


Haines Borough
Borough Assembly Meeting #220
March 27, 2012
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** (via teleconference, joined the meeting at 6:37pm), Norman **SMITH**, Steve **VICK**, Debra **SCHNABEL**, and Assembly Member Daymond **HOFFMAN**. **Absent:** Joanne **WATERMAN**.

Staff Present: Mark **EARNEST**/Borough Manager, Julie **COZZI**/Borough Clerk, Brian **LEMCKE**/Director of Public Facilities, Jila **STUART**/Chief Fiscal Officer, Tanya **CARLSON**, and Patricia **BROWN**/Library Director.

Visitors Present: Krista **KIELSMEIER**/CVN, Bill **KURZ**, John **HAGEN**, Diana **PYLE**, Burl **SHELDON**, Thom **ELY**, Tom **MORPHET**, Ned **ROZBICKI**, Former Mayor Jan **HILL**, and others.

Motion: **VICK** moved to "excuse Assembly Member Waterman from this meeting," and it was seconded. The motion carried unanimously.

3. APPROVAL OF AGENDA & CONSENT AGENDA (Items with the *asterisk are on the consent agenda)

Motion: **LAPP** moved to "approve the Agenda/Consent Agenda," and it was amended to add the Manager's Resignation and Transition Plan as two new items under Other New Business ahead of Mayoral Appointments. All motions were seconded. The main motion, as amended, carried unanimously.

★ **4. APPROVAL OF MINUTES** – Regular: February 28/29, 2012

5. PUBLIC COMMENTS

SHELDON updated the assembly on Community Waste Solutions by reading a letter from owner Tom Hall. That letter was submitted for the meeting record.

6. MAYOR'S COMMENTS/REPORT

Mayor **SCOTT** asked **HILL**, **LAPP**, and **HAGEN** to provide reports to the assembly.

HILL reported on various aspects of the recent Southeast Conference Mid-Session Summit held in Juneau and said it was very productive and informative. She also explained an upcoming event being sponsored by Southeast Conference. May 6th will be "Lemonade Day." It's a nationwide program that teaches young people how to start a business, how to prepare a budget, etc. At the end of the Lemonade Day, the students get to keep all the money, but they are encouraged to put a portion in the bank and donate some to a favorite cause.

LAPP also reported on the Southeast Conference Mid-Session and agreed that it was very informative. He said in the future, it would be important to also prearrange meetings with the legislators.

HAGEN explained an upcoming event on Monday, April 2, at the Public Library. A.W. "Bill" Hall from the University of Alaska Fairbanks will talk about communication skills and facilitating community dialogue. He is a lifelong Alaskan from Cordova, and his work is focused on helping libraries to form programs on community dialogue.

SCOTT announced Joan Carlson is retiring after 11 years with the Haines Chamber for Commerce and is moving to Connecticut. Her contributions to the community are appreciated.

7. PUBLIC HEARINGS

A. Ordinance 12-03-283 - First Hearing

An Ordinance of the Haines Borough amending the Port of Haines Terminal Tariff No. 3 to simplify calculation of dockage fees at the Port Chilkoot Dock.

Mayor **SCOTT** opened and closed the public hearing at 7:05 pm; there were no public comments.

Motion: **LAPP** moved to "advance Ordinance 12-03-283," and it was seconded. The motion carried unanimously.

EARNEST noted a typo on page 2 of 2---the charge for the smallest vessels should read .75 cents rather than .95 cents. It will be administratively corrected prior to the second hearing.

8. STAFF/FACILITY REPORTS**A. Borough Manager – 3/27 Report**

EARNEST said he wants to spend more time with family, so he is accelerating his retirement up one year. That is the reason for submitting his letter of resignation effective June 1. He has enjoyed serving the assembly and community.

B. Tourism Director – Report of BackRoads Alaska Cruise Line Meetings March 5-8

CARLSON explained the BackRoads Alaska program and summarized her written report of the recent meetings with the cruise lines.

9. COMMITTEE/COMMISSION/BOARD REPORTS AND MINUTES**A. Assembly Committees***** 1. Committee of the Whole – Minutes of 3/6 Meeting****2. Commerce Committee – Minutes of 3/7 Meeting****3. Finance & Budget****4. Personnel & Labor Relations****5. Government Affairs & Services***** B. Planning Commission***** C. School Board***** D. Advisory Boards***** 1. Parks and Recreation Advisory Committee – Approved Minutes 10/12, 11/30, 1/9, 2/16***** E. Service Area Boards***** F. Ad Hoc Boards & Committees****10. UNFINISHED BUSINESS – None****11. NEW BUSINESS****A. Resolutions****1. Resolution 12-03-342**

A Resolution of the Haines Borough Assembly authorizing the Borough Manager to enter into a construction contract with North Pacific Erectors for the Vocational Education Building Upgrades Project for an amount not to exceed \$77,975.

There were no public comments.

Motion: LAPP moved to “adopt Resolution 12-03-342,” and it was seconded. The motion carried unanimously in a roll call vote. There was no discussion.

2. Resolution 12-03-343

A Resolution of the Haines Borough Assembly calling for the support of SEATrails (the Southeast Alaska Trail System) and its mission for an interconnected trails system that enhances economic development, transportation, and quality of life in Southeast Alaska.

There were no public comments.

Motion: HOFFMAN moved to “adopt Resolution 12-03-343,” and it was seconded. The motion carried unanimously in a roll call vote.

SCHNABEL said this program has been very good to Haines, including the improvements to the Mt. Ripinsky Trail.

3. Resolution 12-03-344

A Resolution of the Haines Borough Assembly authorizing the Borough Manager to enter into a professional services agreement with Carson Dorn, Inc. to prepare plans and specifications for the Barnett Water Tank Replacement Project for an amount not to exceed \$46,600.

There were no public comments.

Motion: LAPP moved to “adopt Resolution 12-03-344,” and it was seconded. The motion carried unanimously in a roll call vote.

During discussion, **EARNEST** mentioned that 70% of the funding is included in the Governor’s capital budget request this year. **SMITH** asked why project inspection and management costs are not included in the Carson Dorn proposal. **EARNEST** explained it is not part of the scope.

The project has not yet been funded by the legislature. This is a critical project, and the borough is trying to advance the engineering in order to hit the ground running. The construction portion will be brought to the assembly later. Inspection services are part of construction costs.

4. Resolution 12-03-345

A Resolution of the Haines Borough Assembly authorizing the Borough Manager to enter into a contract with Machineworks to provide janitorial services for the Visitor Center and Public Restrooms at the Visitor Center and Port Chilkoot Dock.

There were no public comments.

Motion: VICK moved to "adopt Resolution 12-03-345," and it was seconded. The motion carried unanimously in a roll call vote. There was no discussion.

5. Resolution 12-03-346

A Resolution of the Haines Borough Assembly authorizing the Borough Manager to dispose of, by public sealed bid auction, surplus borough equipment consisting of a Caterpillar 140H grader with wing blade and a jeep and water wagon.

There were no public comments.

Motion: LAPP moved to "adopt Resolution 12-03-346," and it was seconded. The motion carried unanimously in a roll call vote.

During discussion, LEMCKE said the minimum bid is kind of high because this item is rare. There were very few made, and it will draw some interest. It still has civil defense decals on it. VICK suggested eBay. EARNEST noted the assembly is to identify the method of disposal. If eBay is a potential, it might be important to amend the resolution. SCHNABEL said the code needs to be reworked to provide for selling online. If the item is valued at more than \$25K, it has to be by ordinance. Her recommendation would be to remove the jeep from the list and put it back on when the code is changed. EARNEST said the resolution authorizes the manager to dispose of the property but does not require a timeframe for disposing of it. Staff could prepare an ordinance and also research the value of this equipment.

6. Resolution 12-03-347

A Resolution of the Haines Borough Assembly accepting a Planning Grant in the amount of \$9,000 from the Alaska Department of Transportation and Public Facilities (ADOT&PF) Safe Routes to School (SRTS) program and authorizing the borough manager to enter into a grant agreement with the Department for this project.

ELY hopes this will move things forward and that there will be follow-through.

Motion: HOFFMAN moved to "adopt Resolution 12-03-347," and it was seconded. The motion carried unanimously in a roll call vote. There was no discussion.

B. Ordinances for Introduction - None

C. Other New Business

1. Manager's Resignation (this item was added during approval of the agenda)

Motion: HOFFMAN moved to accept the manager's resignation, and it was seconded.

VICK thanked the manager for his contribution. He has put a lot into motion that has been talked about for years including Picture Point, deep water ports, etc. LAPP thanked him for working for the borough. SCOTT thanked him for being collaborative and willing to teach her. HOFFMAN said he had a hard time making the motion, because it seems like things are going really well and moving forward. He hopes the momentum can be maintained. The assembly needs to find out from EARNEST what the assembly can do better to help staff. He sees that as an important part of the process. SCOTT said EARNEST has graciously offered to assist in the transition. SCHNABEL wondered about the June 1st resignation date since that is prior to FY13 budget adoption. EARNEST said he plans to be in Haines until at least August, and he is totally committed to finishing up. He expressed willingness to extend his resignation to June 15th, and there was no opposition.

2. Transition Plan (this item was added during approval of the agenda)

EARNEST said he thought the previous manager recruitment and selection process was outstanding and the best he's ever experienced, so he recommends that. For the near term, it's

important to begin advertising at the earliest opportunity since it's necessarily a long process. The assembly should plan on it taking several months. The next question is whether or not to appoint an interim manager. He recommends the appointment be made from within the borough officers and department directors. Interim manager is for a short duration and bringing someone in would mean bringing them up to speed for a short period of time. Bob Ward was uniquely qualified from his many years in Skagway. Existing officers are already on staff and part of the team. One of them could step in easily and effectively. Additionally, it will be important to have staff, temporary and/or contract hires, to fill in, as needed.

Motion: VICK moved to "advertise the borough manager position as soon as possible," and it was seconded. The motion carried unanimously.

SCHNABEL said it's important to know what is needed in an individual. This is a particularly important time, because in this next year, the borough will have a change of face in many key positions. She is quite concerned about the immediate future of the construction projects scheduled for this year. She would like to see the advertisement emphasize the type of manager the borough is looking for. **VICK** said the job description is detailed. **HOFFMAN** wondered if the job description needs to be examined to make sure it fits the present needs. **SCHNABEL** did not advocate relooking at the job description. The assembly just needs to know what it's looking for. What does the focus need to be? A strong financial person? Strong human resources? Strong construction-oriented? **SCOTT** said the interview questions can be refined.

Motion: SMITH moved to "use the same recruitment process as the previous time," and it was seconded. The motion carried unanimously.

SMITH didn't like the process last time. Everyone should show up in person for an interview. **SCOTT** said the process would not preclude that. **VICK** said the assembly was offered an opportunity the last time to add interview questions in order to be current. **COZZI** and **STUART** explained the way the procedure worked the last time.

Motion: LAPP moved to "endorse the recommendation to appoint an interim manager from among the borough officers," and it was amended to insert the words 'if needed.' All motions were seconded. The main motion, as amended, carried unanimously.

SMITH said an executive assistant is currently being advertised, and he questions the need for that, at this time. He hates to see it before the manager's position is filled. **EARNEST** said he does not intend to fill that position but will leave that to the new manager to make that decision. That is the manager's prerogative. **SMITH** said he's having a hard time with the fact that the other positions are being advertised and wondered if they should also be delayed. **SCOTT** said the assembly needs to recognize that the manager will still be on the job until June 15. **EARNEST** said it's not fair to the borough and to staff to leave those positions unfilled. He'll seek guidance and confirmation, as needed, in the various hiring decisions. The business of the borough must still continue to be conducted. **LAPP** doesn't see any problem with filling them as soon as possible, especially since the assembly will be in the loop. **VICK** understands the wisdom of hiring an interim from within. **SCOTT** and **VICK** are grateful a staff member is willing to come forward. **SCHNABEL** said an interim manager might not be needed if an applicant is hired by June 15th.

3. Mayoral Appointments

Motion: VICK moved to "confirm the Mayor's appointments of Jerry Lapp, Daymond Hoffman, and Cindy Buxton to an ad hoc subcommittee to fine tune plans for a "communication meeting." and it was seconded. The motion carried unanimously.

4. Resolution 12-03-338- Request for Reconsideration/Amendment/Readoption **A Resolution of the Haines Borough Assembly accepting a grant offer entitled Haines - A/C Pipeline Replacement (MMG# 39540) of up to \$517,125 from the State of Alaska, Department of Environmental Conservation.**

Note: This resolution was unanimously adopted on 3/13 after being amended to strike text referring to certain roads that it was believed were not a part of this grant and leaving only Muncaster Road. Actually, a portion of the funds ARE intended for those roads, and staff requested the assembly reconsider the motion to adopt the resolution in order to allow for an amendment back to the original wording.

Motion: LAPP moved to "reconsider the 3/13/12 motion to adopt Resolution 12-03-338," and it was seconded. The motion carried unanimously.

The effect of the passage of this motion put the motion to "adopt Resolution 12-03-338" on the

floor and opened it for discussion.

Motion: LAPP moved to "amend Resolution 12-03-338, as follows:

"WHEREAS, the Borough owns and operates a water delivery system that includes waterlines on Fourth Avenue, View Street, Lynnview Drive, Muncaster Road and Piedad Road,"

It was seconded. The amendment motion carried unanimously.

The main motion carried unanimously in a roll call vote.

5. Ordinance 12-01-281

An Ordinance of the Haines Borough Assembly amending Haines Borough Code Title 16 to clarify governance of the Haines Borough Port and Harbor Facilities.

Note: this ordinance was adopted on 2/28 and, while preparing it for codification, the clerk discovered several inconsistencies and other issues with the document that could easily be addressed with a substitute ordinance. On 3/13, the assembly reconsidered the adoption motion and postponed the ordinance to this meeting. The clerk has prepared a corrected document for the assembly's consideration.

Motion: LAPP moved to "adopt Ordinance 12-01-281," and it was seconded, and it was amended to adopt substitute ordinance #3 prepared by the clerk. All motions were seconded. The motion, as amended, carried unanimously in a roll call vote.

EARNEST noted the substitute ordinance does not contain substantive changes, so an additional public hearing is not required.

6. Change Order #3 - PC Dock & Waterfront Improvements Project

Motion: HOFFMAN moved to "authorize construction contract Change Order #3 for the PC Dock and Waterfront Improvements Project," and the motion carried unanimously.

SMITH observed the labor amounts are the same thing whether concrete or laborers and wondered if that is the going rate. LEMCKE explained it is all certified payroll, and that's the fully-burdened wage in that range.

7. SB 97 Support Letter

Motion: LAPP moved to "approve Mayor Scott signing a letter to be sent to the governor and members of the House of Representatives regarding basing municipal revenue sharing on oil prices," and it was seconded. The motion carried unanimously.

During a brief discussion, LAPP said the flow of oil is going down even though the price is going up. EARNEST clarified this would be in addition to the base revenue sharing.

8. Suspend Disaster Declaration

Motion: LAPP moved to "rescind Resolution 12-02-330 adopted 2/3/12 declaring a disaster," and it was seconded. The motion carried unanimously.

EARNEST said the Alaska Homeland Security Office has been very helpful. He said the NRCS is a federal agency. They have expressed a willingness to provide assistance, and that's what the borough should focus on. He recommended the assembly rescind the disaster declaration.

Motion: LAPP moved to "request assistance from NRCS," and it was seconded. The motion carried unanimously.

9. Fireworks Display Liability/Haines Borough Sponsorship

During discussion, ROZBICKI said every year the chamber asks for money from the borough to help pay for the fireworks display and, in the process, the chamber ends up being the sponsor and assuming the insurance liability. It costs the chamber more money because it's the biggest risk it has. They have a one million dollar policy which would be inadequate. The bottom line is what's in the best interests of the borough. The borough would not have to pay more money to take on the sponsorship of this event. SCOTT said the borough's insurance agent said it probably won't increase the premium but would increase the borough's liability exposure. ROZBICKI said they would continue to do all the work. SCHNABEL said the chamber of commerce would be acting as a volunteer agent to make sure it happens for the borough. She is at peace with this. If the community wants a fireworks display, the borough should give it to them. SMITH said he doesn't like the idea of the borough taking on more responsibility. SCOTT clarified the motion is only taking on the increased liability, not taking on the cost or work of putting on the display. VICK said the borough could offer to buy the policy

for the person who puts on the show as a third option. **SCHNABEL** asked why this has become an issue for the chamber since it has been hosted for the past 10-15 years. **ROZBICKI** responded it is because the chamber has a president who is an insurance agent who can see the "insanity" of how this is set up. It's not just the cost of the premium but the amount of coverage. It's the proper thing for the borough to do. The borough is funding it but refusing to take on responsibility for the risk. **HOFFMAN** asked if the borough covers the liability for other nonprofits. **SCOTT** said this might be a precedent and is not a simple request. **LAPP** said if the chamber doesn't want to do this, he would rather the fire department take it on or the pyrotechnician. **SCHNABEL** spoke for it even in light of all the comments. It is taking on a risk but there is something to be said for doing it because someone needs to.

Motion: **SCHNABEL** moved that "the borough take on increased liability for the fireworks display on 4th of July," and it was seconded. The motion failed 1-4 with **LAPP, SMITH, VICK** and **HOFFMAN** opposed.

10. Economic Development Director

During discussion, **SMITH** said since Waterman is not here to speak for or against it, he would suggest waiting. **SCHNABEL** it is the purview of the manager to recommend this or not.

Motion: **SMITH** moved to "postpone this matter until such time as assembly member waterman is in attendance at an assembly meeting," and it was seconded. The motion failed 2-3 with **SMITH, VICK,** and **SCHNABEL** opposed.

VICK said there is a lot going on. He agrees with the thought behind it, but staff doesn't need one more thing to take on at this time. This is not an emergency or priority matter. He made two attempts to amend the motion to postpone or table this with no success.

Motion: **SCHNABEL** moved that the borough delete HBC 2.54 from the Haines Borough Code, and it was seconded. The motion carried 4-1 with **VICK** opposed.

11. Items for Future Assembly Meetings

VICK said he would like an assembly Committee of the Whole (COW) to facilitate a discussion about the role the assembly may or may not be playing in the staff turnover. **SCHNABEL** believes it's called board training and **VICK** disagreed. **HOFFMAN** agreed with **VICK**. **SCOTT** said the assembly could discuss the roles and responsibilities of assembly members and relationships with staff in a COW, but she agreed that it seems more related to board training.

12. CORRESPONDENCE/REQUESTS - None

13. SET MEETING DATES -

A. Schedule FY13 Budget Work Sessions (C.O.W.) - the first session was scheduled for Tuesday, 4/10, at 4:30pm prior to the regular assembly meeting. **SMITH** requested food be provided, and **SCOTT** agreed to have food for the assembly between the COW and the assembly meeting.

14. PUBLIC COMMENTS

ELY believes the borough manager position has not been clearly defined and the assembly doesn't follow through. He preferred the strong mayor form of government. They should try to find someone local who can be the manager, and he is not supportive of an assistant manager position. On a different topic, he said the Chilkat Center roof needs to be repaired at the very least this season, and the borough should partner with the Haines Arts Council to get grants to upgrade the whole facility.

ROZBICKI said the borough needs to take a hard look at why the staff turnover is happening. Maybe they should figure out how to pay more to fewer and automate more tasks. On the fireworks liability topic, he believes the borough's insurance agent has failed to understand that the good of the community is the good of the borough. He appreciates the assembly's time.

15. ANNOUNCEMENTS/ASSEMBLY COMMENTS

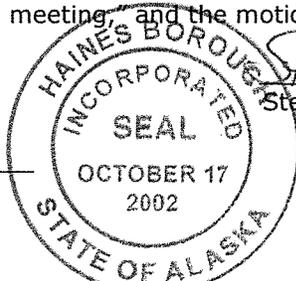
HOFFMAN thanked everyone for the efforts to help him hear during the meetings he attended by phone.

16. ADJOURNMENT - 10:08 p.m.

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

ATTEST

Julie Cozzi
Julie Cozzi, MMC, Borough Clerk



Stephanie Scott
Stephanie Scott, Mayor