but approval of travel for the manager is reserved to the Assembly through the budget or in advance of proposed travel.

If travel is authorized by the budget, then the Mayor’s signature on the travel authorization is not necessary. Instead, there could be a notation, “authorized by FY13 budget.” That makes sense to me. If the budget language is vague, perhaps the manager could provide a notation on the Travel Authorization form indicating how the specific trip aligns with the budgeted allocation of funds.

In most cases, the FY13 budget is vague with respect to specific travel. Jila Stuart and I have puzzled over the status of the worksheets from which the final budget is constructed. Are the worksheet “legal” guides? Or are they not? The worksheets are more explicit, but they may not be a part of the official budget. In the published FY13 budget, Administration Travel & Per Diem (01-01-10-7334) is simply budgeted at \$5,650; Training (01-01-10-7335) is budgeted at \$2,850.

The FY13 budget worksheets are more explicit. With respect to Manager travel and training and registration, the worksheet lists AML/AMMA in Anchorage (\$1600); Undesignated Travel (\$1250) and Other Training and Registration (\$500).

Another place to look in the FY13 Budget for Assembly approval by budget for travel is in the Economic Development Fund (Fund 23). The Travel and Per Diem line item in this fund is \$10,200 (23-03-00-7334). There are no explicit line items.

Looking at the Economic Development Fund worksheets, the Manager is (explicitly) budgeted to travel to Southeast Conference (\$1100). The worksheet also lists Whitehorse trips – official visits & regional conferences (\$750) and Other Travel (\$1500), though these are not specifically pegged to the Manager.

So though I agree completely that the budget should set the goals the Assembly wishes the manager to pursue and allocates the travel funds to pursue them with, I find that these details (with the exception of AML and Southeast Conference) are absent. I would like to capture those details in the FY14 budget process – perhaps by adding specificity to the worksheets.

Meantime, I would like to request that you keep us abreast of your travel by publishing a calendar of travel obligations, perhaps annotated with an estimate of cost and a purpose statement and where the trip might be located in the budget or an accompanying worksheet.

It is not absolutely clear to me that this calendar would need to be “approved by the Assembly,” especially if the travel was implied in the FY13 budget. But I am sure that the Assembly would appreciate being informed. I, in turn, could reference the document when presented with an in-house “Travel Authorization,” travel that I would not so much “authorize” as “note.”

Finally, when we develop a manager’s contract in the future, I will suggest that the approval language in the current contract might lead to a level of Mayoral or Assembly micro-managing that may not be appropriate for a manager-form of government.

Thank you Mark.



Haines Borough Administration
Mark Earnest, Borough Manager
(907)766-2231 • Fax(907)766-2716
mearnest@haines.ak.us

August 28, 2012

FY 2013 Manager Travel Schedule

As part of the Haines Port development effort, I believe that it is important to continue representation of the Haines Borough at mining forums and trade shows in Yukon and British Columbia, as well as individual meetings with industry and Yukon government officials. This effort is a direct function of the Port Development Master Plan funded by the Alaska Legislature in FY 2012 and supported by the Borough Assembly. We are starting to make tangible progress resulting from similar trips to Canada that started last fall.

The proposed travel for the balance of FY 2013 includes the following:

40th Annual Yukon Geoscience Forum & Trade Show
Whitehorse, YT
November 18 to 21, 2012

Hotel	\$1,000
Air Fare	\$1,000
Per-Diem	\$250
Registration & Miscellaneous	<u>\$400</u>
Total	\$2,650

Association for Mineral Exploration British Columbia
2013 Mineral Exploration Roundup
Vancouver, BC
January 28 to 31, 2013

Hotel	\$1,000
Mileage	\$280
Per-Diem	\$200
Registration & Miscellaneous	<u>\$400</u>
Total	\$1,880

Individual meetings (4) with industry and Yukon / Alaska government officials:

Hotel	\$1,000
Mileage	\$1,500
Per-Diem	\$300
Miscellaneous	<u>\$200</u>
Total	\$3,000

This does not include a possible trip to Washington, D.C. in spring 2013.



**Haines Borough
Assembly Agenda Bill**

Agenda Bill No.: 12-153

Assembly Meeting Date: 8/28/12

Business Item Description:	Attachments:
Subject: Establish Subcommittee to Work with Washington D.C. Lobbyist on Federal Priorities	1. Mayor's proposal memorandum
Originator: Mayor Scott (agenda bill by the Clerk's Office)	
Originating Department: Mayor	
Date Submitted: 8/12/12	

Full Title/Motion:
 Motion: Confirm the mayor's proposal for formation of an ad hoc federal priorities subcommittee.

Administrative Recommendation:

Fiscal Impact:		
Expenditure Required	Amount Budgeted	Appropriation Required
\$ 0	\$	\$

Comprehensive Plan Consistency Review:

Comp Plan Policy Nos.:	Consistent: <input type="checkbox"/> Yes <input type="checkbox"/> No
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Summary Statement:

The mayor proposes the creation of an ad hoc subcommittee to advise the assembly on federal legislative priorities and to work with the borough's Washington D.C. lobbyist Brad Gilman. The mayor would preside over the subcommittee and it would include a member of the assembly, a member of the school board, a member of the planning commission, and a member of the chamber of commerce. The borough manager and school superintendent would be ex officio members. If the assembly concurs with this proposal, the mayor would like to be able to make the appointments at the 9/11/12 assembly meeting.

Referral:

Sent to:	Date:
Recommendation:	Meeting Date:
Refer to:	

Assembly Action:

Workshop Date(s):	Public Hearing Date(s):
Meeting Date(s): 8/28/12	Tabled to Date:

Memorandum

Haines Borough
Office of the Mayor
103 Third Avenue S.
Haines, Alaska 99827
sscott@haines.ak.us
Voice (907) 766-2231 ext. 30

August 21, 2012

To: Assembly

Cc: Julie Cozzi, Borough Clerk; Mark Earnest, Borough Manager

From: Stephanie Scott

Subject: Ad hoc Federal Priorities Committee to advise the Assembly and
and to liase with Brad Gilman, under contract to the Haines Borough
to lobby on our behalf in Washington, DC

I propose the creation of an ad hoc subcommittee to advise the Assembly on Federal Legislative Priorities and to work with Mr. Gilman.

Additionally, through Mr. Gilman, and other sources, the subcommittee will stay abreast of federal initiatives and understand the impact on the Haines Borough. The subcommittee will have the job of sorting through issues and deciding which to bring forward for Assembly action on behalf of the municipality. I anticipate at least quarterly teleconferences as well as written reports with Mr. Gilman, or more frequently as needed.

Work on our federal priorities resolution would begin in earnest in September, so that when it comes time to adopt our federal priorities resolution in December, each element of the resolution will be fully examined and debated.

The subcommittee will be chaired by me and include a member of the Assembly, a member of the School Board, a member of the Planning Commission, and a member of the Chamber of Commerce. The Manager and the School Superintendent will be members ex-officio.

If the Assembly concurs with the formation of the ad hoc Federal Priorities subcommittee, the Borough will solicit volunteers from the above-named group and bring the applicants to the Mayor and the Assembly at its September 11 meeting for Mayoral appointment and Assembly confirmation.



**Haines Borough
Assembly Agenda Bill**

Agenda Bill No.: 12-154

Assembly Meeting Date: 8/28/12

Business Item Description:		Attachments:
Subject:	FY13 Federal Lobbying Services Agreement	1. Mayor's memorandum re. lobbyist contract 2. Draft agreement
Originator:		
Originating Department:		
Date Submitted:		
8/12/12		

Full Title/Motion:
 Motion: Authorize the FY13 agreement for federal lobbying services between the Haines Borough and Robertson, Monagle & Eastaugh, effective July 1, 2012.

Administrative Recommendation:

Fiscal Impact:

Expenditure Required	Amount Budgeted	Appropriation Required
\$ TBD by the assembly	\$ 50,400	\$

Comprehensive Plan Consistency Review:

Comp Plan Policy Nos. :	Consistent: <input type="checkbox"/> Yes <input type="checkbox"/> No
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Summary Statement:
 During the FY13 budget work sessions and the 7/24 committee of the whole meeting with Brad Gilman via teleconference, the assembly discussed the topic of federal lobbying services. A draft agreement has been developed between the borough and the firm Robertson, Monagle & Eastaugh with whom Mr. Gilman is associated. This firm has represented the borough's interests in Washington DC since 2005. The assembly will consider approval of the agreement, effective July 1, 2012.

Referral:

Sent to:	Date:
Recommendation:	Meeting Date:
Refer to:	

Assembly Action:

Workshop Date(s):	Public Hearing Date(s):
Meeting Date(s): 8/28/12	Tabled to Date:

Memorandum

Haines Borough
Office of the Mayor
103 Third Avenue S.
Haines, Alaska 99827
sscott@haines.ak.us
Voice (907) 766-2231 ext. 30

August 12, 2012

To: Mark Earnest, Borough Manager

Cc: Jila Stuart, CFO; Julie Cozzi, Borough Clerk

From: Stephanie Scott, Mayor, Haines Borough

Subject: Financial Agreement with Brad Gilman

I am looking forward to the development of an agreement between the Haines Borough and Brad Gilman for services for FY13. I am hoping that the Assembly will have the opportunity to confirm the agreement during the August 28 regular Assembly meeting.

It is my understanding that the Assembly indicated the expectation that an agreement for FY13 would be developed that reflects a scope of work and a somewhat reduced fee. Much of my understanding arises from the Committees of the Whole discussions during budget COWs and the COW held July 24 with Mr. Gilman via teleconference. There is no written record (minutes) of these meetings but I believe that my memory is correct.

I would like to suggest that the agreement be retroactive to July 1, 2012 so that Mr. Gilman's work on our behalf during the month of July can be properly compensated. It is my hope that the fee for each month will be accompanied by a record of performance on behalf of the Haines Borough and that this standard will be incorporated into the agreement.

DRAFT

**AGREEMENT FOR
FEDERAL LOBBYING SERVICES BETWEEN
THE HAINES BOROUGH
AND
ROBERTSON, MONAGLE & EASTAUGH**

AGREEMENT, made this __ day of ____, 2012 by and between the Haines Borough (hereinafter called "Borough") and Robertson, Monagle & Eastaugh (hereinafter called "ROMEA").

WHEREAS, ROMEA offers substantial expertise and knowledge in federal issues relating to Alaska coastal communities; and

WHEREAS, the Borough desires to make use of ROMEA's services in the federal arena and has offered to engage ROMEA to render consultative, advisory, and lobbying services to it on federal issues; and

WHEREAS, ROMEA desires to accept such an Agreement upon the terms and conditions hereinafter set forth;

NOW THEREFORE, in consideration of the recitals, promises and covenants contained herein, it is agreed by and between the parties as follows:

1. Duties and Term. The Borough hereby employs ROMEA for consultative, legislative, and administrative lobbying activities and to advise the Borough on all matters defined by mutual agreement and to render such services pertinent thereto in accordance with such instructions as may from time to time be given by the Borough. ROMEA shall report and be responsible to the Borough Assembly via the Borough Manager or such other individual identified by the Borough to act as the federal activities coordinator. ROMEA shall devote its best effort and such time as shall be necessary, consistent with the provisions of this Agreement. The Borough hereby contracts and employs ROMEA beginning _____, 2012 and extended by mutual consent or terminated as outlined in Section 3.

2. Compensation. The Borough shall pay ROMEA compensation of \$_____ for its services. Payment shall be made in twelve equal installments of \$_____ to Robertson, Monagle & Eastaugh upon presentation of an appropriate monthly invoice.

3. Termination. Unless mutually extended, this Agreement shall remain in full force and effect until _____, 2013.

4. Nonassignability. This Agreement is purely and solely with ROMEA, it being understood that the Borough desires to make use of its unique experience and abilities. Accordingly, ROMEA shall have no right to assign, transfer, pledge or otherwise affect the Agreement, nor any interest thereunder, nor any of the monies due or to become due by reason of the terms therein.

5. Waivers, Modifications, or Alterations. Any waiver or modification of any of the provisions of this Agreement or the termination thereof, shall be in writing and signed by the parties.

6. Construction. This Agreement shall be governed by the laws of the state of Alaska.

7. Independent Contractor. Neither this Agreement, nor anything contained herein, shall be construed to extend to ROMEA or its employees the right to act as agents of the Borough, nor to grant ROMEA any power of agency, whether actual, apparent or implied. ROMEA shall remain throughout the performance of this Agreement an independent contractor.

IN WITNESS WHEREOF, the parties have reached this Agreement, as evidenced by the signatures below of those individuals authorized by and on behalf of the Borough and ROMEA.

THE HAINES BOROUGH

ROBERTSON, MONAGLE & EASTAUGH

Mark Earnest
Borough Manager

Brad Gilman
Vice President

Date: _____

Date: _____