


Haines Borough
Borough Assembly Meeting #291
May 12, 2015
MINUTES

Approved

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

2. **ROLL CALL**

Present: Mayor Jan **HILL**, and Assembly Members Diana **LAPHAM**, Joanne **WATERMAN**, Ron **JACKSON**, Mike **CASE**, Dave **BERRY**, Jr., and George **CAMPBELL**.

Staff Present: David **SOSA**/Borough Manager, Julie **COZZI**/Borough Clerk, Bill **MUSSER**/Chief of Police, Brian **LEMCKE**/Interim Director of Public Facilities, Jila **STUART**/Chief Fiscal Officer, Helen **ALTEN**/Museum Director, and Bill **MANDEVILLE**/Community & Economic Development Director.

Visitors Present: Karen **GARCIA**/CVN, Margaret **FRIEDENAUER**/KHNS, Chuck **MITMAN**, Lea **HARRIS**, Kay **CLEMENTS**, Tresham **GREGG**, Debra **SCHNABEL**, Tracy **MIKOWSKI**, Diane **LACOURSE**, Bill **HERMAN**, Norm **SMITH**, Jim **SHOOK**, Debbie **GRAVEL**, Bill **THOMAS**, Don **TURNER** Jr., Audry **SMITH**, Joe **PARNELL**, Carol **TUYNMAN**, Dr. Elizabeth **LYONS**, Jim **SZYMANSKI**, and others.

3. **APPROVAL OF AGENDA & CONSENT AGENDA**

The following Items were on the published consent agenda:

Consent Agenda:

- 4 – Approve Assembly Meeting Minutes
- 8C – Staff Report – HM/CED
- 9A – PHAC Minutes
- 11A1 – Adopt Resolution 15-05-628
- 11C2 – Introduce Ordinance 15-05-410
- 12A – Correspondence – HARK Funding
- 12B – Correspondence – Harbor Expansion Project

Motion: **BERRY** moved to “approve the agenda/consent agenda,” and it was amended to remove Items 8C, 12A, and 12B from the consent agenda. The motion as amended carried unanimously.

*4. **APPROVAL OF MINUTES** – 4/28/15 Regular

The motion adopted by approval of the consent agenda: “approve minutes of the 4/14/15 borough assembly regular meeting.”

5. **PUBLIC COMMENTS**

GREGG – Opposed to the Harbor Plan; the assembly needs to listen to concerned citizenry.

MITMAN, HARRIS, GRAVEL, SMITH, LYONS, and LACOURSE – Opposed to cutting HARK’s budget

SHOOK – Not opposed to the harbor expansion, but he would like to see where the extra funds are coming from to finish the project as well as a beautified waterfront.

THOMAS, TURNER, and SZYMANSKI – Support the harbor project.

PARNELL – Harbor waiting list misconceptions and worried about the Lutak Dock.

TUYNMAN – 1) Opposed to putting correspondence on consent agenda, and 2) the value of the community is in its waterfront.

SCHNABEL – 1) Questioned putting correspondence on the consent agenda, and 2) regrets voting for the harbor design in February 2014; it should have gone to the planning commission.

ALTEN – Not opposed to the harbor breakwater but does not want the waterfront to be sacrificed for concrete.

6. **MAYOR’S COMMENTS/REPORT**

Mayor **HILL** made comments on the following: 1) Community Clean-up, 2) Earth Day event, 3) First cruise ship on May 20 (she plans to be present at the dock each cruise ship day like she was last year),

and 4) Haines Hot Shots (it is a very good program that teaches kids gun safety and maintenance. We live in an area around firearms. She thanked everyone involved in that program.).

7. PUBLIC HEARINGS

A. Ordinance 15-04-406 – Second Hearing

An Ordinance of the Haines Borough authorizing the Borough Manager to enter into a loan agreement in the amount of up to \$500,000 with the Alaska Department of Environmental Conservation for the Replace Allen Road AC Pipe project.

Mayor **HILL** opened and closed the public hearing at 7:11 p.m.; there were no public comments.

Motion: **BERRY** moved to “adopt Ordinance 15-04-406,” and the motion carried unanimously in a roll call vote.

There were no assembly comments.

B. Ordinance 15-04-407 – First Hearing

An Ordinance of the Haines Borough , Alaska, providing for the establishment and adoption of the budget of the Haines Borough for the period July 1, 2015 through June 30, 2016.

Mayor **HILL** opened the public hearing at 7:13 p.m.

SCHNABEL – 1) Likes format of the budget document this year, and 2) recommended forgoing the proposed lobbyist this year.

LACOURSE - Please fund HARK. (She distributed written comments later in the meeting.)

Hearing no further comments, the mayor closed the public hearing at 7:17 p.m.

Note: The assembly had already scheduled the second hearing for 5/26/15, so no motion was needed now unless the second hearing date needed to change or some other action was desired such as a motion to amend the budget.

Motion: **CAMPBELL** moved to “amend the ordinance to set the maximum mill rate for the Townsite Service Area and fully fund everything in the FY16 budget with any leftover funds being split between the boat harbor and sewer treatment plant, and increasing the area-wide mill rate to one mill below the maximum and splitting the funds between the boat harbor and the Lutak Dock.”

Motion to Postpone: **CAMPBELL** moved to postpone the motion to the 5/26/15 assembly meeting, and the motion **FAILED** 3-4 with **LAPHAM**, **CASE**, and **BERRY** opposed and the mayor breaking the tie in the negative.

Primary Amendment: **JACKSON** moved to “increase the Townsite Service Area mill rate by .15 and give the increase to HARK,” and the motion **FAILED** with **WATERMAN**, **BERRY**, **LAPHAM**, and **CAMPBELL** opposed.

The main motion **FAILED** unanimously.

Motion: **WATERMAN** moved to “direct staff to investigate restoring HARK funding to \$45,250,” and the motion carried 5-1 with **CAMPBELL** opposed.

Motion: **LAPHAM** moved to “amend Ordinance 15-04-407 by making the changes proposed in the manager’s May 6, 2015 memo in the packet with the exception of the HARK portion.”

Motion to Divide Question: **WATERMAN** moved to divide the question, and the motion carried unanimously.

Primary Amendment: **WATERMAN** to make the following changes to the proposed FY16 budget as clarified and defined by the manager:

- Change the ordinance title to read: *An Ordinance of the Haines Borough, Alaska, providing for the establishment and adoption of the operating budget, capital budget, and capital improvement plan of the Haines Borough for the period July 1, 2015 through June 30, 2016;*
- Remove the PC Dock Kiosk from the FY16 CIP List;
- Change the Small Boat Harbor funding to reflect 19.5 million dollars;

- Reflect 100k for a Lutak Dock study and design by making an amendment to the FY16 Lutak Dock Enterprise Fund;
- For Phase One of the Wastewater Treatment Facility,
 - Commit up to \$330,000 of the sewer reserve,
 - Accept the ADEC loan for no more than \$1m to minimize a requirement for a rate increase,
 - Continue to apply for ADEC grants to offset the loan amount, and
 - Research drawing from the Permanent Fund with the understanding it will require a vote of the people;
- Record the Chilkat Center management contract under expenses for the Chilkat Center; and
- Fund to offset a small fraction of the costs for Phase One of the Wastewater Treatment Facility.

The primary amendment motion carried unanimously.

Motion to Undivide Question: WATERMAN moved to undivide the question, and the motion carried unanimously.

The main motion as amended carried unanimously.

- C. **Ordinance 15-04-408** – First Hearing
An Ordinance of the Haines Borough providing for the addition or amendment of specific line items to the FY15 budget.

Mayor HILL opened and closed the public hearing at 8:34 p.m.; there were no public comments.

Note: The assembly had already scheduled the second hearing for 5/26/15, so no motion was needed now unless the second hearing date needed to change or some other action was desired such as a motion to amend the ordinance.

Motion: LAPHAM moved to “amend Ordinance 15-04-408 by adding the additional item stated in the manager’s May 6, 2015 memo in the packet (appropriating funds for Letnikof Harbor emergency repairs),” and the motion carried unanimously.

- D. **Ordinance 15-04-409** – First Hearing
An Ordinance of the Haines Borough amending Haines Borough Code Title 18 Section 18.100.025 to allow with planning commission approval lot line adjustments and lot consolidations resulting in lot(s) non-conforming in size.

Mayor HILL opened and closed the public hearing at 8:37 p.m.; there were no public comments.

Note: The assembly had already scheduled the second hearing for 5/26/15, so no motion was needed now unless the second hearing date needed to change or some other action was desired.

No assembly comments.

8. STAFF/FACILITY REPORTS

- A. **Borough Manager – 5/12/15 Report**

The manager summarized his written report. He added information about the interim chief of police hire: the results of the background check were favorable as were the references. He noted that report is confidential and cannot be released.

- B. **Community & Economic Development Director – Report re. Cruise Ship Waivers and Request for referral.**

MANDEVILLE referenced the staff report in the meeting packet. He is asking the assembly to refer this proposed program to the Commerce Committee. ROSS and GAFFNEY both stressed that time is of the essence, and they look forward to working with the committee on this.

Motion: CAMPBELL moved to “refer the proposed Cruise Ship Waiver Program to the Commerce Committee with instructions that they present their recommendations at the June 9, 2015 assembly meeting

(have recommendation by June 1 to get it on that agenda)," and the motion carried 5-1 with **JACKSON** opposed.

C. Harbormaster and CED Director – Cost Benefit Analysis (CBA) Report – Small Boat Harbor

JACKSON and **CAMPBELL** both expressed concerns with the CBA, as provided, and would like it to be more accurate and complete.

9. COMMITTEE/COMMISSION/BOARD REPORTS & MINUTES

- * **A. Port and Harbor Advisory Committee – Minutes of 3/23/15, 3/26/15, and 4/22/**
- B. Assembly Standing Committee Reports**

10. UNFINISHED BUSINESS - None

11. NEW BUSINESS

A. Resolutions

* **1. Resolution 15-05-628**

A Resolution of the Haines Borough Assembly authorizing the Borough Manager to enter into a "special use agreement" with Alaska Excursions for routine use of the Port Chilkoot Dock Lightering Float for the 2015 summer tourism season.

The motion adopted by approval of the consent agenda: "adopt Resolution 15-05-628."

B. Ordinances for Introduction

1. Ordinance 15-05-410

An Ordinance of the Haines Borough establishing a surcharge for enhanced 911 (E-911) service.

The manager gave a brief PowerPoint presentation.

Motion: **CASE** moved to "introduce Ordinance 15-05-410 and set a first public hearing for 5/26/15 and a second public hearing for 6/9/15," and the motion carried 5-1 with **CAMPBELL** opposed.

C. Other New Business

1. Board Appointments

Note: an appointment application was received for a seat on the Parks & Recreation Advisory Committee. With only four members, the committee is having difficulty establishing a quorum to make a recommendation. The mayor sought assembly confirmation.

Motion: **CAMPBELL** moved to "confirm the mayor's appointment of Burl Sheldon to the Parks and Recreation Advisory Committee for a term ending 11/30/17," and the motion carried unanimously.

Motion: **WATERMAN** moved to extend the meeting past 10:00 p.m. if necessary to complete the agenda, and the motion carried unanimously.

* **2. Sales Tax Exemption Request – Haines Hot Shots**

Note: AKSCTP Haines Hot Shots, a 501(c)3 organization, applied for sales tax exemption status as allowed by HBC 3.80.050(13). The borough has granted sales tax exemption certificates to other non-profit organizations. The motion adopted by approval of the consent agenda: "approve the request from the Haines Hot Shots for sales tax exemption status, and authorize the borough clerk to issue an exemption certificate."

3. Hire Confirmation - Interim Director of Public Facilities

Note: this is a department head position hired by the manager but it required assembly authorization.

Motion: **BERRY** moved to "confirm the borough manager's decision to hire Robert Griffiths as Interim Chief of Police," and the motion carried unanimously in a roll call vote.

12. CORRESPONDENCE/REQUESTS

A. Letter re. HARK Funding – T. Mikowski, Executive Director

JACKSON did not agree with this being on the consent agenda. HARK funding should be restored, if possible.

B. Citizen Comments re. Harbor Expansion Project – submitted in petition form by T. Gregg

Motion: **JACKSON** moved to “direct the Finance Committee to do an economic analysis of the boat harbor expansion project,” and the motion carried **5-1** with **CASE** opposed.

13. SET MEETING DATES

- A. Commerce Committee** – 6:00 a.m., Tuesday, May 19, Assembly Chambers, Topic: Cruise Ship Waiver Program. [Clerk’s note: the meeting time was subsequently changed to 4:00 p.m.]
- B. Finance Committee** – 3:00 p.m., Monday, May 18, Assembly Chambers, Topic(s): Finish the work on the Community Purpose Exemption ordinance and 2) Work with borough manager and finance director to investigate restoring HARK funding to \$45,250.
- C. Finance Committee** – 5:30 p.m., Tuesday, May 19, Assembly Chambers, Topic: Economic analysis of the boat harbor expansion project.

14. PUBLIC COMMENTS

FRIEDENAUR – Encouraged the borough to talk to harbor users when gathering financial information on the harbor project. We can make the process go forward and still have a beautiful waterfront.

MITMAN – Said some of the cost comparisons the manager cited for animal control don’t really apply to Haines.

SCHNABEL – Appreciates that staff introduced the cruise ship waiver program with a public participation plan. Is the 6:00 a.m. Commerce Committee meeting intended to be the public’s opportunity to participate?

THOMAS – Advised when doing the cost analysis to waive cruise ship fees, the assembly can’t be partial. 90% of what we do as a government is not feasible and does not make money.

ALTEN – Said her signature on the petition wasn’t to stop the project but to make sure the waterfront would look beautiful.

TURNER – Wishes the borough would spend half the time helping the fishing industry as they do the tourism industry.

GREGG – Said with any luck we can make all of our industries work together. The idea is not to end the project. Sure, the public is asleep but there must be a way they can be informed.

15. ANNOUNCEMENTS/ASSEMBLY COMMENTS

CASE – The Commerce Committee can set a second meeting shortly after the 6:00 a.m. that will be at a different time.

16. ADJOURNMENT – 10:18 p.m.

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

ATTEST:

Janice Hill, Mayor

Julie Cozzi, MMC, Borough Clerk