

Haines Borough
Borough Assembly Meeting #255
October 8, 2013
MINUTES

Approved

1. **CALL TO ORDER/PLEDGE TO THE FLAG:** Mayor **SCOTT** called the meeting to order at 6:30 p.m. in the Assembly Chambers and led the pledge to the flag.
2. **ROLL CALL**
Present: Mayor Stephanie **SCOTT**, and Assembly Members Jerry **LAPP**, Debra **SCHNABEL**, Norman **SMITH**, Joanne **WATERMAN**, Dave **BERRY**, and Steve **VICK**.
Staff Present: Mark **EARNEST**/Borough Manager, Julie **COZZI**/Borough Clerk, Jila **STUART**/Chief Financial Officer, Carlos **JIMENEZ**/Director of Public Facilities, Darsie **CULBECK**/Executive Assistant to the Manager, and Simon **FORD**/Interim Police Chief.
Visitors Present: Karen **GARCIA**/CVN, Margaret **FRIEDENAUER**/KHNS, Bill **KURZ**, Libby **KURZ**, Janet **KURZ**, Gershon **COHEN**, Dana **HALLETT**, Diana **LAPHAM**, George and Lynn **CAMPBELL**, and others.
3. **APPROVAL OF AGENDA & CONSENT AGENDA**
The following Items were on the published consent agenda:

- 4 - Approve Assembly Meeting Minutes
- 8B - Police Dept Report
- 8C - CFO Report
- 8D - Chilkat Center Report
- 8E - Public Facilities Report
- 11A2 - Adoption of Resolution 13-10-501
- 11A3 - Adoption of Resolution 13-10-502
- 11A4 - Adoption of Resolution 13-10-503
- 11A5 - Adoption of Resolution 13-10-504
- 11A6 - Adoption of Resolution 13-10-505
- 11A7 - Adoption of Resolution 13-10-506
- 11A8 - Adoption of Resolution 13-10-507
- 11A9 - Adoption of Resolution 13-10-508
- 11A10 - Adoption of Resolution 13-10-509
- 11B1 - Introduction of Ordinance 13-10-351
- 11C1 - Advisory Board Appointment

Motion: **LAPP** moved to "approve the agenda/consent agenda," amended to add election contest to beginning of new business and remove 11C3 from the agenda. The motion as amended carried unanimously.

- *4. **APPROVAL OF MINUTES** - September 24 Regular

5. **PUBLIC COMMENTS** - None

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

Mayor **SCOTT** said she is feeling better. She thanked the harbormaster and the harbor crew for the quick action regarding the sinking of the Neptune. She also recognized four Haines winners in the Path to Prosperity contest: Tamsen Cassidy, Scott Hansen, Debra Schnabel, and Carol Tuynman.

7. **PUBLIC HEARINGS**

- A. **Ordinance 13-09-349** - First Hearing

An Ordinance of the Haines Borough amending Borough Code Section 18.20.020 to define "vacation rental" and change the definition of "lodge"; and amending Borough Code Sections 18.70.040 and 18.70.030(b & c) to add vacation rental to the Townsite zoning chart, the Mud Bay Planning/Zoning District, and the Lutak Inlet Planning/Zoning District.

Mayor **SCOTT** opened and closed the public hearing at 6:40pm; there were no public comments.

Motion: **WATERMAN** moved to "advance Ordinance 13-09-349 to a second public hearing on 10/22/13," and it was amended to strike the word "vacation" from the Lodge definition. The main motion as amended carried unanimously.

- B. **Ordinance 13-09-350** - First Hearing

An Ordinance of the Haines Borough pursuant to Haines Borough Code Title 14 Section 14.16.160, approving a record of survey and authorizing the execution of an easement grant to Ocean Beauty Seafoods LLC for existing utilities within Alaska State Land Survey 95-35 at Excursion Inlet.

Mayor **SCOTT** opened and closed the public hearing at 6:43pm; there were no public comments.

Motion: BERRY moved to "advance Ordinance 13-09-350 to a second public hearing on 10/22/13," and the motion carried unanimously.

During the discussion, **SCHNABEL** asked if the attorney Thomas Meacham is supportive or opposed. **EARNEST** briefly explained that there is no opposition on the part of anyone involved. He said this has been a huge effort with the involvement of many people. Mayor **SCOTT** asked if a fee will be charged for the easement. **EARNEST** said most of these easements predate statehood. We're just memorializing what already exists.

8. STAFF/FACILITY REPORTS

A. Borough Manager – Report on STIP Amendment 8 (other reports attached to various agenda bills)

EARNEST said he met with ADOT&PF yesterday in Juneau to get an idea of what they are envisioning for the Haines Highway project and the Klehini Bridge replacement and transfer. The current STIP is through federal fiscal year 2015. The STIP is a federally-approved authorization document. It is very important for the borough to provide comment including a letter of support for the two projects, as soon as possible. There is support all the way up to the governor's office. It's a defective bridge, and it is considered that by the state. It's still high priority. **BERRY** said he was disheartened with the amount of misinformation in Senator Begich's letter. It's frustrating that it came down to mining and logging when all we want is to make it safe to drive, bike, and walk on. **SCOTT** said she believes ADOT&PF is preparing a letter to send to Senator Begich to explain the project. As soon as she gets a copy, she'll provide it to the assembly.

Mayor **SCOTT** said many citizens have expressed a desire to get some of the surplus timber from the PC Dock project. **CULBECK** said he spoke to ADEC and they don't have any problem with it going out into the community as long as it is not burned or sanded down.

EARNEST thanked Mayor **SCOTT** and the assembly members, past and present. Also, Mayor Jan Hill and staff past and present. He has enjoyed the position, and he thanked everyone in the community for the opportunity.

- * **B. Police Department – Monthly Staff Report**
- * **C. Chief Financial Officer – FY13 General Fund Financial Report**
- * **D. Chilkat Center – Facility Report of September 2013**
- * **E. Public Facilities Director – Project Update**

9. COMMITTEE/COMMISSION/BOARD REPORTS & MINUTES

A. Assembly Standing Committee Reports

VICK distributed a written report concerning GPS data collection and Heliskiing map amendment procedures. He reported the Government Affairs & Services Committee met to continue discussion regarding the process to amend the Heliskiing map. **EARNEST** suggested getting together with staff to work on the proposed amendment documents together. It is anticipated it will come to the assembly at the next meeting. **SCHNABEL** said she would like to see the assembly continue to work towards empowering the advisory committees, so they don't have to feel like the assembly has to be in attendance. She disagreed with identifying a member from a political group, such as Lynn Canal Conservation.

10. UNFINISHED BUSINESS

A. Ordinance 12-10-308

An Ordinance of the Haines Borough amending Haines Borough Code Title 3 to establish a Vehicle Retirement Program Fund, to levy a motor vehicle registration tax, and to exempt from property taxes all vehicles subject to the registration tax.

Note: This was introduced on 10/23 and the first hearing was 11/6. Following the second hearing on 11/27, the assembly postponed it to the 12/11 meeting when it was amended. Following discussion, the assembly postponed the matter until after a towing RFP has been issued and the proposals reviewed. Staff is bringing this back, and the manager recommends ordinance adoption.

Main Motion already on the floor: "Adopt Ordinance 12-10-308."

EARNEST said the taxes would not begin being collected until the 2015 vehicle registration cycle. It's \$22 every two years. **SMITH** doesn't think it's a good idea for the borough to get into the tow truck business. Also, to have a junk yard in the middle of town is not good. **SCHNABEL** said the

concept is good, and the details can be worked out. Mayor **SCOTT** clarified the ordinance does not say the vehicles will be placed at the public works shop in the middle of town. **SCHNABEL** expressed concern about adequate public notice since this has been so long since the last public hearing. **LAPP** believes the assembly has heard from the public quite a few times.

The motion carried 4-2 in a roll call vote with **BERRY** and **SMITH** opposed.

11. NEW BUSINESS

Notice of Election Contest – Order an Investigation – this was added during approval of the agenda.

Motion: **BERRY** moved to “order an investigation be conducted by the borough attorney, borough manager, and borough clerk regarding the Notice of Election Contest,” and the motion carried unanimously.

During the discussion, **SCHNABEL** moved to include the Government Affairs & Services Committee Chair on the investigative team, but it failed with all but **SCHNABEL** opposed. **EARNEST** said the idea of a member of the assembly being a member of the investigation would be problematic since the assembly makes the decision following the investigation. Having the borough attorney a part will ensure the integrity of the investigation. The attorney will draft the findings and present the information to the assembly. He has no concerns. **VICK** agreed with **EARNEST**’s concerns. He has a lot of faith in the attorney, because he’s very objective and reliable. **SCOTT** appreciates **SCHNABEL**’s goal of making sure this investigation is impartial and unbiased. **SCHNABEL** clarified she is not questioning the integrity of anyone. **LAPP** said the assembly should follow code and wait to get the report. **WATERMAN** asked if there should be a Committee of the Whole (COW) meeting before the meeting on the 22nd to consider the report. She is concerned that enough time be provided.

Motion: **WATERMAN** moved to “hold a Committee of the Whole meeting at 5:30pm prior to the assembly meeting on 10/22/13 to receive the election contest investigation report,” and the motion carried unanimously.

WATERMAN said everyone wants to get this right. Therefore, giving it time in a COW to go through it and become comfortable with it before going into the assembly meeting is important.

A. Resolutions

1. Resolution 13-10-500

A Resolution of the Haines Borough Assembly authorizing the Borough Manager to enter into a professional services agreement with Alaska Assessment Assistance to provide tax assessing and staff training services for Fiscal Year 2014.

There were no public comments.

Motion: **LAPP** moved to “adopt Resolution 13-10-500,” and the motion carried unanimously in a roll call vote.

Mayor **SCOTT** said the assistant state assessor spoke very highly of the proposed contract assessor, and said he’s as good as his word and there will be no surprises for the community. She is looking forward to knowing this person. **SCHNABEL** asked if **EARNEST** believes this scope of work is clear enough for the new manager to follow and track. **EARNEST** said this is a proposal and not an agreement, per se. The contract assessor will accomplish as much as possible within the budget. We will have a very clearly-defined schedule all worked out before we get going. The plan is to get started right away.

***2. Resolution 13-10-501**

A Resolution of the Haines Borough Assembly authorizing the Borough Manager to contract with Caselle, Inc. in the amount of \$23,000 for the purchase and installation of Caselle’s Property Tax Collection module.

The motion adopted by approval of the consent agenda: “adopt Resolution 13-10-501.”

***3. Resolution 13-10-502**

A Resolution of the Haines Borough Assembly authorizing the Manager to enter into a Memorandum of Agreement with the Alaska Department of Transportation and Public Facilities to conduct the Haines Rail Assess Pre-Feasibility Study, accepting grant funds in the amount of up to \$100,000 from the ADOT&PF for expenses incurred in the conduct of the Study, and authorizing the Manager to enter into a sole-source contract with ALCAN RaiLink/PROLOG Canada to perform the Study.

The motion adopted by approval of the consent agenda: “adopt Resolution 13-10-502.”

***4. Resolution 13-10-503**

A Resolution of the Haines Borough Assembly authorizing the Borough Manager to dispose of surplus material from the demolition of the Port Chilkoot Dock by any of the methods specified in Haines Borough Code 14.24.010 (Disposal of personal property).

The motion adopted by approval of the consent agenda: "adopt Resolution 13-10-503."

***5. Resolution 13-10-504**

A Resolution of the Haines Borough Assembly authorizing the Borough Manager to contract with PND Engineers, Inc. for an amount not to exceed \$183,319 for a test pile investigation and additional site plan concept for the South Portage Cove Harbor Expansion project.

The motion adopted by approval of the consent agenda: "adopt Resolution 13-10-504."

***6. Resolution 13-10-505**

A Resolution of the Haines Borough Assembly authorizing the Borough Manager to contract with PND Engineers, Inc. in the amount of \$89,506 for a loss of fill investigation at Lutak Dock.

The motion adopted by approval of the consent agenda: "adopt Resolution 13-10-505."

***7. Resolution 13-10-506**

A Resolution of the Haines Borough Assembly authorizing the Borough Manager to contract with Murray and Associates, P.C. in the amount of \$11,900 for Haines Library Building Controls Replacement Engineering.

The motion adopted by approval of the consent agenda: "adopt Resolution 13-10-506."

***8. Resolution 13-10-507**

A Resolution of the Haines Borough Assembly authorizing the Borough Manager to execute a contract change order with Pacific Pile & Marine, LP for the Port Chilkoot Dock and Letnikof Cove Harbor Renovations project for an amount not to exceed \$53,998.

The motion adopted by approval of the consent agenda: "adopt Resolution 13-10-507."

***9. Resolution 13-10-508**

A Resolution of the Haines Borough Assembly authorizing the Borough Manager to dispose of two Haines Borough Police Department hybrid Ford Escape SUVs in accordance with Haines Borough Code 14.24.010 (Disposal of personal property).

The motion adopted by approval of the consent agenda: "adopt Resolution 13-10-508."

***10. Resolution 13-10-509**

A Resolution of the Haines Borough Assembly supporting "BackRoads Alaska" marketing to cruise lines.

The motion adopted by approval of the consent agenda: "adopt Resolution 13-10-509."

B. Ordinances for Introduction

*** 1. Ordinance 13-10-351**

An Ordinance of the Haines Borough providing for the addition or amendment of specific line items to the FY14 budget.

The motion adopted by approval of the consent agenda: "Introduce Ordinance 13-10-351 and set a first public hearing for 10/22/13."

C. Other New Business

***1. Board Appointments**

Note: An appointment application was received for a seat on the Parks and Recreation Advisory Committee. The mayor planned to make the appointment and sought assembly confirmation. The motion adopted by approval of the consent agenda: "Confirm the mayor's appointment of Susan Luescher to the Parks and Recreation Advisory Committee for a term ending 11/30/16."

2. Herbicides: Mayor Request for Assembly endorsement of resolution re. herbicides drafted for the Southeast Conference of Mayors

The Southeast Conference of Mayor's planned to meet via teleconference on October 22, and the mayor requested assembly authorization for her to vote in favor of adoption.

Motion: **BERRY** moved to "endorse the herbicides resolution drafted for the Southeast Conference of Mayors and authorize the mayor to vote in favor of adoption," and the motion carried unanimously.

3. Ordinance 13-08-343 – This item was removed during approval of the agenda
An Ordinance of the Haines Borough amending Borough Code Section 18.80.030(B) to add setback regulations to the General Use Zone.

Note: The following motion failed 2-3 during the 9/24/13 assembly meeting: "adopt Ordinance 13-08-343." Smith and Waterman voted yes and Vick, Schnabel, and Lapp voted no (Berry was absent). A member of the prevailing side, assembly member Vick, had informed staff of his intention to ask for reconsideration.

4. Process for Sorting through Initial Manager Applicants: Matrix or Informal?

Note: The assembly planned to discuss the process for reviewing and short-listing the applicants for the borough manager position. 20 applications were received by the 5pm, October 3 deadline.

WATERMAN supports an informal process for the initial screening. A matrix can be discussed tomorrow evening during the Committee of the Whole meeting. **SCHNABEL** said she questions the preference for Alaska experience. To her, it's more important to look at rural versus urban, for example.

5. Cashing in of Leave Benefits - Manager

Motion: **LAPP** moved to "authorize the cashing in of leave benefits, as allowed by the manager's contract and as requested by the manager," and it carried 4-2 in a roll call vote with.

During the discussion, **SCHNABEL** said she would like to understand this better. **WATERMAN** explained the manager's contract allows for cashing out of leave. He asked for it beginning in 2011 and the CFO denied it due to a misunderstanding. The 320-hour cap in code was applied to the manager when it shouldn't have been. It has now become apparent that his contract actually allowed it. So, he is asking for assembly approval of this cashing in of leave.

LAPP asked if **14. PUBLIC COMMENTS** could be moved up to this point, and there was no objection.

B.KURZ spoke against the junk vehicles ordinance. For the borough to go into business is going against private enterprise. **SCHNABEL** explained the ordinance is about code enforcement. This will provide a mechanism to enforce existing codes.

G.CAMPBELL said herbicides and pesticides have to be used sometimes. He is a organic farmer. One thing he uses is bleach. He is seeing a lot of misinformation, and he would like to see the assembly reconsider its vote. He just walked through a large patch of Canadian thistle, and there are other invasive species. If we don't use herbicides and pesticides, we will be overrun in a few years. The state is looking at a targeted use, not broadcast spraying. And, some sprays are organically-approved.

CULBECK thanked **EARNEST** for his years of service to the borough. He will be missed. His wise counsel will be missed.

6. Executive Session – Borough Officer Evaluations

Note: The manager planned to review the borough officer evaluations with the assembly in executive session as allowed by AS 44.62.310(c)(2) and Haines Borough Charter Section 18.03.

Motion: **BERRY** moved to "go into executive session as allowed by AS 44.62.310(c)(2) and Haines Borough Charter Section 18.03 to review the manager's evaluation of the borough clerk and the chief financial officer; this matter qualifies for executive session because this is a personnel matter and a public discussion may tend to prejudice the character and reputations of those involved; Mark Earnest, Julie Cozzi, and Jila Stuart are requested to attend," and the motion carried 5-1 with **SCHNABEL** opposed.

Present: Mayor Scott; Assembly Members Lapp, Waterman, Vick, Berry, Schnabel, and Smith; Borough Manager Mark Earnest, Borough Clerk Julie Cozzi, and Chief Financial Officer Jila Stuart. The executive session convened at 8:11pm and ended at 9:09pm.

Motion: **BERRY** moved to "accept manager's evaluations of the Chief Fiscal Officer Jila Stuart and Borough Clerk Julie Cozzi," and the motion carried unanimously.

WATERMAN asked for clarification regarding the summary of the evaluations that will be released to the public/media. **EARNEST** said it will be developed, as soon as possible, to come up with something that characterizes the evaluation and gives meaningful information. It's not a composite like the manager's evaluation done by the assembly. **SCHNABEL** suggested avoiding numerical information, and including WHAT was evaluated and whether good, excellent, etc. Everyone agreed with that approach. **VICK** said the borough is very fortunate to have the skilled capable officers that it does.

- 12. **CORRESPONDENCE/REQUESTS**
- 13. **SET MEETING DATES**
- 14. **PUBLIC COMMENTS** – moved ahead of Executive Session.
- 15. **ANNOUNCEMENTS/ASSEMBLY COMMENTS**

VICK thanked **EARNEST** for his service. He has learned a lot from him, and he'll be missed.

BERRY will miss him, as well. He expressed concern that during a recent planning commission three people refused to remove their hats during the pledge of allegiance and were telling dirty jokes.

EARNEST thanked Mayor **SCOTT** for her leadership and said he learned a lot from her.

LAPP said he will be absent during the October 22 assembly meeting. He thanked **EARNEST** for working so hard at economic development and trying to keep the highway project moving forward.

Mayor **SCOTT** said she has learned a lot from **EARNEST**. He has taught her a lot about communicating in the political arena.

WATERMAN said it's been great working with **EARNEST** and asked him to take care of himself and his family.

SMITH said **EARNEST** makes him laugh. He keeps his humor about him. They've had their differences, but there have been some dramatic changes since he became manager four years ago. He's been responsible for quite a bit of that. He said will not be in attendance at the October 22 meeting.

- 16. **ADJOURNMENT** – 9:24pm

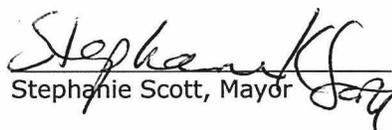
Motion: **WATERMAN** moved to "adjourn the meeting," and the motion carried unanimously.

ATTEST:



Michelle L. Webb, Interim Borough Clerk




Stephanie Scott, Mayor