

Haines Borough
Borough Assembly Meeting #322
September 13, 2016
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**, Tresham **GREGG**, George **CAMPBELL**, and attending via telephone, Ron **JACKSON**, Margaret **FRIEDENAUER**, and Mike **CASE**.

Staff Present: Bill **SEWARD**/Borough Manager, Julie **COZZI**/Borough Clerk, Brad **RYAN**/Director of Public Facilities, Jila **STUART**/Finance Director, Leslie **ROSS**/Tourism Director, Heath **SCOTT**/Chief of Police, Shawn **BELL**/Harbormaster, and Holly **SMITH**/Planner I.

Visitors Present: John **STANG**/CVN, Emily **FILES**/KHNS, Debra **SCHNABEL**, Bill **MCCORD**, Don **TURNER** Jr., Sean **GAFFNEY**, Gerard **BALLANCO**, Mike **DENKER**, Don **TURNER III**, Paul **NELSON**, Leonard **DUBBER**, Libby **KURZ**, Leslee **DOWNER**, Mark H. and Lori L. **SMITH**, Eric **HOLLE**, Heidi **ROBICHAUD**, Kyle **GRAY**, Darsie **CULBECK**, Scott **CAREY**, and others.

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

The following Items were on the published consent agenda indicated by an asterisk (*):

4 – Approve Assembly Meeting Minutes

8B – CFO Report

11A1 – Adopt Resolution 16-09-688

11B1 – Introduce Ordinance 16-09-443 & Schedule Public Hearings

Motion: **LAPHAM** moved to “approve the agenda/consent agenda,” and it was amended to remove item 8B (Finance Report) from the consent agenda, and the motion, as amended, carried unanimously.

*4. **APPROVAL OF MINUTES** – 8/23/16

The motion adopted by approval of the consent agenda: “approve minutes of the 8/23/16 borough assembly meeting.”

5. **PUBLIC COMMENTS**

NELSON – Asked that Item 11C5 be conducted in the open rather than in Executive Session.

GRAY – Said the Chamber of Commerce will write a letter supporting the harbor project.

TURNER JR. – Stated he is not pleased about the harbor bid opening being delayed by 30 days and believes the planning commission overstepped their authority.

MCCORD – Said two citizens, barred from the Administration Building, were deprived of a reasonable written response.

L. SMITH – Asked the assembly to rescind the 30-day delay on the harbor project bid-opening. She is concerned about the wishy-washy actions and the money the borough could be on the hook for if the grant funds are not used.

GAFFNEY – Said he is also concerned about the harbor project delay. He believes funding the harbor with grants is an appropriate way to go forward. Additionally, the waterfront as a whole, including the PC Dock, is in need of parking solutions.

M. SMITH – Believes the borough will never get another dime if the harbor grant is returned to the state. He appealed to the mayor/assembly to rescind the delay and get the harbor project going again.

ALTEN – Noted there is no handicapped parking outside the Public Safety Building. There are many other buildings in Haines, both public and private, that are in the same shape.

DOWNER – Spoke in favor of the harbor expansion project.

TURNER III – Said 95% of the people he talks with are in favor of the harbor. The fishermen pay a lot of fish tax, and they need support in this town. He believes a small minority of people are driving this divisiveness. If the grant is turned away, we might as well forget future funding.

VIGNOLA – Stated she does not believe the borough will lose the grant funding.

6. **MAYOR’S COMMENTS/REPORT**

The mayor said in 2017 there will be several conferences coming to Haines, including the American Legion in April, AML summer session in August, and SE Conference annual meeting in September,

HILL presented a mayoral proclamation to Brad **RYAN** commending him for his service as interim manager.

7. PUBLIC HEARINGS

A. Ordinance 16-08-441 – Second Hearing

An Ordinance of the Haines Borough amending Haines Borough Code Sub-section 5.18.080(I) to revise the process for non-temporary amendments to the Borough's Commercial Ski Tour Areas map.

Mayor **HILL** opened the public hearing at 6:56 pm.

HOLLE – Said he would like to see a 5-year cycle rather than 3 years, and map amendment proposals should come first to the assembly.

SUNDBERG – Said the map is intended to be a living document. This particular ordinance is good except the amendment cycle should be maintained as policy rather than becoming a part of code.

Hearing no further public comments, the mayor closed the hearing at 6:59pm.

Motion: LAPHAM moved to "adopt Ordinance 16-08-441."

Primary Amendment #1: JACKSON moved to "change 'shall' to 'may' under subsection "b" to provide the manager with the ability to decide not to convene a committee," and the motion carried unanimously.

Primary Amendment #2: CAMPBELL moved to "remove the review cycle portion out of code and maintain it as a policy," and the motion **FAILED** 2-4 with **FRIEDENAUER, CASE, JACKSON,** and **GREGG** opposed.

The main motion as amended by primary amendment #1 carried 5-1 with **GREGG** opposed.

B. Ordinance 16-08-442 – First Hearing

An Ordinance of the Haines Borough amending Haines Borough Code Title 2 to add feedback instructions for the public comments portion of the order of business for borough assembly meetings.

Mayor **HILL** opened the public hearing at 7:20 pm.

BALLANCO – Thanked the assembly for providing a means for responding to public comments.

MCCORD – Said this is a great baby step toward consensus decision-making.

Hearing no further comments, the mayor closed the hearing at 7:23pm.

Motion: FRIEDENAUER moved to "amend by striking items 1-4 under section F and add an assembly comment period between public comments and mayor report," and the motion carried unanimously.

8. STAFF/FACILITY REPORTS

A. Borough Manager – 9/13/16 Report

The manager summarized his written report and responded to a few questions from the assembly.

B. Finance Director – FY16 Preliminary General Fund Financial Report

STUART summarized the contents of the report.

9. COMMITTEE/COMMISSION/BOARD REPORTS & APPROVED MINUTES

A. Assembly Board Liaison Reports

B. Assembly Standing Committee Reports

1. Commerce Committee – FRIEDENAUER

2. Personnel Committee – CASE

10. UNFINISHED BUSINESS

A. Resolution 16-06-681

A Resolution of the Haines Borough Assembly authorizing the borough manager to convene a heliski map committee to consider proposed amendments according to HBC 5.18.080(I).

Note: On 6/28/16, the assembly determined the existing map review timeline was unworkable and passed the following motion: "Postpone Resolution 16-06-681 until staff brings an ordinance to correct the code." Ordinance 16-08-441 was adopted and will provide for a workable timeline for the

future while also enabling the assembly to allow a map review outside of the normal timeline. This particular resolution allows the proposals received by 5/31/16 to still be considered during 2016.

HOLLE - Said this feels like a rush job and suggested doing it in 2017. ADF&G expects to be done with their critical goat habitat study in March or April.

SUNDBERG - Noted the newly-adopted ordinance prevents the map from being opened in 2017. The industry honored the cycle and proposal submission deadline.

CAREY - Spoke against the resolution. ADF&G wants to submit their goat report first, and the borough needs to be a good steward of the wildlife.

Motion: **LAPHAM** moved to "adopt Resolution 16-06-681, as revised by staff," and the motion carried 4-2 in a roll call vote with **GREGG** and **JACKSON** opposed.

11. NEW BUSINESS

A. Resolutions

***1. Resolution 16-09-688**

A Resolution of the Haines Borough Assembly appointing election officials for the Regular Election to be held October 4, 2016, and establishing the wages.

The motion adopted by approval of the consent agenda: "Adopt Resolution 16-09-688."

B. Ordinances for Introduction

***1. Ordinance 16-09-443**

An Ordinance of the Haines Borough amending minor typographical errors and omissions in the previously adopted Minor Offense Ordinance.

The motion adopted by approval of the consent agenda: "Introduce Ordinance 16-09-443 and schedule a first public hearing for 9/27/16 and a second hearing for 10/11/16."

C. Other New Business

1. Sales Tax Exemption Request – Baha'i Community of Haines & Klukwan

Note: This 501(c)3 organization applied for sales tax exemption status as allowed by HBC 3.80.050(13).

Motion: **LAPHAM** moved to "approve the request from Baha'i Community of Haines & Klukwan for sales tax exemption status, and authorize the borough clerk to issue an exemption certificate," and the motion carried unanimously in a roll call vote.

2. Sales Tax Exemption Request – State YMCA of Michigan

Note: This 501(c)3 organization applied for exemption status as allowed by HBC 3.80.050(13).

Motion: **LAPHAM** moved to "approve the request from State YMCA of Michigan for sales tax exemption status, and authorize the borough clerk to issue an exemption certificate," and the motion carried 4-2 in a roll call vote with **GREGG** and **CASE** opposed.

Motion to Refer: **LAPHAM** moved to "refer this application to the Finance Committee," and it was amended to add the Summerside United Methodist Church application. The motion to refer **FAILED** with **JACKSON**, **LAPHAM**, and **CAMPBELL** opposed and the mayor breaking the tie in the negative.

3. Sales Tax Exemption Request – Summerside United Methodist Church

Note: This 501(c)3 organization, applied for exemption status as allowed by HBC 3.80.050(13).

Motion: **CAMPBELL** moved to "approve the request from Summerside United Methodist Church for sales tax exemption status, and authorize the borough clerk to issue an exemption certificate," and the motion carried 5-1 in a roll call vote with **CASE** opposed.

Motion: **GREGG** moved to "direct the finance committee to develop criteria for sales tax exemption for nonprofits," and the motion carried unanimously.

4. Possible Reconsideration of Vote to Table Nonprofit Funding Decision

Note: Assembly Member Case had indicated he may move to reconsider his vote on an 8/23/16 motion to table because that type of motion cannot have a timeframe associated with it. There was some confusion whether it was intended to really mean 'postponed to a time certain' or rather simply to table it period. That motion carried 4-3 with Friedenauer, Gregg, and Jackson opposed and the mayor breaking the tie in the affirmative.

Motion to Reconsider: **CASE** moved to "reconsider the motion to table for 3-months," and the motion carried unanimously.

This returned the following **motion** to the table for consideration: "Table this for three months and then bring it back to see what our fiscal situation is." It was immediately challenged as an improper motion, and there was no objection to withdrawing it.

This action returned the 9/13/16 funding **motion** to the table, as follows: "Identify the \$32,500 assembly appropriations in the general fund and the \$15,000 assembly appropriations in the medical service area fund and the \$17,500 assembly appropriations in the tourism and economic development fund as being for grants to community nonprofit organizations, advertise for applications for those grants, and establish an ad hoc committee to evaluate the grant requests."

Motion to Table: **CAMPBELL** moved to "table this motion," and the motion **FAILED** 2-4 with **JACKSON, FRIEDENAUER, CASE, and GREGG** opposed.

The funding motion carried 5-1 in a roll call vote with **CAMPBELL** opposed.

5. Executive Session – Nelson-Waterhouse Legal Matter

Motion: **LAPHAM** moved to "go into executive session as allowed by AS 44.62.310(c)(1) and Haines Borough Charter Section 18.03(B) to receive an update from the borough's attorney regarding the letter received from an attorney representing Paul Nelson and Sue Waterhouse; this matter qualifies for executive session because a public discussion will have an adverse effect on the borough's legal position and finances; the borough manager and attorney are requested to attend," and the motion carried 5-1 with **GREGG** opposed.

CAMPBELL said due to the sensitive nature, at least part of the discussion has to be in executive session. **FRIEDENAUER** agreed.

Present: Mayor Hill; Assembly Members Lapham, Gregg, Campbell, and Manager Bill Seward; and via telephone: Jackson, Friedenauer, Case, and Attorney Patrick Munson. The executive session convened at 9:35 p.m. and ended at 10:19 p.m.

Following the Executive Session, the mayor stated Nelson and Waterhouse will receive a written letter clarifying the order not to go into the Administration Building expired in July.

12. CORRESPONDENCE/REQUESTS

A. Request for Assembly Hearing – P. Nelson

Note: a response from the mayor and manager was included in the packet.

13. SET MEETING DATES

A. Finance Committee – Thursday 9/29, 5pm – 1) sales tax exemption process

B. Personnel Committee – Thursday, 9/29, 3pm – 1) EMT Reporting...

14. PUBLIC COMMENTS

GAFFNEY – Provided more explanation concerning the tax exemption applications from the organizations that bring scout troops to Haines. He is a board member of the Great Alaska Council. Alaska Mountain Guides (AMG) has taken on some of the administrative burden for the camp. The groups from the lower-48 come through AMG but the money is remitted to the Council.

15. ANNOUNCEMENTS/ASSEMBLY COMMENTS

JACKSON and **CASE** – In response to **GAFFNEY's** explanation, they agreed it is apparent there can be value in granting sales tax exemptions as a way to encourage nonprofit groups, like boy scout troops, to visit Haines.

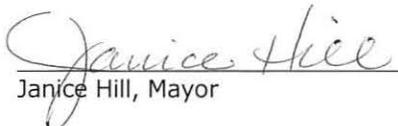
16. ADJOURNMENT – 10:33 p.m.

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

ATTEST:


Julie Cozzi, MMC, Borough Clerk




Janice Hill, Mayor