



Haines Borough Administration

Tom Bolen, Manager

(907)766-2231 • Fax(907)766-2716

tbolen@haines.ak.us

Manager's Report

January 9, 2009

General

- **Travel:** I spent five days in Anchorage over the Christmas Holiday, and this was personal travel, using personal leave. Mayor Hill and I were invited and scheduled to travel to Anchorage just after the New Year to attend the Statehood 50th Anniversary celebration. The plan was to combine this trip with other Borough business, however weather prevented this travel.
- **Meetings with groups:** Since our last meeting, I have met with several groups. These include:
 - a) **Boat Harbor Advisory Committee.** I met with the BHAC on December 19 to discuss the necessary steps needed to move the Harbor Expansion Project forward. There is a reasonable chance that Haines Borough could get its WRDA appropriation through the federal stimulus package which is anticipated to be passed by Congress and the Obama administration. The problem remains that even with an appropriation, the project lacks sufficient funds to be able to complete breakwater construction and dredging. I am working closely with the USACE and the State of Alaska Harbor engineers to assure that Haines has a way to move forward on this project. It is important that we complete, and have Assembly approval of, a draft Harbor Master Plan which is currently in final editing by staff. We may be faced with some difficult decisions in the near future in order to see more progress on this project, and it is my view that the Assembly will need to become more involved in the decision-making process.
 - b) **Haines Emergency Local Planning (HELP) Committee.** The purpose of the HELP meeting was to introduce the new Manager to the organization and discuss ways to advance the Borough's level of support for and participation in

the area of emergency and disaster preparedness. It is my plan to expand the Borough's role in this area and to do so with state grant funds.

c) **Haines Fitness/Wellness Center Steering Committee** is an informal group of Haines citizens who are dedicated to bringing a fitness/wellness center into existence in Haines. The group discussed the process by which they could move their initiative forward. This process included conducting a survey to determine the interest level on the part of Haines residents in supporting a fitness/wellness center, identifying potential user group/partners and functions, choosing the business model (i.e. municipal facility, or non-profit), reviewing and selecting facility options (i.e. renovate an existing structure, or build new) Naturally, a big question of the evening was "how can the Borough help?" The group is committed to putting into place a temporary facility within the next year, for use and enjoyment by Haines residents during the time it will take to plan, fund, and build a permanent facility. The group expressed an interest in the primary building gym room as a potential space for the temporary facility.

d) a group of concerned **Letnikof Estates** residents met with me to address the funding problems that were about to curtail their snow plowing services. The RMSA has subsequently sent a letter pledging to assess themselves additional taxes in the next fiscal year to make up for their current shortfall. At least in this instance, it appeared to me that the average resident didn't really understand the RMSA budget process or how the services are delineated, contracted for, or delivered. I believe that this group learned a lot from this experience and that the RMSA will benefit from it.

Projects~Maintenance

- A. **PC Dock Restrooms:** Pursuant to the Assembly's agreement to expand this project in scope to include an overall PC Dock Waterfront Improvement, I have solicited a fee proposal from PND to provide design services to address project features including the structural retaining wall, parking lot improvements, sidewalks, civil design for placement of restrooms and pavilion, and trestle replacement. This proposal is provided for your consideration under new business. The latest schematic design for the restrooms will be a meeting handout, for your interest.

- B. **Museum Fire Suppression:** We have not received design documents as of this writing but should have them within a week.
- C. **Haines Streets Phase I:** A Construction Contract for this project has been executed with Southeast Road Builders.
- D. **Barnett Drive Pump Station:** A contract for engineering services has been executed with CE2 Engineers, Inc. for this project. Mr. Weisner will be in Haines on Monday, January 12th to begin design efforts.
- E. **Portage Cove Boat Harbor:** A bid opening for this project was conducted on December 19, 2008. The bid results and my recommendation for award are included for your consideration under New Business.
- F. **The Legislative Priorities** document has been submitted to Representative Thomas's office. A courtesy copy is in the meeting packet.

Other Departmental Issues

A. Legal: We have received what I believe is very close to a final version of an agreement between Haines Borough and Temsco helicopters regarding Temsco operations within the Haines Borough. If there is a desire on the part of the Assembly to see where we are on this issue, we can take the matter up under Executive Session. As instructed by the Assembly at the last meeting, I have reviewed and edited the last file version of an RFP for Legal Counsel and it is ready for publication.

B. Lands: The AMG proposal for the purchase of the **Primary Building property**, as well as my recommendation on this issue is included for your consideration under Old Business.

Per Assembly instructions, I have notified **SEABA** that the Assembly will not take up the issue of SEABA's application for permit renewal until other outstanding administrative issues are cleared up. A copy of this correspondence is attached. In speaking with Mr. Sundberg by phone, he indicated that he anticipates coming before the Assembly in early February.

A contract for professional services has been executed with MRV Architects for **"Downtown Planning."** A schedule for project activity will be developed within the next few weeks.

C. Ports & Harbors: Design and permitting efforts continue on the Letnikof Boarding Float Project. A third try to get a response from AK-DOT in Juneau regarding a promised visit to Haines to give a presentation to the Assembly on Gas

Pipeline Infrastructure Needs has gone unanswered. I have alerted Rep. Bill Thomas's office to this problem with a request that some gentle pressure be applied.

D. Public Works/ Water Sewer: As indicated above, Mr. Paul Weisner of CE2 Engineers is due here on January 12 to begin addressing our EPA Wastewater Permit violations issues

E. Finance: Our highest profile finance issue at this moment is that after receiving the most recent round of snowplow contractor's invoices, there is now little or no money left to pay for snow plowing in three RMSAs, including Riverview, Eagle Vista, and Letnikof. The attached letters highlight the problem. In the past, the Borough has essentially given "credit" to some RMSAs and allowed the negative balance at the end of the year to roll forward to the new fiscal year. This tactic, although not my preference, will probably work this year for Riverview and Letnikof, if there are no objections from the Assembly, but not for Eagle Vista. The problem with Eagle Vista is low property values and the tax cap limits the amount of maintenance funds that can be raised. After consultation with the CFO and the State Tax Assessor, there appears to be some support for the idea that the tax cap does not and should not apply to RMSAs choosing to "tax themselves" for road maintenance services. However, the better fix would be to avoid "interpretation" and to pass an ordinance exempting RMSAs from the tax cap with respect to road maintenance funds. If the Assembly desires to move in this direction, staff can prepare an ordinance for future consideration.

F. Public Facilities: It appears that our prime candidate to fill the Director of Public Facilities & Capital Projects has lost interest in Haines Borough employment. I have revised our advertisement notice for this position and submitted it to the Borough Clerk for publication. I am also investigating the possibility of hiring someone under a consulting contract to perform this service in the interim, or even long term.

G. Administration: I have a tentative appointment to meet with the Business Manager of the Local 71 Union to further discuss the partially exempt status for Borough Department Heads. There appears to be some willingness to resolve this issue.



HAINES BOROUGH, ALASKA
P.O. BOX 1209
HAINES, AK 99827
(907) 766-2231 FAX (907) 766-2716

December 22, 2008

Mr. Scott Sundberg
Southeast Alaska Backcountry Adventures
P.O. Box 1368
Haines, AK 99827

RE: 2009 Commercial Permit Renewal

Dear Mr. Sundberg,

It has come to my attention that there are two problems that need to be addressed prior to any Borough Assembly review of your commercial tour permit renewal application and your implied proposal to amend the Haines Borough Helicopter-Supported Recreation Areas map (HBHSRA Map). First, pursuant to **Haines Borough Code 5.04.050 Permit Application Process**, a permit shall not be renewed unless all sales, real, and personal property taxes payable by the permittee have been paid. "Permittee" would include all partners in SEABA and any and all taxes, penalties or fees they may owe related to SEABA or other business ventures. Borough records currently show that sales tax remittance for Rising Wolf LLC, a firm for which you and another SEABA partner are listed as principals, is missing for approximately half of the company's start-up year.

Second, your proposed location for your new base of operations at 26 mile currently has new construction on the property, the construction being of greater than \$5,000 in value, according to the Borough Assessor. Such construction requires that the owner file a "Construction Declaration" with the Borough (HBC 18.30.010). Since this declaration has not been filed in the time period required, Scott Sundberg/ Big Salmon Ventures is being assessed an "after the fact penalty" of \$250.00 for failing to report as required.

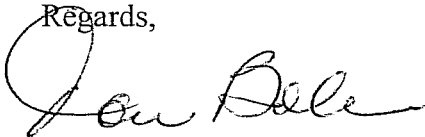
At the December 16, 2008 Assembly meeting, as I promised I would, I briefed the Assembly on the need to address your permit renewal application, as well as your implied need to address the HBHSRA Map, and to schedule a Public Hearing for one, or the other, or both issues simultaneously. The Assembly response was that until

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Sundberg letter
12/22/08

outstanding taxes and penalties related to principals of the applicant firm are cleared up, as required by the **HBC** cited above, the application renewal process cannot move forward. You are urged to address these issues with the appropriate Borough staff as quickly as possible so that your permit renewal application review can be resumed.

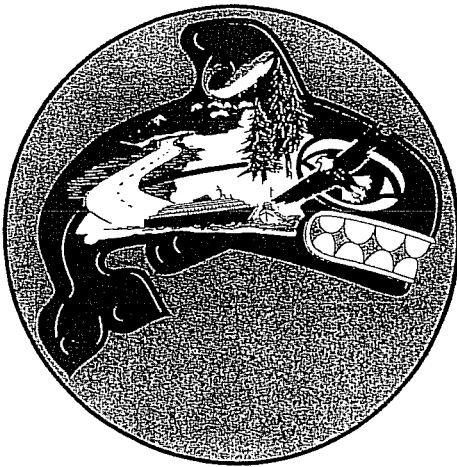
If you have any questions, feel free to contact me. I am sending this letter both by email as well as by regular mail, so that if you are away for the holidays, you might get this notice as soon as possible.

Regards,

A handwritten signature in black ink, appearing to read "Tom Bolen". The signature is written in a cursive style with a large initial "T" and "B".

Tom Bolen
Borough Manager

CC: Julie Cozzi, Borough Clerk,
John Wurst, Assessor
Connie Staska, Sales Tax Clerk
Sue Nelson, Property Tax Clerk



HAINES BOROUGH, ALASKA

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Administration 907.766.2231 • (fax) 907.766.2716

Tourism 907.766.2234 • (fax) 907.766.3155
Police Dept. 907.766.2121 • (fax) 907.766.2128
Fire Dept. 907.766.2155 • (fax) 907.766.3373

January 7, 2009

Mary Ann Rasmusson
Riverview Drive RMSA Board Member
PO Box 270
Haines, AK 99827

Re. FY09 Service Area Budget and Snow Removal Services

Dear Mary Ann:

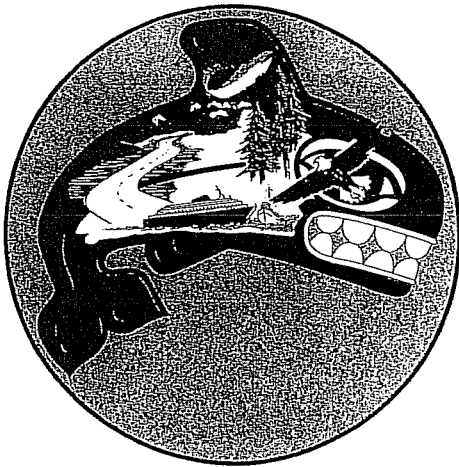
As you know, one of the responsibilities of a road maintenance service area board is to submit an annual budget based on anticipated summer and winter road maintenance needs, including snow removal. These are services that the RMSA residents pay for. The Riverview Drive RMSA Board submitted a budget of \$1,500 for the 2008-2009 fiscal year, and it was approved by the assembly as part of the overall borough budget for the year. As such, the residents of the RMSA are being taxed accordingly. Unfortunately, as you can see by the following table, even with a carryover balance from the previous year, the available funds are nearly depleted because of snow removal expenses. Although resolution of some contract performance issues may return some monies to the fund balance, it is likely to be minimal compared to the length of time left in the winter season. As borough manager, I do not have authority to allocate other funding to assist you in paying for this service.

<i>6/30/08 Balance</i>	<i>1,368</i>
<i>FY09 RMSA Revenue</i>	<i>1,533</i>
<i>Total Available Funds</i>	<i>2,901</i>
<i>Expenses, thus far (Oct-Dec)</i>	<i>2,800</i>
<i>Remaining Funds</i>	<i>101</i>
<i>% of Funds Remaining</i>	<i>3%</i>

Therefore, effective immediately, I have notified the snow removal contractor, Waldo Enterprises, to provide services for the Riverview Drive RMSA **ONLY** when specifically requested or authorized by the borough. This very limited service arrangement is necessary until such time as your RMSA has identified how additional services can be paid for, or until additional funding may be identified. All members of the Board are being notified. Please contact me if you have questions.

Sincerely,

Thomas K. Bolen
Borough Manager



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January 7, 2009

Gary Murray
Letnikof Cove RMSA Board Member
P.O. Box 1261
Haines, AK 99827

Re. FY09 Service Area Budget and Snow Removal Services

Dear Gary:

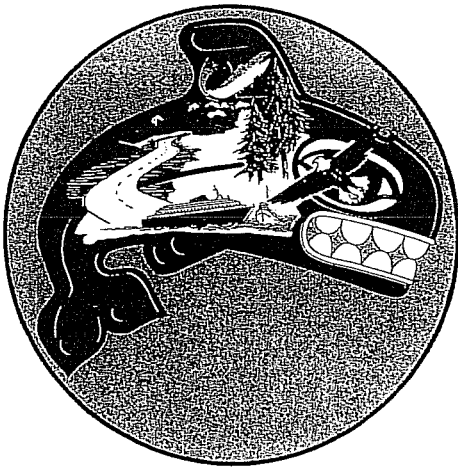
As you know, one of the responsibilities of a road maintenance service area board is to submit an annual budget based on anticipated summer and winter road maintenance needs, including snow removal. These are services that the RMSA residents pay for. The Letnikof Cove RMSA Board did not submit a budget for the 2008-2009 fiscal year, so an estimated amount was adopted by the assembly as part of the overall borough budget for the year. As such, the residents of the RMSA are being taxed accordingly. Unfortunately, as you can see by the following table, the service area began the year with a negative balance. Available funds are essentially depleted because of snow removal expenses, and there is considerable time left in the winter season. As borough manager, I do not have authority to allocate other funding to assist you in paying for this service.

6/30/08 Balance	(1,555)
FY09 RMSA Revenue	4,336
Total Available Funds	2,781
Expenses, thus far (Oct-Dec)	2,700
Remaining Funds	81
% of Funds Remaining	3%

Therefore, effective immediately, I have notified the snow removal contractor, Waldo Enterprises, to provide services for the Letnikof Cove RMSA **ONLY** when specifically requested or authorized by the borough. This very limited service arrangement is necessary until such time as your RMSA has identified how additional services can be paid for, or until additional funding may be identified. All members of the Board are being notified. Please contact me if you have questions.

Sincerely,

Thomas K. Bolen
Borough Manager



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January 7, 2009

Floy McDowell

Historic Dalton Trail RMSA Board Member – Service Subzone 4 (Eagle Vista)

HC60 Box 5620

Haines, AK 99827

Re. FY09 Service Area Budget and Snow Removal Services

Dear Floy:

As you know, the Historic Dalton Trail Road Maintenance Service Area (RMSA) is divided into four service subzones. One of the responsibilities of a RMSA board is to submit an annual budget based on anticipated summer and winter road maintenance needs, including snow removal, and in your case, a budget that is service subzone-specific. These are services that the residents of a subzone pay for. The Historic Dalton Trail RMSA Board did not submit an overall budget or any specific service subzone budgets for the 2008-2009 fiscal year. Because of this, estimated amounts were adopted by the Assembly as part of the whole borough budget for the year. As such, the subzone residents of the RMSA are being taxed accordingly.

Unfortunately, as you can see by the following table, Service Subzone 4 (Eagle Vista) began the year with a negative balance. Available funds are essentially depleted because of snow removal expenses, and there is considerable time left in the winter season. As borough manager, I do not have authority to allocate other funding to assist you in paying for this service.

Eagle Vista Subzone	
<i>6/30/08 Balance</i>	<i>(2,711)</i>
<i>FY09 Eagle Vista Revenue</i>	<i>3,281</i>
<i>Total Available Funds</i>	<i>570</i>
<i>Expenses, thus far (Oct-Dec)</i>	<i>2,800</i>
<i>Remaining Funds</i>	<i>2,230</i>
<i>% of Funds Remaining</i>	<i>-391%</i>

Therefore, effective immediately, I have notified the snow removal contractor, Waldo Enterprises, to provide services for the Eagle Vista Subdivision **ONLY** when specifically requested or authorized by the borough. This very limited service arrangement is necessary until such time as the RMSA board members or Subzone 4 residents have identified how additional services can be paid for, or until additional funding may be identified. All members of the board are being notified. Since you are the board member representing the Eagle Vista subzone, it might be important for you to discuss this issue with the subzone residents prior to the next meeting of the board. Please contact me if you have questions.

Sincerely,

Thomas K. Bolen
Borough Manager