

Approved

**Haines Borough
Borough Assembly SPECIAL Meeting #260
January 7th, 2014 at 6:30pm
MINUTES**

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 6:30 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**, Dave **BERRY**, and Diana **LAPHAM**. George **CAMPBELL** and Joanne **WATERMAN** participated by phone.

Staff Present: Julie **COZZI**/Interim Borough Manager, Michelle **WEBB**/Interim Clerk, and Darsie **CULBECK**/Executive Assistant to the Borough Manager.

Visitors Present: Tom **MORPHET**/CVN, Margaret **FRIEDENAUER**/KHNS, Bill **KURZ**, Bob **DUIS**, Jim **STANFORD**, Glenda **GILBERT**, and others.

3. **APPROVAL OF AGENDA**

Motion: **LAPP** moved to "approve the agenda." The motion carried unanimously.

4. **PUBLIC COMMENTS**

STANFORD spoke on the behalf of the Public Safety Committee. They will propose to ask the borough assembly, at the 1/14/14 meeting, to have the borough attorney review the current Memorandums of Understanding (MOUs) that concern the police department. This is to ensure the Haines Police Department has the legal authority to respond outside the townsite without direct State Trooper supervision. The goal is to decrease the response time to schools outside the townsite.

5. **BUSINESS**

A. Method of disposal of Lots 6 and 7 of the Primary School Subdivision

On 8/13/13 the assembly followed the planning commission's recommendation and voted to classify Lots 6 and 7 of the Primary School Subdivision for sale. The administration recommends disposal of this borough property by negotiated sale. Authority to do that requires assembly designation of the method by motion.

Motion: **LAPP** moved to "authorize the interim borough manager to dispose of Lots 6 and 7 of the Primary School Subdivision by the negotiated sale method." The motion passed unanimously.

In discussion, **SCHNABEL** asked if the borough manager could speak to the status of the soil contamination at this site. On behalf of the administration, **CULBECK** stated Chilkat Environmental has been hired and has placed monitoring wells on the site. Studies showed there was no contamination found in the top 4 feet of soil and there is no migration of contamination offsite. The State of Alaska Department of Environmental Conservation (DEC) is ready to close this site with a few institutional controls. The purchaser will need to work with the DEC to dig lower than 4 feet. **CULBECK** believes the site will be sold as is, and therefore there should be no further liability to the borough. Aspen Hotels, the potential purchaser, is aware of this contamination and will negotiate with the borough about any further liabilities. **CULBECK** stated the borough has done its due diligence and both Chilkat Environmental and DEC are comfortable with the current level of remediation.

Motion: **CAMPBELL** moved to "go into executive session, as allowed by state law, to discuss the land sale as it is a matter that would affect the finance of the borough". The motion failed with **WATERMAN**, **LAPP**, and **LAPHAM** opposed. The mayor broke the tie by voting in the negative.

COZZI summarized the options of methods of sale and the process of a possible sale, as outline in her memo. **SCHNABEL** felt without full soil remediation, the price of the sale would be impacted. Also, she asked the borough to attempt to negotiate certain benefits to the community in the cost of the sale, such as a public fitness room. **BERRY** was in favor of a negotiated sale, but felt it might be difficult to negotiate with a for-profit business for community facilities. **LAPP** was in favor of moving forward with a negotiated sale and is happy to discuss the negotiation details in further steps of the land sale process. **WATERMAN** and **LAPHAM** agreed. **LAPHAM** was comfortable with DEC's position on the contamination. **SCOTT** believes remediation of this land is complete. **CAMPBELL** asked if the remediation information has been made public and was available to the buyer. **GILBERT**, on behalf of the potential purchaser, has received 60+ pages of DEC information and a condition of the sale will be full discloser of all DEC documents. **SCHNABEL** asked how the borough had determined fair market value in establishing a starting price or if fair market value would be used. **COZZI** answered the borough has set the price in collaboration with the borough's assistant assessor and the borough's lands department. **COZZI** stated the land sale procedure in code was a little awkward, but the advice of the borough attorney was to hold this meeting to make the process as clear as possible.

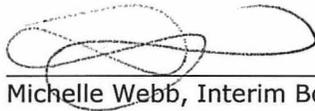
6. PUBLIC COMMENTS

STANFORD stated as a track coach, he has noticed there is a problem with sewage seeping up under the high school track. **SCOTT** thanked him for the information.

7. ADJOURNMENT– 7:04pm

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

ATTEST:



Michelle Webb, Interim Borough Clerk




Stephanie Scott, Mayor