  
**Haines Borough**  
**Borough Assembly Meeting #293**  
**AGENDA**

**June 9, 2015 - 6:30 p.m.**

**Location: Assembly Chambers, Public Safety Bldg.**

**Jan Hill,**  
Mayor  
**Dave Berry Jr.,**  
Assembly Member

**Diana Lapham,**  
Assembly Member

**Mike Case**  
Assembly Member

**Joanne Waterman,**  
Assembly Member

**George Campbell,**  
Assembly Member

**Ron Jackson,**  
Assembly Member

**David Sosa, MPA**  
Borough Manager

**Julie Cozzi, MMC**  
Borough Clerk

**Krista Kielsmeier**  
Deputy Clerk

1. **CALL TO ORDER/PLEDGE TO THE FLAG**
2. **ROLL CALL**
3. **APPROVAL OF AGENDA & CONSENT AGENDA**

*[The following Consent Agenda items are indicated by an asterisk (\*) and will be enacted by the motion to approve the agenda. There will be no separate discussion of these items unless an assembly member or other person so requests, in which event the asterisk will be removed and that item will be considered by the assembly on the regular agenda.]*

Consent Agenda:

- 4 – Approve Assembly Meeting Minutes
- 8B – Chilkat Center Report
- 9A – Parks & Recreation Advisory Committee Minutes
- 9B – Port & Harbor Advisory Committee Minutes
- 11C1 – Fogcutter Bar Extension of Premises for Liquor License
- 11C2 – Notification of Nuisance Abatement Appeal

- \* 4. **APPROVAL OF MINUTES – 5/26/15 Regular**
5. **PUBLIC COMMENTS** [Any topics not scheduled for public hearing]
6. **MAYOR'S COMMENTS/REPORT**
  - A. **Presentation:** Climate and Cryosphere Hazards Program (CCHP) and the Haines Highway Debris Flow process study – Gabriel Wolken, DNR
7. **PUBLIC HEARINGS**

***Important Reminder!*** - Sign-up prior to or at the beginning of the assembly meeting is required in order to make comments during a public hearing. It's as easy as contacting the Clerk's Office ahead of time to have your name added to the list or you can sign up yourself at the start of the assembly meeting. Written comments are also welcome.

  - A. **Ordinance 15-05-410** - Second Hearing  
**An Ordinance of the Haines Borough establishing a surcharge for enhanced 911 (E-911) service.**  
*This ordinance is recommended by the borough manager and was introduced on 5/12/15. The first hearing was on 5/26/15. **Motion:** Adopt Ordinance 15-05-410.*
  - B. **Ordinance 15-05-411** - First Hearing  
**An Ordinance of the Haines Borough authorizing the Borough Manager to enter into a loan agreement in the amount of up to \$1,715,000 with the Alaska Department of Environmental Conservation for the Sewer Treatment Plant Health and Safety Upgrades project.**  
*This ordinance is recommended by the borough manager and was introduced on 5/26/15. The assembly already scheduled the second hearing for 6/23/15. No motion is needed now unless the second hearing date needs to change or some other action is desired.*
8. **STAFF/FACILITY REPORTS**
  - A. **Borough Manager – 6/9/15 Report**
  - \* B. **Chilkat Center – Report of May 2015**

**\* 9. COMMITTEE/COMMISSION/BOARD REPORTS & MINUTES**

- A. Parks & Recreation Advisory Committee – Minutes of 1/29/15
- \* B. Port and Harbor Advisory Committee – Minutes of 4/27/15
- C. Assembly Standing Committee Reports
  - Government Affairs & Services Report of 5/13/15 – PHAC Membership Composition

10. UNFINISHED BUSINESS - None

11. NEW BUSINESS

A. Resolutions - None

B. Ordinances for Introduction

1. Ordinance 15-06-413

**An Ordinance of the Haines Borough amending various provisions of the Haines Borough Code to designate certain violations of Borough law as minor offenses and to establish a fine schedule for certain offenses and to provide for other penalties for violations.**

*This ordinance is recommended by the borough manager. **Motion:** 1) Introduce Ordinance 15-06-413; 2) refer it for review by the Government Affairs & Services Committee and the Public Safety Commission with recommendations to be received no later than 10am on 7/8/15; and 3) set a first public hearing for 7/14/15 and a second public hearing for 7/28/15.*

2. Ordinance 15-06-414

**An Ordinance of the Haines Borough amending Haines Borough Code Title 3 Sections 3.60.100 and 3.60.130 to require a Haines Borough business license prior to contract award rather than at the time of bid submission and to require a noncollusion affidavit when submitting a bid.**

*This ordinance is recommended by the borough manager. **Motion:** Introduce Ordinance 15-06-414 and set a first public hearing for 6/23/15 and a second public hearing for 7/14/15.*

C. Other New Business

\* 1. Liquor License Extension of Premises – Fogcutter Bar

*The Alaska Alcohol Beverage Control (ABC) Board has notified the borough of a pending application for extension of premises for liquor license #964 Fogcutter Bar & Restaurant. The ABC Board's decision is pending local government review. **Motion:** The Assembly does not object to the proposed extension of premises by the Fogcutter Bar.*

\* 2. Notification of Appeal of Nuisance Abatement Order

*The borough issued a Title 8 abatement order to Eagle's Nest Trailer Park. Owner Janis Horton submitted a timely written appeal. Per 8.12.130, the clerk is presenting this appeal to the assembly and with the assembly's direction, the clerk will schedule the appeal hearing. There is no other action to be taken at this time. **Motion:** Acknowledge receipt of the Horton administrative appeal and direct the borough clerk to schedule a date, time, and place for the hearing by the assembly, such date to be no later than July 20, 2015 (60 days from date of appeal).*

3. Cruise Ship Fee Waiver Program – Schedule Hearing for Resolution

*A resolution will come to the assembly on 6/23. The public participation plan includes an opportunity for a public hearing, so the assembly is asked to schedule it at this meeting. **Motion:** Schedule cruise ship fee waiver program proposal for a public hearing to be held on 6/23/15 when a resolution will be considered by the assembly.*

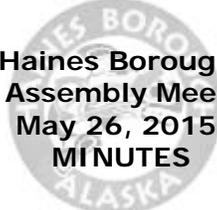
12. CORRESPONDENCE/REQUESTS

13. SET MEETING DATES

14. PUBLIC COMMENTS

15. ANNOUNCEMENTS/ASSEMBLY COMMENTS

16. ADJOURNMENT

  
**Haines Borough**  
**Borough Assembly Meeting #292**  
**May 26, 2015**  
**MINUTES**

Draft

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**, Mike **CASE**, Dave **BERRY**, Jr., and George **CAMPBELL**. Absent: Joanne **WATERMAN** and Ron **JACKSON**.  
**Staff Present:** David **SOSA**/Borough Manager, Julie **COZZI**/Borough Clerk, Robert **GRIFFITHS**/Interim Chief of Police, Brian **LEMCKE**/Interim Director of Public Facilities, Jila **STUART**/Chief Fiscal Officer, Helen **ALTEN**/Museum Director, and Bill **MANDEVILLE**/Community & Economic Development Director.  
**Visitors Present:** Karen **GARCIA**/CVN, Margaret **FRIEDENAUER**/KHNS, Mike **DENKER**, Lea **HARRIS**, Kay **CLEMENTS**, Tresham **GREGG**, Debra **SCHNABEL**, Tracy **MIKOWSKI**, Meredith **POCHARDT**, Bill **HERMAN**, Courtney **CULBECK**, Rob **GOLDBERG**, Jessica **EDWARDS**, Rhys **WILLIAMS**, Carol **TUYNMAN**, Dr. Elizabeth **LYONS**, and others.

3. **APPROVAL OF AGENDA & CONSENT AGENDA**  
The following Items were on the published consent agenda:

Consent Agenda:

- 4 – Approve Assembly Meeting and BOE Minutes
- 8B – Chilkat Center Report
- 8C – Fire Department Report
- 8D – Finance Director Report
- 9A – Planning Commission Minutes
- 11A1 – Adopt Resolution 15-05-629
- 11B1 – Introduce Ordinance 15-05-411
- 11C1 – Brewery Liquor License Location Transfer

**Motion:** **BERRY** moved to “approve the agenda/consent agenda,” and it was amended to remove 8D from the consent agenda and 11C2 from the agenda. The motion as amended carried unanimously.

- \* 4. **APPROVAL OF MINUTES** – 5/12/15 Regular and 5/11/15 Board of Equalization  
*The motion adopted by approval of the consent agenda: “approve minutes of the 5/12/15 borough assembly regular meeting and the 5/11/15 Board of Equalization.”*

5. **PUBLIC COMMENTS**

**DENKER** – Appreciated that the meeting notice on the website for the most recent Port & Harbor Advisory Committee included an agenda. It was helpful for the public to have the information.

**MIKOWSKI** – Appreciates the manager and assembly for finding additional money for HARK.

**GREGG** – Still wants a reconsideration of the harbor project and a public meeting for the borough to explain the project.

**TUYNMAN** – 1) Thanked the Community & Economic Development Director for advising that business plans are necessary, 2) the museum is planning major renovations so harbor aesthetics will be very important, 3) heard there is a plan to raise funds for an iMax theatre, yet there is a historic theatre on Main Street that is an eyesore, and 4) good ideas need a public process.

**WILLIAMS** – Wants to know why the historic theatre building on Main Street is allowed to stand as an eyesore, and wondered if they have been asked to fix it up to make it look better.

6. **MAYOR’S COMMENTS/REPORT**

Mayor **HILL** made comments on the following: 1) Cruise ships; there were many comments about the town being clean and people being friendly and 2) the Beer Fest was successful

- A. **Introduction/Oath of Office – Interim Chief of Police**

Mayor **HILL** introduced **GRIFFITHS** and administered the oath of office.

## **7. PUBLIC HEARINGS**

### **A. Ordinance 15-02-401 – Third Hearing**

**An Ordinance of the Haines Borough amending Haines Borough Code Title 3, Chapter 70, Section 40 to establish a procedure for community purpose exemptions.**

Mayor **HILL** opened the public hearing at 6:42 p.m.

**EDWARDS** – Thanked staff and assembly for all of the efforts, and said the proposed substitute ordinance is a good option.

Hearing no further comments, the mayor closed the hearing at 6:44 p.m.

**Motion:** **CAMPBELL** moved to “adopt Ordinance 15-02-401,” and it was amended by replacing the ordinance in its entirety with the substitute ordinance recommended by the Finance Committee,” and the main motion as amended carried unanimously in a roll call vote.

### **B. Ordinance 15-04-407 – Second Hearing**

**An Ordinance of the Haines Borough, Alaska, providing for the establishment and adoption of the operating budget, capital budget, and capital improvement plan of the Haines Borough for the period July 1, 2015 through June 30, 2016.**

Mayor **HILL** opened the public hearing at 6:48 p.m.

**POCHARDT**– regarding Title III funds, please make sure the Takshanuk Watershed Council afterschool program is kept in mind in spite of the needed bridge in Excursion Inlet.

**CULBECK** – Read a statement from Scott Doddridge supporting the afterschool program. She agrees and asked the assembly to continue to fund the program.

**SCHNABEL** – The Community Youth Development budget narrative suggested the program could be enhanced by using Amazon.com for purchasing items for use by the program. There is the talent and potential in the community to do the same thing by utilizing local businesses.

Hearing no further comments, the mayor closed the public hearing at 6:53 p.m.

**Motion:** **LAPHAM** moved to “adopt Ordinance 15-04-407.”

**Primary Amendment #1:** **CASE** moved to “amend the HARK budget for FY16 to bring it up to \$45K using fund balance to make up the difference from the \$16K in the manager’s budget,” and the motion failed 1-3 in a roll call vote with all but **LAPHAM** voting against. Note: **CASE** had asked for voting to take place by roll call.

**Primary Amendment #2:** **CAMPBELL** moved to “amend the budget by bringing funding for HARK up to the level of \$45,250 with 50-percent from the Townsite Service Area fund balance and 50-percent from the borough assembly Community Chest,” and the motion carried unanimously.

**Primary Amendment #3:** **BERRY** moved “that \$120,000 of Secure Rural School funding be added as revenue to the FY16 Budget and that \$40,000 of that revenue be appropriated to the Haines Borough School District,” and the motion carried unanimously.

The main motion as amended carried unanimously in a roll call vote.

### **C. Ordinance 15-04-408 – Second Hearing**

**An Ordinance of the Haines Borough providing for the addition or amendment of specific line items to the FY15 budget.**

Mayor **HILL** opened and closed the public hearing at 7:11 p.m.; there were no public comments.

**Motion:** **BERRY** moved to “adopt Ordinance 15-04-408,” and it carried unanimously in a roll call vote.

### **D. Ordinance 15-04-409 – Second Hearing**

**An Ordinance of the Haines Borough amending Haines Borough Code Title 18 Section 18.100.025 to allow with planning commission approval lot line adjustments and lot consolidations resulting in lot(s) non-conforming in size.**

Mayor **HILL** opened and closed the public hearing at 7:12 p.m.; there were no public comments.

**Motion:** **BERRY** moved to “adopt Ordinance 15-04-409,” and it carried unanimously in a roll call vote.

### **E. Ordinance 15-05-410 – First Hearing**

**An Ordinance of the Haines Borough establishing a surcharge for enhanced 911 (E-911) service.**

Mayor **HILL** opened and closed the public hearing at 7:15 p.m.; there were no public comments.

*Note: The assembly had already scheduled the second hearing for 6/9/15, so no motion was needed now unless the second hearing date needed to change or some other action was desired.*

## **8. STAFF/FACILITY REPORTS**

### **A. Borough Manager – 5/26/15 Report**

The manager summarized his written report. He thanked the assembly for adopting the budget. He said there is possible good news concerning the community jails funding---it may come in higher than last reported.

### **\* B. Chilkat Center – Facility Report of April 2015**

### **\* C. Fire Department – Staff Report of April 2015**

### **D. Chief Finance Officer – FY15 Third Quarter Financial Report**

**SOSA** said the borough is on track for the fiscal year. Staff has been working very hard to stay within budget. Each quarter he sits down with the department heads to make sure the budgets are tracking. It's a requirement by code that the assembly receive these updates.

## **9. COMMITTEE/COMMISSION/BOARD REPORTS & MINUTES**

### **\* A. Planning Commission – Minutes of 4/16/15**

### **B. Assembly Standing Committee Reports**

**CAMPBELL** said the Commerce Committee met concerning the proposed cruise ship waiver program. On June 4, the committee will meet jointly with the Tourism Advisory Board to continue consideration of that program. He hopes the public will attend to give their opinions.

## **10. UNFINISHED BUSINESS**

### **A. Ordinance – Off-Premises Signs**

*Note: there have been two signage ordinances since 2011. Following a fourth public hearing on 10/14/14, the assembly unanimously voted to "postpone Ordinance 14-05-383 to a time when a draft is presented by the planning commission through staff to the borough assembly." On 5/14/15, the planning commission voted to send the original 2011 draft (Ordinance 11-06-207) back to the assembly for adoption. That draft allows off-premises signs with a conditional use permit. The clerk simply renumbered that ordinance to reflect 2015. Staff reviewed that original ordinance and concurs with the intent of allowing off premises signs but recommends handling sign approval through the manager rather than requiring a conditional use permit. The manager memo contains rationale for making that recommendation. Also, since Ordinance 11-06-207 and Ordinance 14-05-383 each had four public hearings, the issue of off-premises signs has had a total of 8 hearings in addition to committee and commission meetings. Therefore, staff strongly recommended adoption could take place at this meeting.*

**Motion:** **BERRY** moved to "adopt Ordinance 11-06-270 renumbered as 15-05-412," and it was amended by changing Section 18.90.050 Letter "D" to read: Off premises signs are allowable by approval of the borough manager, except as allowed by HBC 18.90.090(A)(8)." The main motion as amended carried unanimously in a roll call vote.

## **11. NEW BUSINESS**

### **A. Resolutions**

#### **\* 1. Resolution 15-05-629**

**A Resolution of the Haines Borough Assembly authorizing the Borough Manager to execute a construction contract with Silver Bow Construction for the Haines School Roof Maintenance project for an amount not to exceed \$50,900.**

*The motion adopted by approval of the consent agenda: "adopt Resolution 15-05-629."*

### **B. Ordinances for Introduction**

#### **\*1. Ordinance 15-05-411**

**An Ordinance of the Haines Borough authorizing the Borough Manager to enter into a loan agreement in the amount of up to \$1,715,000 with the Alaska Department of Environmental Conservation for the Sewer Treatment Plant Health and Safety Upgrades project.**

*The motion adopted by approval of the consent agenda: "introduce Ordinance 15-05-411 and schedule a first public hearing for 6/9/15 and a second public hearing for 6/23/15."*

**C. Other New Business**

**\* 1. Liquor License Location Transfer – Haines Brewing Company**

*Note: the Alaska Alcohol Beverage Control (ABC) Board has notified the borough of a pending transfer of location of Brewery Liquor License #3882 (same owner and dba). The ABC Board's decision is pending local government review. The motion adopted by approval of the consent agenda: "the Assembly does not object to the transfer of location for the brewery liquor license belonging to the Haines Brewing Company."*

**2. Executive Session – UPDATE ON NELSON LAWSUIT**

This item removed during approval of the agenda.

**12. CORRESPONDENCE/REQUESTS**

**13. SET MEETING DATES**

**A. Government Affairs & Services Committee – 5:30 p.m., Monday, June 1, Assembly Chambers,**  
Topic: Assembly Agenda Item Placement - Does policy conflict with code? (This item was requested by Mike Denker)

**B. Commerce Committee/TAB Joint Meeting – 6:30 p.m., Thursday, June 4, Assembly Chambers,**  
Topic: Cruise Ship Waiver Program. (Subsequently, two other topics were added: sign code and setting a regular committee meeting schedule.)

**14. PUBLIC COMMENTS**

**SCHNABEL** – Does not believe the advisory boards have a responsibility to represent the public to the assembly. It is good to have accessible meeting times if possible, but the boards do not conduct public hearings like the planning commission and assembly.

**DENKER** – Disagreed saying the ability of the public to attend meetings is important. Committees are underutilized. The assembly should compel boards to meet at times most convenient for public attendance.

**15. ANNOUNCEMENTS/ASSEMBLY COMMENTS**

**LAPHAM** – 1) Invited everyone to attend the manager's town hall on Thursday, 5/28, and 2) the assembly and staff work very hard to do the best job possible for the community.

**CAMPBELL** – Received nothing but great comments about the Beer Fest. It seems the thought process and pre-coordination meetings really brought the event up to a higher level of excellence.

**16. ADJOURNMENT – 7:55 p.m.**

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

ATTEST:

\_\_\_\_\_  
Janice Hill, Mayor

\_\_\_\_\_  
Julie Cozzi, MMC, Borough Clerk

# ALASKA DIVISION OF GEOLOGICAL & GEOPHYSICAL SURVEYS **6A**

Annual Report  
2014



State of Alaska  
Department of Natural Resources  
**DIVISION OF GEOLOGICAL &  
GEOPHYSICAL SURVEYS**

January 2015



## CLIMATE AND CRYOSPHERE HAZARDS

Most high-latitude northern regions have undergone rapid and substantial warming over the last few decades. Alaska is particularly sensitive to the effects of climate warming, as much of its social and economic activity is connected to the existence of snow, ice, and permafrost (the cryosphere). Changes in climate can modify natural processes and could increase the magnitude and frequency of certain types of geologic hazards (such as avalanches, floods, erosion, slope instability, thawing permafrost, and glacier lake outburst floods), which, if not properly addressed, could have a damaging effect on Alaska's communities and infrastructure, as well as on the livelihoods and lifestyles of Alaskans.

The Alaska Division of Geological & Geophysical Surveys' (DGGs) Climate and Cryosphere Hazards Program (CCHP) combines field-based observations, remote sensing, and modeling to assess, monitor, and predict the impacts of a changing cryosphere on resources and infrastructure in Alaska.

### CCHP Headlines for 2014

- The City of Valdez partners with CCHP to continue climate and cryosphere monitoring in the Valdez area and helps support a multi-agency high-elevation weather station network.
- CCHP launches two new studies with the Alaska Department of Transportation and Public Facilities (DOT&PF), investigating destructive debris flows along the Haines Highway and assessing snow-avalanche potential along Richardson and Dalton highway corridors. See separate project descriptions for details.
- Glacier and Runoff Changes study in the upper Susitna Basin completes its third and final field season as part of the Susitna-Watana Hydroelectric Project pre-licensing studies.
- CCHP takes over support of upper Susitna basin high-elevation weather stations in order to continue the collection of critical meteorological information in an important watershed.
- End-of-winter radar-derived snow water equivalent (SWE) measurements acquired for the third consecutive year over glaciers in central and south-central Alaska.

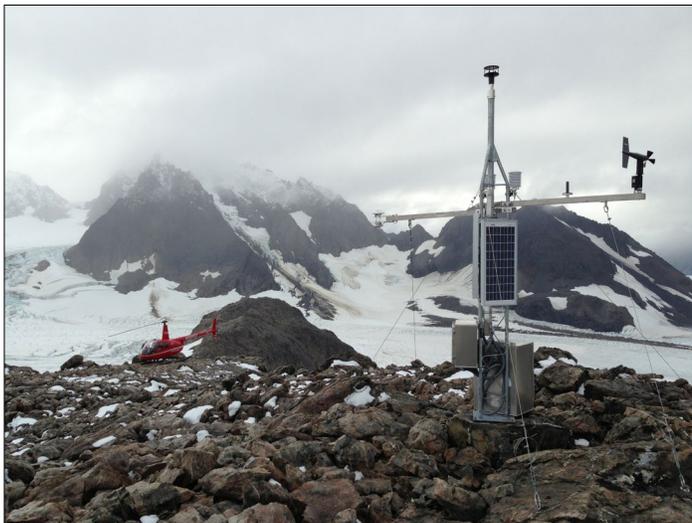


Figure 1. (above) Servicing a high-elevation weather station in the Scott Glacier watershed near Cordova, Alaska.

The Climate and Cryosphere Hazards Program is partially funded by the State of Alaska as a Capital Improvement Project (CIP).



Figure 2. (right) Calibrating ground-based radar data for snow distribution monitoring in the Valdez Glacier watershed.

## UNSTABLE SLOPES ALONG THE HAINES HIGHWAY

Many of the geologic hazards in Alaska are associated with unstable slopes that have the potential to rapidly mobilize with little or no warning, resulting in potential loss of life and significant damage to property, infrastructure, and economy. Changes in the cryosphere (such as thawing permafrost and glacier wastage and retreat), are thought to be responsible for the rising number of mass movements in high-latitude and high-elevation areas. Such changes in Alaska are exacerbated by rising air temperatures, high amounts of precipitation, snow avalanching, and strong ground motions caused by frequent moderate to large earthquakes.



In 2014, the Alaska Division of Geological & Geophysical Surveys (DGGS) began a collaborative study with the Alaska Department of Transportation & Public Facilities (DOT&PF) along the Haines Highway corridor near Haines, Alaska (fig. 1). The intent of this study is to evaluate, monitor, and model geophysical processes, including cryosphere-related changes, along this important transportation corridor where destructive debris flows regularly impact the highway by threatening motorists, damaging infrastructure, and impeding traffic flow. Repeat aerial photography and digital surface model (DSM) generation of this dynamic catchment is the first step to allow DGGS to quantify debris volumes, understand the source of the debris flows, and provide guidance to DOT&PF planners for mitigating the hazard to the roadway (fig. 2).

Figure 1. DGGS and DOT&PF scientists and maintenance personnel conduct field-based reconnaissance of the Haines Highway milepost 19 debris fan.

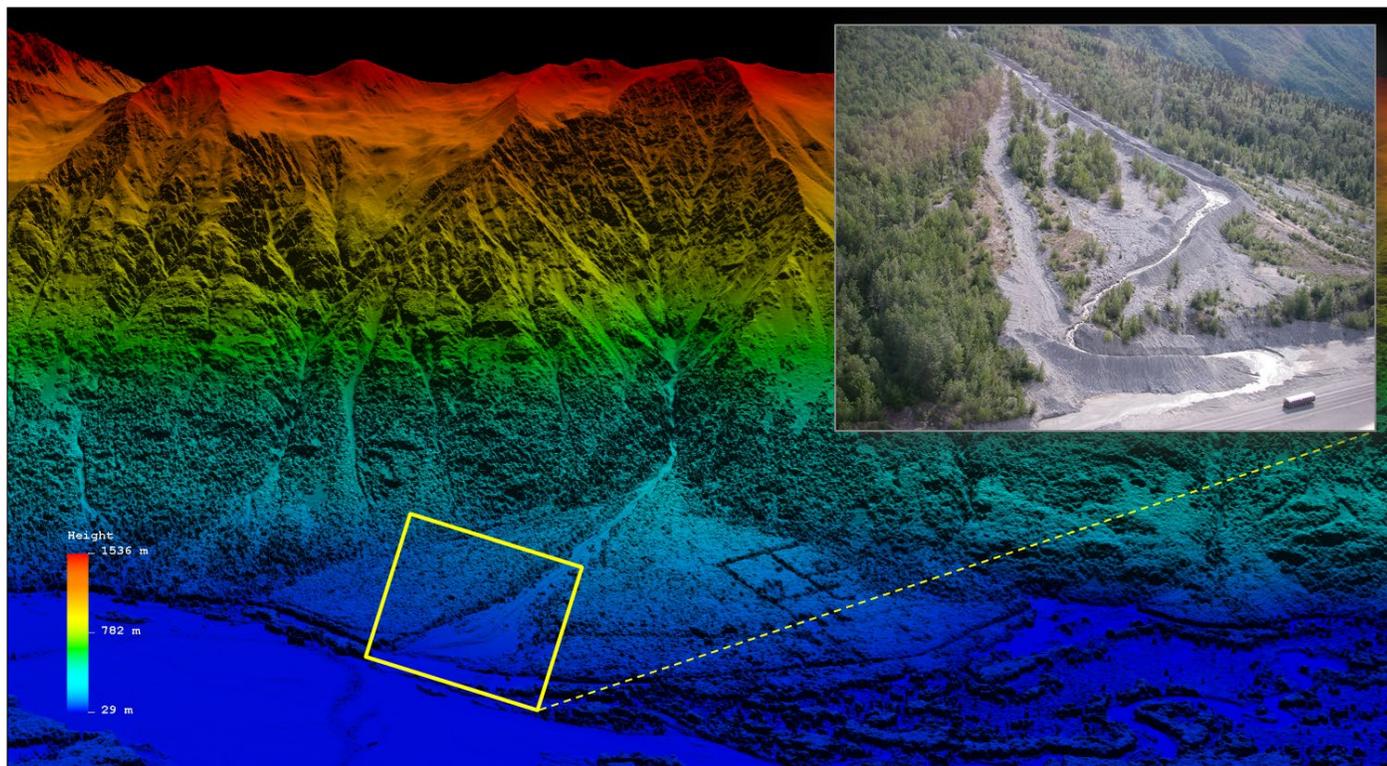


Figure 2. May 2014 photogrammetrically-derived digital surface model (DSM), produced by DGGS scientists, of the Haines Highway milepost 19 catchment.

## SNOW AVALANCHE SUSCEPTIBILITY

Snow avalanches are dangerous natural hazards that occur in mountainous areas throughout Alaska. In many areas of the state, avalanches threaten public safety and infrastructure and can lead to lengthy closures of important transportation routes. The economic impacts of such avalanches, from the removal of avalanche debris blocking the transportation corridor to the impedance of traffic, can be significant at both the local and state levels.

The Alaska Division of Geological & Geophysical Surveys (DGGs) recently launched a study with the Alaska Department of Transportation & Public Facilities (DOT&PF) along the Richardson and Dalton highway corridors to evaluate the utility of incorporating avalanche susceptibility and prediction models into future DOT maintenance activities, with the goal of decreasing DOT&PF's operating expenses, increasing the functionality of the highway system, and increasing safety for the traveling public.

The first, or pilot, stage of the study is focused on gathering baseline data and generating avalanche incidence and susceptibility maps along the southern Richardson Highway and the Dalton Highway near Atigun Pass using geostatistical modeling techniques. Model-derived avalanche release areas and runout distances will be validated with field-based observations and recent and historical avalanche information, such as the massive avalanches that occurred in 2014 (for example, Keystone Canyon near Valdez) (figs. 1 and 2). The second stage (funding dependent) would involve developing a method to incorporate avalanche prediction models in future DOT activities at an operational level.

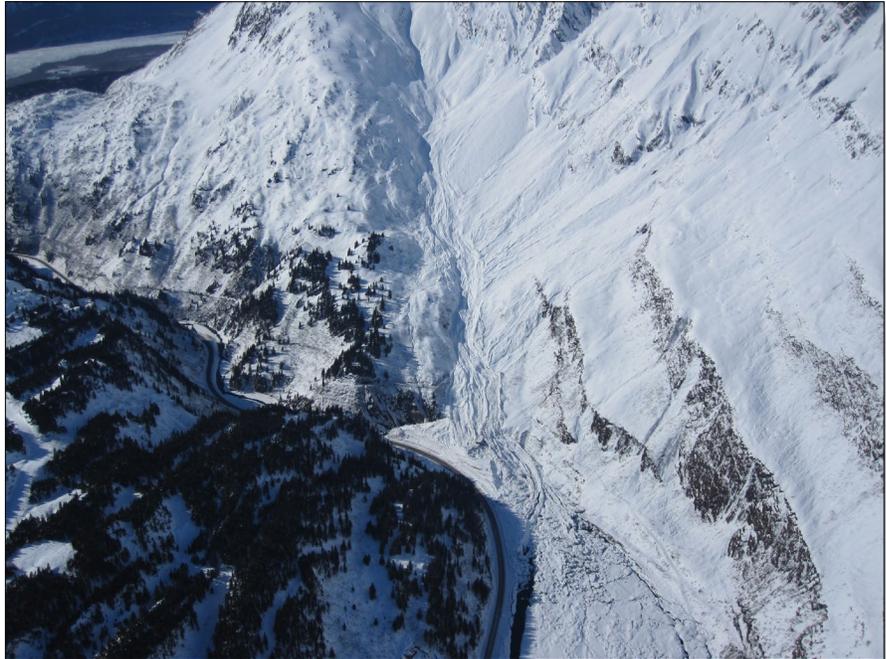


Figure 1. Oblique air photo of the Richardson Highway at Keystone Canyon two months after the large avalanche (“damalanche”) that occurred in January 2014 and cut off the community of Valdez from the road system for several days. An enormous deposit of avalanche debris is visible along the side of the highway (lower center), as well as remnants of the lake that formed when the avalanche dammed the Lowe River (lower right).

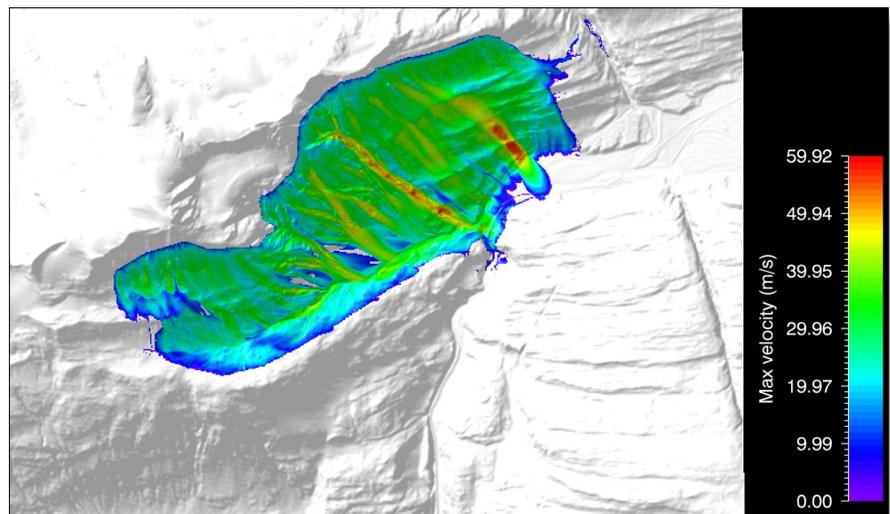


Figure 2. Preliminary snow avalanche model calibration results for Keystone Canyon, Richardson Highway, Alaska.

## GLACIER AND RUNOFF CHANGES IN THE UPPER SUSITNA BASIN

The Alaska Energy Authority (AEA) has been authorized by the State of Alaska to perform studies required for the licensing process of the proposed Susitna–Watana Hydroelectric Project, which aims to serve the region’s energy needs. Critical to any hydroelectric development is a firm understanding of the basin-wide contributions to river runoff and how these might change over time to influence the quantity and seasonality of flow into a hydroelectric reservoir. In the upper Susitna basin, changes in glacier volume and extent in response to climate warming and/or altered precipitation regimes have the potential to substantially alter the magnitude and timing of runoff. Although only about 4 percent of the upper Susitna watershed area (13,279 km<sup>2</sup>) is glacierized, these glaciers provide a significant portion of the total runoff in the upper Susitna drainage, and it is well documented that these glaciers are currently retreating.

The Alaska Division of Geological & Geophysical Surveys (DGGS) and the University of Alaska Fairbanks (UAF) are in the third and final year of a hydrology study of the upper Susitna drainage basin (figs. 1 and 2). The focus of the study is on modeling the effects of future climate variability and change, permafrost thaw, and glacier wastage and retreat on runoff. The study combines field measurements of glacier mass balance, snow accumulation, runoff, and meteorology with computational modeling to provide estimates of recent historical and future runoff into the proposed 63-km-long, 81 km<sup>2</sup> reservoir.

Results from this project are expected to be published in spring 2015.



Figure 1. DGGS and UAF scientists collect data from a ‘floating’ weather station on West Fork Glacier.



Figure 2. DGGS scientist returns to the helicopter after servicing a high-elevation weather station and telemetry repeater in the upper Susitna basin.



Haines Borough  
Assembly Agenda Bill

Agenda Bill No.: 15-572  
Assembly Meeting Date: 6/9/15

Business Item Description:	Attachments:
Subject: Establish an E-911 Surcharge	1. Ordinance 15-05-410 2. Staff Study, Chief Musser 3. Talking Points 4. PowerPoint Presentation
Originator: Borough Manager	
Originating Department: Administration	
Date Submitted: 5/4/15	

**Full Title/Motion:**  
Motion: Adopt Ordinance 15-05-410.

**Administrative Recommendation:**  
This is recommended by borough staff.

**Fiscal Impact:**

Expenditure Required	Amount Budgeted	Appropriation Required	Projected Impact to Future Operating Budgets
\$	\$	\$	See attached documents

**Comprehensive Plan Consistency Review:**  
Comp Plan Goals/Objectives: \_\_\_\_\_  
Consistent:  Yes  No

**Summary Statement:**  
As a result of the Haines Borough's responsibility to keep up with the ever increasing mobility of community residents and visitors it is necessary to focus on enhanced 911 (E-911) as a tool that society has come to expect to have available and accessible. State law recognizes the importance of E-911 and established guidelines to help fund it. The borough is now at that crossroad of funding the continuation and upgrading of the E-911 system.  
AS 29.25.131 authorizes municipalities to implement an E-911 surcharge of up to \$2.00 per month for each wireless telephone number and each local exchange access line. The borough proposes to only implement a surcharge of \$1.51 per phone. This is less than other Southeast communities charge.  
This fee represents citizens' quick and ongoing access to emergency services through the use of 911.

**Referral:**  
Referred to: \_\_\_\_\_ Referral Date: \_\_\_\_\_  
Recommendation: \_\_\_\_\_ Meeting Date: \_\_\_\_\_

**Assembly Action:**  
Meeting Date(s): 5/12, 5/26, 6/9/15  
Public Hearing Date(s): 5/26, 6/9/15  
Postponed to Date: \_\_\_\_\_

**An Ordinance of the Haines Borough establishing a surcharge for enhanced 911 (E-911) service.**

**WHEREAS**, to help defray the costs of the enhanced 911 system, and under the authority of AS 29.35.131(a), the Haines Borough intends to implement a surcharge of \$1.51 per month on each local exchange line that provides wireline service within the borough and implement a surcharge of \$1.51 per month on each wireless telephone number that is billed to an address in the borough; and

**WHEREAS**, on November 12, 2013 the borough assembly adopted Resolution 13-11-517 awarding a contract for the design and installation of an enhanced 911 (E-911) telephone system to replace the outdated public safety answering points hardware and software and provide improved emergency telephone service at public safety answering points from a local exchange telephone company; and

**WHEREAS**, this system upgrade is necessary in order for the borough to comply with federal regulations that require all wireless carriers to provide call-back and caller location information to public safety answering points for wireless calls; and

**WHEREAS**, the upgrade to the E-911 system will result in increased operating costs for the borough; and

**WHEREAS**, in 2005, the state of Alaska amended AS 29.25.131 to authorize municipalities to implement an E-911 surcharge of up to \$2.00 per month for each wireless telephone number and each local exchange access line; and

**WHEREAS**, the \$1.51 per month surcharge for each access line and wireless number is sufficient to only partially fund the E-911 system, the remaining costs being funded with general tax dollars; and

**WHEREAS**, it is in the public interest to create the E-911 surcharge so as to provide for the collection of revenues necessary for the system; and

**WHEREAS**, it is fair and reasonable to assess the costs of the system against all the telephone users who benefit from it,

**NOW THEREFORE BE IT ORDAINED** by the Haines Borough Assembly that it is determined to be for a public purpose and in the public interest of the borough to establish a surcharge for E-911 service .

Section 1. Classification. This ordinance is a non-code ordinance.

Section 2. Severability. If any provision of this ordinance or any application thereof to any person or circumstance is held to be invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.

Section 3. Effective Date. This ordinance shall become effective August 1, 2015.

Section 4. Imposition of Surcharge. There is implemented a surcharge of \$1.51 per month for each local exchange access line within the Haines Borough and each wireless telephone number that is billed to an address within the Haines Borough.

Section 5. Administration of Surcharge. A local exchange telephone company, or a wireless telephone company, that provides telephone service within the Haines Borough or to customers with billing addresses within the Haines Borough, in accordance with AS 29.35.131-137:

- A. shall include the E-911 surcharge in the bills delivered to its customers;
- B. shall remit the amounts collected to the Haines Borough;
- C. may deduct limited administrative costs;
- D. shall prorate partial payments made by its customers;
- E. shall provide the Haines Borough with a list of amounts due for nonpayment of E-911 surcharges;
- F. shall, at the election and expense of the Haines Borough, be subject to an annual audit of its books and records concerning the collection and remittance of the E-911 surcharge; and
- G. shall otherwise comply with the requirements and be entitled to the benefits of state law with respect to E-911 systems.

Section 6. Notification of Telephone Customers. The Haines Borough shall work with the telephone companies to ensure the telephone customers are notified in writing of this surcharge and provide an explanation of what the surcharge will be used for, in accordance with AS 29.35.131(a).

ADOPTED BY A DULY CONSTITUTED QUORUM OF THE HAINES BOROUGH ASSEMBLY THIS  
\_\_\_\_ DAY OF \_\_\_\_\_, 2015.

\_\_\_\_\_  
Janice Hill, Mayor

Attest:

\_\_\_\_\_  
Julie Cozzi, MMC, Borough Clerk

Date Introduced:	05/12/15
Date of First Public Hearing:	05/26/15
Date of Second Public Hearing:	06/09/15

**Why an E 9-1-1 surcharge is needed:**

Simply, the residents and visitors to Haines and the Borough area typically have an expectation they can call 9-1-1 to report an emergency. In order for the Haines Borough to provide this expected service for the public we serve, a mechanism to support the infrastructure is necessary. That mechanism is the E 9-1-1 surcharge.

Since the 1980's the concept of calling 9-1-1 for emergencies has been evolving, and Haines is continuing to work to provide this aspect of public safety. Our society enjoys the mobility of extended communication. The public's access and ability to call for help from wired or wireless phones has widened the range of callers. The range includes a broad spectrum of age, unrestricted locations, and multiple calls for a single event. We are experiencing all of this in Haines and can expect to see more as extended communication access continues to grow in Haines.

The infrastructure to provide the E 9-1-1 service is not cheap and the technology associated is rapidly evolving and changing. The State of Alaska recognized the impact of the costs associated with E 9-1-1 in 2005 when the legislature crafted what is now Alaska Statute: 29.35.131. 911 Surcharge. A cap of \$2.00 was established to help pay for acquisition, implementation, and maintenance of 911 service equipment and associated costs related to wages, training, and number and location identification data base development and maintenance.

Additionally, the Borough has a responsibility as a governing body to provide effective access to our emergency services for those living here and for those visiting here. This responsibility includes ensuring compliance with federal regulations requiring consolidation of public safety communications that tie the responders together for more efficient providing of service, especially in times of crisis and rapidly evolving emergencies. This is a concept known as interoperability. This concept also extends to telecommunication providers to provide identifying and location pertinent information so emergency services personnel on the receiving end of a 9-1-1 call can better direct resources to a given need.

The Haines Borough recognized the responsibility in 2013 when a grant was obtained to help purchase updated dispatch equipment, including a compliant E 9-1-1 system. The new E 9-1-1 system was installed in 2014 and is currently in operation. Now it is time to look to the future for securing the costs necessary for maintenance and upgrading of the system, along with training and wage costs associated with operating the E 9-1-1 system.

**How Much Surcharge?**

Starting with the initial investment, the capital cost was \$231,951 for the new E 9-1-1 equipment. The equipment is estimated to have a twelve (12) year useful life. An estimated cost of replacement in 2027 (with a projected inflation rate of 2.5%) is \$304,340. An annual sinking fund for replacement costs is estimated at \$25,362 per year through 2017.

The annual operations costs, phone lines, maintenance and support, and labor are projected at a total of \$24,152 per year. A 2.5% inflation cost was included in the estimate. Current costs associated with the FY2015 budget provided the basis for the estimate and include:

- Dedicated 9-1-1 phone lines - \$3,447;
- Maintenance contract - \$13,135;
- Labor (9-1-1 only) - \$4,310.

## STAFF STUDY: E 9-1-1 SURCHARGE

The overall amount of money between a capital replacement sinking fund and the operations costs is estimated at \$49,514 per year. This amount is then divided by the estimated number of phone lines (wireline and wireless) with addressing in Haines, a total of 2,730. The result is an annual cost per phone of \$18.14. This is a monthly cost of \$1.51 per phone.

The proposed cost of an E 9-1-1 surcharge to residents of Haines is \$1.51.

### **Key Points for the Adoption of an E 9-1-1 Surcharge:**

The residents and visitors to Haines and the Borough area typically have an expectation they can call 9-1-1 to report an emergency. This has become an expectation of the public since the 1980's, and Haines has been working to provide this aspect of public safety. The Haines Borough Public Safety Dispatch receives 9-1-1 calls for medical care/transport, traffic accidents with injuries, domestic disturbances, reports of crimes in progress, and fires. The numbers of 9-1-1 calls received in the past three years include:

- 474 in 2014
- 388 in 2013
- 394 in 2012

E-9-1-1 helps to consolidate public safety communications and tie the responders together for more efficient providing of service, especially in times of crisis and rapidly evolving emergencies. It is a single point of contact for any resident or visitor to Haines for access to request emergency help.

The Haines Borough Public Safety Dispatch has the equipment, the telecommunication service, and the staff to operate E 9-1-1, now we need your support to continue to make it work for you.

### **The E 9-1-1 Surcharge Explained:**

The E 9-1-1 Surcharge Fee provides funding for the continued operation of 911 emergency telecommunications services in your area. Emergency personnel must have the capability to identify the caller's phone number and relative location when 911 is dialed. The fee, which is applied per access line, funds communications systems that support emergency and quick response police, fire and ambulance services with identification of phone number and relative location. Customers pay for this service and other 911 communication costs through a State 911 surcharge as adopted and approved by your Borough Assembly. While full E 9-1-1 system utilization is still in process of being met with your telephone provider, the fee may be collected to ensure future implementation. Please remember the fee represents your quick and ongoing access to emergency services through the use of 9-1-1.

### **Recommendation:**

Adoption of the proposed ordinance establishing a surcharge of \$1.51 for enhanced 911 (E 9-1-1) services.

## E 9-1-1 Talking Points

The Haines Borough Police Department dispatch center is the Borough's 911 and public safety central point of contact for dispatch services to the Haines Borough Police Department, Haines Volunteer Fire Department, Klehini Valley Fire Department, Alaska State Troopers and State Parks. It is staffed 24 hours a day, 365 days a year by a team of five trained telecommunicators.

Dispatchers receive 9-1-1 calls for medical care/transport, traffic accidents with injuries, domestic disturbances, reports of crimes in progress, and fires. The numbers of 9-1-1 calls received in the past three years include:

- 2014 a total of 474
- 2013 a total of 388
- 2012 a total of 394.

As the public extends its mobility and communication access through wireless and wired phones the ability for a range of callers exists. The range includes those as young as three or four years of age to those elders in their nineties. At times as many as three 9-1-1 calls have been received at the same time for a single incident in Haines. This is because of the mobility of communication our society enjoys.

As a result of our responsibility to keep up with the ever increasing mobility of our community residents and visitors it is necessary to focus on E 9-1-1 as a tool that our society has come to expect to have available and accessible. Our laws recognize the importance of E 9-1-1 and establish guidelines to help fund it. The Haines Borough is now at that crossroad of funding the continuation and upgrading of our E 9-1-1 system.

The key points for an E 9-1-1 surcharge are as follows:

- The E 9-1-1 system upgrade is necessary in order for the borough to comply with federal regulations that require all wireless carriers to provide call-back and caller location information to public safety answering points for wireless calls.
- In 2005, the state of Alaska amended AS 29.25.131 to authorize municipalities to implement an E-911 surcharge of up to \$2.00 per month for each wireless telephone number and each local exchange access line – The Haines Borough is only implementing a surcharge of \$1.51 per month.
- The residents and visitors to Haines and the Borough area typically have an expectation they can call 9-1-1 to report an emergency. This has become an expectation of the public since the 1980's, and Haines has been working to provide this aspect of public safety.
- E-9-1-1 helps to consolidate public safety communications and tie the responders together for more efficient providing of service, especially in times of crisis and rapidly evolving emergencies.
- It is a single point of contact for you (the resident of Haines) to access and request emergency help.
- We have the equipment, the service, and the staff to operate E 9-1-1, now we need your support to continue to make it work for you.

# Old vs. New Communications

**Can and String**



**E-911**



# Comparison of Old & New

## Old Format

- Not e911 compliant
- Old caller ID format
- Analog radios and phones
- Old console with integrated solid state components
- Coverage limited - not much beyond 11 mile on the Highway.
- Material worn and very dated – held together with bailing rope and wire ties

## New Format

- System is e911 compliant
- Digital e911 system in place
- Console is now computer based
- Radios are Narrow band compliant (next to digital)
- Analog phones still, but current e911 system can accept change to Digital when phone company upgrades.
- Radio coverage now extended past 33 mile

# Why a Surcharge?

- **Fairness:** User fees are focused on those who will benefit from the service
- **Meeting Current Responsibilities:** The surcharge ensures we can maintain the improvements and meet the expectation of being able to call 9-1-1 to report an emergency
- **Meeting Future Responsibilities:** The surcharge plans for the eventual upgrade and replacement of the system
- **Commitment to Public Safety:** We have the equipment and the staff to operate E 9-1-1, now we need your support to continue to make your expectations of E 9-1-1 work for you.

# The Numbers



## Sinking Fund for *Capital Replacement of System*

➤ Initial cost to install e911 system	\$ 231,951
➤ Estimated Useful Life of System in Years	12
➤ Estimated Inflation Rate	2.5%
➤ Estimated replacement cost in 2027	\$ 304,340
<b>Annual Contribution Needed to replace in 2027</b>	<b>\$25,362</b>

## Annual *Operating Costs for e911 System*

➤ Additional Phone lines	\$ 3,447
➤ Annual Maintenance & Support	13,135
➤ e911 Dispatch Labor	<u>4,310</u>
➤ Estimated 2015 Operating Cost	\$ 20,892
<b>Average Annual Operating Costs with 2.5% inflation</b>	<b>\$ 24,152</b>



## The Numbers continued ...



**Annual Combined Operating & Replacement**      **\$49,514**

**Estimated Number of Phone Lines**      **2,730**

**Annual Contribution per Phone**      **\$18.14**

**Proposed Monthly Surcharge**

**\$1.51**

**This is less than other communities in SE Alaska charge**

# Bottom Line

- The old system was not compliant and did not meet our needs.
- We now have a system that works better than the old one and that meets current and future needs.
- We have a responsibility to maintain the current system.
- We have an obligation to upgrade and prepare for the eventual replacement of the system.
- The surcharge ensures that those who benefit from the use of the system contribute to its maintenance, upgrade, and replacement.



**Haines Borough  
Assembly Agenda Bill**

Agenda Bill No.: 15-574  
Assembly Meeting Date: 6/9/15

Business Item Description:	Attachments:
Subject: Authorize Loan Agreement with ADEC for Sewer Treatment Plant Health and Safety Upgrades	1. Ordinance 15-05-411 2. Proposed Loan Agreement
Originator: Interim Public Facilities Director	
Originating Department: Public Facilities	
Date Submitted: 5/19/15	

**Full Title/Motion:**  
The assembly already scheduled the second hearing for 6/23/15. No motion is needed now unless the second hearing date needs to change or some other action is desired.

**Administrative Recommendation:**  
The Borough Manager recommends adoption of this ordinance.

**Fiscal Impact:**

Expenditure Required	Amount Budgeted	Appropriation Required	Projected Impact to Future Operating Budgets
\$ 0	\$ 0	\$ 0	N/A

**Comprehensive Plan Consistency Review:**

Comp Plan Goals/Objectives: Objective 15A, Page 252	Consistent: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
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**Summary Statement:**  
On January 13, 2015, the Borough Assembly adopted Resolution No. 15-01-608 which authorized the Borough Manager to apply to the Alaska Department of Environmental Conservation (ADEC) for a low-interest loan through the Alaska Clean Water Fund (ACWF) for the Sewer Treatment Plant Health and Safety Upgrades project. The ADEC has authorized an ACWF loan for the Sewer Treatment Plant Health and Safety Upgrades project in the amount of up to \$1,715,000. Haines Borough Charter Section 3.03 requires assembly authorization by ordinance when borrowing money.

**Referral:**

Referred to:	Referral Date:
Recommendation:	Meeting Date:

**Assembly Action:**

Meeting Date(s): 5/26, 6/9/15	Public Hearing Date(s): 6/9/15, 6/23/15
	Postponed to Date:

**An Ordinance of the Haines Borough authorizing the Borough Manager to enter into a loan agreement in the amount of up to \$1,715,000 with the Alaska Department of Environmental Conservation for the Sewer Treatment Plant Health and Safety Upgrades project.**

**WHEREAS**, on January 13, 2015, the Borough Assembly adopted Resolution No. 15-01-608 which authorized the Borough Manager to apply to the Alaska Department of Environmental Conservation (ADEC) for a low-interest loan through the Alaska Clean Water Fund (ACWF) for the Sewer Treatment Plant Health and Safety Upgrades project; and

**WHEREAS**, the ADEC has authorized an ACWF loan for the Sewer Treatment Plant Health and Safety Upgrades project in the amount of up to \$1,715,000; and

**WHEREAS**, Haines Borough Charter Section 3.03 requires assembly authorization by ordinance when borrowing money,

**NOW, THEREFORE, BE IT ORDAINED BY THE ASSEMBLY OF THE HAINES BOROUGH, ALASKA:**

Section 1. Classification. This ordinance is a non-code ordinance.

Section 2. Effective Date. This ordinance shall become effective immediately upon adoption.

Section 3. Purpose. Authorize the Borough Manager to accept a loan from the Alaska Department of Environmental Conservation.

The Haines Borough authorizes the Borough Manager to execute a loan agreement with the ADEC pursuant to the Borough's loan application to the ACWF for \$1,715,000 for the Sewer Treatment Plant Health and Safety Upgrades project, as well as any and all documents that may be required by the ADEC to reflect indebtedness, the terms of repayment, and any security therefore, including an agreement for the loan and promissory note.

ADOPTED BY A DULY CONSTITUTED QUORUM OF THE HAINES BOROUGH ASSEMBLY THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2015.

\_\_\_\_\_  
Janice Hill, Mayor

Attest:

\_\_\_\_\_  
Julie Cozzi, MMC, Borough Clerk

Date Introduced:	05/26/15
Date of First Public Hearing:	06/09/15
Date of Second Public Hearing:	06/23/15



THE STATE  
of **ALASKA**  
GOVERNOR BILL WALKER

**Department of Environmental  
Conservation**

DIVISION OF WATER  
Municipal Matching Grants and Loans

Post Office Box 111800  
Juneau, Alaska 99811-1800  
Main: 907.465.5300  
Fax: 907.465.5177  
[www.dec.alaska.gov](http://www.dec.alaska.gov)

May 18, 2015

Mr. David Sosa  
Borough Manager  
Haines Borough  
P.O. Box 1209  
Haines, AK 99827

RE: Loan Agreement for Sewer Treatment Plant Health and Safety Upgrades (ACWF#395021)

Dear Mr. Sosa:

Enclosed for signature is the loan agreement in the amount of \$1,715,000 for the Sewer Treatment Plant Health and Safety Upgrades project (Alaska Clean Water Fund Loan Number 395021).

In addition to the requirements of the loan agreement, during the financial capacity review completed by the Department on the Borough's loan application, the following recommendations were identified.

- (a) Debt Service Reserve Fund. Establish a debt service reserve fund to hold one full year of debt service payments.
- (b) Annual CAFR Review. Conduct an annual review of the Borrower's comprehensive annual financial report (CAFR).
- (c) Cost Service Study. Undertake a cost of service review in the near future to better determine the need for system replacement funds over time.

While these items are recommendations the Department strongly suggests that the Borough take steps to implement them.

After all signatures have been obtained, please return the document to the following address:

Attn: MAT (Municipal Administrative Team)  
Alaska Department of Environmental Conservation  
Division of Water, Alaska Clean Water Fund,  
P.O. Box 111800,  
Juneau, AK 99811-1800

If you have any questions regarding the loan agreement you may contact Mike Lewis, Municipal Grants and Loans Program Manager at 269-7616 or Beth Verrelli, Project Engineer at 269-7603.

Sincerely,



Michelle Hale  
Director

Enclosure: ACWF#395021 Sewer Treatment Plant Health and Safety Upgrades

## ALASKA CLEAN WATER FUND AGREEMENT

**ADEC LOAN NUMBER 395021**

**Haines Borough**

**Sewer Treatment Plant Health and Safety Upgrades**



This agreement is entered into as of May 18, 2015 by the Alaska Department of Environmental Conservation (the Department) and the Haines Borough (the Borrower), acting pursuant to Resolution 15-01-608 approved by the Haines Borough for a loan amount of \$1,715,000 with a loan term of 20 years.

### SECTION I - DEFINITIONS

**Section 1.1.** Except where the context clearly indicates otherwise, terms used in this Agreement will have the meaning ascribed to them in this section.

(a) “Approved Application” means the application submitted to the Department on January 20, 2015 together with all attachments and supporting documentation, as approved by the Department and the Borrower.

(b) “Finance Charge Rate” means 1.5 percent per annum.

(c) “Contract period” means the time period commencing on the date this agreement is signed by the Borrower and terminating on the date the Borrower repays the loan in full.

(d) “Default” means the Borrower has failed to make a loan repayment within 90 days of the due date, as determined by the repayment schedule prepared by the Department immediately following initiation of operation of the facility.

(e) “Eligible Project Costs” include the following costs disbursed from the Alaska Clean Water Fund, estimated to not exceed \$1,715,000; demolition, construction, and engineering for the Project Facility; machinery, furnishings, and equipment; surveys, plans, estimates, and specifications; necessary insurance; financial and environmental investigations; laboratory testing, resident engineering and inspection fees; force account; legal expenses; and any other necessary miscellaneous expenditures, minus the amount of any grant applicable to foregoing costs.

(f) “Participation Payment” means the amount per year necessary to amortize the loan.

(g) "Project Facility" means the facility to be constructed pursuant to this Agreement as described generally in the Approved Application dated January 20, 2015. This project will replace and upgrade structurally unsound roofs on three wastewater treatment buildings, which includes supporting wall replacement as needed to complete upgrades. Improvements also include upgrading the screening process that removes incoming solids to the facility, replacing the existing belt filter press with a screw press, upgrade HVAC and electrical to meet current code requirements, and other associated appurtenances.

## **SECTION II - RIGHTS OF ACCESS**

**Section 2.1.** The Department has the right at all reasonable times to enter the project site, for the purpose of inspecting the facility.

## **SECTION III - ACQUISITION OF PROJECT SITE, CONSTRUCTION OF PROJECT FACILITY, LOAN DISBURSEMENT, AND PAYMENT OF COSTS**

**Section 3.1.** With the exception of land easements, all real estate and personal property constituting the Project Facility and the project must belong to the Borrower.

**Section 3.2.** In connection with the construction of the project facility, the Borrower agrees that:

(a) The Borrower will not begin construction of the Project Facility until the Department has reviewed and approved the plans and specifications for the project. In its approvals the Department may specify changes or conditions to the plans and specifications. The Department must approve any subsequent changes to, or deviations from, approved plans.

(b) The Borrower will ensure that contract wages paid are the higher of the State or Federal wage rate on a classification by classification basis for the construction of the Project Facility. Both prevailing wage rates established for the locality by the Alaska Department of Labor under AS 36.05.010, and Federal standards in accordance with subchapter IV of chapter IV of chapter 31 of Part A of subtitle II of Title 40, U.S.C. (commonly referred to as the "Davis Bacon Act") apply. In addition, the borrower will consult with the Department on any required contract or bid document language to ensure that appropriate federal "Davis Bacon Act" material is included in the documentation.

(c) Any construction contract estimated to equal or exceed \$50,000 will be awarded through a competitive bidding process and any construction contract estimated to be less than \$50,000 may be negotiated if the Department approves the solicitation and negotiation procedures.

(d) All construction contracts and contractors' estimate forms will be prepared so that materials and equipment may be readily itemized as to allowable project costs and non-eligible costs.

(e) Any change in a construction contract that will alter the contract specifications, time, price or will substantially modify the proposed treatment process must be submitted to the Department for approval if the Borrower wishes to have the modifications considered loan eligible.

(f) The construction of the Project Facility will conform to applicable federal, state, and local laws, ordinances, and regulations.

(g) The Borrower will proceed expeditiously and complete the Project Facility in accordance with the Approved Application, project schedule, surveys, plans, profiles, cross-sections, specifications, and amendments.

(h) American Iron and Steel: None of the funds made available to the borrower shall be used for a project for the construction, alteration, maintenance, or repair of a public water system or treatment works unless all of the iron and steel products used in the project are produced in the United States. This requirement is effective January 17, 2014, and only if the loan agreement is fully signed on and thereafter the effective date. However, if approved engineering plans and specifications by a State agency are completed prior to June 10, 2014 and an assistance agreement is signed on or after October 1, 2014, the project is excluded from the AIS requirement. Consideration for exclusions to this requirement are as follows: being inconsistent with the public interest; iron and steel products that are not produced in the United States in sufficient and reasonably available quantities and of a satisfactory quality; or inclusion of iron and steel products produced in the United States that will increase the cost of the overall project by more than 25 percent. For these exclusions to apply, a request for a waiver must be submitted to the Department who will then forward it on to the Environmental Protection Agency (EPA) for consideration of approval. EPA will make available to the public on an informal basis (EPA's public internet web site) a copy of the request and information available to the Administrator concerning the request, and shall allow for informal public input on the request for at least 15 days prior to making a finding based on the request.

**Section 3.3.** The Borrower agrees to administer this loan in a non-discriminatory manner. No person shall be discriminated against based on race, religion, color, national origin, gender or disability. In addition, all contracts issued by the Borrower under this loan agreement must include the following statement:

“The contractor shall not discriminate on the basis of race, color, national origin or sex in the performance of this contract. The contractor shall carry out applicable requirements of 40 CFR Part 33 in the award and administration of contracts awarded under EPA financial assistance agreements. Failure by the contractor to carry out these requirements is a material breach of this contract which may result in the termination of this contract or other legally available remedies.”

**Section 3.4.** When applicable, the Borrower will comply with Title I-Employment of the Americans with Disabilities Act of 1990 (P.L. 101-336) and in accordance with Title I of that Act, shall not discriminate against a qualified individual with a disability because of the disability of such individual in regard to job application procedures, the hiring, advancement, or discharge of employees, employee compensation, job training, and other terms, conditions, and privileges of employment.

**Section 3.5.** When applicable, the Borrower will comply with Title II-Public Services of the Americans with Disabilities Act of 1990 (P.L. 101-336) and in accordance with Title II of the Act, no qualified individual with a disability shall, by reason of such disability, be excluded from participation in or be denied the benefits of the services, programs, or activities of a public entity, or be subjected to discrimination by any such entity.

**Section. 3.6.** When applicable, the Borrower will comply with Title II, Part 35, Section 35.151 of the Act “New Construction and Alterations,” (a) Design and construction: Each facility or part of a facility constructed by, on behalf of, or for the use of a public entity shall be designed and constructed in such manner that the facility or part of the facility is readily accessible to and usable by individuals with disabilities, if the construction was commenced after January 26, 1992. (b) Alteration: Each facility or part of a facility altered by, on behalf, of or for the use of a public entity in a manner that affects or could affect the usability of the facility or part of the facility shall, to the maximum extent feasible, be altered in such manner that the altered portion of the facility is readily accessible to and usable by individuals with disabilities, if the alteration was commenced after January 26, 1992. (c) Accessibility standards: Design, construction or alteration of facilities in conformance with the Uniform Federal Accessibility Standards (UFAS) (Appendix A to 41 CFR part 101-19.6) or with the Americans with Disabilities Act Accessibility Guidelines for Buildings and Facilities (ADAAG) (Appendix A to 28 CFR Part 36) shall be deemed to comply with the requirements of this section with respect to those facilities, except that the elevator exemption contained at section 4.1.3(5) and section 4.1.5(1)(j) of ADAAG shall not apply.

**Section 3.7.** When applicable, the Borrower will comply with Title III, Part 36, Section 36.401 of the Act “New Construction.” Except as provided in paragraph

(b) and (c) of the Act, discrimination for purposes of this part includes a failure to design and construct facilities for first occupancy after January 26, 1993, that are readily accessible to and usable by individuals with disabilities.

**Section 3.8.** When applicable, the Borrower will comply with Title III, Part 36, Section 36.402 of the Act “Alterations” (a) General: Any alteration to a place of public accommodation or a commercial facility, after January 26, 1992, shall be made so as to ensure that, to the maximum extent feasible, the altered portions of the facility are readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs. (b) Alteration: An alteration is a change to a place of public accommodation or a commercial facility that affects or could affect the usability of the building or facility or any part thereof.

**Section 3.9.** The City shall fully comply with Subpart C of 40 CFR Part 32, entitled “Responsibilities of Participants Regarding Transactions.” The City is responsible for ensuring that any lower tier covered transaction, as described in Subpart B of 40 CFR Part 32, entitled “Covered Transactions,” includes a term or condition requiring compliance with Subpart C. The City is responsible for further requiring the inclusion of a similar term or condition in any subsequent lower tier covered transactions. The City acknowledges that failing to disclose the information required under 40 CFR 32.335 may result in the delay or negation of this assistance agreement, or pursuance of legal remedies, including suspension and debarment.

**Section 3.10.** The Borrower will comply with the disadvantaged business enterprise requirements of the State Revolving Loan Fund program, and will require its contractors to also meet these requirements.

**Section 3.11.** When applicable, the Borrower will require each construction contractor to furnish a performance and payment bond in an amount at least equal to 100 percent of the contract price.

**Section 3.12.** The Borrower will require its contractors and subcontractors to maintain workers compensation, commercial general liability, property damage, and vehicle liability insurance. Until the Project Facility is completed by the Borrower, the Borrower (or at the option of the Borrower, the contractor) will maintain insurance for the loss of the facility for the benefit of the Department, the Borrower, the prime contractor, and all subcontractors, as their interests in the Project Facility may appear.

**Section 3.13.** Subject to the terms and conditions of this Agreement, the eligible project costs less other funding sources will be disbursed by the Department upon submittal and departmental approval of invoices.

**Section 3.14.** If this project finishes under the estimated cost of construction, it will be funded only as necessary to complete the project.

**Section 3.15.** Upon completion of the Project Facility, the Borrower shall provide a statement to the Department of the project final costs by category of expenditure, including but not limited to costs for: administration, design, construction engineering, construction and equipment.

#### **SECTION IV - PARTICIPATION PAYMENTS BY THE BORROWER**

**Section 4.1.** This loan is made to the Borrower from the Alaska Clean Water Fund for the maximum amount of \$1,715,000. Of this total amount, \$121,500 is offered to the Borrower as a subsidy (as principle forgiveness) for green project. All remaining unsubsidized funds will be repaid as provided in the following sections.

**Section 4.2.** The Borrower agrees to repay the principal amount and the finance charge rate on all cash draws made to the Borrower according to the repayment schedule, which will be prepared by the Department and confirmed by the Borrower following initiation of operation of the facility. The repayment schedule for the actual amount of loan payments made to the Borrower will provide that:

(a) The Borrower will pay a finance charge of 1.5 percent on each disbursement. Accrual of the finance charge will begin one year after the date of the first disbursement to the Borrower.

(b) The loan amount will be paid back within 20 years following initiation of operation of the facility. Repayment of the loan will be made with either equal annual principal payments plus the finance charge or equal annual total payments including the finance charge. Other repayment methods may be negotiated with the Department.

(c) The first installment payment will be due one year following substantial completion and initiation of operation of the facility.

**Section 4.3.** The Borrower assures the Department that the Borrower has not pledged revenues for the repayment of its loan that have been previously pledged or encumbered, unless specifically set forth in the Borrower's approved application. The pledged revenues for repayment of the loan and each separate source of revenue are specifically identified and described in the Borrower's submitted application.

**Section 4.4.** In the event that any of the revenues pledged by the Borrower for the repayment of its loan are encumbered by a lien of any prior outstanding debt,

the Borrower will furnish the Department with legal assurance that the excess of such prior encumbered revenues are legally available for pledging to the Alaska Clean Water Fund.

**Section 4.5.** The Borrower agrees that if pledged revenues are insufficient to meet any loan payment to the Department when due, the Borrower will pay the deficiency in its loan payment from any legally available funds accruing to or in the possession of the Borrower. Repayment of the loan which is the subject of this loan agreement shall not be a direct and general obligation of the Borrower.

**Section 4.6.** If a repayment is received by the Department more than 30 days after it is due, the Borrower agrees to pay a late charge of five percent of the payment. Interest on the unpaid balance will continue to accrue at the finance charge rate and must be paid in addition to the late charge. Payments in arrears over 90 days, will be referred to the Attorney Generals Office for collection.

**Section 4.7.** The Borrower agrees that it will separately account for all monies received from the Alaska Clean Water Fund and will maintain project accounts in accordance with generally accepted governmental accounting principles.

**Section 4.8.** If, prior to completion of the contract period, the Project Facility is damaged or destroyed, the Borrower is liable to the Department for all amounts due under this Agreement.

**Section 4.9.** The provisions of AS 37.15.575 relating to state aid interception apply to the loan made under this agreement.

## **SECTION V - MAINTENANCE, OPERATION, INSURANCE and AUDIT**

**Section 5.1.** If applicable, the Borrower agrees to prepare a manual for operation and maintenance of the facility which is approved by the Department.

**Section 5.2.** The Borrower must ensure that the Project Facility is given a final inspection and is certified complete to the Department.

**Section 5.3.** The Borrower must ensure that a Department approved sewer use ordinance and a user charge system are adopted prior to initiation of operation of the facility.

**Section 5.4.** The Borrower shall initiate operation of the Project Facility immediately upon completion of construction and may not discontinue operation of the Project Facility without Departmental approval. Within one year after the initiation of operation, the Borrower must certify to the Department that the facility is performing up to design standards. The Borrower must ensure that

sufficient qualified operating personnel certified by the State of Alaska will be retained to operate the Project Facility. Nothing contained in this Agreement shall be construed as an obligation or pledge of the Borrower to appropriate or expend general funds and general revenues of the Borrower to operate or maintain the Project Facility.

**Section 5.5.** If applicable, until the Project Facility is completed by the Borrower, the Borrower (or at the option of the Borrower, the contractor) will maintain insurance for the loss of the facility for the benefit of the Department, the Borrower and the prime contractor, and all subcontractors, as their interests in the Project Facility may appear. The Borrower agrees to insure the Project Facility against loss or damage in an amount at least equal to the Allowable Project Cost specified in Section 1.1(g).

**Section 5.6.** If applicable, an insurance policy issued pursuant to Section 5.5 must be written or endorsed to make losses payable to the Department and the Borrower as their interests may appear. The interests of the Department are limited to the unpaid principal balance of the loan and any finance charge and penalties accrued as of the date such loan may be paid in full as a result of any insurance payoff, following destruction or damage to the facility.

**Section 5.7.** In the event the Borrower fails to maintain the full insurance coverage required by this Agreement, the Department may take out the required policies of insurance and pay the premiums. All amounts so advanced by the Department will become an additional obligation of the Borrower to the Department.

**Section 5.8.** The Borrower agrees to submit a financial report for the Project Facility for Departmental approval within one year after initiation of operation of the facility. A project audit, performed by the Department, will cover the entire multi-year project.

**Section 5.9.** Financial assistance received under this loan agreement is considered federal assistance and is to be included when determining the threshold amount for a Federal Single Audit. However, financial assistance received under this loan agreement is not subject to State Single Audit.

## **SECTION VI - MISCELLANEOUS PROVISIONS**

**Section 6.1.** Any disbursement or repayment made under this Agreement by the department shall be delivered by electronic transfer, registered or certified mail, courier service or delivered personally. Any repayment made under this Agreement by the loan recipient shall be delivered by registered or certified mail, or delivered personally, and,

(a) if addressed to the Department, will be sent or delivered personally to:

ATTN: Municipal Administrative Team (MAT)  
Alaska Department of Environmental Conservation  
Division of Water - Alaska Clean Water Fund  
410 Willoughby Avenue, Suite 303  
P.O. Box 111800  
Juneau, Alaska 99811-1800

(b) if addressed to the Borrower, will be sent to or delivered personally to:

David Sosa  
Borough Manager  
Haines Borough  
P.O. Box 1209  
Haines, AK 99827

**Section 6.2.** Departmental approvals, required by this Agreement will not be unreasonably withheld.

**Section 6.3.** This Agreement is made subject to and conditional upon the availability of funds.

**Section 6.4.** This Agreement is effective as of the date set forth above and continues in full force and effect until the final day of the Contract Period.

**Section 6.5.** This Agreement is binding upon the parties specified below, and to any person, office, or board succeeding either of the parties. This Agreement may not be assigned by the Borrower without written consent of the Department.

**Section 6.6.** The Department may cancel all or any part of this agreement if:

(a) Any representation or other statement made by the Borrower to the Department in connection with its application for a loan from the Alaska Clean Water Fund is incorrect or incomplete in any material respect;

(b) The Borrower has violated commitments made by it in its Approved Application and supporting documents, has not adhered to the regulations of the Alaska Clean Water Fund (18 AAC 76), has violated any of the terms of this Loan Agreement; or

(c) The financial position of the Borrower has, in the opinion of the Department, suffered a materially adverse change.

**Section 6.7.** No portion of this loan amount may be used for lobbying or propaganda purposes as prohibited by 18 U.S.C. Section 1913 or Section

607(a) of Public Law 96-74.

Nothing in this amendment, whether or not accepted, may be deemed to constitute a contractual obligation on the part of the Department until the loan is signed by all parties.

The Department is pleased to offer this assistance to the people of Haines.

Sincerely,

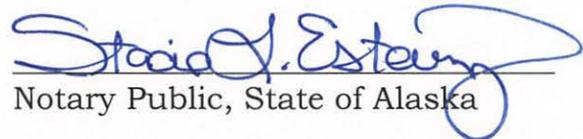


Michelle Hale, Director  
Division of Water

**ACKNOWLEDGEMENT  
STATE OF ALASKA  
Third Judicial District**

The foregoing instrument was acknowledged before me this 18 day of

May, 2015



Notary Public, State of Alaska

My commission expires: with office

By: \_\_\_\_\_  
**Haines Borough**

**ACKNOWLEDGEMENT  
STATE OF ALASKA  
First Judicial District**

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of  
\_\_\_\_\_, 2015

\_\_\_\_\_  
Notary Public, State of Alaska

My commission expires: \_\_\_\_\_

**ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION**

By: \_\_\_\_\_

**ACKNOWLEDGEMENT  
STATE OF ALASKA  
Third Judicial District**

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of  
\_\_\_\_\_, 2015

\_\_\_\_\_  
Notary Public, State of Alaska

My commission expires: \_\_\_\_\_



# MANAGER'S REPORT

DATE: June 9, 2015  
 TO: Mayor and Borough Assembly  
 FROM: David B. Sosa, Borough Manager

## BOROUGH ADMINISTRATION MISSION

*Under the guidance and direction of the Borough Assembly, the mission of the Haines Borough Administration is to deliver critical and desired services; to protect the safety and well-being of the community; and to create conditions for a vibrant, sustainable economy that enhances and safeguards quality of life*

### **Manager's Comments:**

State Budget: As most are aware the State has yet to pass an FY16 Budget. While the Borough financial condition is sound we do rely on funding from the State in a number of areas. If the 10,000 State employees who got pink slips earlier this week are laid off on July 2 it may result in delays in approximately \$625,000 of payments to the Haines Borough which normally occur during the beginning of the fiscal year. Potentially, this could cause the Borough to liquidate assets such as government bonds or certificates of deposit in order to maintain adequate cash flow until State funds are received. This would result in a loss of investment income of approximately \$1,000 – 1,500 depending on how long the delay in payment lasts. If the lay-off lasted longer than a few months the impacts would be more severe.

Manager's Town Hall and our Facebook Site: I would like to thank all of the members of the public who participated in the Manager's Town hall. The feedback provided was very helpful and we look forward to more opportunities to have casual conversation with the community. During that meeting we unveiled the Borough facebook site which is "Haines Borough Government." The focus of the site is to share information about ongoing work, profile Borough Employees, provide notification of events, and identify tips and techniques that will help community members access information on a variety of venues.

Heliskiing Spot Checks: I have received feedback on the Heliski spot checks and had to contact the Bureau of Land Management (BLM) regarding 2 landings. The feedback from the BLM was as follows:

In your case, it is clear that the Haines Borough's code closure (closing the subject BLM area to heliskiing) is preempted by federal law as it applies to BLM lands because it impermissibly conflicts with federal law, in that it stands as an obstacle to the full purposes and objectives of FLPMA in this instance (i.e., BLM's implementation of FLPMA allowing for heliskiing in the subject area). See U.S. Supreme Court's decision in *California Coastal Comm. v. Granite Rock Co.*, 480 U.S. 572 (1987): <https://supreme.justia.com/cases/federal/us/480/572/case.html>

State and local governments may not prohibit land use activities on federal lands which the federal land managers have authorized pursuant to federal law. In this regard, the Borough's role is limited to working with BLM to propose closures, requirements, or restrictions for such activities.

Following this feedback, final disposition of the spot checks will be addressed in the coming week.

Assembly, Board, & Committee Training: The Mayor and Borough Staff facilitated a training session on Tuesday 2 June that was very well attended and informative. We received very good feedback and are making plans to hold the training every other month to allow others desiring the training to participate.

Land Sale: The Borough Assembly authorized the sale of four separate parcels of Borough property by sealed competitive bid auction. Bid deadline: 5pm local time, Friday, 6/19/15, Borough Admin Bldg, 103 Third Ave S., PO Box 1209, Haines, AK 99827. Bids may be hand-delivered or mailed. Bid documents available at [www.hainesalaska.gov](http://www.hainesalaska.gov). Contact Kathryn Friedle, Lands Dept., for more info, [kfriedle@haines.ak.us](mailto:kfriedle@haines.ak.us); 907-766-2231 ext. 22.

FY16 Assessments: On 21 May the Borough Assessor briefed Department Heads on his plan for Assessments throughout the summer. The plan envisions addressing as many of the 640 parcels between the Canadian Border and the Townsite as possible between now and the end of September. This translates to an average of 11 parcels per day and will also include entering information into the Assessing Database.

SE Alaska Fair Participation: I intend for Staff to participate in the Fair as we did last year. This will provide another opportunity for us to answer the Public's questions and demonstrate what services are provided to the community.

Resignation of the Community & Economic Development Director: On 2 June 2015 Mr. Bill Mandeville submitted his letter of resignation to the Manager. The resignation was a surprise and was neither suggested nor expected by the Borough Manager. After approximately 24 hours consideration, and several conversations with Mr. Mandeville, I accepted Mr. Mandeville's resignation. I am currently reviewing options in order to ensure projects stay on track and so that we are best positioned to meet the needs of the community.

Tourism: See separate report

#### **Facilities & Public Works:**

##### Vocational Education Building Renovations

The contractor plans to be on site the week of June 8, 2015. August 21, 2015 substantial completion is still the goal but it will be very tight.

##### Public Safety Building/Jail Cells

Heating upgrades are about 50% complete, some controls and connections to the boiler remain to be done. Little change here, meeting next week with Ed Bryant and the new chief to coordinate projects with Facility Dude.

##### Facility Management Program

Cathy Keller took part in an online tutorial with Facility Dude reps focused on reporting. We still have a ways to go on this.

##### School Roof Project

Silverbow Construction of Juneau has been issued a notice to proceed; they anticipate being on the job the first week in August and being done in 2 to 3 weeks.

##### Sledding Hill

Trees have been removed. Stumps will be cleared by the first snow of 2015. Sledding will be open to the public when the snow hits the ground.

##### Hazard Mitigation Plan

Staff has updated the plan and sent the draft copy to the State for review. We await their response/review.

### Allen Road Waterline Replacement

Southeast Road Builders reports that most of the material for the job is in town and work will begin next week. Project designer Jim Dorn met with SRI and Borough representatives on June 3 in Haines to discuss the project.

### Piedad Water Transmission Line Replacement

The budget amendment passed and work towards closing the deal on the purchase of the Meacock property is moving forward. Mr. Meacock has arranged for a surveyor to locate corners and file a final plat on the property. Mr. Dorn, supplied the roughly 50% drawings for the project and spent several hours discussing and physically looking at the site with Scott Bradford.

### Chilkat Lake Rd. and Porcupine Rd.

The first grading of Porcupine road was completed on May 21, 2015. SRI did some touch-up grading on the CLR to provide some intermediate relief to residents in the area but quit before they finished after someone loudly complained about the work. Borough workers filled potholes with cold patch asphalt on May 26, 2015. The grinding, grading and chip sealing date has yet to be determined.

### Emergency Repairs to Letnikof Float

Notice to proceed was issued to Trucano Construction of Juneau; they were the sole respondent to the RFP and their price is within our budget. They hope to start the first week in July and be done in three weeks.

### Picture Point Restrooms

Units have been delivered to the site, permitting is in place and we should receive responses to an RFP for foundation work and erection of the building. If all goes well the restrooms should be in place sometime this month.

### Sewer Treatment Plant

Jim Dorn of Carson and Dorn Engineering and electrical engineer Ben Haight visited the site this week to gather more information needed to complete the design drawings that need to be submitted to the DEC for review on June 15, 2015. Mr. Dorn feels comfortable about meeting that deadline. The impending government shut down, if it occurs, will have a detrimental effect on the timeliness of getting phase one of this project out to bid.

## Tourism Director Report, June 1 – 2015

The end of April and beginning of May – the Tourism Director visited the Yukon for the Yukon Tourism Industry Conference in Dawson City and the Whitehorse Trade Show. The Yukon loves Haines and more focus on this easily accessible visitor market is needed. There are many opportunities for Haines to market themselves too and with the Yukon. These were great opportunities to keep those relationships strong. As well the Tourism Director met with the City Manager and Mayor of Haines Junction to discuss ways we can partner in tourism and economic development. We are working on a July 1<sup>st</sup> and July 4<sup>th</sup> celebration with the communities.

The end of April the Visitor Center staff put together a hospitality open house, organizing local hotels and Bed & Breakfasts to open their doors to the public so the community can see what rooms and amenities they offer. It was a great success and something we will continue to do.

### **Cruise Ship – Beer Fest – Cruise Ship !**

Since May 20, 2015 over 10,000 have passed through Haines at a conservative estimate and not including Independent travelers or ferry traffic.

May 20<sup>th</sup> marked the first cruise ship for the season the Holland America, Oosterdam. Things seemed to go smoothly with busy tour operators, full stores and happy visitors. The PC Dock has a new visitor information office, shore excursion kiosk, and lots of helpful volunteers greeting passengers and driving our courtesy cart.

May 22-23<sup>rd</sup> the SEAK Fair presented the 23<sup>rd</sup> Annual Craft Beer Festival with approximately 1200 people in town. The event went off smoothly with fair staff and volunteers as well as many hours by borough staff – facilities, public works, police and tourism. Extra effort was made to make sure trash was kept up, bathrooms cleaned, and overall safety enforced. The Tourism department provides bus transport from the ferry to town and back.

There was a media group in town sponsored in part by the State. The Media group focus was touring the breweries and distilleries of Alaska with writers covering 7 different food and beverage magazines. The group stayed at the Lynn View Lodge, visited with the director of the Fair and Haines Brewing while attending the beer fest, visited Port Chilkoot Distillery and the Halsingland Hotel with the Tourism Director.

May 26<sup>th</sup> was the visit from the Golden Princess bringing 2800 passengers and crew to Haines. 1200 of these passengers went on a shore excursion with Haines Tour operators at some point in the day, with plenty of foot traffic roaming the streets and stores of Haines. The free shuttle struggled to keep up with the amount of traffic spurring the tourism department to look into ways to accommodate this larger amount of traffic. This ship is visiting Haines this day and in August as part of the earlier waiver incentive.

May 28<sup>th</sup> was the first visit of the season from Zaandam followed by June 1 visit from Celebrity Infinity. A Celebrity ship has not been in Haines in years and its 2000 + passengers were greeted with enthusiasm. This ship as well, is visiting as part of the waiver initiative.

The Chilkat Dancers have been performing on cruise ship days with an incredible response and crowd from the ships. The Cruise director of the Infinity said is was very rare to have such a local cultural show on the pier for free and was impressed and grateful.

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A travel writer from Alaska Airlines Magazine was in town for 3 days packing in a raft trip, a visit to Klukwan and the future Heritage Center, the Art on Main St Project, Sheldon Museum and with an interest in local products, a visit to Zen (Sea Otter) Bathworks, Port Chilkoot Distillery, and the Arts Confluence / Chamber. The writer visited several eating establishments, toured the area with the Tourism Director including a drive up the Haines Highway.

The TAB, Tourism & Economic Dev. Dept and Commerce Committee are still working through the proposal for another waiver incentive for cruise ships visiting Haines.

The Visitor Center has received \_\_\_\_ visitors through it's doors in May.



# Chilkat Center for the Arts

*A Community Facility Operated by the Haines Borough*

**(907) 766-3573**

**facsimile (907) 766-3574**

**E-mail [business@khns.org](mailto:business@khns.org)**

# 8B

## **Facility Administration Report May 2015**

### **Usage:**

May use included the rollicking Celtic , Rock and Acoustic group Scythian who played at the CCA and in Skagway at the beginning of the month. Hosted by the Haines Arts Council, they were the big act for the month.

Jujutsu took the month of May off as the teacher welcomed his new baby girl and will be teaching a reduced roster for the summer. Morning Muscles and Strength and Stretch both taking off the for the summer.

We have a couple of new classes that are slowly finding their audience – Breath and Movement on Tuesday 10:30 – 11:30 and Thursday 4-5pm are a gentle movement class with Grace Jones.

Tai Chi has added a class on Tuesday evenings, 5:30 – 6:30pm in addition to the Saturday morning class 10:30 – 11:30am.

The FCCA brought in a lighting expert to offer tutorials for interested folks to learn the new computerized lighting system that was recently installed in the center.

FCCA members came in and did some spring planting and cleaning of the front of the center and it is green and colorful with new flowers blooming.

Conference room used as usual for board meetings for FCCA, CCA and KHNS.

Summer is usually a slow time at the center with irregular classes as teachers take off time to go away.

Local tour operators are using the lobby for the occasional lunch spot when the weather is inclement and Rainbow Glacier Adventures has a standing spot during the summer on Mondays.

### **Maintenance:**

No need for much maintenance this month but something to consider in the budget: the CCA kitchen needs a makeover to be more competitive with other venues. It can be done economically, but it should be factored into budgeting and maintenance for the center.

*Submitted by Facilities Manager, Kay Clements, May 2015*

<b>Chilkat Center for the Arts</b>			
<b>5/31/2015</b>			
<b>Contact</b>	<b>Function</b>	<b>Participants</b>	<b>Amount</b>
	<b>Dance Studio</b>		
Chorus Bishop	Jujutsu for kids and adults - no classes in May	0	\$0.00
Marilyn Harrold	Tai Chi	7	\$60.00
Gershon Cohen	Jujutsu practice	1	\$15.00
	<b>Lobby</b>		
Well and Fit	Morning Muscles	53	\$120.00
St Michael's	Sunday Services - 5 Sundays	100	\$375.00
Well and Fit	Strength and Stretch	29	\$90.00
Grace Jones	Breath and Movement	3	\$15.00
Rainbow Glacier Adventures	Lunch - May	36	\$200.00
	<b>Conference Room</b>		
FCCA	Board meeting	7	n/c
KHNS	Board meeting March 18th	8	n/c
CCA	Board Meeting	6	n/c
	<b>Auditorium</b>		
Haines Arts Council	Scythian	200	\$325.00
PTNA	Lighting tutorials for new equipment	5	free
	<b>May Totals</b>	<b>455</b>	<b>\$1,200.00</b>

## **Parks & Recreation Advisory Committee (PARC) meeting**

January 29, 2015

Location: Library Great Room

Members Present: Rich Chapell, Jon Gellings, Ginger Jewell, Meredith Pochardt,

Members Absent: Daymond Hoffman, Al Giddings

Assembly Liaison: George Campbell

Visitors: Ron Jackson, Mike Case, Jan Hill

Call to Order at 5:35pm

### **Approval of Agenda**

Agenda amended unanimously to add Norm Hughes, Harbor Committee, presentation on Lookout Park.

### **Approval of Minutes**

Minutes from 11/20/2014 unanimously approved.

### **Public Comment**

None

### **New Business**

#### **Lookout Park in Portage Cove Harbor expansion plan**

Hughes asked PARC to review the current harbor redevelopment plan, which shows a large parking lot to be built on 3 sides of Lookout Park, seaward and extending 200 ft to the south of the memorial site. PARC should consider the fate of this Borough facility. Feature that would be lost are the seashore frontage. Dredging spoils will be available for fill if the park is moved to a new location.

Current Lookout Park features are accessible parking spaces, sidewalks recessed off Front Street, accessible concrete decks & railings, totem pole, pavilion, picnic table, grass lawn, steam drill, bear-proof trash can, memorial monument. What will be lost by being surrounded by a broad gravel parking lot is a direct view and access to the grassy intertidal area and shoreline.

Harbor design is at 35% and will be at 65% by March. Norm Hughes will email electronic plans; Chapell will circulate to PARC members. Next Harbor Committee meeting is Feb. 22. PARC members should have comments ready for next PARC meeting Feb. 19.

### **Baby Brown timber sale offered by Haines State Forest**

ADNR/Forestry comment deadline is Feb. 6. Ron Jackson was asked by Borough Manager to inform PARC and ask if they have input. Chapell will submit these comments on behalf of PARC:

- Recreational access via Flower Mountain trail should be maintained throughout the timber operation.
- Develop and maintain access to potential recreational trails up Glacier Creek and to Jarvis Creek that are identified in the Comprehensive Plan. Access includes parking and trailer turnaround areas at trail heads.
- Consider and mitigate avalanche hazard of steep clearcuts uphill of roads/recreation trails.
- Require contractor to maintain roads under heavy log truck use.

### **Old Business**

#### **Sledding hill - Does PARC want to give design input on landscaping for multiple use?**

Rich will review timber clearing and earth work contracts with Public Facilities Director to see if input is allowed at this time.

#### **Organizing the townsite ATV park working group - Progress report**

Hoffman (absent) volunteered to chair the working group. Chapell will ask him for progress report.

#### **PARC action plan**

The Jewell draft action plan circulated by email was unanimously accepted with amendment:

- Add Objective 1.5: Develop Borough code to designate current Borough lands used for recreation. Jewell will add this to draft action plan and circulate by email.

### **Next meeting**

February 19, 2015 5:30 pm at Haines Borough Public Library

### **Potential agenda items**

- Lookout Park recommendation for Harbor expansion plan
- Invite Economic Development Director to consult on action plan
- Recruit 3 new PARC members, potentially from these user groups:
  - Indoor leisure facility users, such as Gym Dandy Walkers;
  - Pool users such as Haines Dolphins Swim Team board;
  - Trail users such as Swifts;
  - Sportsman's Association;
  - Chilkat Snowburners

### **Meeting adjourned 6:45 pm**



Haines Borough  
Haines Borough  
Ports and Harbor Advisory Committee  
APPROVED MINUTES

Meeting Date: 4-27-2015

QUORUM WAS ESTABLISHED. Don Turner jr, Terry Pardee, Bill Rostad, Glen Jacobson, Norman Hughes, Shawn Bell Harbor Master.

Motion to approve agenda: terry 1<sup>st</sup>, Bill 2<sup>nd</sup> passed 5-0

PUBLIC, mayor Jan Hill, assembly member Mike Case.

Minutes to HBPHAC MEETINGS DATED 3-23-15, 3-26-15, 4-22-15 were reviewed by committee.

Motion to approve draft meeting minutes 3-26-15, 3-26-15, 4-22-15 passed 5-0

Harbor masters report, 60 day has past and notices for delinquent account were being prepared. Water and power are available if requested at boat storage area. LED lights for harbor docks are being researched by borough. Steps down to tidal grid and path along pillings questions were asked and Shawn said he would look into it.

Chair HBPHAC report. Shawn Bell was selected from a group of 8 applicants by the Ports and Harbor Advisory Committee and the Borough Manager to be the next Harbormaster. This will become final when approved at the next Assembly meeting (April 28). Norman notified committee that there request for meeting with manager and planning commission chair has yet to happen. Norman also apologized for failing to post an agenda with the public notice for the 4-27-15 meeting. Hughes reported that he had been contacted by Mike Denker. Norman also promised to do better in the future.

Old business: Harbor fee schedule recommendations. The latest edit from past meeting was presented and a couple more edits were offered and finalized. The removal of winter rates for permanent open moorage vessels # 13.

Motion: The removal of up to 24 feet rate Letnikof cove harbor moorage # 9. Then replaced by up to 40 feet. Glen 1<sup>st</sup>, Bill 2<sup>nd</sup> Passed 5-0

Motion: Norman finish Edits on fee schedule and submit to the Borough Assembly for their consideration. Bill1<sup>st</sup>, Don 2<sup>nd</sup>, passed 5-0

New business:

Assigning of vacant slips.

Motion: Hbphac request that the Harbor Master assign a majority of the vacant slips. Don1<sup>st</sup>, Terry 2<sup>nd</sup>, passed 5-0

Wait List date of billing.

Motion: Hbphac recommends Harbor master bill for the wait list fee at the same time as annual moorage is billed. Bill 1<sup>st</sup>, Terry 2<sup>nd</sup>, passed 5-0

Pollution Insurance for boats moored in Haines small boat harbor.

Information will be gathered and pollution insurance will be on the agenda at next harbor committee meeting.

Set meeting date 5-25-15 10:30 municipal chambers

Adjourned

SUBMITTED BY \_\_\_Norman Hughes /chair HBPHAC

**Government Affairs & Services Committee**  
**May 13, 2015 Assembly Chambers 5:30 pm**

Meeting Chaired by Assembly Member Dave Berry  
 Report by: Assembly Member Diana Lapham

Attendance

Other Committee Members: Assembly Members Diana Lapham, Ron Jackson and George Campbell  
 Others: Assembly Member Mike Case, Mike Denker, Dana Hallett, and Don Turner

**Issue: Equal Protection & Property Qualification for Appt to Port & Harbor Advisory Committee**

Discussion/Action: Motion was made to refer to staff for handling the following change to borough code. The motion carried 3-1 with Berry, Lapham, and Campbell for it and Jackson opposed.

Change the ordinance 16.08.010(B) to reflect a change in seats as follows:

B. There shall be a seven-member port and harbor advisory committee comprised of ~~three~~ **two representatives with** commercial vessel owners **experience**, two **representatives with** noncommercial vessel owners **experience**, one **representative with** tariff-regulated company owner or representative **experience**, and a **two** community members at large ~~who has a business related to harbor activities~~. Such appointments shall serve staggered terms of two years, and all appointments to the committee shall be made according to the provisions of HBC 2.60.055. Members shall serve until their successors have been confirmed by the assembly. There shall be no pay for committee membership. The committee shall organize itself and function according to the provisions of Chapter 2.60 HBC. The assembly may appoint a liaison who shall serve in an ex officio capacity and shall assist the committee administratively.

The committee wants the new composition to not affect the existing board, but rather only future appointments.



**Haines Borough  
Assembly Agenda Bill**

Agenda Bill No.: 15-576  
Assembly Meeting Date: 6/9/15

Business Item Description:	Attachments:
Subject: Comprehensive Minor Offenses Ordinance	1. Ordinance 15-06-413, draft with explanatory comments
Originator: Borough Attorney	
Originating Department:	
Date Submitted: 6/1/15	

**Full Title/Motion:**  
Motion: 1) Introduce Ordinance 15-06-413; 2) refer it for review by the Government Affairs & Services Committee and the Public Safety Commission with recommendations to be received no later than 10am on 7/8/15; and 3) set a first public hearing for 7/14/15 and a second public hearing for 7/28/15.

**Administrative Recommendation:**  
The borough manager and borough attorney recommend this.

**Fiscal Impact:**

Expenditure Required	Amount Budgeted	Appropriation Required	Projected Impact to Future Operating Budgets
\$ none	\$ n/a	\$ n/a	finer to borough rather than court

**Comprehensive Plan Consistency Review:**  
Comp Plan Goals/Objectives: \_\_\_\_\_  
Consistent:  Yes  No

**Summary Statement:**  
April 2013, a district court ruling came out requiring a comprehensive fine schedule. What this means is municipalities need to create official fine schedules with precise amounts for municipal violations. The borough attorneys worked for many months on a full review and revision of borough code to bring us into compliance. Following staff review and a review by the court system, the ordinance is ready for introduction. The recommendation is to refer it following introduction to the Government Affairs & Services Committee and the Public Safety Commission with a request to submit recommendations no later than 10am July 8, 2015. It is suggested the public hearings take place in July.

**Referral:**  
Referred to: \_\_\_\_\_ Referral Date: \_\_\_\_\_  
Recommendation: \_\_\_\_\_ Meeting Date: \_\_\_\_\_

**Assembly Action:**  
Meeting Date(s): 6/9/15  
Public Hearing Date(s): \_\_\_\_\_  
Postponed to Date: \_\_\_\_\_

**An Ordinance of the Haines Borough amending various provisions of the Haines Borough Code to designate certain violations of Borough law as minor offenses and to establish a fine schedule for certain offenses and to provide for other penalties for violations.**

BE IT ENACTED BY THE HAINES BOROUGH ASSEMBLY:

**Section 1.** Classification. This ordinance is of a general and permanent nature and the adopted amendment shall become a part of the Haines Borough Code.

**Section 2.** Severability. If any provision of this ordinance or any application thereof to any person or circumstance is held to be invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.

**Section 3.** Effective Date. This ordinance is effective upon adoption.

**Section 4.** Repeal and Reenactment of Chapter 1.24. Chapter 1.24 of the Haines Borough Code is hereby repealed in its entirety and reenacted to read as follows:

**1.24.010 General penalty**

A. Every act prohibited by city ordinance is unlawful. Unless another penalty is expressly provided by this code for a particular act or offense, every person convicted of an infraction or violation of any provision of this code, or any rule or regulation adopted or issued pursuant to this code, is guilty of a minor offense as that term is defined in the Alaska Rules of Minor Offense Procedure and shall be punished by a fine of not more than five hundred ~~(\$500) dollars~~.

B. In addition to any other remedies or penalties which may be provided in this code, or may otherwise be available, the city or any aggrieved person may institute a civil action to obtain injunctive or compensatory relief against a person who violates any provision of the code. An action to enjoin a violation may be brought notwithstanding the availability of any other remedy. On application for injunctive relief and a finding of violation or threatened violation, the superior court shall grant the injunction.

C. Each act of violation and every day upon which the violation shall occur will constitute a separate ~~offense~~.

**1.24.015 Surcharge required**

In addition to any penalty prescribed by law, a defendant convicted of violating a city ordinance shall pay the surcharge required under AS 12.55.039 and 29.25.074. All such surcharges collected shall be remitted to the State of Alaska as required by AS 29.25.074.

**1.24.020 Procedure**

A. The charge for the violation of a code provision may be brought by a borough police officer, the borough manager, or that borough official responsible for the administration and enforcement of the code provision which has been violated.

B. The borough shall use the Alaska Uniform Citation form, or the electronic version if authorized, to provide notice of a minor offense to anyone accused of violating any provision of this Code.

**1.24.030 Disposition of minor offenses.**

A person charged with a minor offense listed on a fine schedule may appear in court to contest the charge. If an offense is not listed on a fine schedule, or if the citation indicates that a court

**Comment [PM1]:** Included here are variations of 9.01.010

**Comment [PM2]:** ARMOP 2(e)

**Comment [PM3]:** Formerly 9.01.010(B)

**Comment [PM4]:** Former 9.01.060 is now unnecessary because the Rules of Minor Offense procedure apply to these types of offenses and describe more particularly precisely what is required to cite, serve, and prosecute an violation of municipal ordinances.

appearance is mandatory, the defendant must appear in court to answer the charges. As a minor offense, trial is by the court without a jury, and there is no right to court-appointed defense counsel.

**1.24.040 Minor Offense Fine Schedule.**

In accordance with AS 29.25.070(a), citations for the following offenses may be disposed of as provided in AS 12.25.195-.230, without a court appearance, upon payment of the fine amounts listed below, plus the state surcharge required by AS 12.55.039 and AS 29.25.074. Fines must be paid to the court. The Alaska Court System's Rules of Minor Offense Procedures apply to all offenses listed below. If a person charged with one of these offenses appears in court and is found guilty, the penalty imposed for the offense may not exceed the fine schedule amount listed below for that offense. Citations charging these offenses must meet the requirements of the Rules of Minor Offense Procedure. The fines set forth below may not be judicially reduced.

Comment [PM5]: This is optional

Code Section	Offense Description	Fine Amount
3.80.035(D)	Failure of operator to collect and/or remit sales tax for rental space	300
3.80.080	Failure to identify and add amount of sales tax to taxable transaction	300
3.80.090(A)	Failure to timely file sales tax returns	300
3.80.090(B)	Failure to remit taxes with returns	300
3.80.170	Failure to obtain business license	300
3.80.190(A)	Failure to file final sales tax return	300
5.04.030(C)	Failure to obtain required permit (general)	500
5.04.080(E)(2)	Sign violation	100
5.04.140(A)	commercial tour/ enterprise operating w/o permit or failure to follow permit condition	500
5.08.010(A)	Permit required for solicitation on public property	300
5.08.020	Solicitation on private property without invitation prohibited	300
5.08.030(A)	Permit required for transient/ itinerant merchants/ vendors	300

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5.08.040	Permit required for circus, carnival, fair/other concessions	300
5.08.050(A)	Sale/solicitation of commercial magazines on public sidewalks/ streets prohibited	300
5.12.010(A)	License required to manufacture/ sell any alcoholic beverage	500
5.12.020	Closing hours for licensed alcoholic beverage premises between 5:00 a.m. and 8 a.m.	500
5.12.040	Accessibility for inspection of licensed premises within the townsite service area	300
5.16.010(A)	All operators of gaming activities prohibited from conducting gaming activities	300
5.18.015	Commercial tour permit required	500
5.20.030	Failure to display commercial passenger vehicle / tour vehicle permit	100
5.20.040(A)(1)	Failure to display license	100
5.20.040(A)(2)	Failure to display rates	100
5.20.040(A)(3)	Failure to display contact information of City Clerk	100
5.20.040(B)	Taxicab soliciting passenger or otherwise blocking traffic	100
5.20.050	Soliciting persons along the roadway	100
5.22.010(C)	Use of commercial parking vehicle areas when not engaged in commercial tour activity	100
5.22.040(C)	Failure to display parking permit	100
5.22.040(D)	Unreasonable interference with efficient operations	100
5.22.040(E)	Leaving commercial vehicle unattended	100

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5.22.040(F)	Improper signage	100
5.22.040(H)	Unauthorized use of parking area	100
5.22.040(J)	Unauthorized display of sales material	100
6.08.010(A)	Dog license required	Altered dog: \$50
6.08.010(A)	Dog license required	Unaltered dog: \$150
6.08.010(D)	Failure to display tag	Altered dog: \$50
6.08.010(D)	Failure to display tag	Unaltered dog: \$150
6.08.010(F)	Failure to obtain kennel permit	Altered dog: \$50
6.08.010(F)	Failure to obtain kennel permit	Unaltered dog: \$150
6.08.010(H)	Using dog license receipt or license tag issued for another dog	Altered dog: \$50
6.08.010(H)	Using dog license receipt or license tag issued for another dog	Unaltered dog: \$150
6.08.020(A)	At-large dog	Altered dog: \$50
6.08.020(A)	At-large dog	Unaltered dog: \$150
6.08.020(B)	Barking, howling, or other noises	Altered dog: \$50
6.08.020(B)	Barking, howling, or other noises	Unaltered dog: \$150
6.08.020(C)	Run, chase, jump at moving vehicles	Altered dog: \$50
6.08.020(C)	Run, chase, jump at moving vehicles	Unaltered dog: \$150
6.08.020(D)	Snap, jump, injure another person	Altered dog: \$50
6.08.020(D)	Snap, jump, injure another person	Unaltered dog: \$150

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6.08.020(E)	Chase, harass deer or moose	Altered dog: \$50
6.08.020(E)	Chase, harass deer or moose	Unaltered dog: \$150
6.08.020(G)	Female dog in season confined	Unaltered dog: \$150
8.08.020(A)	Littering in any place other than in an appropriate refuse container	50
8.08.020(B)	Littering upon a public place	50
8.08.020(C)	Sweeping or depositing litter into a public place from private property	50
8.08.020(D)	Littering from vehicle	100
8.08.020(E)	Depositing any litter on private property	50
8.08.020(F)	Failure to maintain private property in a litter-free condition	50
8.08.020(G)	Posting any handbill without permit under HBC Title 18	50
8.08.020(H)	Littering in a body of water	50
8.08.020(I)	Depositing litter generated in a refuse container belonging to another	100
8.08.020(J)	Burning without a permit and police department notification or in violation of conditions	100
8.08.020(K)	Depositing offensive, noxious, or otherwise dangerous litter	100
8.08.040(A)(1)	Refuse container: strong, watertight, not easily corrodible, and rodent proof	100
8.08.040(A)(2)	Refuse container standards: fitted with a tight cover	100
8.08.040(A)(3)	Refuse container standards: kept tightly covered at all times	100
8.08.040(B)	Refuse containers: emptied and properly disposed of on	100

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	a regular basis	
8.12.020(A)	Burying a person outside an established cemetery	300
8.12.020(B)	Annoy, injure or endanger the public	300
8.12.020(C)	Offending public decency	300
8.12.020(D)	Interfere with a street, highway, lake or stream	100
8.12.020(E)	Making loud or unreasonable noise	100
8.12.020(F)	Operating device that causes preventable electric interference	100
8.12.020(G)	Allowing animal access to an unoccupied building	300
8.12.020(H)	Unsafe condition due to disrepair of building	300
8.12.020(I)	Reducing surrounding value of properties by maintaining building in state of disrepair	300
8.12.020(J)	Accumulation of stagnant water or discharge of wastewater	300
8.12.020(K)	Failure to take reasonable and precautionary measures to restrict access to hazards	300
8.12.020(L)	Causing emission of noxious fumes	300
8.12.020(M)	Exposure or distribution of materials offending the public decency	300
8.12.020(N)	Obstruction of traffic	300
8.12.020(O)	Public exposure of a person having a contagious disease	300
8.12.020(P)	Noxious cellar, pool, sewer, water closet, or private drain	300
8.12.030	Hazardous building or public nuisance	300
8.16.015	Use of fireworks prohibited	100

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8.16.020	Sale prohibited of fireworks	300
8.16.025	Use of fireworks near port facilities prohibited	300
8.16.030	Conducting fireworks display without permission of chief of police	300
8.18.020(A)	Smoking in an enclosed public area	100
8.18.020(B)	Smoking in an enclosed public area	100
8.18.020(C)	Smoking inside an enclosed area within a place of employment	100
8.18.020(D)	Smoking inside an enclosed area within a private club licensed to sell alcoholic beverages	100
8.18.030	Smoking within unreasonable distance outside an enclosed area where smoking is prohibited	100
8.18.040(A)	Smoking within 50 feet of entrance to hospital or medical clinic	100
8.18.040(B)	Smoking within 20 feet of entrance to enclosed school area	100
8.18.040(C)	Smoking within 5 feet of licensed premises	100
8.18.040(D)	Smoking in an outdoor arena	100
8.18.070(A)	Failure to post signs prohibiting smoking	200
8.18.070(B)	Failure to remove ashtrays	200
8.18.070(C)	Failure to provide smoke-free workplace	200
8.18.070(D)	Failure to prevent smoking at a smoke-free establishment	200
8.18.080(B)	Smoking where prohibited	100
8.18.080(C)	Permitting smoking in public place where prohibited	200
8.20.020	Creating or permitting a bear	100

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	attraction nuisance	
9.04.010(A)	Open container of alcoholic beverages within vehicle	100
9.04.010(B)(1)	Consuming alcoholic beverage upon street or highway	100
9.04.010(B)(2)	Consuming alcoholic beverage in public	100
9.04.010(B)(3)	Consuming alcoholic beverage on school property	200
9.04.010(B)(4)	Consuming alcoholic beverage at school function	200
9.08.010	Curfew For Minors	250
9.08.020	Parental responsibility for curfew violation	250
9.24.010(A)	Discharging pistol or firearm	300
9.24.010(C)	Hunting in prohibited area	300
9.24.020(A)	Obstructing highways and other public passages	100
9.24.020(B)(1)	Failure to obey order to move to prevent obstruction	100
9.24.020(B)(2)	Failure to obey order to move to maintain public safety	100
9.24.030	Disrupting meetings and processions	100
12.08.160(B)	Utility permit required	300
12.10.010	Construction work on driveway in a right of way without a permit	300
12.12.040(A)	Failure to install street numbers in compliance with code	100
12.16.010	Street and sidewalk obstructions prohibited	50
12.16.030(A)	Use of streets for private purposes	50
12.40.030	Prohibited activity or construction in Picture Park restricted area	100
12.50.020	Motorized vehicle use in	100

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	Chilkat River beaches recreational zone	
13.04.310(A)	Unlawful opening of fire hydrant	300
13.08.100(A)	Failure to connect to sewer system after notice	300
14.34.030(A)(1)	Cutting timber that is not already dead or downed	300
14.34.030(A)(2)	Cutting firewood for other than personal use	300
14.34.030(A)(3)	Using unlawful mechanical means to cut firewood	300
15.08.040	Following fire apparatus or otherwise interfering with fire control operations	100
15.08.060	Smoking where prohibited for safety reasons	100
15.12.020(B)	Failure to file required report by a person handling hazardous substances	300
15.12.020(D)	Failure to file required report by a person handling consumer quantities of hazardous material or chemical	300
15.12.070(A)	Failure to file required transshipment facility report	300
15.12.070(C)	Failure to display marking or warnings with respect to transshipment facility	100
15.12.070(D)(3)	Failure to notify fire department of time and quantity of a shipment of extremely hazardous substance	300
15.12.090(A)	Failure to obtain certificate of compliance	300
15.16.020	Crash post does not meet specifications	100
16.12.020	Obstruction of dock area by vehicle, cart, conveyance, or other transportation system	50
16.12.030	Vessel in excess of 65 feet using gridiron	50

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16.16.135	Launching or recovering vessel without paying fee or obtaining annual ramp launch sticker	100
16.16.150	Unapproved vessel mooring in harbor	100
16.16.170	Non-compliant electrical connection	100
16.16.190	Mooring without payment	100
16.16.200(A)	Dead storage prohibited	100
16.16.210	Use of harbor crane without permit of paying fee	100
16.20.040	Snow must be removed from dock, float, or finger	50
16.28.005(D)	Wood fires not permitted in port and harbor facilities	100
16.28.005(E)	Unlawful electrical system or connection	100
16.28.010(A)	Operating vessel in excess of three MPH within borough port and harbor facilities	50
16.28.010(B)	Operating vessel in a negligent manner	300
16.28.010(C)	Operating vessel in a negligent manner likely to endanger the safety of person or property	500
16.28.010(D)	Unlawful depositing of refuse or prohibited materials	100
16.28.010(E)	To fail to register with the harbormaster	100
16.28.010(F)	Leaving vessel or floating structure moored unattended while fire is burning	100
16.28.010(G)	Starting or allowing any fire on a float or dock	500
16.28.010(I)	Conducting unlawful business within the port and harbor facilities	100
16.28.010(J)	Living aboard a vessel moored in the harbor while prohibited or allowing	100

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	animal to run at large	
16.28.010(K)	Leaving cargo or other material on docks or other public place	50
16.28.010(L)	To fail to clean up after an animals	50
16.28.010(M)	Tapping, disconnecting, interfering with, or tampering with any water or electrical connection	100
16.28.010(N)	Interfering with any wharf or any other harbor facility	100
16.28.010(O)	Writing or posting printed matter upon any bulletin board without permission of the harbormaster	50
16.28.010(P)	Erecting or maintaining any advertising or other printed matter without approval from the harbormaster	50
16.28.010(Q)	To disregard or tamper with any notice relating to the use of mooring areas or other uses of port and harbor facilities	100
16.28.010(R)	To moor or connect to Letnikof Cove facility without paying fees	100
16.32.040(B)	Use of small boat harbor without paying required fees	100
16.32.045	Long-term parking outside designated area at Letnikof Cove Harbor	50
18.40.010	Land use permit required	250
18.40.040(A)	Temporary use permit required	250
18.40.040(B)	Exceeding scope of temporary permit	100
18.50.020	Conditional use permit required	250
18.70.030(A)	Violating restrictions in townsite planning/zoning district	100

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18.70.030(B)	Violating restrictions in Mud Bay planning/zoning district	100
18.70.030(B)(3)(g)	Setback violation	100
18.70.030(B)(3)(h)	Maintaining a prohibited use in RRZ	100
18.70.030(B)(4)(f)	Maintaining a prohibited use in Cannery Zone	100
18.70.030(C)	Violating restrictions in Lutak Inlet planning/zoning district	100
18.70.030(C)(3)(f)	Maintaining a prohibited use in RRZ	100
18.70.030(C)(3)(h)	Setback violation	100
18.70.030(C)(3)(i)	Building height violation	100
18.70.030(C)(3)(j)	Sign violation	100
18.70.030(C)(3)(k)	Use of RV as permanent dwelling or excessive RV's on property	100
18.70.030(C)(3)(l)	Noise violation	100
18.70.030(C)(4)(f)	Maintaining a prohibited use in Riparian Zone	100
18.70.030(D)	Violating restrictions in general use planning/zoning district	100
18.80.030(A)	Setback violation	100
18.80.040	Unlawful parking provided	100
18.90.030(A)	Failure to obtain sign permit	250
18.90.040	Excessive number of signs	100
18.90.050(B)	Projecting sign violation	100
18.90.050(C)	Portable sign obscuring traffic or sight angles	100
18.90.070	Prohibited sign in use	100
18.90.080(C)	Prohibited sign in Significant structures area zone	100
18.90.100(B)	Prohibited sign in residential zoning districts	100

**1.24.060 Attempt to commit minor offense prohibited.**

A. Every person who attempts to commit a minor offense but fails or is prevented or is intercepted in its perpetration is guilty of a minor offense and shall be punished in the manner prescribed for the infraction itself.

B. In a prosecution under this section, it is not a defense to the charge that it was factually or legally impossible to commit the offense allegedly attempted if the conduct engaged in by the defendant would be an offense had the circumstances been as defendant believed them to be.

**1.24.070 Aiding or Abetting minor offense prohibited.**

Every person who counsels, abets, or aids another in committing a minor offense is equally guilty of the minor offense and punishable in the same way.

**1.24.080 Ordinances Affecting Minor Offenses Sent to Borough Attorney**

Immediately after the Assembly enacts a code ordinance affecting, creating, or eliminating a minor offense, the Borough Clerk shall transmit the ordinance to the Borough Attorney. The Borough Attorney shall submit any necessary updates to the Alaska Court System for inclusion in the Uniform Table of Minor Offenses.

**1.24.090 Definitions.**

For purposes of this chapter, the following terms are defined as follows:

“Attempt” means engage in conduct that constitutes a substantial step toward commission of an offense.

“Solicit” means to ask, advise, authorize, command, incite, or urge.

**Section 5. Amendment of Section 2.06.035(C).** Section 2.06.035(C) of the Haines Borough Code is hereby amended as follows:

NOTE: **Bolded/UNDERLINED** ITEMS ARE TO BE ADDED  
**STRIKETHROUGH** ITEMS ARE DELETED

C. The disclosure must be true, correct and complete and shall be signed under oath or affirmation, or certified to be true under penalty of perjury. A person required to file a financial disclosure statement under this section who refuses or knowingly fails to disclose required information within the time required in this chapter, or who provides false or misleading information, knowing it to be false or misleading, is guilty of a violation and upon conviction is punishable by a fine of not less than \$100.00 nor more than \$500. ~~\$1,000 notwithstanding Chapter 1.24 HBC.~~ A municipal officer or candidate for an office who refuses or fails to file a financial disclosure statement required under this section when due shall not hold office, and the person's name shall not be submitted to the assembly for appointment or reappointment, until the person complies. The person may not be confirmed, hired, or appointed, and the person forfeits and may not be paid any salary, per diem, or travel expenses, until the person complies. If, after installation in office or beginning employment in the position, the person refuses or fails to file the required financial disclosure statement when due, the person is guilty of a violation and upon conviction is punishable by a fine of not less than \$100.00 nor more than \$500. ~~\$1,000 notwithstanding Chapter 1.24 HBC.~~ Any citizen eligible to vote in Alaska may bring a civil action to enforce any of the provisions of this section.

**Section 6. Amendment of Section 2.96.010.** Section 2.96.010 of the Haines Borough Code is hereby repealed and reenacted as Section 2.96.010 and 2.96.020 as follows:

**Comment [PM6]:** Former 9.01.080, but final definition of “violation” not included because unnecessary now that Minor Offense rules apply and set forth more comprehensive requirements.

**2.96.010 Unlawful activity and conduct.**

A. It shall be unlawful for:

1. Any person to give, render, pay, offer, solicit, or accept any money, service, or other valuable thing in attempting to secure any appointment, promotion, or advantage in a position in the borough service.
2. Any person to require personnel to subscribe, contribute, or provide a service to any political party.
3. Any person to seek or attempt to use any political party endorsement to secure any appointment or promotion in the borough service.
4. Any elected official or employee to solicit, negotiate for, or promise to accept anything of substantial value from any person, firm or company which is engaged in the transaction of business with the borough.
5. Any elected official or employee to use information which is obtained in the person's official capacity as an employee of the borough and which concerns the property, government or affairs of the borough to advance the financial or other private interests of the person or others.
6. Any elected official or employee to accept any loan, gift, gratuity, remuneration or compensation from any person, business or organization other than the borough when the same is offered in exchange for performing or discharging any official duty or responsibility.

B. A violation of this section is a minor offense and subject to a maximum fine of up to \$500 for each offense.

**2.96.020 Prohibited conduct**

A. It shall be prohibited for:

1. Any person, except a school district employee, to continue as an employee of the borough after being elected to the borough assembly.
2. Any person to take any action which affects the employment status of any other person when the reason for such action is predicated on race, color, religion, sex, or national origin.
3. Any person to make any false statement on any application, report or other document relating to employment status or to commit any other fraud which would prevent the fair and impartial execution of this code.
4. Any person to be employed in any position in any department whose immediate family member is the elected official, borough officer or department head under whom such person is employed.
5. Any elected official or employee to demand or request an applicant for employment to provide information relating to the applicant's religion, ancestry, race, or political convictions.
6. Any elected official or employee to invest, either directly or indirectly, in any business or participate in any private business transaction which conflicts with his official duties.
7. Any elected official or employee to be a party to the purchase of or influence the purchase of goods or services for the use of the borough from any business in which the person has a substantial financial interest unless the purchase is approved in advance by the assembly.

B. Any employee or official who violates this section shall be subject to discipline or those penalties provided in Chapter 2.06.

**Comment [PM7]:** We divided this section into two sections because some are appropriate to be treated as MOs, but others are really employment or ethical matters. This allows us to save the exact language but correctly identify the type of violation each action is.

**Section 7.** Amendment of Section 3.80.260. Section 3.80.260 of the Haines Borough Code is hereby amended as follows:

NOTE: **Bolded/UNDERLINED** ITEMS ARE TO BE ADDED  
~~STRIKETHROUGH~~ ITEMS ARE DELETED

**3.80.260 Violations a minor offense ~~misdemeanor~~.**

A seller, including a person, firm, co-partnership or corporation, or an officer, director or agent of a corporation acting on behalf of the seller, including a person with signatory authority over any corporate savings or checking accounts, who violates a provision of this chapter or who fails or refuses to comply with a request or demand of the clerk authorized or made under this chapter is guilty of a minor offense, ~~misdemeanor~~. **Prosecution under this chapter shall not limit the Borough's right to collect in a civil action all unpaid taxes, penalty and interest which may be owed.**

**Section 8.** Amendment of Section 5.02.020. Section 5.02.020 of the Haines Borough Code is hereby amended as follows:

NOTE: **Bolded/UNDERLINED** ITEMS ARE TO BE ADDED  
~~STRIKETHROUGH~~ ITEMS ARE DELETED

**5.02.020 Violation a minor offense ~~misdemeanor~~.**

An individual or entity subject to this chapter, or a responsible officer, director, or agent of an entity subject to this chapter, who violates the requirements of this chapter is guilty of a minor offense ~~misdemeanor~~, which is punishable by ~~not more than 30 days in jail and/or a \$1,000~~ a fine **in the amount of \$100 for each month a business operates without a license or in violation of the license, each of which shall constitute a separate offense, up to a maximum total fine of \$1,000.**

**Section 9.** Amendment of Section 5.04.140. Section 5.04.140 of the Haines Borough Code is hereby amended as follows:

NOTE: **Bolded/UNDERLINED** ITEMS ARE TO BE ADDED  
~~STRIKETHROUGH~~ ITEMS ARE DELETED

**5.04.140 Penalties.**

A. Operation of any commercial tour or business enterprise for which a permit is required under this title without a permit, or the failure to follow any permit condition, shall constitute ~~an offense punishable~~ **a minor offense which**, upon conviction, **shall be punishable** by a fine ~~not exceeding \$1,000~~ **of \$500** for each offense, **unless a different amount is specified in HBC 1.24.040**, plus any surcharge required to be imposed by AS 12.55.039.

B. The securing of a permit through deceit, fraud, or intentional misrepresentation shall constitute an offense punishable, upon conviction, by a fine ~~not exceeding \$500~~ **of \$500**, plus any surcharge required to be imposed by AS 12.55.039. **The permit may also be revoked through administrative proceedings**, ~~as well as revocation of the permit.~~

C. The commission by a permittee of an act of fraud, misrepresentation, or cheating that would constitute an unlawful act or practice under AS 45.50.471, either through the permittee's own act or through the acts of the permittee's employee, agent, or representative, in relation to an activity authorized under a permit, is, upon conviction, punishable by a fine ~~of \$300~~ **of \$500** ~~not exceeding \$300~~ for each violation plus any surcharge required to be imposed by AS 12.55.039.

D. The borough may institute a civil action against a person who violates this chapter. An action to enjoin a violation may be brought notwithstanding the availability of any other remedy.

**Comment [PM8]:** Recommend be made a minor offense because it will almost never make practical sense to prosecute failure to obtain business license as a misdemeanor (with trial by jury, public defender, etc.). Real question is how to structure a fine in a way that makes sense. Should be high enough to encourage compliance, but should get worse as the violation get more egregious (i.e., a slightly late application should not be penalized the same amount as one who operates for a year without getting a license. This is one way we could do that, but it is just a proposal that can be changed.

On application for injunctive relief and a finding of a violation or a threatened violation, the superior court shall grant the injunction.

**Section 10.** Amendment of Section 5.04.150. Section 5.04.150 of the Haines Borough Code is hereby amended as follows:

NOTE: **Bolded/UNDERLINED** ITEMS ARE TO BE ADDED  
**STRIKETHROUGH** ITEMS ARE DELETED

**5.04.150 Offenses separable.**

Each such person **who violates a provision of this chapter or a provision of any permit issued under this chapter** is guilty of separate offense for each and every day during any portion of which any violation of any provision of any permit issued under this chapter is committed, continued or permitted by any such person.

**Section 11.** Amendment of Section 5.08.020. Section 5.08.020 of the Haines Borough Code is hereby amended as follows:

NOTE: **Bolded/UNDERLINED** ITEMS ARE TO BE ADDED  
**STRIKETHROUGH** ITEMS ARE DELETED

**5.08.020 Solicitation on private property without invitation prohibited.**

The practice of going in and upon private residences in the borough by transient solicitors, peddlers, hawkers, itinerant merchants, or transient vendors of merchandise not having been requested or invited to do so by the owner or occupant of the private residence for the purpose of soliciting orders for the sale of goods, wares, and merchandise and/or disposing of and/or peddling or hawking the same is **unlawful.** ~~declared to be a nuisance and punishable as such nuisance.~~

**Section 12.** Amendment of Section 6.08.060. Section 6.08.060 of the Haines Borough Code is hereby amended as follows:

NOTE: **Bolded/UNDERLINED** ITEMS ARE TO BE ADDED  
**STRIKETHROUGH** ITEMS ARE DELETED

**6.08.060 Impoundment and citations.**

A. The manager shall appoint an animal control officer or firm whose duties shall be to enforce the provisions of this title. The borough shall provide an animal shelter where dogs may be impounded. In the absence of an animal control officer or firm contracted to enforce the animal control regulations, or if the assembly determines that additional personnel are necessary, the manager may appoint someone on a temporary basis to fulfill the animal control officer's duties.

B. The animal control officer shall have the authority to impound any dog found running at large or kept in violation of this title and any unlicensed dog found, other than a seeing-eye dog. Whether the dog is impounded or not, if the owner or keeper is known, the police department or animal control officer shall immediately give notice verbally or in writing to the owner or keeper that such dog has been impounded, is running at large or is otherwise in violation of this title. The police department **or animal control officer or firm** may cite the owner or keeper of the dog to appear in court to answer a charge of violation of this title. **Any citation issued for a violation of this title shall be processed by the court system in accordance with Chapter 1.24 HBC.**

C. Any person may file a complaint with the animal control officer or police that a dog is running at large or is otherwise in violation of this title and it shall be the duty of the animal control officer or police department to give notice to the owner or keeper as provided in subsection (B) of this section.

D. When a dog has been impounded, and if the owner or keeper is known or can be ascertained from the dog tag or records of the borough, the police department shall notify the dog's owner or keeper of the impoundment as soon as possible and of the fact that the animal may be redeemed according to the provisions of this title. The police department shall keep a record of all dogs impounded including the dog's description and the disposition of the dog.

**Section 13.** Amendment of Section 6.08.130(A). Section 6.08.130(A) of the Haines Borough Code is hereby amended as follows:

NOTE: **Bolded/UNDERLINED** ITEMS ARE TO BE ADDED  
~~STRIKETHROUGH~~ ITEMS ARE DELETED

**6.08.130 Penalties for violations.**

A. Any person accused ~~convicted~~ of violating HBC 6.08.030 concerning dangerous dogs or HBC 6.08.040 or 6.08.050 concerning rabies, shall appear in court and, upon conviction, is guilty of a minor offense and punishable by a fine of up to \$500. ~~control shall be guilty of a misdemeanor punishable by a fine of up to \$1,000 and/or imprisonment up to 30 days.~~

B. Any person violating the provisions of, or failing to comply with, any other section of this chapter is guilty of a minor offense ~~violation~~ and, unless otherwise specifically provided, shall be fined as follows: in the amount set forth in HBC 1.24.040, or if no fine is there established, a fine of not more than \$500.

~~1. Spayed or Neutered Dog (Owner or keeper must provide veterinarian's proof of spay/neuter procedure):~~

<del>First violation —</del>	<del>\$25.00</del>
<del>Second violation —</del>	<del>\$50.00</del>
<del>Third and subsequent violations —</del>	<del>\$100.00</del>

~~2. Nonspayed or Nonneutered Dog:~~

<del>First violation —</del>	<del>\$75.00</del>
<del>Second violation —</del>	<del>\$150.00</del>
<del>Third and subsequent violations —</del>	<del>\$300.00</del>

~~C. A past violation taken into account in determining a fine payable under subsection (B) of this section will be deleted from an animal's record if such animal has had no violations for a period of three calendar years from the date of that prior violation. A fine imposed under subsection (B)(2) of this section shall be vacated and a lesser fine imposed under subsection (B)(1) of this section, if, within 30 days of the date of the violation, proof from a licensed veterinarian showing that the offending dog has been spayed or neutered is presented to the police department.~~

**Section 14.** Amendment of Section 8.08.050. Section 8.08.050 of the Haines Borough Code is hereby amended as follows:

NOTE: **Bolded/UNDERLINED** ITEMS ARE TO BE ADDED

**Comment [PM9]:** Chief Musser recommends amending these to be minor offenses, and our office agrees that that is preferable from an enforcement perspective. In order to emphasize the seriousness of these offenses however we have made them mandatory court appearance offenses with the maximum allowable fine. On the other hand, a case could be made that these should be misdemeanors since they more directly threaten health and safety than most minor offenses. There is no equivalent state statute to allow violations to be charged as state crimes, so the Borough could decide it wants to be able to charge these as misdemeanors (in which case this section can likely remain as is)

Subsection B provides a fine schedule for all other violations of this chapter. It could be left as-is, but our understanding is that second and third violation fines (so called "graduated fines") are not being assessed on any regular basis. They also require a court appearance so that the magistrate can confirm that multiple offenses have occurred, thereby eliminating the benefit of the scheduled fine (namely, not requiring a court appearance by either the officer or the violator). We therefore recommend deleting them and making all violations the same amount, except for altered /non-altered.

STRIKETHROUGH ITEMS ARE DELETED

**8.08.050 Compliance – Enforcement.**

A person violating a provision of this chapter shall be subject to punishment according to the provisions of HBC Chapter 1.24.040.

**Section 15.** Repeal and reenactment Section 8.12.140. Section 8.12.140 of the Haines Borough Code is hereby repealed and reenacted as follows:

**8.12.140 Enforcement.**

A. The abatement official or any police officer may cite an offender or property owner for a violation of any provision of this chapter, whether or not abatement proceedings are instituted. Such a violation shall be considered a minor offense and is punishable by a fine set forth in HBC 1.24.040, or if no fine is there established, a fine of not more than \$500. Any proceeding instituted for such a violation is separate from, and shall not affect, the abatement process provided for in this chapter.

B. Each act of violation and every day upon which the violation occurs shall constitute a separate offense.

C. In addition to prosecuting a violation of this section, the City may initiate the nuisance abatement procedures set forth in HBC 8.12.040 - .130 against any person maintaining a nuisance or against any property upon which a nuisance is deemed to exist, whether or not the person is cited for a violation of this chapter. In any such proceeding, the City shall be entitled to collect a civil penalty in the same amount of the fine established by this Title and HBC 1.24.040 for the same violation for every day the violation exists.

D. In addition to other remedies or procedures provided in this chapter, any public nuisance may be restrained, enjoined or otherwise abated by the city in a civil action.

**Section 16.** Amendment of Section 8.16.025. Section 8.16.025 of the Haines Borough Code is hereby amended as follows:

NOTE: **Bolded/UNDERLINED** ITEMS ARE TO BE ADDED  
STRIKETHROUGH ITEMS ARE DELETED

**8.16.025 Use of fireworks near port facilities prohibited.**

~~A.~~ It is unlawful for any person other than a licensed pyrotechnician who has a contract with the borough and their agents and employees to discharge fireworks in, on, under, or within 250 feet of any of the borough's port facilities, including, but not limited to, Letnikof Cove, Port Chilkoot Dock, Lutak Dock, and the boat harbor.

~~B. A person violating the provisions of, or failing to comply with the prohibitions of, this chapter is guilty of a violation, and unless otherwise specifically provided, shall be punished by a fine of not more than \$300.00.~~

**Section 17.** Amendment of Chapter 8.16. Chapter 8.16 of the Haines Borough Code is hereby amended to include a new Section 8.16.040 to read as follows:

**Comment [PM10]:** We propose to revise this section to make it clear that the Borough can issue citations for nuisance violations without going through the entire abatement process if it chooses to do so. The ticket would subject the offender to a fine, but the City would not be required to abate the nuisance if it did not choose to do so. The offender would have incentive to do so because each subsequent day it is not corrected, the offender can be cited as a new offense.

Any time the Borough does want to abate the nuisance on its own dime (and then try to recover costs from the owner), it can do so by following the abatement process. This allows more flexibility to try to compel timely compliance by issuing a ticket before taking the relatively drastic step of abating the nuisance.

Can also make any violation of this chapter a mandatory court appearance by omitting it from the scheduled offenses table, or by designating it as such here.

A person violating the provisions of, or failing to comply with the prohibitions of, this chapter is guilty of a minor offense, and unless otherwise specifically provided, shall be punished by a fine of not more than \$300.00.

**Section 18.** Amendment of Section 8.18.090. Section 8.18.090 of the Haines Borough Code is hereby amended as follows:

NOTE: **Bolded/UNDERLINED** ITEMS ARE TO BE ADDED  
~~STRIKETHROUGH~~ ITEMS ARE DELETED

**8.18.080 Violations and penalties.**

A. It is unlawful for any person to smoke in any area where smoking is prohibited or for any person who owns, manages, operates, or otherwise controls the use of premises subject to this chapter to fail to comply with the provisions of this chapter.

B. A person who smokes in an area where smoking is prohibited by the provisions of this chapter is subject to a fine of \$100.00.

C. A person, owner, manager, employer, or operator who controls a public place, a business, an enclosed area, place of employment or place of child care or other premises in violation of this chapter is subject to HBC 8.18.090(B) and **a penalty in the amount of \$200 for every violation of this chapter.** ~~the following penalties:~~

- ~~1. A fine of \$100.00 for a first violation;~~
- ~~2. A fine of \$200.00 for a second violation within a 24-month period; and~~
- ~~3. A fine of \$300.00 for a third or additional violation within a 24-month period.~~

D. Each and every day that a violation occurs is a separate violation.

**Section 19.** Amendment of Section 8.18.090. Section 8.18.090 of the Haines Borough Code is hereby amended as follows:

NOTE: **Bolded/UNDERLINED** ITEMS ARE TO BE ADDED  
~~STRIKETHROUGH~~ ITEMS ARE DELETED

**8.18.090 Enforcement.**

A. The borough manager or designee **and the borough police department shall enforce** ~~must administer~~ this chapter. A person who desires to register a complaint hereunder may initiate enforcement consideration with the borough manager **or borough police department.** ~~or designee.~~ **A person or entity believed to have violated any provision of this chapter may be cited pursuant to Chapter 1.24 HBC. Any person convicted of a violation of this chapter is guilty of a minor offense.**

B. Before citing an operator for violation of this chapter, the borough manager **or police department** ~~must~~ provide the operator with a written warning for the violation. Thereafter, the operator is subject to the penalties set out in HBC 8.18.080.

C. In addition to the remedies provided in this chapter, a person aggrieved by the failure of the owner, operator, manager or other person in control of a public place or place of employment to comply with the provisions of this chapter may apply for injunctive relief to enforce those provisions in a court of competent jurisdiction.

**Section 20.** Amendment of Section 8.20.040. Section 8.20.040 of the Haines Borough Code is hereby amended as follows:

NOTE: **Bolded/UNDERLINED** ITEMS ARE TO BE ADDED  
~~STRIKETHROUGH~~ ITEMS ARE DELETED

#### 8.20.040 Fines.

A. Each person who owns and/or is in control of property that creates, maintains, or permits a bear attraction nuisance on the property shall be charged with a minor offense ~~an infraction~~ and subject to a fine as set forth in HBC 1.24.04-40.

B. Each and every day during any portion of which a violation or failure to comply is committed, permitted, or continued, shall be treated as a separate offense, and subject the offender to separate charges and a fine as provided in subsection (A) of this section.

**Section 21.** Repeal of Chapter 9.01. Chapter 9.01 of the Haines Borough Code is hereby repealed in its entirety.

**Section 22.** Amendment of Section 9.08.030. Section 9.04.010 of the Haines Borough Code is hereby amended as follows:

NOTE: **Bolded/UNDERLINED** ITEMS ARE TO BE ADDED  
~~STRIKETHROUGH~~ ITEMS ARE DELETED

#### 9.04.010 Consumption of alcoholic beverages in public places.

A. It is unlawful to possess an open bottle, can, or other receptacle containing an alcoholic beverage within the passenger compartment of a vehicle.

B. It is ~~unlawful~~ to consume alcoholic beverages  
(1) upon the public streets or highways; ~~or~~  
(2) in any public place other than a premises covered by a liquor control license; ~~or~~  
(3) on any public school property; ~~or~~  
(4) at any public or private school-related function.

**Section 23.** Amendment of Section 9.08.030. Section 9.08.030 of the Haines Borough Code is hereby amended as follows:

NOTE: **Bolded/UNDERLINED** ITEMS ARE TO BE ADDED  
~~STRIKETHROUGH~~ ITEMS ARE DELETED

#### 9.08.030 Penalty for violation of curfew ordinance.

A person who fails to abide by the provisions of this chapter shall be guilty of a violation and subject to a fine of ~~not more than~~ \$250.00.

**Section 24.** Repeal and reenactment Chapter 10.06. Chapter 10.06 of the Haines Borough Code is hereby repealed and reenacted as follows:

#### 10.06.010 State traffic laws and regulations adopted by reference.

A. The borough adopts all vehicle and traffic statutes and regulations of the state of Alaska, as they presently exist and as they may be revised in the future, including those which apply to motorcycles.

B. Notwithstanding subsection A of this section, the borough does not adopt those state traffic laws that establish misdemeanor and felony offenses which are not listed on Alaska Supreme Court bail forfeiture schedules, including AS 28.35.030.

**Comment [PM11]:** This section is now superfluous as it sets forth the same basic requirements, procedures, and definitions that are in the Uniform Minor Offense Rules and the proposed new Chapter 1.24. Because basically all violations of the Code are to be minor offenses, not just those in this Title, it makes sense to put all enforcement procedure material in the same place (Chapter 1.24)

**Comment [PM12]:** This is typically an offense with a scheduled fine, which would be accomplished by deleting the "not more than" language here. But the Assembly may decide to leave this as a variable fine and/or a mandatory court appearance if it prefers.

**Comment [PM13]:** PREVIOUS draft had this as 10.02.010 but should not be repealing all of 10.02, rather 10.06-10.32

**Comment [PM14]:** We recommend a wholesale incorporation of state traffic laws rather than listing them each individually as is currently the case in 10.06-10.32. We could replace one of these chapters with special provisions the Borough has enacted to cover issues not addressed by a different state statute or which are particular to Haines (e.g., 10.16.200, 220-300), but all the ordinances listing a state law or reg would be eliminated from the Code. The main reason not to do this is if the borough intends to set different fines from the state for offenses incorporated by reference (which cannot be done if incorporated by reference). The Borough currently uses the state fines (10.50.010) so this would not seem to be a concern or reason enough to keep the individualized listings of traffic offenses in code, but this is an enforcement and policy decision we should discuss with the Chief and the Assembly. HBC 10.04, 10.44, 10.26 would all need review and likely to be incorporated into new chapters, or re-organized into the same chapter because they contain provisions other than state laws and regs by incorporation. 10.34 (ATVS and snow machines) would likely stay as is, but be incorporated in the bail schedule (1.24.040)

C. All citations issued under this chapter shall use the appropriate "AS" or "AAC" or CFR statute or regulation numbers, include a description of the offense, indicate that the offense was adopted by reference as a borough ordinance, and the the charging entity or plaintiff is the Haines Borough.

D. Additional traffic ordinances of the borough that are necessary to meet specific local requirements shall be incorporated in other chapters of this title.

E. When the context requires, the term "Alaska State trooper" or "peace officer" when used in a provision incorporated by reference under subsection (A) of this section shall be deemed to mean and construed as identical with chief of police, police officer, or such other local police officer sworn to undertake the duties prescribed in HBC [10.02.020](#). When the context requires, the term "department" appearing in the Alaska Statutes and Alaska Administrative Code provisions adopted by reference shall be construed to mean the Haines police department.

Comment [PM15]: Former 10.02.010(B)

#### 10.06.020 Fine Schedule for State Traffic Offenses Adopted by Reference.

A. The borough adopts as its traffic fine schedule for state traffic offenses adopted by reference the "Traffic Bail Forfeiture Schedule" and the "Oversize Vehicle Bail Forfeiture Schedule" in Administrative Rules 43.1 and 43.6 of the Alaska Rules of Court and any other bail forfeiture schedules relating to vehicles adopted by the Alaska Supreme Court. In addition, the borough adopts all amendments of those schedules that become effective after the effective date of the ordinance codified in this chapter. Citations for offenses listed on those schedules may be disposed of as provided in AS 12.25.195 through 12.25.230, without a court appearance, upon payment of the amounts listed plus the state surcharge required by AS 12.55.039 and 29.25.074. If a person charged with one of these offenses appears in court and is found guilty, the penalty imposed for the offense may not exceed the amount listed for that offense on the schedule. Citations charging these offenses must meet the requirements of Minor Offense Rule 3 of the Alaska Rules of Court. If an offense is not listed on the fine schedule, the defendant must appear in court to answer to the charges.

B. For violation of a provision of this title that does not adopt an Alaska Statute ("AS") or state regulation ("AAC") by reference and that may be satisfied by the payment of bail, the applicable fine for such violation is listed in HBC 1.24.040.

#### 10.06.030 Fine Schedule for Local Traffic Offenses

In accordance with AS 28.05.151(a), citations for the following offenses may be disposed of as provided in AS 12.25.195-.230, without a court appearance, upon payment of the fine amounts listed below plus the state surcharge required by AS 12.55.039 and AS 29.25.074. Fines must be paid to the court. The Rules of Minor Offense Procedure in the Alaska Rules of Court apply to all offenses listed below. Citations charging these offenses must meet the requirements of Minor Offense Rule 3. If a person charged with one of these offenses appears in court and is found guilty, the penalty imposed for the offense may not exceed the fine amount for that offense listed below. These fines may not be judicially reduced. If an offense is not listed on the fine schedule, or if the citation indicates a court appearance is required, the defendant must appear in court to answer to the charges.

The fine amounts listed below are doubled for motor vehicle or traffic offenses committed in a highway work zone or traffic safety corridor, as those terms are defined in AS 28.90.990 and 13 AAC 40.010(b).

An offense listed in this schedule may not be disposed of without court appearance if the offense is in connection with a motor vehicle accident that results in the death of a person.

Code Section	Offense Description	Fine Amount
10.08.010	Starting parked vehicle - excessive acceleration	15

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10.08.020(A)	Driving on sidewalks - vehicle	20
10.08.020(B)	Driving on sidewalk in CBD - bicycle	20
10.08.020(C)	Failure to yield - bicycle	20
10.08.030	U-turn where prohibited	30
10.08.040	Projections on wheels or tracks prohibited	20
10.08.050	Dragging objects prohibited	150
10.08.060	Projecting load on passenger vehicles	20
10.08.070	Carrying animals on outside of vehicles	125
10.08.080(A)	Use Of coaster, roller skates, sleds or skis on roadway	25
10.08.080(B)	Use of skateboard or human powered device in prohibited area	25
10.08.080(C)	Negligent operation of device	25
10.34.005(B)	Operating a snow machine or ATV in unauthorized location or after hours.	30
10.34.005(C)	Operating a snow machine or ATV under 16 years of age.	30
10.34.005(D)	Driver's license required to operate snow machine or ATV	30
10.34.005(E)	Registration of snow machine or ATV required	30
10.34.005(F)	Proof of insurance	30
10.34.005(G)	Excess passengers - 13 AAC 02.445	30
10.34.005(H)	Speed in excess of 25 mph or other violation of traffic regulations	30
10.34.005(I)	Failure to signal turn	30
10.34.005(J)	ATV or snow machine on sidewalk or pedestrian way	30
10.34.005(K)	Failure to stop snow machine or ATV when directed to do so by a police officer	30
10.34.005(M)	Owner responsibility for violation	30
10.34.009(A)	Snow machine or ATV not equipped with functional headlight, taillight, and brake light	30
10.34.009(B)	Failure to maintain equipment in good working order	30
10.34.010(A)	Parental responsibility for violation	30
10.42.010	Bicycle violations: operator to obey rules of the road	30
10.42.020	Bicycle violations: parents responsible for actions/violations	30

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10.42.030	Bicycle violations: obey signs/dismount and act as pedestrian	30
10.42.040	Bicycle violations: two or more on bike made for one	30
10.42.050	Bicycle violations: attaching to other vehicle/hooky-bobbing	30
10.42.060	Bicycle violations: minimum of one hand on handle bars	30
10.42.070	Bicycle violations: unicycle/coaster/roller skates on roadway prohibited	30
10.42.080	Bicycle violations: ride on right side of roadway	30
10.42.090	Bicycle violations: yield to vehicle upon audible signal	30
10.42.100	Bicycle violations: no more than two bikes abreast in one lane	30
10.42.110	Bicycle violations: must use shoulder when available	30
10.42.120	Failure to give auditable signal passing pedestrian	30
10.42.130	Bicycle violations: turn and signal requirements	30
10.42.140	Bicycle violations: ride in business district where prohibited	30
10.42.160	Bicycle Violations: Bike Parking Requirements	30
10.42.170	Bicycle violations: bike not to enter limited use areas	30
10.42.180	Bicycle violations: yield to traffic	30
10.42.190	Bicycle violations: headlight requirements	30
10.42.200	Bicycle violations: taillight requirements	30
10.42.210	Bicycle violations: reflector requirements	30
10.42.220	Bicycle violations: brake requirements	30
10.44.010	Parking during snow removal	25
10.44.020	Prohibited 24-hour parking – impounding vehicles	25
10.44.030	Time limit parking	25
10.44.050	Standing or parking close to curb	25

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10.44.060(A)	Signs or markings indicating angle parking	25
10.44.070	Obedience to angle-parking signs or markings	25
10.44.080(B)	Violating permit for loading or unloading at an angle to the curb	25
10.44.090(A)	Stopping, standing, or parking prohibited – no signs required	25
10.44.090(B)	Moving the vehicle of another into unlawful parking area	25
10.44.100	Parking not to obstruct traffic	25
10.44.110	Parking in alleys	25
10.44.120(A)	Parking for certain purposes prohibited: displaying such vehicle for sale	25
10.44.120(B)	Parking for certain purposes prohibited: washing, greasing, or repairing	25
10.44.130(B)	Parking adjacent to schools	25
10.44.140(B)	Parking prohibited on narrow streets	25
10.44.150	Standing or parking on one-way streets	25
10.44.160(B)	No stopping, standing, or parking near hazardous or congested places	25
10.44.210(A)	Abandonment of vehicle	25
10.44.210(B)	Exceeding time limit for parking in designated areas	25
10.44.220	Unauthorized parking on private property	25
10.48.010	Pedestrians must obey regulations	25
10.48.020	Pedestrians not to enter limited use areas	25
10.48.030	No pedestrian may walk into path of vehicle	25
10.48.040	Pedestrian must cross at crosswalk	25
10.48.050	Pedestrian must yield to vehicles	25
10.48.060	Crossing roadway where prohibited	25
10.48.070	Diagonally cross intersection must use sidewalks	25
10.48.080	Must walk on left side/shoulder of roadway	25

10.48.090	Pedestrian creates hazard/interferes with traffic	25
10.48.100	Sleep/loiter/obstruct highway	25
10.48.110	Solicit ride/distracts driver	25
10.48.120	Nonblind pedestrian not to use cane/dog	25
10.48.130	Pedestrian must yield to emergency vehicle	25
10.48.140	Pedestrian not to cross against "don't Walk" signal	25

**10.06.040 Mandatory appearance and surcharges.**

A person who violates a provision of this title that is not on the Fine Schedule for State offenses adopted by reference or on the borough's Fine Schedule for local traffic offenses is subject to a mandatory court appearance and, upon conviction payment of the fine imposed plus the state surcharge required by AS 12.55.039 and AS 29.25.074.

**Section 25.** Repeal of Chapters 10.08, 10.10, 10.12, 10.14, 10.16, 10.18, 10.20, 10.24, 10.26, 10.28, 10.30, 10.32, 10.34, 10.36, 10.38, 10.40. Chapters 10.08, 10.10, 10.12, 10.14, 10.16, 10.18, 10.20, 10.24, 10.26, 10.28, 10.30, 10.32, 10.34, 10.36, 10.38, 10.40 of the Haines Borough Code are hereby repealed in their entirety.

**Section 26.** Addition of new Chapter 10.08. There is enacted a new Chapter 10.08 of the Haines Borough Code to read as follows:

**Chapter 10.08 Miscellaneous offenses**

**10.08.010 Starting parked vehicle – Excessive acceleration.**

A person may not accelerate a vehicle which is stopped, standing, or parked on or along a highway, or which is entering a highway, so rapidly as to unnecessarily cause the tires to squeal or spin on the highway or on the surface on which the vehicle is standing immediately before it enters the highway or which causes the driver to lose control of the vehicle or causes the vehicle to fishtail.

**10.08.020 Driving on sidewalks**

A. The driver of any vehicle, except a bicycle, shall not drive within any sidewalk area except at a permanent or temporary driveway.

B. No person shall ride a bicycle upon a sidewalk within the central business traffic district or any business district excepting police and emergency response personnel operating a bicycle during the discharge of their duties.

C. Whenever any person is riding a bicycle upon a sidewalk, such person shall yield the right-of-way to any pedestrian and shall give audible signal before overtaking and passing such pedestrian.

**10.08.030 U-turns prohibited where posted.**

Where posted, a driver of a vehicle shall not turn within a street or intersection such vehicle so as to proceed in the opposite direction.

**10.08.040 Projections on wheels or tracks prohibited.**

**Comment [PM16]:** Leaving 10.04 to deal with impoundment; 10.42 to address biking violations; 10.48 dealing with pedestrians.. Traffic violations will become 10.06 incorporating all state laws. The remainder of these chapters are being eliminated entirely to allow the wholesale incorporation we discussed. Any laws that are not state laws or are specific to Haines I will include in the new 10.08 Miscellaneous Offenses.

10.26.300(D). Violation – Penalty. Any person violating any provision of this chapter shall be guilty of a traffic violation and, upon conviction, shall be punished by being assigned a \$25.00 fine for the first offense, and increasing in increments of \$5.00 for each subsequent offense.

**Comment [PM17]:** Former 10.16.200

**Comment [PM18]:** Former 10.26.220, etc. All remaining provisions are part of former 10.26 and do not specifically invoke/adopt a state law. Several that did in former section 1026 were omitted.

No person shall drive or propel any vehicle or object upon any street or highway in the townsite service area which shall have any wheel, tire, or track made or equipped with spikes, cleats, lugs or other attachments or projections, except tire chains. Studded tires which fall within the exclusion of 13 AAC 04.230(b)(3) are not prohibited.

**10.08.050 Projecting loads on passenger vehicles.**

No passenger-type vehicle shall be operated on any street or highway with any load carried thereon extending beyond the line of the hub caps on its left side or more than eight feet in total width.

**10.08.060 Carrying animals on outside of vehicles.**

It is unlawful for any person to transport any living animal on the running board, fenders, hood, or other outside part of any vehicle, unless suitable harness, cage, or enclosure be provided and so attached as to protect such animal from falling or being thrown therefrom.

**10.08.080 Use of coaster, roller skates, sleds and skis.**

A. No person upon roller skates, skis, or riding in or by means of any coaster, sleds, toy vehicles, or similar device, shall go upon any townsite service area roadway except while crossing a street on a crosswalk and, when so crossing, such person shall be granted all of the rights and shall be subject to all the duties applicable to pedestrians. For the purposes of this section, the term "roadway" means that portion of a highway, city street, or road designed or ordinarily used for vehicular travel, exclusive of the sidewalk, berm, shoulder, or right-of-way. The berm or shoulder of the right-of-way may be used by persons riding bicycles or other similar human-powered vehicles. Skateboards, skis, coasters, sleds, toy vehicles, or similar devices are prohibited on sidewalks in business districts, or where otherwise regulated by signage.

B. Prohibited Sidewalks and Areas. No person shall ride a skateboard or other similar human-powered vehicle as defined in subsection (A) of this section:

1. On the sidewalks on Main Street between Third Avenue and Front Street;
2. On the sidewalks on Second Avenue between Main Street and Dalton Street;
3. On the sidewalks on Third Avenue between Main Street and Haines Highway;
4. At Lookout Park;

5. On the sidewalks on Main Street between Third Avenue and Fifth Avenue during school hours and one-half hour before and one-half hour after.

C. Negligent Operation. No person shall operate one of the devices described in subsection (A) of this section in a negligent manner. "To operate in a negligent manner" means the operation of a device in such a manner as to endanger or be likely to endanger any person or property. Examples of operating in a negligent manner include, but are not limited to, failure to obey all traffic control devices, failure to yield right-of-way to pedestrians and/or vehicular traffic.

**Section 27.** Repeal of Section 10.34.050. Section 10.34.050 of the Haines Borough Code is hereby repealed.

**Section 28.** Repeal of Sections 10.44.040, 10.44.230, 10.44.240, and 10.44.250. Sections 10.44.040, 10.44.230, 10.44.240, and 10.44.250 of the Haines Borough Code are hereby repealed in their entirety.

**Comment [PM19]:** We originally adopted these provisions to deal with the fact that the Minor Offense Rules required personal service as originally enacted, which meant that parking tickets could not be left on the vehicle. The amended Rules corrected that deficiency, so we recommend deleting these provisions so that parking violations will be minor offenses like everything else. This keeps the Borough from having to hear "appeals" of parking tickets, which is required under the administrative system in these chapters.

I am not aware of any reason to leave procedural directives in this section, but if for any reason the Chief thinks that it would be helpful to state any procedures that might be slightly different for parking violations from other minor offenses, we can include those.

**Section 29. Repeal of Chapter 10.50.** Chapter 10.50 of the Haines Borough Code is hereby repealed and re-enacted as follows:

**10.50.010 Citations for violations and disposition of fines.**

A. When a person is stopped or contacted by a borough peace officer for the commission of a motor vehicle or traffic offense that is a violation of this title, the officer shall, except when otherwise required by law or the immediate circumstances, issue a citation to the person in charge of, or operating, the motor vehicle involved. A citation issued pursuant to this subsection must meet the requirements of AS 12.25.200 and the Alaska Rules of Minor Offense Procedures. The borough shall use the Alaska Uniform Citation form, or the electronic version, if authorized.

B. A citation for a violation of a state motor vehicle law that has been incorporated by reference in this Title shall reference the Alaska Statute or Alaska Administrative Code section that has been violated and indicate that the law or regulation has been incorporated in the borough Code by reference. All such citations shall list the Haines Borough as the prosecuting entity and shall be submitted to and processed by the Alaska court system. Fines paid to the court for that violation shall be remitted to the borough.

C. A citation for a violation of a provision of this title that does not adopt by reference a provision of the state motor vehicle laws shall reference only the appropriate borough code section. Fines paid to the court for that violation shall be remitted to the borough.

D. If the offender refuses to accept the citation the citing peace officer shall arrest the offender in the manner otherwise provided by law.

**10.50.020 Lesser penalty controlling.**

In the event conflicting maximum penalties are prescribed by adopted statute or regulation, or by Alaska Supreme Court bail forfeiture schedules or by separate code section, the lesser penalty shall be the controlling maximum.

**Section 30. Amendment of Section 11.44.030.** Section 11.44.030 of the Haines Borough Code is hereby amended as follows:

NOTE: **Bolded/UNDERLINED** ITEMS ARE TO BE ADDED  
~~STRIKETHROUGH~~ ITEMS ARE DELETED

**11.44.030 Penalty.**

~~Any person convicted of a **A** violation of any of the sections of this chapter is a minor offense. shall be subject to punishment as provided in this code.~~

**Section 31. Amendment of Section 12.12.040.** Section 12.12.040 of the Haines Borough Code is hereby amended as follows:

NOTE: **Bolded/UNDERLINED** ITEMS ARE TO BE ADDED  
~~STRIKETHROUGH~~ ITEMS ARE DELETED

**12.12.040 Installation of numbers.**

~~**A**~~ Numbers at least four inches high, of a color which contrasts with the background on which they are mounted, or with a reflective surface, must be installed on each and every building as designated in the official building numbering index kept in the planning office. The developer shall place the numbers assigned by the planner on the developer's building at a location specified by the fire department for maximum visibility for police, fire, and rescue crews.

**Comment [PM20]:** This is essentially 10.50.040 updated to reflect the new rules and codification in 1.24 and 10.06

~~B. Any person violating a provision of this chapter shall be punished by a fine not exceeding \$300.00.~~

**Section 32.** Amendment of Section 12.40.060. Section 12.40.060 of the Haines Borough Code is hereby amended as follows:

NOTE: **Bolded/UNDERLINED** ITEMS ARE TO BE ADDED  
~~STRIKETHROUGH~~ ITEMS ARE DELETED

**12.40.060 Enforcement and penalties.**

A. Enforcement.

1. The Haines Borough manager shall have the right to issue administrative regulations pertaining to use of the property subject to approval of the assembly.
2. The Haines Borough police department, other licensed peace officers, and designated Haines Borough employees shall have the authority to enforce this chapter and any borough manager regulations and may eject from the park any persons acting in violation of this chapter or any temporary use permit issued for use of the property.
3. Nothing in this chapter shall prevent Haines Borough employees from performing their assigned duties.
4. **A violation of this chapter or a permit issued under it shall be a minor offense.** Enforcement of this chapter shall be in the same manner set forth in Chapter **1.24** ~~9-04~~ HBC.

B. Penalties. Violations of this chapter are subject to the ~~same~~ penalties ~~as~~ provided in Chapters 1.24 ~~and 9-04~~ HBC.

**Section 33.** Amendment of Section 13.04.350. Section 13.04.350 of the Haines Borough Code is hereby amended as follows:

NOTE: **Bolded/UNDERLINED** ITEMS ARE TO BE ADDED  
~~STRIKETHROUGH~~ ITEMS ARE DELETED

**13.04.350 Penalties.**

Any person violating a provision of this chapter shall, upon conviction thereof, be punished by a fine ~~not exceeding~~ **in the amount set forth in HBC 1.24.040, or if no fine is there established, a fine of not more than** \$300.00.

**Section 34.** Amendment of Section 13.08.100. Section 13.08.100 of the Haines Borough Code is hereby amended as follows:

NOTE: **Bolded/UNDERLINED** ITEMS ARE TO BE ADDED  
~~STRIKETHROUGH~~ ITEMS ARE DELETED

**13.08.100 Required connections.**

**A.** Wherever there is now, or may hereafter be constructed within the borough limits, an interceptor for the purpose of transmitting sewage to the sewage treatment plant, the owner or owners of the property abutting on any street, alley, or right-of-way along which the interceptor is constructed must connect all improvements on such property in which sewage or liquid waste is produced with a customer service line and an interceptor. Whenever the borough shall notify in writing any owner or owners of property to connect such improvements to such line and interceptor, it shall be the duty of such owner or owners to make application, pay the prescribed

fees, and complete the connection with the interceptor within 30 days from the date of said notice. The department may, for good and sufficient reason, extend the time for completion of the connection.

**B. Failure to connect any property that is required to be connected to the sewer system is a minor offense subject to penalty as set forth in Chapter 1.24 HBC for each offense. Each day a property that is required to be connected to the sewer system is not connected constitutes a separate offense.**

**Section 35.** Amendment of Section 13.08.270. Section 13.08.270 of the Haines Borough Code is hereby amended as follows:

NOTE: **Bolded/UNDERLINED** ITEMS ARE TO BE ADDED  
~~STRIKETHROUGH~~ ITEMS ARE DELETED

**13.08.270 Connection made without permit.**

A. It shall be unlawful ~~and a misdemeanor~~ for any customer or other person to connect a customer service line to an interceptor without first making application, paying the connection fee, and securing a permit therefor from the clerk.

B. **Any person who connects or attempts to connect a service line in violation of this section is guilty of a minor offense subject to penalty as set forth in Chapter 1.24 HBC for each offense. Each day a property is connected in violation of this section constitutes a separate offense.** ~~A person who violates subsection (A) of this section is subject to a penalty not to exceed a fine of \$1,000 and imprisonment for 90 days.~~

**Section 36.** Amendment of Section 13.08.310. Section 13.08.310 of the Haines Borough Code is hereby amended as follows:

NOTE: **Bolded/UNDERLINED** ITEMS ARE TO BE ADDED  
~~STRIKETHROUGH~~ ITEMS ARE DELETED

**13.08.310 Penalties.**

Unless otherwise specifically provided, any person violating a provision of this chapter shall, upon conviction thereof, be punished by a fine ~~not exceeding~~ **in the amount set forth in HBC 1.24.040, or if no fine is there established, a fine of not more than** \$300.00.

**Section 37.** Amendment of Section 14.16.170. Section 14.16.170 of the Haines Borough Code is hereby amended as follows:

NOTE: **Bolded/UNDERLINED** ITEMS ARE TO BE ADDED  
~~STRIKETHROUGH~~ ITEMS ARE DELETED

**14.16.170 Responsibility to properly locate on leased premises.**

A. It shall be the responsibility of the lessee to properly locate improvements on the leased land.

B. It is unlawful for a lessee to encroach on other lands of the borough or on lands owned or leased by another.

~~C. A violation of subsection (B) of this section is a misdemeanor, punishable by a fine of up to \$1,000 and up to 90 days imprisonment.~~

**Comment [PM21]:** Recommend change to MO by deleting this subsection, which means default rule will apply.

**Section 38.** Amendment of Section 14.34.020. Section 14.34.020 of the Haines Borough Code is hereby repealed.

**Section 39.** Amendment of Section 14.34.030. Section 14.34.030 of the Haines Borough Code is hereby amended as follows:

NOTE: **Bolded/UNDERLINED** ITEMS ARE TO BE ADDED  
~~STRIKETHROUGH~~ ITEMS ARE DELETED

**14.34.030 Violations.**

**A. The following acts are minor offenses under this chapter:**

**1. Cutting for firewood any timber that is not already dead or downed.**

**2. Cutting firewood for other than personal use.**

**3. Using mechanical means other than chainsaws and vehicles to cut firewood.**

**B.** The taking of any wood that is green and standing, no matter what it is used for, is considered a trespass. The penalty for taking green standing timber is \$1,000 plus triple stumpage, **which may be collected in a civil action whether or not the violator is cited for a violation of this chapter.**

**Section 40.** Amendment of Section 15.04.020. Section 15.04.020 of the Haines Borough Code is hereby amended as follows:

NOTE: **Bolded/UNDERLINED** ITEMS ARE TO BE ADDED  
~~STRIKETHROUGH~~ ITEMS ARE DELETED

**15.04.020 Enforcement.**

The fire department and its members shall enforce the provisions of the fire code and all provisions of this title. **The police department, borough manager, or his designee may cite an offender for a violation of any provision of this title.** ~~and may be assisted therein by the chief of police.~~

**Comment [PM22]:** 15.20.020 Makes all title 15 offenses violations/MOs

**Section 41.** Amendment of Section 15.08.060. Section 15.08.060 of the Haines Borough Code is hereby amended as follows:

NOTE: **Bolded/UNDERLINED** ITEMS ARE TO BE ADDED  
~~STRIKETHROUGH~~ ITEMS ARE DELETED

**15.08.060 Smoking restricted.**

**In addition to the prohibitions set forth in Chapter 8.18,** ~~There shall be no~~ smoking in beds of hotels, motels, apartments or rooming houses, in dry-cleaning plants, or in areas where combustible materials are stored or handled **is prohibited.**

**Section 42.** Amendment of Section 15.20.020. Section 15.20.020 of the Haines Borough Code is hereby amended as follows:

NOTE: **Bolded/UNDERLINED** ITEMS ARE TO BE ADDED  
~~STRIKETHROUGH~~ ITEMS ARE DELETED

**15.20.020 Violation – Penalty.**

A. Violation of any of the provisions of this title shall, upon conviction, be punishable as a minor offense violation as provided in Chapter 1.24 and fined in the amount set forth in section 1.24.040, or if no fine is there established, in an amount to be determined by the court not to exceed \$500 for each offense. ~~HBC 1.24.040.~~ In addition, a person who violates a provision of this title ~~may~~ shall be subject to injunctive relief.

B. Each day of violation shall constitute a separate offense for the purposes of this title.

**Section 43.** Amendment of Section 16.28.030(A). Section 16.28.030(A) of the Haines Borough Code is hereby amended as follows:

NOTE: **Bolded/UNDERLINED** ITEMS ARE TO BE ADDED  
~~STRIKETHROUGH~~ ITEMS ARE DELETED

**16.28.030 Penalties for violations.**

A. Any person violating any of the provisions of this title will be fined in the amount set forth in section 1.24.040, or if no fine is there established, in an amount to be determined by the court not to exceed \$500 for each offense. according to the fees set out in the most current assembly approved fee schedule.

**Section 44.** Amendment of Section 16.28.040. Section 16.28.040 of the Haines Borough Code is hereby amended as follows:

NOTE: **Bolded/UNDERLINED** ITEMS ARE TO BE ADDED  
~~STRIKETHROUGH~~ ITEMS ARE DELETED

**16.28.040 Citation.**

A person who commits a violation of this title shall be cited in the manner set forth in Chapter 1.24 HBC. ~~receive a citation unless otherwise required by law or the circumstances.~~

**Section 45.** Repeal of Sections 16.28.050 and 16.28.060. Sections 16.28.050 and 16.28.060 of the Haines Borough Code are hereby repealed in their entirety.

**Comment [PM23]:** These are unnecessary as a result of the reference to 1.24 in the previous new section

**Section 46.** Amendment of Section 16.32.045. Section 16.32.045 of the Haines Borough Code is hereby amended as follows:

NOTE: **Bolded/UNDERLINED** ITEMS ARE TO BE ADDED  
~~STRIKETHROUGH~~ ITEMS ARE DELETED

**16.32.045 Parking.**

Long-term parking of vehicles, vessels, or trailers is prohibited outside of the designated long-term parking area at the Letnikof Cove Small Boat Harbor. "Long-term" is defined as 24 or more continuous hours. Areas shall be posted or otherwise marked by an appropriate sign or by combinations of placed and painted signs indicating prohibited and authorized parking areas. ~~Enforcement of this section shall be in the same manner as set forth in Chapter 16.28 HBC.~~

**Section 47.** Amendment of Section 18.30.070. Section 18.30.070 of the Haines Borough Code is hereby amended as follows:

NOTE: **Bolded/UNDERLINED** ITEMS ARE TO BE ADDED

STRIKETHROUGH ITEMS ARE DELETED

**18.30.070 Fees and penalties.**

A. The fees for various permits are as follows:

Animal husbandry, not including conditional use permits for these uses	\$25.00
Sign permit	\$25.00
Land use permit	\$50.00
Lot line vacation/adjustment	\$50.00
Short plat	\$75.00
Special conditions permit	\$150.00
Conditional use/variance permit	\$150.00
Rezoning/subdivision permit	\$200.00

B. Penalties Late fees

1. After-the-fact fee in addition to the normal associated permit fee for beginning work without a permit or construction declaration \$250.00 or 3% of the project value to a maximum of \$2,500

2. Penalties for violations of this title are as set forth in HBC 18.30.080, 18.30.090, and 1.24. ~~Penalty for violation of any section of this title (except beginning work without a permit—see after the fact fee above)~~ \$100.00

3. ~~The procedure for assessing penalties shall be as follows:—~~After-the-fact fees for beginning work without a permit or construction declaration shall be assessed when the violator applies for the permit or submits the declaration. ~~upon discovery of the violation. In all other violations of this title, borough staff shall notify the violator by certified letter. The letter shall state the nature of the violation and inform the violator that they will have 10 business days to conform to the code. If the violation is not corrected within 10 business days, a penalty of \$100.00 shall be assessed.~~

4. If a fee or penalty is not paid within 30 days, interest of one and one-half percent per month (18 percent annually) will accrue. If the penalty is not paid within one year, the sum will be added to the violator's property tax.

C. An applicant having been processed under a permit listed above, who is subsequently required to obtain ~~encounters the requirement of another~~ type of permit for the same action or project on the same property ~~type~~, shall be charged the permit fee which is the highest, including any permit fees paid with the original application (i.e., an applicant who pays \$50.00 for a land use permit who then is required to apply for a variance shall be charged only \$150.00 for the entire process).

D. Multiple buildings or improvements and/or multiple variance requests as part of a single application for the same site will be considered as one permit ~~respectively~~ and not subject to successive permit fees.

E. The planning commission may recommend to the assembly that charges and fees be stayed. The assembly may stay the fees under subsection (A) of this section if it is in the best interest of the municipality to do so and special circumstances warrant. The action must be made in writing and made part of the borough assembly's public record.

**Section 48.** Amendment of Section 18.30.080. Section 18.30.080 of the Haines Borough Code is hereby amended as follows:

NOTE: **Bolded/UNDERLINED** ITEMS ARE TO BE ADDED  
**STRIKETHROUGH** ITEMS ARE DELETED

**18.30.080 Compliance.**

Any use may be ordered to cease by the manager or his designee if in conflict with the provisions of this title, or if the terms and conditions of any rezoning, or commission approval, or manager approval are violated. The borough assembly may establish by resolution ~~and~~ enforcement priority for violations of this title.

A. Violation Complaint. Any person may bring to the attention of the manager suspected violations of this title. The complaint must be in writing and must include the full name of the person making the complaint.

B. ~~Administrative Enforcement Order.~~ After a violation has been discovered, investigated and verified, the manager may begin administrative enforcement proceedings, and shall begin enforcement proceedings if a permit or other valuable license is to be revoked.

1. Administrative enforcement order. To initiate an administrative enforcement action, the manager shall notify, by written finding, the person responsible for the violation and the property owner by personal notice, certified mail or notice posted on the site of the violation. The finding shall specify the violation(s) and order abatement and may also (but is not required to) specify the range of fines or penalties to be imposed, and shall include notice indicating if a permit or variance can be revoked as a result of the violation pursuant to HBC 18.30.090(B). The finding shall direct the person to cease the violation, or appeal the finding within two days after receipt or posting of the notice, as the case may be. All violation notices will be reported by the manager to the commission at its next regular meeting and the manager shall keep a copy of the violation notice in the permanent record.

~~2. C-~~ Planning Commission Review. Upon application of the developer, the commission shall review the enforcement order at its next regular meeting. The review shall be limited to the presence of the violations stated in the enforcement order, and in such review, the burden of proof shall be upon the developer to prove that the violations do not exist. The commission, by majority motion, may modify or rescind the enforcement order, and may impose any penalty authorized by this Title, including suspension or revocation or any permit, variance, or other authorization.

C. Minor offense. In addition to any administrative enforcement proceedings, it is a minor offense for any person to fail to obtain a required permit, or to violate any conditions attached to a permit issued under this Title. The manager may at any time cause a citation to be issued to a person responsible for a violation of this title and the owner of the property upon which the violation occurs. All minor offenses are subject to the provisions of HBC Chapter 1.24.

**Section 49.** Amendment of Section 18.30.090. Section 18.30.090 of the Haines Borough Code is hereby amended as follows:

NOTE: **Bolded/UNDERLINED** ITEMS ARE TO BE ADDED  
~~STRIKETHROUGH~~ ITEMS ARE DELETED

**18.30.090 Violations, penalties and remedies.**

A. Generally. All remedies hereunder are cumulative and are in addition to those existing at law or equity. Each act in violation of this title and every day a violation of this title exists may be considered to constitute a separate violation.

B. Suspension or Revocation.

1. The planning commission may suspend or revoke a permit **for any violation of this Title, or** whenever the approval **for a permit is** granted ~~is~~ in error or ~~is~~ on the basis of incorrect information supplied **by the applicant,** or ~~is~~ **if the applicant commits a** violation of any ordinance or regulation or any provision of this code. Before taking any action to revoke or suspend a permit or variance, the planning commission shall give the permit owner and/or the owner of the property ~~20~~ **not less than 10** days' written notice by certified U.S. mail in advance of the date of hearing, of the subject of the hearing, and of the date, time, and place of the hearing. This notice is complete upon mailing.

2. The planning commission shall thereafter hold the hearing at the time and place set forth in the notice. At the hearing, the permittee may present evidence on the permittee's behalf and may cross-examine witnesses. The burden of proof is on the planning commission. After the hearing, the planning commission shall make written findings of fact from the evidence supporting the conclusion that the permittee has failed to comply with the conditions of the permit or variance (in cases where the permit or variance is revoked or suspended), or the permittee has not failed to comply with the conditions of the permit or variance (in cases where the permit or variance is not revoked or suspended). The findings shall be embodied in a formal resolution that the planning commission shall retain permanently.

3. After the variance or permit has been revoked or suspended, the permittee shall thereafter immediately discontinue the use of the property for which the permit or variance had originally been granted. If, after ~~the~~ a permit or variance has been revoked or suspended, the permittee does not immediately discontinue the use of the property for which the permit or variance had originally been granted, a civil penalty not to exceed ~~\$500-300-00~~ **\$500 for each violation or each day a violation exists.** ~~1,000.~~ An action to enjoin a violation of this title may be brought notwithstanding the availability of any other remedy. Upon application for injunctive relief and the finding of an existing or threatened violation, the court shall grant injunctive relief to restrain the violation. Each person violating the terms of this title shall be required to reimburse the municipality for **all reasonable** administrative and legal costs ~~commensurate with the activity relating~~ **incurred to enforce this Title or to correct** ~~to~~ the violation.

C. Civil Remedies. Upon violation of any of the provisions of this title, or any of the conditions placed upon any permit issued pursuant hereto, the manager, on behalf of the borough or any aggrieved citizen, may institute or cause to be instituted any appropriate civil action to prevent, enjoin, abate, stop, remove or punish such violation and to obtain monetary damages suffered by such party. In addition to injunctive and compensatory relief, each violation shall be subject to a civil penalty not to exceed **\$500 for each violation or each day a violation exists.** ~~1,000.~~ An action to enjoin a violation of this title may be brought notwithstanding the availability of any other remedy. Upon application for injunctive relief and the finding of an existing or threatened violation, the court shall grant injunctive relief to restrain the violation. Each person violating the terms of this title shall be required to reimburse the municipality for **all reasonable** administrative and legal costs ~~commensurate with the activity relating~~ **incurred to enforce this Title or to correct** ~~to~~ the violation.

D. Criminal **Minor Offense** Remedies. Every act where ~~Failing to obtain a required permit or variance,~~ the maintenance of any condition prohibited by this title, ~~or by~~ **and a**

~~violation of~~ any condition placed upon any permit issued pursuant hereto, is unlawful, ~~and the willful commission of such act or maintenance of such condition is a misdemeanor.~~ Every person convicted of a **who commits a** violation of any provision of this title or of any condition placed upon any permit issued pursuant hereto shall be punished by a fine **as set forth in HBC 1.24.040, or if no fine is there established,** of not more than \$~~5001,000~~ **for each offense.** Each unlawful act or condition, and every day upon which such shall occur after date of notification, shall constitute a separate violation of this section. **A minor offense cannot result in the loss of a valuable license or permit under this title, but shall be subject to the penalties and procedures set forth in Chapter 1.24 HBC.**

E. Parties. A proper party for any enforcement action under subsection (B) of this section shall include, but shall not be limited to, the owner of the site or any part thereof; any lessee or occupant of the site or any part thereof; the developer, the developer's agents, contractors and subcontractors, and employees who participate in, assist, commit, or maintain a violation.

F. Remedies Applicable to Subdivision Regulations. It is unlawful for any owner, lessee or agent to partition, sell, transfer, lease or offer or agree to partition, sell, lease or transfer any land which results in a subdivision as defined by this title before a final plat of the subdivision has been duly approved and recorded in accordance with the provisions of this chapter and state law. No person may file or record a subdivision plat in any public office unless the plat bears the signatures of the chair of the planning commission and the mayor. The borough may enjoin any partition, lease, transfer or sale of land that would result in an unlawful subdivision. Following an unlawful partition, transfer, lease or sale, the borough may enjoin any further transfer or sale of all unlawfully subdivided parcels until such time as the parcels are duly subdivided or returned to common ownership.

ADOPTED BY A DULY CONSTITUTED QUORUM OF THE HAINES BOROUGH ASSEMBLY THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2015.

ATTEST:

\_\_\_\_\_  
Janice Hill, Mayor

\_\_\_\_\_  
Julie Cozzi, Borough Clerk

Date Introduced: 06/09/15  
Date of First Public Hearing: \_\_\_/\_\_\_/\_\_\_  
Date of Second Public Hearing: \_\_\_/\_\_\_/\_\_\_



**Haines Borough  
Assembly Agenda Bill**

Agenda Bill No.: 15-577  
Assembly Meeting Date: 6/9/15

Business Item Description:	Attachments:
Subject: Clarify Documents Required when Submitting Bids for Borough Contracts	1. Ordinance 15-06-414
Originator: Borough Clerk	
Originating Department: Administration	
Date Submitted: 6/1/15	

**Full Title/Motion:**  
Motion: Introduce Ordinance 15-06-414 and set a first public hearing for 6/23/15 and a second public hearing for 7/14/15.

**Administrative Recommendation:**  
The borough manager recommends this.

**Fiscal Impact:**

Expenditure Required	Amount Budgeted	Appropriation Required	Projected Impact to Future Operating Budgets
\$ none	\$ n/a	\$ n/a	n/a

**Comprehensive Plan Consistency Review:**  
Comp Plan Goals/Objectives: \_\_\_\_\_  
Consistent:  Yes  No

**Summary Statement:**  
This ordinance endeavors to improve the borough's bidding and contracting procedures. The proposed amendments are also recommended by the clerk's office, finance department, and public facilities.  
  
Currently, Borough Code requires a bidder to have a borough business license in order to bid on a borough project. Staff recognizes a business license is required in order to do business in the borough and contends that submitting a bid is not doing business. The recommendation is to require a bidder to register their business if they end up the low bidder prior to entering into a contract. Additionally, code requires a noncollusion affidavit to be submitted before the contract is signed but that defeats the purpose. This document has to do with declaring that there was no collusion in preparation or submission of the bid. Therefore, staff recommends it be required to be submitted with the bid.

**Referral:**  
Referred to: \_\_\_\_\_ Referral Date: \_\_\_\_\_  
Recommendation: \_\_\_\_\_ Meeting Date: \_\_\_\_\_

**Assembly Action:**  
Meeting Date(s): 6/9/15 Public Hearing Date(s): \_\_\_\_\_  
Postponed to Date: \_\_\_\_\_

**An Ordinance of the Haines Borough amending Haines Borough Code Title 3 Sections 3.60.100 and 3.60.130 to require a Haines Borough business license prior to contract award rather than at the time of bid submission and to require a noncollusion affidavit when submitting a bid.**

BE IT ENACTED BY THE HAINES BOROUGH ASSEMBLY:

Section 1. Classification. This ordinance is of a general and permanent nature and the adopted amendment shall become a part of the Haines Borough Code.

Section 2. Severability. If any provision of this ordinance or any application thereof to any person or circumstance is held to be invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.

Section 3. Effective Date. This ordinance is effective upon adoption.

Section 4. Amendment of Section 3.60.100. Section 3.60.100 of the Haines Borough Code is hereby amended as follows:

NOTE: **Bolded/UNDERLINED** ITEMS ARE TO BE ADDED  
~~STRIKETHROUGH~~ ITEMS ARE DELETED

**HBC 3.60.100 Contract bid requirements.**

All contract bids must contain:

- A. ~~Copies~~ **Copy** of a current Alaska business license ~~and a borough business license;~~
- B. Copy of an Alaska contractor's certificate of registration, if appropriate;
- C. Acknowledgement of all addenda;

**D. Noncollusion Affidavit;**

~~DE~~. A bid bond of at least five percent of the amount of the bid or a certified check drawn to the Haines Borough in like amount. The assembly may increase this percentage or exempt a project from a bid bond, depending upon the job. Checks and bid bonds will be returned to unsuccessful bidders.

Section 5. Amendment of Section 3.60.130. Section 3.60.130 of the Haines Borough Code is hereby amended as follows:

NOTE: **Bolded/UNDERLINED** ITEMS ARE TO BE ADDED  
~~STRIKETHROUGH~~ ITEMS ARE DELETED

**3.60.130 Requirements for contract award.**

- A. The requirements for awarding a contract are:
  - 1. Contract document;
  - 2. ~~Noncollusion affidavit~~ **Borough business license;**
  - 3. Proof of worker's compensation insurance;
  - 4. Performance and payment bond in amount of contract or a certified check to the Haines Borough in like amount as provided under AS [36.25.010](#); and
  - 5. Any overdue unpaid debts owed the borough must be current prior to award.

B. If the successful bidder fails to enter into the contract and furnish the performance bond and payment bond within 14 working days from the date on which the bidder is notified of being the successful bidder, the bid bond or check and the amount thereof shall be forfeited to the borough.

ADOPTED BY A DULY CONSTITUTED QUORUM OF THE HAINES BOROUGH ASSEMBLY THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2015.

\_\_\_\_\_  
Janice Hill, Mayor

ATTEST:

\_\_\_\_\_  
Julie Cozzi, MMC, Borough Clerk

Date Introduced: 06/09/15  
Date of First Public Hearing: \_\_\_/\_\_\_/\_\_\_  
Date of Second Public Hearing: \_\_\_/\_\_\_/\_\_\_

STATE OF ALASKA  
ALCOHOL BEVERAGE CONTROL BOARD  
Licensed Premises Diagram

**INSTRUCTIONS:** Draw a detailed floor plan of your present or proposed licensed premises on the graph below; show all entrances and exits, and all fixtures such as tables, booths, counters, bars, coolers, stages, etc.

DBA: Fogwater Bar + Rest Inc.

PREMISES LOCATION: 122 MAIN STREET, HAINES, ALASKA

Indicate scale by x after appropriate statement or show length and width of premises. \_\_\_\_\_ 1 SQ. = 4 FT.

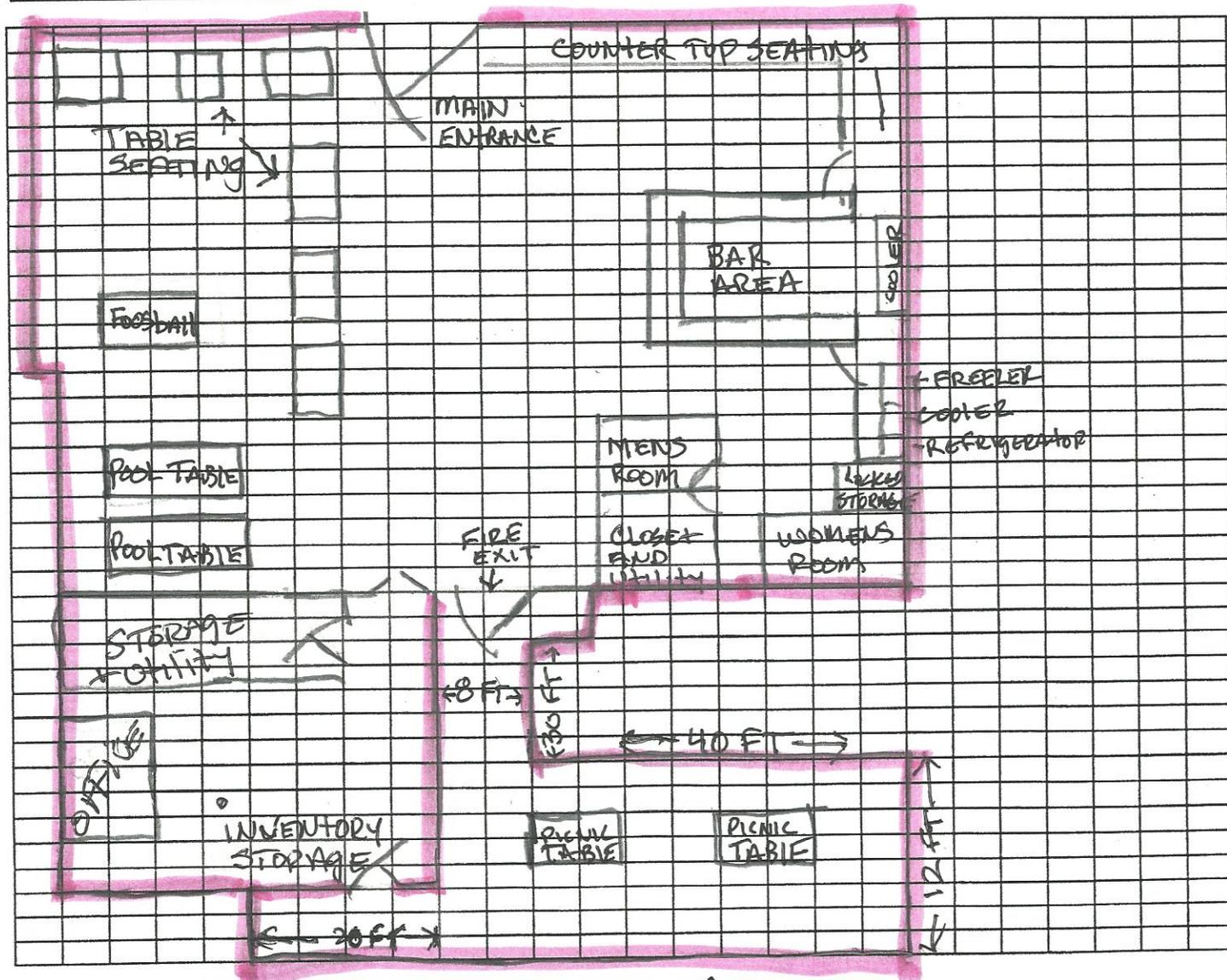
SCALE A: \_\_\_\_\_ 1 SQ. = 1 FT.

SCALE B: \_\_\_\_\_

Length and width of premises in feet:

Outline the area to be designated for sale, service, storage, and consumption of alcoholic beverages in red.

**DO NOT USE BLUE INK OR PENCIL ON THIS DIAGRAM.**



NEW AREA ↑  
ALL OR PART TO BE FENCED  
WHEN SERVING LIQUOR



## Memo from the Clerk

Date: June 9, 2015  
To: Mayor and Assembly  
Cc: Borough Manager  
From: Julie Cozzi, MMC, Borough Clerk  
Re: Administrative Appeal of an Abatement Order – Eagle's Nest Trailer Park

On May 6, 2015, the borough issued a nuisance abatement order to Eagle's Nest Trailer Park. As is her right under HBC 8.12.130, owner Janis Horton submitted a timely written appeal of that order. The code is very specific about the process with the first step being simply for the clerk to present the appeal to the assembly and then with the assembly's direction, the clerk is to determine a date, time, and place for the hearing to take place no later than 60 days from the date of the appeal letter.

There is no other action for the assembly to take during the June 9 meeting. This is NOT the hearing. This is NOT the time to hear from the appellant or other interested persons. That opportunity will come during the actual hearing. Therefore, this item is on the consent agenda since it involves only acknowledging receipt of the appeal and directing the clerk to schedule the hearing.

It is my intention to schedule the hearing for July 14, 6:30 p.m., in the borough assembly chambers.

### **HBC 8.12.130 Appeal to assembly.**

A. A person entitled to service under HBC 8.12.080 may appeal a notice and order or an action of the abatement official concerning abatement of a public nuisance, by filing at the office of the clerk, within 15 days from the date of service of such order, a written appeal to the assembly.

B. Upon receipt of an appeal filed pursuant to this section, the clerk shall present it at the next regular or special meeting of the assembly.

C. Within five days of the assembly meeting referred to in subsection (B) of this section, and as directed by the assembly, the clerk shall fix a date, time, and place for the hearing by the assembly, or shall notify the appellant that the appeal has been rejected for lack of timeliness. Such hearing date shall not be less than 10 days or more than 60 days from the date the appeal was filed with the clerk.

### **Motion for 6/9 meeting:**

"Acknowledge receipt of the Horton administrative appeal and direct the borough clerk to schedule a date, time, and place for the hearing by the assembly, such date to be no later than July 20, 2015 (60 days from date of appeal)."

Attachments: 1) Horton (Eagle's Nest Trailer Park) Appeal received May 20, 2015  
2) Nuisance Abatement Order dated May 6, 2015

Eagles Nest Motel  
Shane & Janis Horton  
PO Box 250  
Haines, AK 99827  
907-766-2891

May 20, 2015

To: The Haines Borough Assembly

RE: Nuisance Order/Litter Eagles Nest Trailer Park

On May 11 I received a certified letter regarding a trailer park tenant's trash and litter. Since the pictures and letter were sent there has been significant cleanup done on the lot. There is still a lot to do, but they are making progress. As in most of these cases the renter allows it to get out of hand and then they don't have the money to dispose of it all at once. In our recent discussion with them they stated they are going to use their tax return for more cleanup and disposal.

Now that I have been given a notice I just wanted to touch on the inequity of how the Borough code is being enforced in this matter. There is an ordinance on the books regarding the trash, garbage etc but it all comes back on the landowner, not the responsible party? Why isn't the offender fined? Maybe they would take a more positive approach if they had a legal court summons regarding the matter. Forcing me to clean up the mess created by someone else only enforces the notion that they not clean up their own mess because someone else will do it. If this notion were to catch on with all the trailer park tenants imagine what would happen.

It seems odd to me that if someone puts a bag of trash in a Borough dumpster, it gets full investigation to find out who is responsible, and the party is notified and potentially fined, but in a situation like the above the Borough falls back to the landowner to dispose of someone elses mess?

At this time I would like to request an extension of time in order to allow for the tenant to continue their cleanup efforts through the next few months. I believe that with continued monitoring of the situation by both the Borough and ourselves we can bring the situation to a productive end.

Thank you for your time and consideration.

Sincerely,



Janis Horton



# Haines Borough – Alaska

103 Third Avenue S. – P.O. Box 1209

Haines, AK 99827

907-766-2231 ext. 22

907-766-2716 Fax

May 6, 2015

Shane & Janis Horton  
P.O. Box 250  
Haines, AK 99827

**\*\*\*VIA CERTIFIED MAIL\*\*\***

Re: Nuisance Order/Litter Unlawful/Clean-Up Needed  
Eagle's Nest Trailer Park, USS 785, Haines Hwy., 2.74 Acres

Dear Mr. & Mrs. Horton:

It has come to the attention of the Haines Borough that there is trash build-up at two of the trailers located in the Eagle Nest Trailer Park. In response to these concerns, the Borough staff inspected your property on April 22, 2015 and found several bags of trash and other litter piled up outside at the two trailers identified in the attached diagram. Trash accumulation, as identified, is a Haines Borough code (HBC) violation per the following code descriptions:

**HBC 8.08.020 Litter Unlawful:** *“It is unlawful for any person to do any of the following within the townsite service area: A. Cause or allow litter to be collected, deposited, or to remain in any place under the person’s control, and/or possession, other than in an appropriate refuse container, designed for such purpose; E. Deposit any litter on private property, whether owned by the person or not; F. Possess or control private property that is not maintained in a litter-free condition; K. Deposit litter that may be offensive, noxious, or otherwise dangerous to the public health or safety on any public or private property, alley, street, or other roadway within the townsite service area.”*

**HBC 8.08.010 Definitions of Litter Unlawful:** *“Garbage means all waste accumulations of animal, fruit, and vegetable matter that attend the preparation, use, cooking, dealing in, or storage of meat, fish, fowl, vegetables, or fruits; garbage includes containers originally used to store, collect, or transport such food stuffs. Litter means garbage, refuse, rubbish and all other waste material which, if thrown or deposited as prohibited in this chapter, tend to create a danger or nuisance to public health, safety, and welfare. Refuse means garbage, rubbish, ashes, industrial waste, and all other liquid or solid waste. Rubbish means all other refuse that is not considered garbage, ashes, or industrial waste; rubbish includes waste paper, cardboard, wood, tin cans, glass, bottles, yard rakings, tree limbs, bedding, metals, trash, sweepings, and all similar substances.*

Eagle's Nest Nuisance

May 6, 2015

Page Two

**HBC 8.12.020(I) Certain conditions declared nuisances.** *"It shall be unlawful for any person to cause or create the following declared nuisances within the townsite service area: To maintain a building in a state of disrepair or deterioration so as to reduce the surrounding property values or cause other unreasonable economic detriment to surrounding property owners, including, but not limited to, allowing on the premises: lumber, refuse, junk, debris, or abandoned, discarded, and unused objects, such as automobiles, fixtures, furniture, appliances, and other objects which are not kept for immediate use and have been allowed on the premises for more than 30 days.*

The Borough hereby declares this to be a nuisance and orders the accumulated trash to be removed. Attached is an aerial view of the trailers in violation, as well as photos of the trash build-up at the trailer sites. **This situation requires immediate resolution** by one of the following means:

- The trash and litter may be removed from the property so that it is no longer in violation of HBC 8.08.020 and HBC 8.12.020(I). If you choose this option, the removal must take place no later than **May 16, 2015**; or
- You may appeal this notice to the assembly by filing with the clerk an appeal in writing in accordance with the appeal procedure provided under HBC 8.12.130 within 15 days from the date of this notice. Therefore, an appeal would have to be received no later than **May 21, 2015**.

Sincerely,

Kathryn Friedle  
Administrative Assistant  
Lands Department

Enclosures



**Haines Borough  
Assembly Agenda Bill**

**Agenda Bill No.:** 15-571  
**Assembly Meeting Date:** 6/9/15

Business Item Description:	Attachments:
Subject: Proposed Cruise Ship Fee Waiver Program	1. Staff Report Detailing Idea
Originator: CED Director and Tourism Director	
Originating Department: Community & Economic Development	
Date Submitted: May 6, 2015	

**Full Title/Motion:**  
Motion: Schedule cruise ship fee waiver program proposal for a public hearing to be held on 6/23/15 when a resolution will be considered by the assembly.

**Administrative Recommendation:**

**Fiscal Impact:**  
Potential reduction in the 1% sales tax transferred to the Community and Economic Development Fund (Fund 23) starting at approximately \$30,000 during the first year of the program.

Comprehensive Plan Consistency Review:	
Comp Plan Goals/Objectives: N/A	Consistent: <input type="checkbox"/> Yes <input type="checkbox"/> No

**Summary Statement:**  
The Tourism Advisory Board (TAB) wants the assembly to consider setting up a program that waives a portion of cruise ship docking fees. TAB has proposed three potential options. The public has had an opportunity to comment at two different Commerce Committee meetings, with one of them being a joint meeting with the TAB. A resolution will be drafted for assembly consideration. A public participation plan included in the assembly packet on 5/12/15 called for at least one public hearing. Therefore, the assembly is being asked to consider scheduling a hearing for the 6/23/15 meeting to provide the public another opportunity to comment on the proposed program as well as speak to the draft resolution that will be in the packet.

Referral:	
Referred to: Commerce Committee	Referral Date: 5/12/15
Recommendation:	Meeting Date: 5/19, 6/4/15

Assembly Action:	
Meeting Date(s): 5/12, 6/9/15	Public Hearing Date(s): 6/23/15
	Postponed to Date:

**DATE:** May 5, 2015

**TO:** Tourism Advisory Board and Haines Borough Assembly

**THRU:** David Sosa, Borough Manager

**FROM:** Bill Mandeville and Leslie Ross

**ISSUE:** Should Haines Borough change direction regarding its existing *Backroads Cruise Ship Waiver Program*; and, if yes, then what direction?

**SUMMARY:**

Haines would like to increase the number of cruise ships that visits it to 3.0+ per week. In order to achieve this goal, Haines needs to add at least two more cruise ships and preferably four ships to the existing number of ships who visit Haines.

With this goal in mind, the Tourism Advisory Board (TAB) wants the Borough Assembly to consider setting up a program that waives a portion of the cruise ships' docking fees. They would like a waiver that would grab the cruise ship lines' attention and clearly demonstrates - Haines Borough is serious about its tourism industry.

Roughly six options were developed using comments and ideas from conversations with TAB and a few representatives of the fishing industry. Borough staff (Bill Mandeville, Jila Stuart and Leslie Ross) reviewed these options and collaborated to draft this report. Three of the options were eliminated from consideration because they were not financially feasible (see Attachment #4).

They present the remaining three options up for consideration. The preferred option would be developed using the Borough's proposed public participation plan. The Assembly would take action on the final, proposed program sometime during the fall. The final program would take effect next year (Yr 2016). This report provides more details regarding each of the options.

#	Criteria	Estimated Rate of Return		Staff's Review Score
		2 ships	3 ships	
4	50% Waiver – All Ships	1.08	1.49	<i>Will Add Later</i>
5	Three-Year Graduates Waiver To All Ships Who Return To Haines Starting At 30% on Yr 1 of the Program and 60% on Yr 3 Waive PLUS waiving all dockage fees for new ships during the first year that they visit Haines.	1.19	1.60	37
6	Three-Year TIF-Like Program whereby the Net Increase of Sales Tax generated by cruise ships is used to finance capital improvements at the Boat Harbor PLUS waiving all dockage fees for new ships during the first year that they visit Haines.	Same as #4 or #5	Same as #4 or #5	38

**BACKGROUND:**

- June 30, 2010: At the end of FY2010, the Borough's sales tax receipts decreased significantly compared to the previous year. Although sales tax receipts increased in FY 2011, it decreased again in FY2012 and increased only slightly in FY2013.
- May 2011: The Borough launches its "Alaska Backroads Marketing Concept". (Attachment #1) Through this program, the Borough will waive the dockage fee for the first year for the first cruise ship that includes Haines in its itinerary. The program does not have a termination date.
- FY2013-2014: From FY2010 to FY2013, the historical trend of the Borough's sales tax receipts had a negative projection relative to the years prior to FY2010. In FY2014 sales tax receipts increased approximately \$50,000 over the previous year. It was nearly \$300,000 more than FY2010.
- March, 2015: The 2015 Cruise Ship Schedule was released. Oceania Cruises and Princess Cruises each added Haines to their itinerary. They scheduled two 900 foot cruise ships to visit Haines twice during the 2015 season. These two additional ships increased Haines' average cruise ships visits from 2.5 per week to 2.7 per week. (Attachment #2)
- April, 2014: Haines Borough issued its first Backroads Cruise Ship Waiver. (Attachment #3) Cruise ships *Infinity* and *Crown Princess* added Haines to their itinerary. They each received a waiver of their dock fees. This waiver cost the Borough \$13,412.
- October (?), 2014: Skagway published its 2015 Cruise Ship Schedule. Approximately 14 cruise lines scheduled 30 cruise ships to make 402 ports of call during the 2015 season. Skagway averages approximately 20 visits per week. (Attachment #4)
- January 2015: The Haines Tourism Advisory Board expressed its desire to revise the existing waiver program to make it into something more substantial that will (1) better grab the cruise ship line's attention and (2) show that the Borough is really serious about its tourism industry.

**KEY DOCUMENTS:**

- "Alaska Backroads Marketing Concept". (Attachment #1)
- Haines' Year 2015 Cruise Ship Schedule (Attachment #2)
- Haines Borough's Backroads Cruise Ship Waiver. (Attachment #3)
- Skagway's Year 2015 Cruise Ship Schedule (Attachment #4)
- McDowell Group "2011 Haines Tourism Management Plan"
  - Link: <http://www.hainesalaska.gov/tourism/haines-tourism-management-plan>
- Data regarding sales tax was taken from the Borough's Audited Financial Statements.
  - Link: <http://www.hainesalaska.gov/finance/audited-financial-statements>

**KEY ASSUMPTIONS:**

1. Average Spending Per Cruise Ship Passenger  
Source: 2011 McDowell Group Passenger Survey

	From	----- Adjusted For Inflation -----				
	Survey	2012 \$	2013 \$	2014 \$	2015 \$	2016 \$
	2011 \$					
Spending on Tours	59.00	60.24	61.15	62.13	63.06	64.00
Spending on Shopping	21.00	21.44	21.76	22.11	22.44	22.78
Spending on other (dining/transport)	5.00	5.11	5.18	5.26	5.34	5.42
	85.00	86.79	88.10	89.50	90.85	92.21

2. Local Sales Tax Generated Per Cruise Ship Passenger  
Source: Borough Finance Director

<b>Estimated Tax Rates</b>	Yr 2016	Yr 2017	Yr 2018
Tours charging 5.5% tax	53.12	53.92	54.73
Klukwan Tours (exempt)	1.28	1.30	1.32
Tours subject to 4% tax	9.60	9.74	9.89
Shopping assumed 5.5%	22.78	23.12	23.47
Other assumed 5.5%	5.42	5.51	5.59
	92.21	93.59	95.00
<b>Estimated Sales Tax Revenue per visitor</b>			
Tours charging 5.5% tax	2.92	2.97	3.01
Klukwan Tours (exempt)	-	-	-
Tours subject to 4% tax	0.38	0.39	0.40
Shopping assumed 5.5%	1.25	1.27	1.29
Other assumed 5.5%	0.30	0.30	0.31
<b>Estimated Tax per Cruise Ship Visitor</b>	4.86	4.93	5.00

3. Cruise Ship Waiver = Targeted Business Incentive:

- Haines Borough considers its cruise ship waivers a targeted-business incentive. The Borough offers a reduction in its dock fees (the incentive) in order to increase its sales tax receipts (the target).
- The intent of the incentive is to motivate cruise ship companies to include Haines as a port of call during their summer tourism schedule.
- The intended result is that while the cruise ship docks in Haines, it offloads its passengers who, in turn, spend money in Haines and, thereby, generate an increase in sales tax.

4. Rate of Return:

- Rate of Return (RofR) is the profit on an investment. In this case, the investment is the amount of dock fees the Borough is willing to sacrifice to achieve an increase in its sales tax receipts. This report uses the following formula to calculate the rate of return for cruise ship waivers:

$$\text{RofR} = \text{Net Increase (Decrease) in Sales Tax} / \text{Net Increase (Decrease) in Waivers}$$

5. Definition and Use of the Net Increase in Sales Tax

- Net Increase in Sales Tax refers to the difference of the total increase in the sales tax generated by cruise ships less the amount of the waiver.

$$\text{Net Sales Tax} = \text{sum (Total Sales Tax from Cruise Ships – Waivers)}$$

- The “Waiver” amount deducted from the “Total Sales Tax from Cruise Ships” will be returned to the Port Chilkoot Dock Fund.
- It replaces the dock fees that would normally get deposited without the waivers.\*

6. Baseline Year:

- FY2014 was used as the baseline year for the analysis. Changes in sales tax were compared to FY2014 sales tax receipts.
- Current Year refers to the Year 2015 Cruise Ship Schedule.

5. Multiplier Effect:

- The Borough recognizes the increase in visitor spending has more effects than just an increase in sales tax revenues.
- The Borough will use the State of Washington’s Input-Out Model to calculate the multiplier effect of increased spending from cruise ship passenger.
  - Link: <http://www.ofm.wa.gov/economy/io/>
- The report will treat the sales generated by cruise ship passengers as an output for NAICS codes 71 and 721: Arts, Recreation and Accommodation.
- The employment multiplier will assume 30% of sales provides labor income (source: WA Input-Output Model) and the average wage per job in Haines is approximately \$39,000 (source: BEA: CA31 Wage and Salary Summary)
- Based on the Washington Input-Output Model, every \$1 million spent in Arts, Recreation and Accommodation generates an additional \$2.5 million in total income and 21.5 jobs.

\* How to replace the dock fees has not yet been determined. One option, which is the default option, is to deduct the reimbursement from the 1% of the sales tax dedicated to economic development. Another option, not yet analyzed, is to treat it as a credit to total sales tax receipts. If the waiver is approved, and if the Borough wants to consider something besides the default option; then this topic will be the subject of another staff analysis and report. A key part of the analysis is to determine if the projected waiver will generate an increase in sales tax greater than the waiver. Consequently, for the sake of this analysis, the waiver will be treated as a credit to sales tax.

- Following table represents the top 20 industries with the greatest impact.

#	NAISC. Industrial Group	Output (Mils. \$2013)	Employment (# / million)	Labor Income (Mils. \$2013)
1	49. Arts, Recreation, and Accommodation	1.0810	12.1977	0.3548
2	10. Other Construction	0.1525	0.5528	0.0357
3	31 Other Retail	0.1236	1.3147	0.0501
4	40. Credit Intermediation and Related Activities	0.1224	0.2205	0.0221
5	52. Waste Management/Other, and Agriculture Services	0.1192	0.9287	0.0387
6	46. Ambulatory Health Care Services	0.0848	0.6091	0.0438
7	50. Food Services and Drinking Places	0.0826	1.0884	0.0250
8	41. Other Finance and Insurance	0.0790	0.3761	0.0249
9	16. Petroleum and Coal Products Manufacturing	0.0754	0.0046	0.0009
10	29. Wholesale	0.0682	0.2989	0.0238
11	47. Hospitals	0.0635	0.3123	0.0237
12	42. Real Estate and Rental and Leasing	0.0613	0.5966	0.0122
13	38. Telecommunications	0.0599	0.1072	0.0099
14	43. Legal /Accounting and Bookkeeping /Management Services	0.0498	0.4824	0.0397
15	6. Electric Utilities	0.0451	0.0646	0.0145
16	48. Nursing and Residential Care Facilities, Social Assistance	0.0409	0.6079	0.0186
17	51. Administrative/Employment Support Services	0.0382	0.7112	0.0270
18	11. Food, Beverage and Tobacco Manufacturing	0.0320	0.0486	0.0027
19	39. Other Information	0.0230	0.1100	0.0102
20	35. Other Transportation/Postal Offices	0.0228	0.1230	0.0092
	All Other Industrial Groups	0.1633	0.7562	0.0449
	Total Multiplier Effect	2.5887	21.51	0.83

**EVALUATION CRITERIA:**

Options will be analyzed relative to how strongly they answer the following questions. The questions will have a weighted answer that will range from “0” to “5”. A response of “0” will indicate no impact or negative impact. A response of “5” will indicate a high and clearly obvious impact. Scores from “2” to “4” will vary. Staff started their analysis with the assumption that each option deserves the highest score. The “Comments” explains why the evaluator deducted points from the highest score. Each option will have a combined total score that will be used to compare options.

1. Does the targeted incentive make a strong enough statement to indicate that Haines Borough is serious about its tourism industry?
  - “Strong Statement” is a subjective term measured in three ways: (1) the opinion of TAB members regarding how they think the cruise ship companies will react; (2) past evidence regarding the cruise ship companies’ reaction to past incentives; and (3) the connection between the incentive and the target.
2. Will the targeted incentive be noticed by the cruise ship companies?
  - “Noticeable” will use the same criteria as “Strong Statement” plus the following:
    - o Simple and easy to understand.
    - o Consistency across the market
    - o Long Term Impacts
3. Is there a direct connection between the incentive (i.e. reduction in dock fees) and its target (i.e., an increase in sales tax receipts)?
  - Measured by the affect upon larger cruise ships and rate of return.
  - A rate of return of 1.5 or higher is the preferred, minimum. Rates of return at or higher than 1.5 will be considered to have a higher connection.
4. Will the targeted incentive result in a net increase in sales tax?
  - Net increase in sales tax must be greater than the cost of the waiver.
  - Rate of return has to be greater than 1.00 – otherwise it has no impact.
5. Will the benefits be noticeable and measureable?
  - Measured by the rate of return.
  - The higher the rate of return, the more noticeable and measureable the benefits.

6. How does one option compare to another?

- Compare the scores of each option and then list by rank.

**ANALYTICAL MODEL:**

- The Analytical Model uses the Year 2015 Haines Cruise Ship Schedule.
- The “What If” analysis compares four scenarios to the existing or “Current Year: 2015 Schedule” scenario, which includes the two, existing Backroads waivers.
- The four scenarios measure the impact of new cruise ships. The four scenarios are:
  - Two new cruise ships that stop at Haines twice a year.
  - Three new cruise ships that stop at Haines twice a year.
  - Three new cruise ships that stop at Haines three times a year.
  - Four new cruise ships that stop at Haines four times a year.
- Exhibit #1 represents the base data used in the analysis.

**STAFF ANALYSIS**

**Option 4: 50% Waiver For All Ships**

a) **Description:**

- Borough simply waives 50% of the dockage fees for all ships.
- Each new ship will get only 50% of its dockage fees waives.
- Each subsequent year that they return, they get the same 50% waiver.

b) **Model:** See Exhibit #4

c) **Analysis:** (Combined Scores and Generally Shared Comments)

<b>Criteria</b>	<b>Answer (0 – 10)</b>	<b>Comments</b>
1. Strong Statement		Perhaps a stronger statement to smaller ships than large ships.
2. Noticeable		It is a bold, simple statement. Very easy to use and implement.
3. Direct Connection		Provides less of a waiver to large ships (900 ft+) than the existing Backroads waiver. Will not likely attract new large ships.
4. Net Increase in Sales Tax		Not a significant difference in net sales tax with this option compared to Option 5.
5. Positive Rate of Return		Does not have a good rate of return until the 3 ship/2 calls scenario.
Total (max = 50)		

**Option 5: 3 YEAR GRADUATED WAIVER THAT INCREASES FROM 30% TO 60%****a) Description:**

- All ships get a 30% waiver the first time that they return to Haines.
- Each subsequent year that they return, they get an additional 15% waiver until the total waiver reaches 60%.
- Each new ship gets all of its dock fees waived during the first year it visits Haines.
  - Note: The waived fees may be returned to the cruise ship line on the second year that they return to Haines. Otherwise they get just a 30% waiver.

**b) Model:** See Exhibit #5**c) Analysis:** (Combined Scores and Generally Shared Comments)

<b>Criteria</b>	<b>Answer (0 – 10)</b>	<b>Comments</b>
1. <i>Strong Statement</i>	8	<i>Strong statement across the board – to all size ships</i>
2. <i>Noticeable</i>	6	<i>Graduated incentives get more complicated than a simple, one-size fits all incentive. Good curb appeal to smaller ships.</i>
3. <i>Direct Connection</i>	8	<i>Starts generating a positive return on sales tax with just 2 ships / 2 calls – deducted two points due to diminishing returns</i>
4. <i>Net Increase in Sales Tax</i>	8	<i>Has the second highest net increase in sales tax. Less one point for diminishing returns.</i>
5. <i>Positive Rate of Return</i>	7	<i>Diminishes over time</i>
<i>Total (max = 50)</i>	37	

**d) Unique or Particular Staff Notes and Comments:**

- Since the waiver increases each year, it has a diminishing rate of return.
- This program should be looked at over the entire three years.
- Good impact on large cruise ships, which would be good for business. Rate of return at least breaks even with 2 ship/2 calls scenario. Good overall return.

**Option 5: TIF-LIKE PROGRAM TO FUND BOAT HARBOR INFRASTRUCTURE IMPROVEMENTS****a) Description:**

- All ships get a 30% waiver the first time that they return to Haines.
- Each subsequent year that they return, they get an additional 15% waiver until the total waiver reaches 60%.
- Each new ship gets all of its dock fees waived during the first year it visits Haines.
  - Note: The waived fees may be returned to the cruise ship line on the second year that they return to Haines. Otherwise they get just a 30% waiver.
- The entire amount of the net increase will be used to finance capital improvements at the Boat Harbor. {The net increase is the "Balance" column listed in the option worksheets.}
- Baseline data will be the "Current Year / 2015 Schedule" scenario. Any additional sales tax above this amount (\$208,684) would be considered as the "Incremental Sales Tax Increase".
- Finance Assumptions: 3.5% loan over 20 years.
- The "variable" will be the present value or loan amount that the net increase can finance.

**b) Model: See Exhibit #5****c) Analysis: (Combined Scores and Generally Shared Comments)**

<b>Criteria</b>	<b>Answer (0 – 10)</b>	<b>Comments</b>
1. <i>Strong Statement</i>	9	<i>Strong statement to both ships and local boats – good community statement</i>
2. <i>Noticeable</i>	7	<i>Beneficial to both ships and fisherman, but more confusing than previous option and will require more complicated financial administration.</i>
3. <i>Direct Connection</i>	8	<i>Twofold benefit less two points for diminishing returns</i>
4. <i>Net Increase in Sales Tax</i>	7	<i>Sales tax increase will be dedicated to one cause – deducted an additional point</i>
5. <i>Positive Rate of Return</i>	7	<i>Same as graduated waiver</i>
<i>Total (max = 50)</i>	38	

**d) Unique or Particular Staff Notes and Comments:**

- This option would probably not be feasible until Haines starts receiving three additional ships per year.
- This option may also work with the 50% Waiver option.
- The 4 ships / 4 calls scenario would generate enough to fund the drive down dock.
- Needs to maintain the same number of ships from one year to the next.

**MULTIPLIER EFFECT**

The multiplier effect for the 50% Waiver Option and the Graduated Waiver Option are basically the same.

NAISC. Industrial Group	50% Waiver				Graduated Waiver			
	3 ships x 2 calls		4 ships x 4 calls		3 ships x 2 calls		4 ships x 4 calls	
	Output	Employment	Output	Employment	Output	Employment		
<b>Increase in Sales Tax (per year)</b>	214,490	2.62	295,940	3.61	217,221	2.65	294,036	3.59
49. Arts, Recreation, and Accommodation	231,863	2.83	319,911	3.90	234,816	2.86	317,853	3.88
10. Other Construction	32,710	0.02	45,131	0.02	33,126	0.02	44,840	0.02
31 Other Retail	26,511	0.03	36,578	0.05	26,849	0.04	36,343	0.05
40. Credit Intermediation and Related Activities	26,254	0.01	36,223	0.01	26,588	0.01	35,990	0.01
52. Waste Management/Other, and Agriculture Services	25,567	0.02	35,276	0.03	25,893	0.02	35,049	0.03
46. Ambulatory Health Care Services	18,189	0.01	25,096	0.02	18,420	0.01	24,934	0.02
50. Food Services and Drinking Places	17,717	0.02	24,445	0.03	17,942	0.02	24,287	0.03
41. Other Finance and Insurance	16,945	0.01	23,379	0.01	17,160	0.01	23,229	0.01
16. Petroleum and Coal Products Manufacturing	16,173	0.00	22,314	0.00	16,378	0.00	22,170	0.00
29. Wholesale	14,628	0.00	20,183	0.01	14,814	0.00	20,053	0.01
47. Hospitals	13,620	0.00	18,792	0.01	13,794	0.00	18,671	0.01
42. Real Estate and Rental and Leasing	13,148	0.01	18,141	0.01	13,316	0.01	18,024	0.01
38. Telecommunications	12,848	0.00	17,727	0.00	13,012	0.00	17,613	0.00
43. Legal /Accounting and Bookkeeping /Management Se	10,682	0.01	14,738	0.01	10,818	0.01	14,643	0.01
6. Electric Utilities	9,673	0.00	13,347	0.00	9,797	0.00	13,261	0.00
48. Nursing and Residential Care Facilities, Social Assis	8,773	0.01	12,104	0.01	8,884	0.01	12,026	0.01
51. Administrative/Employment Support Services	8,194	0.01	11,305	0.01	8,298	0.01	11,232	0.01
11. Food, Beverage and Tobacco Manufacturing	6,864	0.00	9,470	0.00	6,951	0.00	9,409	0.00
39. Other Information	4,933	0.00	6,807	0.00	4,996	0.00	6,763	0.00
35. Other Transportation/Postal Offices	4,890	0.00	6,747	0.00	4,953	0.00	6,704	0.00
All Other Industrial Groups	35,026	0.03	48,327	0.04	35,472	0.03	48,016	0.04
Total Multiplier Effect	555,206	3.01	766,040	4.15	562,276	3.05	761,112	4.13

**Exhibit #1**

**BASE DATA USE IN ANALYSIS OF EACH OPTION**

2)

Ship	Company	Length	Pass	# Calls	Total Visits	Sales Tax (\$4.86/ea)	Fee/Foot Yr2016	Fee/Visit	Total Fees
Infinity	Celebrity Cruises	965	2170	2	4,340	21,092	\$3.50	\$3,378	6,755
Crown Princess	Princess Cruises	951	2080	2	4,160	20,218	\$3.50	\$3,329	6,657
Osterday	Holland America Line	950	1848	9	16,632	80,832	\$3.50	\$3,325	29,925
Zaandam	Holland America Line	781	1440	9	12,960	62,986	\$3.50	\$2,734	24,602
Regatta	Oceania Cruises	594	684	2	1,368	6,648	\$3.13	\$1,859	3,718
L'Austral	Compagnie du Ponant	466	264	6	1,584	7,698	\$2.63	\$1,226	7,353
American Spirit	America Cruise Lines	205	100	6	600	2,916	\$1.94	\$398	2,386
Safari Legacy	Un-Cruise Adventures	192	88	10	880	4,277	\$1.69	\$324	3,245
Baranof Dream	Alaska Dream Cruises	144	49	3	147	714	\$1.50	\$216	648
Admiralty Dream	Alaska Dream Cruises	143	36	1	36	175	\$1.50	\$215	215
Alaska Dream	Alaska Dream Cruises	104	58	4	232	1,128	\$1.50	\$156	624
New Ship #1		900	2000	4	8,000	38,880	\$3.50	\$3,150	12,600
New Ship #2		900	2000	4	8,000	38,880	\$3.50	\$3,150	12,600
New Ship #3		900	2000	4	8,000	38,880	\$3.50	\$3,150	12,600
New Ship #4		900	2000	4	8,000	38,880	\$3.50	\$3,150	12,600
3) ALL SHIPS			16817	70	74,939	364,204			136,528

**Exhibit #2**

**50% Waiver – All Ships**

Ship	CURRENT YEAR (FY 2015)				Option 4: 50% Waiver: All Shipst			
	Sales Tax	Less Waiver	Balance	Rate of Return	Sales Tax	Less Waiver	Balance	Rate of Return
Infinity	21,092	(6,755)	14,337	2.12	21,092	(3,378)	17,715	5.24
Crown Princess	20,218	(6,657)	13,561	2.04	20,218	(3,329)	16,889	5.07
Osterday	80,832		80,832		80,832	(14,963)	65,869	4.40
Zaandam	62,986		62,986		62,986	(12,301)	50,685	4.12
Regatta	6,648		6,648		6,648	(1,859)	4,789	2.58
L'Austral	7,698		7,698		7,698	(3,677)	4,022	1.09
American Spirit	2,916		2,916		2,916	(1,193)	1,723	1.44
Safari Legacy	4,277		4,277		4,277	(1,622)	2,654	1.64
Baranof Dream	714		714		714	(324)	390	1.21
Admiralty Dream	175		175		175	(107)	68	0.63
Alaska Dream	1,128		1,128		1,128	(312)	816	2.61
New Ship #1	n.a.	n.a.	n.a.	n.a.	38,880	(6,300)	32,580	5.17
New Ship #2	n.a.	n.a.	n.a.	n.a.	38,880	(6,300)	32,580	5.17
New Ship #3	n.a.	n.a.	n.a.	n.a.	38,880	(6,300)	32,580	5.17
New Ship #4	n.a.	n.a.	n.a.	n.a.	38,880	(6,300)	32,580	5.17
<b>ALL SHIPS</b>	<b>208,684</b>	<b>(13,412)</b>	<b>195,272</b>	<b>n.a.</b>	<b>364,204</b>	<b>(68,264)</b>	<b>295,940</b>	<b>n.a.</b>
Current Year: 2015 Schedule					208,684	(13,412)	195,272	n.a.
2 New Ships x 2 calls per season			2 New Ships x 2 calls/season		247,564	(49,364)	198,200	n.a.
			Difference: Option - Current Yr		38,880	(35,952)	2,928	1.08
3 New Ships x 2 calls per season			3 New Ships x 2 calls/season		267,004	(52,514)	214,490	n.a.
			Difference: Option - Current Yr		58,320	(39,102)	19,218	1.49
3 New Ships x 3 calls per season			3 New Ships x 3 calls/season		296,164	(57,239)	238,925	n.a.
			Difference: Option - Current Yr		87,480	(43,827)	43,653	2.00
4 New Ships x 4 calls per season			4 New Ships x 4 calls/season		364,204	(68,264)	295,940	n.a.
			Difference: Option - Current Yr		155,520	(54,852)	100,668	2.84

**Exhibit #3**

**3 YEAR GRADUATED WAIVER**

Ship	Option 3: Graduated Waiver: 20% to 60% Over 3 Yrs													
	Yr 1 Sales Tax	Yr 1 20% Waiver	Yr 1 Balance	Yr 1 Rate of Return	Yr 2 40% Waiver	Yr 2 Balance	Yr 2 Rate of Return	Yr 3 60% Waiver	Yr 3 Balance	Yr 3 Rate of Return	All Yrs All Sales Tax	All Yrs All Waivers	All Yrs Balance	All Yrs Rate of Return
Infinity	21,092	(1,351)	19,741	14.61	(3,088)	18,004	5.83	(5,211)	15,881	3.05	63,277	(9,650)	53,627	5.56
Crown Princess	20,218	(1,331)	18,886	14.19	(3,043)	17,174	5.64	(5,135)	15,082	2.94	60,653	(9,510)	51,143	5.38
Osterday	80,832	(5,985)	74,847	12.51	(13,680)	67,152	4.91	(23,085)	57,747	2.50	242,495	(42,750)	199,745	4.67
Zaandam	62,986	(4,920)	58,065	11.80	(11,246)	51,739	4.60	(18,978)	44,007	2.32	188,957	(35,145)	153,812	4.38
Regatta	6,648	(744)	5,905	7.94	(1,725)	4,924	2.85	(2,944)	3,705	1.26	19,945	(5,413)	14,533	2.69
L'Austral	7,698	(1,471)	6,228	4.23	(3,501)	4,198	1.20	(6,090)	1,609	0.26	23,095	(11,061)	12,034	1.09
American Spirit	2,916	(477)	2,439	5.11	(1,200)	1,716	1.43	(2,170)	746	0.34	8,748	(3,847)	4,901	1.27
Safari Legacy	4,277	(649)	3,628	5.59	(1,682)	2,595	1.54	(3,099)	1,178	0.38	12,830	(5,430)	7,401	1.36
Baranof Dream	714	(130)	585	4.51	(346)	369	1.07	(648)	66	0.10	2,143	(1,123)	1,020	0.91
Admiralty Dream	175	(43)	132	3.08	(114)	61	0.53	(215)	(40)	-	525	(372)	153	0.41
Alaska Dream	1,128	(125)	1,003	8.03	(333)	795	2.39	(624)	504	0.81	3,383	(1,082)	2,301	2.13
New Ship #1	38,880	(2,520)	36,360	14.43	(5,760)	33,120	5.75	(9,720)	29,160	3.00	116,640	(18,000)	98,640	5.48
New Ship #2	38,880	(2,520)	36,360	14.43	(5,760)	33,120	5.75	(9,720)	29,160	3.00	116,640	(18,000)	98,640	5.48
New Ship #3	38,880	(2,520)	36,360	14.43	(5,760)	33,120	5.75	(9,720)	29,160	3.00	116,640	(18,000)	98,640	5.48
New Ship #4	38,880	(2,520)	36,360	14.43	(5,760)	33,120	5.75	(9,720)	29,160	3.00	116,640	(18,000)	98,640	5.48
ALL SHIPS	364,204	(27,306)	336,898	n.a.	(62,998)	301,205	n.a.	(107,078)	257,125	n.a.	1,092,611	(197,382)	895,228	n.a.
Current Year: 2015 Sc	208,684	(13,412)	195,272	n.a.	(13,412)	195,272	n.a.	(13,412)	195,272	n.a.	626,051	(40,236)	585,815	n.a.
2 New Ships x 2 calls	247,564	(19,746)	227,818	n.a.	(45,718)	201,845	n.a.	(77,918)	169,645	n.a.	742,691	(143,382)	599,308	n.a.
	38,880	(6,334)	32,546	6.14	(32,306)	6,574	1.20	(64,506)	(25,626)	0.60	116,640	(103,146)	13,494	1.13
3 New Ships x 2 calls	267,004	(21,006)	245,998	n.a.	(48,598)	218,405	n.a.	(82,778)	184,225	n.a.	801,011	(152,382)	648,628	n.a.
	58,320	(7,594)	50,726	7.68	(35,186)	23,134	1.66	(69,366)	(11,046)	0.84	174,960	(112,146)	62,814	1.56
3 New Ships x 3 calls	296,164	(22,896)	273,268	n.a.	(52,918)	243,245	n.a.	(90,068)	206,095	n.a.	888,491	(165,882)	722,608	n.a.
	87,480	(9,484)	77,996	9.22	(39,506)	47,974	2.21	(76,656)	10,824	1.14	262,440	(125,646)	136,794	2.09
4 New Ships x 4 calls	364,204	(27,306)	336,898	n.a.	(62,998)	301,205	n.a.	(107,078)	257,125	n.a.	1,092,611	(197,382)	895,228	n.a.
	155,520	(13,894)	141,626	11.19	(49,586)	105,934	3.14	(93,666)	61,854	1.66	466,560	(157,146)	309,414	2.97

**Exhibit #4****TIF-LIKE OPTION TO FUND CAPITAL IMPROVEMENTS AT THE BOAT HARBOR**

	Option 4 50% Waiver	Option 5 Graduated
<b><u>2 New Ships x 2 calls/season</u></b>		
Computation of Loan Payment Amount		
Cruise Ship Sales Tax	247,564	742,691
Less Waiver Amount	(49,364)	(143,383)
Less Current Year (Yr 2015) C.S. Sales Tax	(208,684)	(626,052)
	Amount Available to Repay Loan	(10,484)
	Estimated Loan Amount	0
<b><u>3 New Ships x 2 calls/season</u></b>		
Computation of Loan Payment Amount		
Cruise Ship Sales Tax	267,004	801,001
Less Waiver Amount	(52,514)	(152,382)
Less Current Year (Yr 2015) C.S. Sales Tax	(208,684)	(626,052)
	Amount Available to Repay Loan	5,806
	Estimated Loan Amount	82,511
<b><u>3 New Ships x 3 calls/season</u></b>		
Cruise Ship Sales Tax	296,164	888,491
Less Waiver Amount	(57,239)	(165,882)
Less Current Year (Yr 2015) C.S. Sales Tax	(208,684)	(626,052)
	Amount Available to Repay Loan	30,241
	Estimated Loan Amount	429,791
<b><u>4 New Ships x 4 calls/season</u></b>		
Cruise Ship Sales Tax	364,204	1,092,611
Less Waiver Amount	(68,264)	(197,382)
Less Current Year (Yr 2015) C.S. Sales Tax	(208,684)	(626,052)
	Amount Available to Repay Loan	87,256
	Estimated Loan Amount	1,240,111

**Rejected Options**

**Option #1: Continue the Existing Backroad Cruise Ship Waiver Program**

**a) Description:**

- Borough continues to offer a one-time waiver of dock fees for the first cruise ship that adds Haines to its itinerary.
- As currently drafted, the Backroads Program does not reimburse the Port Chilkoot Dock Fund. It does not expire nor differentiate between large or small boats.
- If this option is selected, the above issues should be addressed.
- Other options described in this report could be an addition to the existing and revised Backroads Program.

**b) Model: See Exhibit #2**

**c) Analysis: (Combined Scores and Generally Shared Comments)**

<b>Criteria</b>	<b>Answer (0 – 15)</b>	<b>Comments</b>
1. <i>Strong Statement</i>	2	<i>Existing program “not a sell”. It was produced several years ago and today’s market has changed.</i>
2. <i>Noticeable</i>	2	<i>The weakness of this option is that it took three years before it was ever used. The amount of the waiver is small, particularly over the long term. Lack of use probably indicates that the cruise ship companies do not consider it significant.</i>
3. <i>Direct Connection</i>	2	<i>It does not target any specific type of cruise ship.</i>
4. <i>Net Increase in Sales Tax</i>	6	<i>One time occurrence does not give incentive to continue more dockings in future</i>
5. <i>Positive Rate of Return</i>	10	<i>This option has the greatest rate of return.</i>
<i>Total (max = 45)</i>	22	

**d) Unique or Particular Staff Notes and Comments:**

- The odds of increasing one or two ships per year are probably unlikely.
- *The lack of interest in the waiver after it was adopted in 2011 indicates it is seldom used.*
- *The existing program is defunct. It no longer exists*

**Option 2: 3 YEAR WAIVER FOR ALL SHIPS OVER 900 FT****a) Description:**

- Borough either replaces or adds to the existing Backroads first-time waiver a new or additional three-year waiver for all cruise ships equal to or over 900 feet.
- At the end of three years, the waiver expires unless the Assembly decides to continue it.

**b) Model:** See Exhibit #3**c) Analysis:** (Combined Scores and Generally Shared Comments)

<b>Criteria</b>	<b>Answer (0 – 15)</b>	<b>Comments</b>
1. <i>Strong Statement</i>	6	<i>Deduct points as it is too specific to one tier of vessels. Most of these vessels will not be taken off their current valued ports</i>
2. <i>Noticeable</i>	8	<i>It is a bold, simple statement but unlikely to be used</i>
3. <i>Direct Connection</i>	7	<i>Direct impact but unlikely to be used</i>
4. <i>Net Increase in Sales Tax</i>	5	<i>Doubtful we will achieve 3 ships to reach goals</i>
5. <i>Positive Rate of Return</i>	2	<i>Does not have a good rate of return until the 3 ship/3 call scenario.</i>
<i>Total (max = 45)</i>	28	

**d) Unique or Particular Staff Notes and Comments:**

- The 2 Ship / 2 Call scenarios barely breaks even.
- Adding one more ship or one more port of call does not make much of a difference.
- The rate of return does not reach 1.50 until 3 ships / 3 calls.
- *Easy to understand, use, etc. I think it would be very noticeable. Dropped it a point due to no past experience.*
- *Good impact on large cruise ships, which would be good for business, but bad rate of return. The impact on sales tax is reduced due to the cost to achieve that impact.*
- The rate of return does not reach 1.50 until 3 ships / 3 calls – which make this option a long-shot.
- *Deduct points as it is too specific to one tier of vessels. Most of these vessels will not be taken off their current valued ports*

**Option 3: 3 YEAR WAIVER FOR ALL SHIPS OVER 700 FT**

**a) Description:**

- Borough either replaces or adds to the existing Backroads first-time waiver a new or additional three-year waiver for all cruise ships equal to or over 700 feet.
- At the end of three years, the waiver expires unless the Assembly decides to continue it.

**b) Model:** See Exhibit #4

**c) Analysis:** (Combined Scores and Generally Shared Comments)

<b>Criteria</b>	<b>Answer (0 – 15)</b>	<b>Comments</b>
<i>1. Strong Statement</i>	<i>8</i>	<i>Very strong statement to attract larger ships but acknowledging we are a Tier 2 port.</i>
<i>2. Noticeable</i>	<i>9</i>	<i>Strong statement with clear intent</i>
<i>3. Direct Connection</i>	<i>5</i>	<i>Good impact on large cruise ships, which would be good for business, but horrible rate of return. I gave it a lower score than the 900+ ft option due to its low RoFR.</i>
<i>4. Net Increase in Sales Tax</i>	<i>0</i>	<i>Does not have an adequate rate of return.</i>
<i>5. Positive Rate of Return</i>	<i>2</i>	<i>Does not generate the preferred rate of return until the 4 ships / 4 calls options. Makes this a very long shot.</i>
<i>Total (max = 45)</i>	<i>24</i>	

**d) Unique or Particular Staff Notes and Comments:**

- This option does not break even until 3 ships / 3 calls and then just barely.
- It nearly wipes out all of the existing dock fees.
- Too risky.

**OPTION #1: CONTINUATION OF THE EXISTING BACKROAD PROGRAM**

Ship	CURRENT YEAR (FY 2015)				Option 1: Continue Backroad			
	Sales Tax	Less Waiver	Balance	Rate of Return	Sales Tax	Less Waiver	Balance	Rate of Return
Infinity	21,092	(6,755)	14,337	2.12	21,092		21,092	
Crown Princess	20,218	(6,657)	13,561	2.04	20,218		20,218	
Osterday	80,832		80,832		80,832		80,832	
Zaandam	62,986		62,986		62,986		62,986	
Regatta	6,648		6,648		6,648		6,648	
L'Austral	7,698		7,698		7,698		7,698	
American Spirit	2,916		2,916		2,916		2,916	
Safari Legacy	4,277		4,277		4,277		4,277	
Baranof Dream	714		714		714		714	
Admiralty Dream	175		175		175		175	
Alaska Dream	1,128		1,128		1,128		1,128	
New Ship #1	n.a.	n.a.	n.a.	n.a.	38,880	(12,600)	26,280	2.09
New Ship #2	n.a.	n.a.	n.a.	n.a.	38,880	(12,600)	26,280	
New Ship #3	n.a.	n.a.	n.a.	n.a.	38,880	(12,600)	26,280	2.09
New Ship #4	n.a.	n.a.	n.a.	n.a.	38,880	(12,600)	26,280	
<b>ALL SHIPS</b>	<b>208,684</b>	<b>(13,412)</b>	<b>195,272</b>	<b>n.a.</b>	<b>364,204</b>	<b>(50,400)</b>	<b>313,804</b>	<b>n.a.</b>
Current Year: 2015 Schedule			Current Year: 2015 Schedule		208,684	(13,412)	195,272	n.a.
2 New Ships x 2 calls per season			2 New Ships x 2 calls/season		247,564	(12,600)	234,964	n.a.
			Difference: Option - Current Yr		38,880	812	230,532	3.09
3 New Ships x 2 calls per season			3 New Ships x 2 calls/season		267,004	(18,900)	248,104	n.a.
			Difference: Option - Current Yr		58,320	(5,488)	52,832	3.09
3 New Ships x 3 calls per season			3 New Ships x 3 calls/season		296,164	(28,350)	267,814	n.a.
			Difference: Option - Current Yr		87,480	(14,938)	72,542	3.09
4 New Ships x 4 calls per season			4 New Ships x 4 calls/season		364,204	(50,400)	313,804	n.a.
			Difference: Option - Current Yr		155,520	(36,988)	118,532	3.09

**OPTION #2: 3 YEAR WAIVER FOR ALL SHIPS OVER 900 FEET**

Ship	CURRENT YEAR (FY 2015)				Option 2: 3 yr waiver 900+ ft			
	Sales Tax	Less Waiver	Balance	Rate of Return	Sales Tax	Less Waiver	Balance	Rate of Return
Infinity	21,092	(6,755)	14,337	2.12	21,092	(6,755)	14,337	2.12
Crown Princess	20,218	(6,657)	13,561	2.04	20,218	(6,657)	13,561	2.04
Osterday	80,832		80,832		80,832	(29,925)	50,907	1.70
Zaandam	62,986		62,986		62,986	-	62,986	
Regatta	6,648		6,648		6,648	-	6,648	
L'Austral	7,698		7,698		7,698	-	7,698	
American Spirit	2,916		2,916		2,916	-	2,916	
Safari Legacy	4,277		4,277		4,277	-	4,277	
Baranof Dream	714		714		714	-	714	
Admiralty Dream	175		175		175	-	175	
Alaska Dream	1,128		1,128		1,128	-	1,128	
New Ship #1	n.a.	n.a.	n.a.	n.a.	38,880	(12,600)	26,280	2.09
New Ship #2	n.a.	n.a.	n.a.	n.a.	38,880	(12,600)	26,280	2.09
New Ship #3	n.a.	n.a.	n.a.	n.a.	38,880	(12,600)	26,280	2.09
New Ship #4	n.a.	n.a.	n.a.	n.a.	38,880	(12,600)	26,280	2.09
ALL SHIPS	208,684	(13,412)	195,272	n.a.	364,204	(93,737)	270,467	n.a.
Current Year: 2015 Schedule					208,684	(13,412)	195,272	n.a.
2 New Ships x 2 calls per season			2 New Ships x 2 calls/season		247,564	(55,937)	191,627	n.a.
			Difference: Option - Current Yr		38,880	(42,525)	(3,645)	0.91
3 New Ships x 2 calls per season			3 New Ships x 2 calls/season		267,004	(62,237)	204,767	n.a.
			Difference: Option - Current Yr		58,320	(48,825)	9,495	1.19
3 New Ships x 3 calls per season			3 New Ships x 3 calls/season		296,164	(71,687)	224,477	n.a.
			Difference: Option - Current Yr		87,480	(58,275)	29,205	1.50
4 New Ships x 4 calls per season			4 New Ships x 4 calls/season		364,204	(93,737)	270,467	n.a.
			Difference: Option - Current Yr		155,520	(80,325)	75,195	1.94

**OPTION #3: 3 YEAR WAIVER FOR ALL SHIPS OVER 700 FEET**

Ship	CURRENT YEAR (FY 2015)				Option 3: 3 yr waiver 700+ ft			
	Sales Tax	Less Waiver	Balance	Rate of Return	Sales Tax	Less Waiver	Balance	Rate of Return
Infinity	21,092	(6,755)	14,337	2.12	21,092	(6,755)	14,337	2.12
Crown Princess	20,218	(6,657)	13,561	2.04	20,218	(6,657)	13,561	2.04
Osterday	80,832		80,832		80,832	(29,925)	50,907	1.70
Zaandam	62,986		62,986		62,986	(24,602)	38,384	1.56
Regatta	6,648		6,648		6,648	-	6,648	
L'Austral	7,698		7,698		7,698	-	7,698	
American Spirit	2,916		2,916		2,916	-	2,916	
Safari Legacy	4,277		4,277		4,277	-	4,277	
Baranof Dream	714		714		714	-	714	
Admiralty Dream	175		175		175	-	175	
Alaska Dream	1,128		1,128		1,128	-	1,128	
New Ship #1	n.a.	n.a.	n.a.	n.a.	38,880	(12,600)	26,280	2.09
New Ship #2	n.a.	n.a.	n.a.	n.a.	38,880	(12,600)	26,280	
New Ship #3	n.a.	n.a.	n.a.	n.a.	38,880	(12,600)	26,280	2.09
New Ship #4	n.a.	n.a.	n.a.	n.a.	38,880	(12,600)	26,280	
<b>ALL SHIPS</b>	<b>208,684</b>	<b>(13,412)</b>	<b>195,272</b>	<b>n.a.</b>	<b>364,204</b>	<b>(118,339)</b>	<b>245,865</b>	<b>n.a.</b>
Current Year: 2015 Schedule					208,684	(13,412)	195,272	n.a.
2 New Ships x 2 calls per season			2 New Ships x 2 calls/season		247,564	(80,539)	167,025	n.a.
			Difference: Option - Current Yr		38,880	(67,127)	(28,247)	0.58
3 New Ships x 2 calls per season			3 New Ships x 2 calls/season		267,004	(86,839)	180,165	n.a.
			Difference: Option - Current Yr		58,320	(73,427)	(15,107)	0.79
3 New Ships x 3 calls per season			3 New Ships x 3 calls/season		296,164	(96,289)	199,875	n.a.
			Difference: Option - Current Yr		87,480	(82,877)	4,604	1.06
4 New Ships x 4 calls per season			4 New Ships x 4 calls/season		364,204	(118,339)	245,865	n.a.
			Difference: Option - Current Yr		155,520	(104,927)	50,594	1.48