



Haines Borough Administration

Tom Bolen, Manager

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Manager's Report

December 4, 2008

General

- I have met with the Sheldon Museum Board to introduce myself and to become more familiar with Museum issues.
- I continue to meet with Haines citizens on a wide variety of issues.
- I also met with School District Supt. Michael Beyer and his maintenance staff to discuss their maintenance and capital improvement concerns regarding Mosquito Lake School.
- After a meeting with the Senior Village Manager Ann Hanssen and several Board members to discuss issues regarding the Senior Center, I toured the building to get a first hand glimpse of this facility and its operation. It appears to be an under-utilized facility. Ms. Hansen has been addressing programmatic issues as a defacto coordinator. She can no longer continue to do so. There is grant money for Senior Center program support. I am currently looking at whether we can utilize our part-time CYD employee to support Senior Center programs through additional hours. I believe that it is in the Borough's best interest to look at ways to maximize the use of this facility.
- The Borough received a request for clarification from Alaska Heliskiing on a possible permitting issue regarding the Discovery Channel filming which is taking place as I write. I have attached a copy of the correspondence for your information.

Projects - Maintenance

- Chilkat Center 2nd Floor Bridge:** We have received bid ready documents from PND for this project. I anticipate we will advertise for bids in January.
- PC Dock Restrooms:** I met with Alan Rogers as well as staff members from PND regarding the PC Dock Restrooms and Dock repairs. Mr. Rogers is developing a revised schematic of the restrooms, and I have asked PND to

submit a fee proposal to address design work for the PC Dock trestle replacement. I would like Assembly approval to expand the scope of this work to include a more comprehensive approach to waterfront development which would include a pavilion structure, a paved parking area, and sidewalks.

- C. **Museum Fire Suppression:** Design documents are due to be complete by December 31, 2008. We will advertise this work for bid in early January
- D. **School Asbestos Abatement:** The shipping container which contained abated material has finally left the premises of the Elementary School property. Final payment for the abatement work is being processed, with the result being significant savings to the Borough.
- E. **Haines Streets Phase I:** A pre-bid meeting for this project was held on November 20, 2008. PND, the design engineer, participated telephonically. One contractor was present. The project bids on December 5, 2008.
- F. **Barnett Drive Pump Station:** We have received two fee proposals for design work from Carson Dorn and CE2 Engineers on the Barnett Drive Pump Station replacement. These proposals as well as my recommendation are in your packet under New Business
- G. **Portage Cove Boat Harbor:** A pre-bid meeting for this project was held on December 2, 2008. The meeting was conducted by PND Inc, engineers for the project. The meeting was attended in person as well as telephonically by 6 prime contractors as well as several subcontractors and venders. This should produce a competitive bid process.

Department Activities

A. Lands:

- 1) I have had two meetings with Sean Gaffney regarding the proposal on the Primary Building. A final meeting is planned to include Sean's brother Jason, a co-owner in AMG, who was out of the country during our first two meetings. I believe we are very close to a deal that can be brought to the Assembly for consideration. I had hoped to have this matter as an agenda item for this meeting but I have not heard from AMG regarding a final meeting.

B. Ports & Harbors:

- 1) The Harbormaster Phil Benner traveled to Anchorage at my request to gather information from the Alaska DOT regarding infrastructure preparations for the Alaska Gas Line Project. His report is attached. Please note the underlined passages.

I will be preparing the online needs request prior to the December 15th deadline. I have tried to access the website, But have been unable to do so. I have contacted the state to resolve this problem. I have also placed a formal request for ADOT to come to Haines and brief the Assembly at one of your January meetings.

C. Public Works:

- 1) Pursuant to Assembly authorization at the last meeting, the snow plowing contract for Little Diggers and Landscaping has been amended by adding River Road and Chilkat Trails to the scope of work at a price of \$200 each, per callout.
- 2) I have received a proposal from CE2 Engineers, Inc to assist the Haines Borough in addressing our wastewater permit compliance issues. It is included in your packet under New Business.

D. Finance: I am requesting several budget amendments which are discussed as a part of New Business items.

E. Tourism: In response to questions raised at the last meeting, I have asked Tourism Director Lori Stepansky to give the Assembly a brief verbal report regarding her trip to Australia with the Alaska Travel Industry Association.

Tom Bolen

From: Tom Bolen [tbolen@haines.ak.us]
Sent: Monday, November 24, 2008 7:04 PM
To: 'Sean Brownell'
Subject: FW: Discovery Channel project

Please disregard previous email transmission on this subject and use this one. Thanks Tom

From: Tom Bolen [mailto:tbolen@haines.ak.us]
Sent: Monday, November 24, 2008 6:39 PM
To: 'Sean Brownell'
Subject: RE: Discovery Channel project

Dear Ms Gardner & Mr. Brownell,

It is exciting news to hear that the Discovery Channel is coming to Haines. I have reviewed your request and offer the following response.

The Haines Borough Code 5.18.080 speaks in specific terms about "Heliskiing operations" which by definition is not what is involved in the Discovery Channel activities as I understand them. By my strict reading of the code passage, a commercial tour permit is not required on this basis.

The other crucial definition in HBC 5.18.080 is of "commercial helicopter tour" which is defined as "a commercial helicopter operation....that provides a helicopter assisted tour to or through an area." This language is not quite as clear as I might like it to be since it does not clearly define "tour" in this portion of the Code. I believe that the services which you are proposing to provide to the Discovery Channel, if and when they employ a helicopter, are not consistent with my reading of the phrase "helicopter tour", and could more readily be defined as "transportation services" and/ or "logistical support." As such, I do not believe your firm would be required to have a "helicopter tour permit."

In Haines Borough Code 5.18.010, "commercial tour" (as distinguished from " commercial helicopter tour") is defined a bit more specifically as "the selling and/or providing of guided or escorted tours, excursions, experiences, sightseeing trips, or visits to a natural or cultural display, and includes all services provided, whether or not incidental to, advertised with, or specifically offered in the sale." This language is somewhat consistent with what I perceived the intent of the Code to be, that a tour is a packaged product which is routinely provided to the public for the purpose of entertainment, or education, or other purpose, usually for a set fee. Your proposed activity seems to be in a gray area. The Code's "commercial tour" definition does appear to apply somewhat to your proposed activities, however I am told your firm already possesses a valid 2008 Commercial Tour Permit, which is good through Dec 31, 2008. If this is the case, you are covered.

The only other relevant Code passage speaks of "commercial filming" of skiing or snowboarding. If your helicopter operations will not be supporting the filming of skiing or snowboarding, then I don't believe this language would apply.

If time were to allow, it would be better for all concerned to have the Haines Borough Assembly review and clarify it's intent on this issue, however it sounds as

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though the Discovery Channel time table will not allow for this. The next Assembly meeting is December 9, 2008.

I would certainly like to speak with more clarity, but in the absence of more specific language in code, I conclude that your activities do not require any additional permits, not already secured, with regard to Borough jurisdiction. This does not imply or ensure that other state or federal permits could be required. This determination on my part is not meant to establish any precedent for future activities of as similar nature, proposed by anyone or any firm.

I hope I have been of some help.

Regards,

Tom Bolen
Haines Borough Manager

-----Original Message-----

From: Sean Brownell [mailto:seandog@alaskaheliskiing.com]
Sent: Monday, November 24, 2008 5:06 PM
To: tbolen@haines.ak.us
Subject: Discovery Channel project

Dear Sir,

The Discovery Channel has hired our company, Alaska Heliskiing, to act as outfitter for a film project planned for the first week of December. The project will take place in the Haines Borough and will consist of a reality show race between 4 contestants. There will be minimal helicopter use. We do not believe that a heliskiing or helicopter tour permit is required but we need to get in writing from you that no permit is needed and that we actually have your permission for this filming operation to take place. Please address your written response directly to Alaska Heliskiing at this email address.

Thank you so much for your time,

Vicki Gardner
Alaska Heliskiing
1 907 767-5542

12/5/2008

From: Phil Benner, Harbormaster
To: Tom Bolen, Borough Manager

Subject: STATE OF ALASKA GAS LINE NEEDS MEETING

Attachment: ADOT POWER POINT PRESENTATION

1. This was a very informative and valuable meeting. We had presentations not only from the ADOT but also all four companies with proposals for the pipeline. Here is a summary of what was discussed.

a. Alaska DOT&PF: Commissioner Leo von Scheben started off the meeting. He the ADOT has a \$2 billion budget proposal heading up to the Governor's Office. This is what DOT estimates it will need to get roads, bridges, way areas, etc, unto snuff by 2016 when the infrastructure needs to be completed to begin the pipeline. The pipeline represents the largest privately financed construction project ever in North America. That 270 trillion cuft of natural gas reserve being tapped. That the pipeline represents 400-500 additional jobs for ADOT alone. Short time frame to get infrastructure online and this represents the biggest challenge to the State of Alaska.

* b. Alaska DOT&PF: Deputy Commissioner Frank Richards presented the power point presentation. Haines is on the list of boroughs/communities requested to submit a needs list. This list will be submitted via internet on ADOT web site. The ADOT planner for our area is Andy Hughes; he is our point of contact for gas line needs. The presentation represents a best guess based on talks with Trans Canada and Denali where the pipeline will be headed.

c. Office of the Federal Coordinator: Drew Pierce is the federal government's coordinator for the gas pipeline appointed until the pipeline is completed. She stated the federal government was prepared for up to \$18 billion of loan guarantees to pipeline contractors. That construction needs to begin on roads and bridges within the next year and that the proponent determines the route of the pipeline. She will coordinate the twenty federal government agencies involved with the pipeline. That the federal government will need a report by the end of January 2009 to put before congress.

d. Director, Trans Canada: Mel Johnson gave a power point presentation that is available on line at ADOT gas line needs web site. He stated that by middle of 2009 they will deliver Engineer Quantities and Construction Execution Plans to the State of Alaska. Pipe will be produced in 40ft lengths and then double jointed to 80ft lengths, these will weight 50,000lbs. Pipe will be barged in to a total of 1

million tons. They will need a facility to do the jointing of the pipe, the coating of the pipe and a stockpile site. It will take between 7 and 10 mega watts to power the facility. They will also be bringing 35 to 40 line valves, 6 compressor units of 48,000hp that weigh between 40-56tons, and 6 closed loop propane chillers that weigh about 60tons. The facility requires approximately 100 acres. In addition there will be 6 camp locations of up to 1,400 personnel that will need to be feed, housed, commute and waste facilities.

e. Denali Presentation: Denali also gave a power point presentation that was very similar to Trans Canada but it was interesting that for facilities on the opening slide was the Lutak Dock. They did add that they have a Data Room where they are compiling all information in Anchorage. Everyone can have access to the Data Room and there will be one also available in Alberta Canada. They will also have construction execution plans ready by June 2009.

f. Enstar: This presentation was for the pipeline going to service Anchorage and Cook Inlet.

g. AGIA: This again was a presentation for Anchorage.

2. At the end of the Conference it was again stated that the web site for submission of borough/communities gas needs list was up in running as of the day of the meeting. The submissions need to be in by 15 December 2008. I asked some specific questions about was there play in getting our submissions in after the 15th of December, they stated in order for them to compile the list and get it to the Legislature it had to be in by the 15th. Here are some references and phone numbers for key items/people.

Website: www.dotalaska.gov/gaslineneeds

Andy Hughes, Acting Regional Director Southeast, DOT&PF

Phone: 907-465-1762

Cell: 907-321-0092

Email: andy.hughes@alaska.gov

3. Any questions please do not hesitate to ask.

Sincerely,

Phil Benner
Haines Harbormaster