



Haines Borough Administration
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Manager's Report

March 30, 2010

Personal Update

I have a follow up appointment with my doctor on Monday, April 5, in Juneau. I will be travelling by ferry and am scheduled to return Tuesday afternoon.

Haines Borough Additional Lands Selection

I am pleased to report that the Committee Substitute for House Bill 273 passed the House of Representatives unanimously (additional background and detail regarding HB 273 is provided in my March 9, 2010 Report). The bill now heads to the Senate. An amendment to the Committee Substitute by Representative Thomas added the Haines Borough land selection. We spent several weeks, working with his staff and the Alaska Department of Natural Resources (DNR) to identify all available Vacant, Unappropriated, and Unreserved (VUU) lands within the Borough. One complication was that the University of Alaska had also selected several properties within the Borough. These were removed from the University of Alaska land selection bill in Committee in the House. The result of that action, if HB 273 is enacted and the U of A bill (HB 298) is not amended to add the Haines properties back in, is that the lands would be eligible for *selection* by the Borough. [Please see attached listing of properties that were used to determine the amount of lands potentially available to Haines Borough under HB 273.]

The bill potentially adds 3,167 acres to the Haines Borough acquired through the DNR Land Entitlement Program. It should be noted that the state had previously granted 2,800 acres to the Borough after incorporation. The map submitted to the Finance Committee shows potential borough selections near William Henry Bay, Excursion Inlet and the Upper Lynn Canal near Lynn Sisters. According to the press release from Representative Thomas, Haines Borough has until October 1, 2011 to make its selections, which would then go to the Department of Commerce, Community & Economic Development's Community & Regional Affairs Division of Planning and Land Management Director and the Local Boundary Commission for a Best Interests Review. The director has nine months to submit his or her findings. Additionally, the Northern Southeast Area Plan (NSEAP) would have to be amended to facilitate some of the land transfers.

I would like to recognize the hard work of several individuals regarding this important issue for the community of Haines, including Representative Bill Thomas and his staff (Kaci Schroeder in particular), Representative Peggy Wilson and her staff, DNR staff, Steve Ritzinger, and Robert Venables. Mr. Venables spent many hours working on this issue and his efforts are very much appreciated.

Excursion Inlet Land Survey Update

We have been working with Lounsbury and Associates and the Alaska Department of Natural Resources to define the scope of work for the land survey project at Excursion Inlet [please refer to the attached March 24, 2010 letter from Lounsbury and Associates for additional information]. There are a number of unresolved issues and unknowns related to the proposal; however, it is imperative for the Manager to have the authority at this time to enter into an agreement with Lounsbury in order to meet the summer survey season. We will continue to coordinate with the ADNR to refine the scope of work. We will proceed and conduct the work in accordance with Assembly direction. I expect to have additional information to present during the Assembly meeting.

Safe Routes to Schools

We are working with the Alaska Department of Transportation and Public Facilities to coordinate and integrate the Haines Safe Route to Schools (SRTS) recommendations, where appropriate, with state road improvements in the design phase.

Personnel

- **Employee Union Contract Negotiations**

We have set April 2, 2010 to continue negotiations on a successor Collective Bargaining Agreement (CBA) with Local 71.

- **Assessor Recruitment Update**

I am in negotiations with the first choice candidate for the Assessor / Land Manager position. I expect to have a recommendation for the Assembly's consideration and confirmation at the April 13, 2010 meeting.

Economic Development Director Position

I have been giving the idea of a full-time Economic Development Director considerable thought since my arrival in Haines in January. I have come to the conclusion that this idea is premature, and the decision to go in that direction should be the result of establishing a clear path for the Borough regarding economic development through the Comprehensive Plan update. Otherwise we are putting the cart before the horse and we run the risk of hiring someone with a particular skill set that isn't necessarily compatible or the best fit with economic development goals and objectives established through the plan update. Like grant writing, we should target our efforts and expend Borough resources in a focused and efficient manner.

That being said, I believe beginning the process to prepare and put the Borough in the best possible position to take advantage of any future gas pipeline development is something that does not need to wait for the comprehensive planning process. In fact, I believe it would be a mistake to wait any longer given the short timeframe before open season begins.

As you are aware, one of the Borough's top federal priorities is funding for planning and preparation for the gas pipeline. It is an established priority of the Borough and one that will result in tremendous economic development benefits if the Borough does its job in preparing and positioning itself in this competitive arena. In other words, we don't need to wait for completion of the Comprehensive Plan update to tell us that this is a good economic development opportunity.

I believe we should perhaps consider using this model in a limited number of other economic development opportunities as we develop the Comprehensive Plan. If we are successful in all of our efforts, it may eventually make sense to go with a full-time economic development position. The funding source for this effort would be the 1% sales tax for economic development.

Assessment Notices

Property tax assessment notices will be mailed this week. John Wurst and Dean Olsen have been working diligently to prepare the 2010 Real Property Assessment Roll. The final value changes were made and Sue Nelson began printing the roll on March 24, 2010. The 2010 Assessment Roll has some major increases from placing the value to the public utilities that was lost for the 2009 Assessment Roll due to having the fixed assets previously-assessed as business personal property. These assets are valued at or near their market value, like other assets are. All land and improvements were trended up by a factor of 4% for this assessment roll.

Staff will have the assessment notices in the mail by March 31, 2010 and the office will accept appeals from April 1 until April 30, 2010. Borough officials will review all appeals and meet with, and review the values with, property owners who have questions and wish to review their property records. It should be noted that staff has yet to locate a property that has been listed, or that was listed for sale and sold for an amount less than what the property had been assessed for by the Borough.

Lily Lake Transmission Line Upgrade Project

The Notice Inviting Bids for the Lily Lake Water Transmission Line Upgrade project is ready to be advertised. It will be posted on April 1, and sealed bids will be accepted until May 4th. The contract manuals are due to arrive from the engineer by the end of the week for distribution to interested contractors.

FY 11 Budget Update

We have been very busy over the past several weeks in preparation for the FY 2011 Borough Budget. We will present the budget document on April 1, 2010.

Capital Projects Update

I have been working with Public Facilities Director Brad Maynard and Finance Director Jila Stuart in developing and updating the Borough's Capital Improvement Program (CIP). This is a work in progress, but will be available for presentation in the very near future. We are developing the CIP in a manner that will lend itself to integration with the Haines Comprehensive Plan update (scheduled for FY 11), as well as various component plans, including transportation, utilities, vehicles and facilities, economic development, and others. These documents and targeted design efforts will greatly assist in seeking grant funding and community participation.

Delta Western Lease

Work has resumed on the Delta Western lease. I will be meeting with Delta Western to finalize any and all remaining issues related to the lease pertaining to their Lutak Dock operation in the very near future. I am also preparing an ordinance amending the Haines Borough Code as a result of an in-depth review and analysis of Code deficiencies related to Borough leasing policies.

Energy Audits

Energy audits are currently being performed for the Public Safety Building, Borough Administration Building, and the Senior Center Building.

Chilkoot River Lodge Tax Issue

I am pleased to report that the Chilkoot River Lodge sales tax issue has been resolved. The business is now current with tax payments and has registered with the Haines Borough for a business license.

Haines Borough Supplemental Entitlement Estimate - HB 273 (Revised 03/18/2010*)

William Henry Bay Property	321 acres
Excursion Inlet Properties	908 acres
Chilkoot Inlet Properties	580 acres
Lynn Sisters Property	1358 acres
Total	3167 acres

William Henry Bay Property:		
H-28	321 acres	GU

Chilkoot Inlet Properties*:		
H-20	615 acres	RU
H-40	400 acres	GU
H-41	260 acres	GU

Excursion Inlet Properties:		
H-33	193 acres	GU
H-34	222 acres	GU
H-35	120 acres	S
H-36	373 acres	S, GU

Lynn Sisters Property:		
H-30	1358 acres	PT, RU

- GU – General Use
- PT – Public Facilities
- RU – Dispersed Recreational
- S – Settlement

*The Chilkoot Inlet property subtotals shown in that table each need to be reduced by the number of acres of tidelands and navigable waters. The 695 acres of tidelands and navigable waters within the Chilkoot Inlet properties were included in the original calculations, but are not available for selection under the provisions of HB 273. Thus, the total for Chilkoot Inlet properties potentially available for selection by the Haines Borough is reduced from 1275 acres to 580 acres.

[1] Based upon Northern Southeast Area Plan(2002)

[1] Total VUU acreage.

[1] Plan designations convert to land use classifications. General Use, Settlement, and Public Recreation are conveyable classifications, but availability for conveyance also depends on management intent statement for specific parcel, which may indicate that the parcel is to be retained by the state.

To: The Honorable Jan Hill
The Haines Borough Assembly
Mark Earnest, Borough Manager
Julie Cozzi, Borough Clerk

From: Brad Gilman & Sebastian O'Kelly

Re: Washington Update

Date: March 19, 2010

1. FY 2011 Appropriations Requests—We have now completed and supplied all the necessary forms, support letters and certifications to the Alaska Delegation in meeting their deadlines for project requests for the next fiscal year. Brad has met with each office to discuss the requests. The House and Senate Appropriations Committees will mark up the respective appropriations bills in the April-July timeframe.

The House Democratic leadership has adopted a new rule prohibiting for one year the submission of any project request that is targeted to a for-profit entity. State and local government requests are not affected and will be considered for funding. The House Republican leadership has developed its own rules prohibiting for one year the submission of any project request from any entity. Rep. Young has indicated, however, that he will submit project requests as usual. The Senate Republicans met on March 17 to consider whether to adopt any restrictions on project submissions this year. No agreement was reached in that meeting. The Senate Democrats at this point have indicated no interest in adopting any of the House restrictions and Senator Inouye (D-HI), Chairman of the Senate Appropriations Committee, has expressed strong opposition to these measures.

We have made the following requests on the community's behalf.

- **Boat Harbor:** We have requested \$500,000 in 'new start' construction funds for this project so that we can move it from the Army Corps general investigations phase into the general construction account. We have impressed upon the Delegation that this is Haines' highest priority.
- **Road Improvements:** We are seeking \$2 million to rebuild and repave arterial and other community roads that connect the downtown with Fort Seward, low-income housing, senior housing, the medical clinic and the Haines Senior Center.
- **Sewer And Water System:** We have requested \$750,000 in EPA funds for the repair and upgrade of aged sewer and water lines.

- **Port Lutak Economic Development Study:** We have asked for \$500,000 to study development of Port Lutak into a deep water port for the Natural Gas Pipeline.

2. **Federal Highways Legislation** – The Tax Extenders/Jobs Bill currently being debated includes an extension of the Federal Highway Trust Fund until the end of the year while the larger, long-term reauthorization of Federal highway programs awaits further consideration.

We have pending a \$2 million request in Federal highway funding for local Haines road construction (this is the same as the above request). Mr. Young has made the request on behalf of the Haines Borough to the House Transportation & Infrastructure Committee. We have also made the request with Sen. Begich. Sen. Murkowski has not yet asked for requests. The Senate Environment & Public Works Committee has not yet asked Senators for their project request lists.

3. **Miscellaneous.**

- **Local Public Records Preservation Legislation.** Legislation (HR 2256) has been introduced in the House with 38 bi-partisan cosponsors to set up formula funds to provide monies to State and local governments for records preservation. Support for the legislation has grown and the number of bill cosponsors is now 56. Hearings still have yet to be scheduled.
- **Sealaska Lands Withdrawal Legislation.** There is a small furor which erupted in the last few weeks over legislation introduced by the Alaska Delegation to allow the Sealaska Regional Native Corporation to select timberlands on Prince of Wales Island to finish their entitlement under the Alaska Native Claims Settlement Act. Many of the small communities are concerned about the impact of potential timber activity in and around their communities. Senator Murkowski dispatched a staff person from the Senate Energy Committee to hold a series of town meetings throughout Alaska to hear the concerns being raised by Alaskans.
- **Tongass Logjam Timber Sale.** Rep. Young issued a statement denouncing a lawsuit by environmental groups to cancel a proposed 3,400 acre timber sale on Prince of Wales Island. Separately, Sen. Murkowski has criticized the Forest Service for not proposing any new timber sales in the Tongass this year.
- **Invasive Species Legislation.** Rep Young has introduced legislation to establish a loan program to the Western States to combat the spread of invasive species that can wreck economic and ecological havoc on native species such as salmon and crab. Senators Begich and Murkowski are cosponsors of the Senate version of the bill.

- **Arctic Deepwater Port Bill.** Rep. Young has introduced legislation to study the feasibility of establishing an Arctic deep water port to protect U.S. economic and other interests as the arctic climate changes.



2/26/2010

Sub: Project status and brief on current projects

Mark, for your review, the following includes current projects that have recent activity and status. The status of these change on a regular basis, so some of the information may have changed on active projects. Please review and let me know if you have any questions.

Chilkat Center Bridge

- The Chilkat Center Pedestrian Bridge Project has been completed by Henry Construction. The project turned out well and is in use. Contract has been paid with the exception of \$2000.00 held back until final cleanup is complete.

Museum Fire Suppression System

- Project has been completed with final documentation and testing data complete. The state fire marshal has been notified of the project completion and provided with testing documentation. There were several issues that required correction; most of these were electrical problems. After correction, the system works as designed. It should be noted that other work being done at the museum has brought to our attention several wiring issues from past construction.

Oceanview, First and Willard Water Line Replacement

- Project has been awarded to Southeast Roadbuilders. In Addition to the original contract, the Assembly has approved additional work with available DEC Loan funds. Recent information from SERoad, they are working on procuring materials, SWPPP is being complete and submitted. Tentative start for the project may be mid April.

Lily Lake Water Line Replacement

- We are moving forward on our goal to have bid ready documents out by mid March. The pipeline lies within the State Park so we have a request in for a temporary construction easement and MOA for the construction. Also apportion of the funding for this project will come from the EPA so the borough has requested a Categorical Exclusion Determination from EPA. Both of these documents have been submitted to the proper authorities.

Waterfront Improvements Project

- PND Engineers continue to move this project forward to 95% design completion. The public comment period is open for the Corps of Engineers permit. The comment period closes March 11th. Barring any difficulties, the project is on schedule to have 95% drawings complete by 4/2 and bid ready documents by 5/3.

Barnett Pump Station

- We have re-assigned this project to Carson Dorn Engineers. We intend to have this project bid ready by mid April. We have requested and receive reimbursement for \$18,500 from CE2 engineers for work not completed but paid for.

Roads Phase 2

- Engineering on this project is substantially complete at 95%. This project includes Paving, Curb and Gutter work on those roads that were disturbed during the Oceanview, First and Willard Project. I would recommend funding for this project is sought and project done before View, Lynnvue, and fourth work is funded.

Engineering

School/Pool Locker Room Remodel

- Doug Murray of Murray and Associates has done a walkthrough of the facilities and is developing preliminary drawings and a cost estimate for this work. I need to get with him for an update and final documents for this work. I would recommend we move forward with engineering and develop this project to a shovel ready status.

- The fit and well component of this project could be advanced to concepts, preliminary engineering and cost estimate. One intriguing thought is to add on to the existing pool building with the fit and well and include a new mechanical room on a second level that would capture the waste heat from the pool and use it for heating. The energy savings may balance out the additional energy requirements for the additional space.

Elementary School Remodel

- This project has quite a bit of interest lately. Paul Voelckers of MRV completed an estimate that looked at remodeling half the building. Cost for a 50 year building estimated at 3.2 million. CIA did a walkthrough of the building on 2/25 and would like additional information on condition assessment, abatement, and Voelckers estimate. This may be a project we would put some additional engineering and concept work into.

PC Dock Stabilization

- PND Engineers will be submitting a proposal for this project. Our intention on this project is to move forward with engineering after the Waterfront Improvement Project has been awarded.

Portage Cove Harbor Boat Grid Electrical

- This work has been assigned to Haight and Associates. We have an engineer's estimated cost of \$25,000 to \$30,000 and expect to have this project ready for bid in the near future. Haight and associates will be in town 3/3/2010 for a final review the project. If funding is available we can complete the project in May.

Pool Electrical Feeder

- Currently the Pool Electrical is tied to the same revenue meter as the Haines School. If the Pool was separated from the school and had their own feeder, the available PCE credit would result a significant reduction in pool electrical costs. It appears this PCE credit could be \$0.054 per kwh. Engineering is complete for making this separation, cost for the project is estimated at 30,000. This project could be bid ready in very short order. Haight and Associates is the engineer.

Mosquito Lake Boilers

- Replacement of the Boilers at Mosquito Lake School has engineering completed and funding is being sought by the school district. This project was bid out in 2009 but came in significantly over original budget. New funding was sought by School and this project should go out to bid in 2010 summer for completion prior to school start in fall of 2010.

Other Work

Ports and Harbors Facilities Assessments

- Working with PND Engineers we will be doing a condition survey of all Port and Harbor Facility. This scope of work includes both underwater and above water assessment covering Lutak Dock barge transfer facility, Lutak Sheet pile bulkhead, PC ship dock, Fuel Dock at Portage Cove Harbor, Letnikof mooring float,

Portage Cove Fuel Pumps

- Additional work needs to be done on the fuel system at Portage Cove. This work should be scheduled for the spring of this year to accommodate summer activity in the harbor. This work is to finish a system that is cobbled together over several years. I intend to have Haight and Associates (engineering) look at the work and provide some help in moving forward on completion.

Sanitary Waste Pump out Portage Cove Harbor

- This scope of work for this project is fairly well defined needs to be moved forward. Piping tie-in to sewer system is complete and day lighted for continuation to Fuel Dock. Pump needs to be ordered, electrical service established to pump location, piping and system installation needs to be completed. This can probably be accomplished by June.

Energy Audits

- Alaska Energy Engineering is scheduled to complete energy audits in March 22-27. The results of these audits will help to set priorities for building upgrades to be started in summer. These upgrades will specifically target energy efficiency and operational cost reductions.

Brad Maynard

Director of Public Facilities

February 2010 Haines Vol. Fire Dept. Monthly Report

MAR 09 2010

Clerk's Office

The Haines Vol. Fire Dept. had four fire callouts in February. The first call was for a fuel leak from a vehicle that had been recently been repaired. The second call was for a small fire under a spruce tree a few hundred yards off the road. The fire was extinguished by snowshoeing out to the site and applying snow to the fire. Apparently someone had left an ignition source in the dry ground cover under a large spruce tree which later ignited the base and started to work it's way up the tree. The third call was for a malfunctioning furnace that was causing black smoke to come out the chimney and filter into the furnace room. The fourth call was a MVA rollover where a fuel spill occurred. Personnel assisted in containing the fuel. The driver was out of the vehicle prior to our arrival. Fire callouts for 2010 total 5.

The Haines Vol. Fire Dept. responded to 13 ambulance callouts in February. Calls included one with chest pain, one with an altered level of consciousness, an extremity trauma, a call with two patients in mild hypothermia and 9 medivacs/transport. Ambulance callouts for 2010 total 38.

There was a SAR callout for two snowboarders that got into slopes that they could not safely move from. They called by cell phone for assistance and crew members were able to assist them using ropes down the steep slope. Both were in mild stages of hypothermia. SAR callouts for 2010 total 1.

The first joint meeting for February was the classroom portion of the drivers training. This was followed by inventory training on Medic 1 and Rescue 1. The ambulance training was on medical & trauma skills checkoffs to prepare for our upcoming EMT 2/3 refresher. The fire training meeting involved a search and rescue operation using to old school as the area to be searched. Parts of the areas were filled with artificial smoke to make the search more realistic. Ventilation practice and use of the thermal camera were also included in the scenario.

Volunteer Hours for February 2010

HVFD Fire	125	HVFD Ambulance	123	HVFD SAR	41
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Volunteer Hours for all of 2010

HVFD Fire	228	HVFD Ambulance	286	HVFD SAR	49
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Total volunteer hours HVFD for 2010

563 Hours

Respectfully submitted,

Al Badgley
HVFD Training Officer