


Haines Borough
Borough Assembly Meeting #54
September 29, 2004
MINUTES

Approved

THIS WAS A SPECIAL MEETING HELD SOLELY FOR THE PURPOSES OF HOLDING A PUBLIC HEARING ON ORDINANCE 04-08-079--THE SCHOOL BOND ISSUE--AND DISCUSSING FY05 BUDGET REVISIONS - NO OTHER BUSINESS WAS DISCUSSED.

1. CALL TO ORDER/PLEDGE TO THE FLAG: Mayor Mike **CASE** called the meeting to order at 6:30 p.m. in the Assembly Chambers of the Public Safety Building and led the pledge to the flag.
2. ROLL CALL **Present**: Mayor Mike **CASE**, Assembly Members, Norm **SMITH**, Jerry **LAPP**, Douglas **OLERUD**, Debra **SCHNABEL**, Stephanie **SCOTT**, and Lucy **HARRELL**.

Staff Present: Julie **COZZI**/Borough Clerk, Marva **CRECELIUS**/A-P Clerk, Ann **MYREN**/Library Director, Sue **NELSON**/Property Tax Clerk, Henriette **ARENSEN**/Museum Office Manager, Julie **SHOOK**/Visitor Coordinator, and Kathy **FRIEDLE**/Museum Education Coordinator.

Visitors Present: Tod **SEBENS**/KHNS, Carol **KELLY**, Bonnie **HEDRICK**/CVN, Judy **EREKSON**, Jim **SHOOK**, Georgia **SAMPSON**, Jane **BELL**, Sarah **SWINTON**, Jim **HEATON**, Judy **HEINMILLER**, Stacie **TURNER**, Woody **WILSON**, Blaine **THOMSEN**, and others.

3. APPROVAL OF AGENDA:

M/S **OLERUD/LAPP** Motion to approve the Agenda.

The motion carried unanimously.

4. PUBLIC HEARINGS:

A. Ordinance 04-08-079 - (fourth hearing)

An ordinance of the Haines Borough, Alaska, authorizing the borough to issue general obligation bonds in the principal amount of not to exceed \$19,700,000 to finance the planning, design, and construction of a new K-8 school and the renovation of the existing high school.

The mayor opened the public hearing at 6:34 pm.

KELLY announced that the school district had just received the report of what it would cost to renovate the existing school facilities but does not yet have a total; the report is complex and will require hours to review and total up. **EREKSON** said the school board is working on advertising for the bond issue.

The mayor closed the public hearing at 6:36 pm.

M/S **OLERUD/HARRELL** Motion to adopt Ordinance 04-09-079.

OLERUD asked the school board for the cost information needed to make the ordinance decision. **SCHNABEL** said the reimbursement percentage needs to be known so the assembly can decide. **WILSON** said the draft report just received must go to the Department of Education who will determine the reimbursement percentage. He feels comfortable that they will agree to the 70%, but he cannot say for sure. He added it is unlikely the information will even be available prior to the election. **OLERUD** reiterated that the assembly needs to know the final bond number in order to adopt the ordinance tonight. **SCHNABEL** said she is uncomfortable with asking the public to vote on a question with inadequate information. She suggested a "contingent" vote---the bond would only be purchased provided the State announces a 70% reimbursement. **KELLY** said the school board will advertise that it is likely to be 70%, but could possibly be 60%. **SCOTT** said the critical question is the amount of money that will be needed to repair the existing school facilities. She asked the school board if there is flexibility to pick and choose. **WILSON** said "yes," and he stated a belief that the total bond amount will end up being significantly less than \$19.7 million. **SMITH** said he cannot support the ordinance without more information.

M/S **SCOTT/HARRELL** Motion to postpone the adoption of Ordinance 04-08-079 until the school district can provide the needed information.

HARRELL asked if there is a way to still get state reimbursement assistance to upgrade the schools if the bond does not pass. **WILSON** said the school district would be subject to a legislative appropriation to get state assistance if we choose to ONLY repair the schools. He added that the state-guaranteed bond program ends on December 31, 2004. **KELLY** said the school board would appreciate having an election at a later date than November 2, because it would give them more time to gather needed information as well as more time to advertise. **SCHNABEL** said it is important for the public to know what they will be voting on and the ramifications of bond passage. **COZZI** explained that a postponement of the ordinance would have the affect of tabling; if it is tabled for more than one meeting, the round of public hearings must begin all over again.

Not wanting to delay the process any more than necessary, **SCOTT/HARRELL** withdrew the motion.

M/S **SCOTT/HARRELL** Motion to set ordinance 04-08-079 for its fifth public hearing at a future meeting once total cost information is available from the school district.

The motion carried unanimously in a roll call vote.

5. OLD BUSINESS:**A. FY05 Budget Revision**

HARRELL stated she does not believe the \$125K should be cut from Fund 01, at this time. She is concerned that it will send a confusing message to the voters and may jeopardize the passage of the school bond. **SCHNABEL** distributed a spreadsheet showing a way to recapture approximately \$85K. She added that Wayne Haerer, the Contract Assessor, plans by 10/13/04 to have the supplemental property tax assessments complete. It represents about \$8 million in taxable property current NOT on borough tax rolls. "Even if it is all located outside the townsite service area at the lowest tax rate, it would translate to approximately \$49,840 more in revenue. She pointed out on a different spreadsheet that the borough has already been functioning in an across-the-board deficit. **LAPP** said it looks like \$85K is a more reasonable amount to restore to the FY05 school budget. **KELLY** said on 10/19/04, a public meeting is taking place at the school to give an opportunity for people to weigh in on school activities for the future (since budget cuts will continue). She added an audit may show they have more money than first thought. **NELSON** said that \$25K has historically been the figure for property tax penalty and interest and \$10-15K for sales tax penalty and interest---those figures are not reflected on the spreadsheets. **LAPP** said he would like to get more information from the school district regarding the dollar amount they actually need prior to making final budget cut decisions. **CRECELIUS** pointed out that some savings is being realized in janitorial services.

[Mayor **CASE**, as an aside, announced that **CRECELIUS** was just been appointed as Local 71 Union Steward for the Haines Bargaining Unit. "A well-earned and much-deserved appointment."]

There was some discussion about parliamentary procedure and whether or not a motion passed at an earlier meeting may be amended or rescinded. **COZZI** read from HBC **2.10.180** "Any previous vote may be rescinded by vote of the majority of the assembly at any time, provided the subject has not passed out of the control of the assembly." Also, Robert's Rules of Order allows the assembly to bring back and amend something previously adopted.

M/S **HARRELL/SCHNABEL** Motion to cut no more from the budget than the amount already identified in Schnabel's 9/29/04 spreadsheet and to amend the 7/21/04 motion that restored \$125K to the FY05 school district budget by changing the amount to \$80K.

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OLERUD spoke against amending the original motion that restored \$125K to the school district.

The motion carried 5-1 in a roll call vote with Olerud opposed.

6. SET COMMITTEE MEETING DATES

7. ANNOUNCEMENTS/ASSEMBLY COMMENTS

8. ADJOURNMENT - 7:45 pm

Mike Case, Borough Mayor

ATTEST:

Julie Cozzi, Borough Clerk