

**Haines Borough**  
**Borough Assembly Meeting #294**  
**AGENDA**

**June 23, 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 – Fire Department Report
- 8C – Museum Report
- 8D – Library Report
- 9A – Library Board Minutes
- 11A1 – Adopt Resolution 15-06-630
- 11A2 – Adopt Resolution 15-06-631
- 11C1 – Distillery License Transfer (controlling interest only)
- 11C2 – Reschedule hearings for Ordinance 15-06-413

- \* 4. **APPROVAL OF MINUTES – 6/9/15 Regular**
5. **PUBLIC COMMENTS** [Any topics not scheduled for public hearing]
6. **MAYOR'S COMMENTS/REPORT**
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. Resolution 15-06-633**

**A Resolution of the Haines Borough Assembly Supporting a Marketing Initiative that includes Cruise Ship Docking Fee Waiver Incentives.**

*As part of the public participation plan, a public hearing on this resolution is being conducted. **Motion:** Adopt Resolution 15-06-633.*

**B. Ordinance 15-05-411 – Second 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 first hearing was on 6/9/15. **Motion:** Adopt Ordinance 15-05-411.*

**C. Ordinance 15-06-414 - First Hearing**

**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 and was introduced on 6/9/15. The assembly already scheduled the second hearing for 7/14/15. 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 – 6/23/15 Report
- \* B. Fire Department – Report of May 2015
- \* C. Sheldon Museum – Report of May 2015
- \* D. Public Library – Report of May 2015

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

- A. Library Advisory Board – Minutes of 5/20/15
- B. Assembly Standing Committee Reports
  - 1. GAS Committee – Agenda Preparation Code vs. Policy

## 10. UNFINISHED BUSINESS

## 11. NEW BUSINESS

### A. Resolutions

#### \* 1. Resolution 15-06-630

A Resolution of the Haines Borough Assembly designating the acquisition of State of Alaska, Department of Environmental Conservation (ADEC) grant funds for the project entitled Sewer Treatment Plant Health and Safety Upgrades as the number one local state funding priority for fiscal year 2017.

*This resolution is recommended by the manager. **Motion:** Adopt Resolution 15-06-630.*

#### \* 2. Resolution 15-06-631

A Resolution of the Haines Borough Assembly authorizing the Borough Manager to apply to the State of Alaska, Department of Environmental Conservation (ADEC) for a loan from the Alaska Clean Water Fund for the project entitled Sewer Treatment Plant Health and Safety Upgrades (Phase 2).

*This resolution is recommended by the manager. **Motion:** Adopt Resolution 15-06-631.*

#### 3. Resolution 15-06-632

A Resolution of the Haines Borough Assembly approving a written administrative policy setting forth community purpose standards and requirements as authorized by HBC 3.70.040(D)(1).

*This resolution is recommended by the manager. **Motion:** Adopt Resolution 15-06-632.*

### B. Ordinances for Introduction

#### 1. Ordinance 15-06-415

An Ordinance of the Haines Borough adopting a revised fee schedule for harbor facility usage.

*This ordinance is requested by the Port & Harbor Advisory Committee and recommended by the borough manager and harbormaster. **Motion:** Introduce Ordinance 15-06-415 and set a first public hearing for 7/14/15 and a second public hearing for 7/28/15.*

### C. Other New Business

#### \* 1. Distillery License Transfer – Port Chilkoot Distillery

*The Alaska Alcohol Beverage Control (ABC) Board has notified the Borough of a pending distillery license transfer involving controlling interest of the Port Chilkoot Distillery. The two owners have changed from owning 50% each to one owning 75% and the other 25%. This requires ABC Board approval, and their decision is pending local government review. **Motion:** The Assembly does not object to the transfer involving controlling interest of the distillery license belonging to Port Chilkoot Distillery.*

#### \* 2. Minor Offenses Ordinance 15-06-413 – Reschedule Public Hearings

*On 6/9/15, the assembly introduced the ordinance, referred 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 scheduled the hearings for 7/14/15 and 7/28/15. It has been determined more time is needed for committee and commission review, so the mayor and manager recommend the assembly reschedule the public hearings and provide for a new deadline for committee/commission recommendations. **Motion:** 1) Reschedule the first public hearing for Ordinance 15-06-413 for 8/25/15 and the second hearing for 9/8/15 and 2) set 10am 8/7/15 as the deadline for receiving recommendations from the committee and commission.*

**11C. NEW BUSINESS/Other New Business ---continued---**

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

**Motion:** Move into executive session as allowed by AS 44.62.310(c)(1) and Haines Borough Charter Section 18.03 to receive a update from the borough attorney on the Nelson administrative appeal; this matter qualifies for executive session because a public discussion may adversely affect the finances of the borough and/or the borough's legal position; the borough manager and borough attorney are requested to attend.

**12. CORRESPONDENCE/REQUESTS**

**A. Citizen Comments in support of Harbor Expansion Project – submitted in petition form**

**B. Citizen Comment re. Harbor Expansion Design – J. Wenner**

**C. Citizen Request re. Selection of Next Chief of Police – B. McCord**

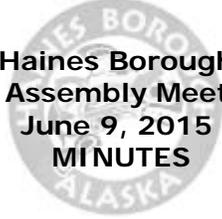
Note: This included a request to make a brief presentation of no more than ten minutes.

**13. SET MEETING DATES**

**14. PUBLIC COMMENTS**

**15. ANNOUNCEMENTS/ASSEMBLY COMMENTS**

**16. ADJOURNMENT**

  
**Haines Borough**  
**Borough Assembly Meeting #293**  
**June 9, 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**, and George **CAMPBELL**, Joanne **WATERMAN**, and Ron **JACKSON** (via telephone). Absent: Dave **BERRY, Jr.**

**Staff Present:** David **SOSA**/Borough Manager, Julie **COZZI**/Borough Clerk, Robert **GRIFFITHS**/Interim Chief of Police, and Jila **STUART**/Chief Fiscal Officer.

**Visitors Present:** Karen **GARCIA**/CVN, Margaret **FRIEDENAUER**/KHNS, Mike **DENKER**, Carol **TUYNMAN**, Dana **HALLETT**, Debra **SCHNABEL**, Bill **MCCORD**, Joe **PARNELL**, Gabriel **WOLKEN**/DNR, and others.

3. **APPROVAL OF AGENDA & CONSENT AGENDA**

The following Items were on the published consent 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

**Motion:** **CASE** moved to “approve the agenda/consent agenda,” and the motion carried unanimously.

\* 4. **APPROVAL OF MINUTES** – 5/26/15 Regular

*The motion adopted by approval of the consent agenda: “approve minutes of the 5/26/15 borough assembly regular meeting.”*

5. **PUBLIC COMMENTS**

**SCHNABEL** – 1) 11C2 - Ordinance 15-06-414: please consider providing for a local preference, and 2) 11C3 – Cruise Ship Fee Waiver Proposal: please adjust the resolution documentation for the next meeting in recognition of the public input.

**PARNELL** – Has serious concerns about the condition of the Lutak Dock and the validity of the boat harbor waitlist. He also announced the town hall meeting he is hosting to talk about the harbor project.

**MCCORD** – Requested a public hearing with the interim police chief to allow the community to participate in the selection of a new chief.

6. **MAYOR’S COMMENTS/REPORT**

Mayor **HILL** thanked those who attended the board training and appreciates all who give of their time and energy to serve on one of the boards. Additionally, she encouraged assembly members to attend committee and board meetings whenever possible.

**A. Presentation:** Climate and Cryosphere Hazards Program (CCHP) and the Haines Highway Debris Flow process study – Gabriel Wolken, DGGs/DNR

7. **PUBLIC HEARINGS**

**A. Ordinance 15-05-410** – Second 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 7:09 p.m.; there were no public comments.

**Motion:** **CASE** moved to “adopt Ordinance 15-05-410,” and the motion carried 4-1 in a roll call vote with **CAMPBELL** opposed.

**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.**

Mayor **HILL** opened and closed the public hearing at 7:16 p.m.; there were no public comments.

*Note: The assembly had already scheduled the second hearing for 6/23/15, 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 – 6/9/15 Report**

The manager summarized his written report. He added the longer the state goes without a budget, the more it will affect the borough's cash flow. He will provide regular updates to the assembly and the public. Like the mayor, he thanked those who attended the board training.

**\* B. Chilkat Center – Facility Report of May 2015**

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

**\* A. Parks & Recreation Advisory Committee – Minutes of 1/29/15**

**\* B. Port & Harbor Advisory Committee – Minutes of 4/27/15**

**C. Assembly Standing Committee Reports**

**• Government Affairs & Services (GAS) Committee Report of 5/13/15 – PHAC Membership Composition**

LAPHAM said the GAS Committee recommendation will go to the Port & Harbor Advisory Committee for input before it comes to the assembly. She added the proposed changes would not affect the sitting committee members.

**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.**

**Motion:** CAMPBELL moved to "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." The motion carried unanimously.

**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.**

**Motion:** CASE moved to "introduce Ordinance 15-06-414 and schedule a first public hearing for 6/23/15 and a second public hearing for 7/14/15," and the motion carried unanimously.

**C. Other New Business**

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

*Note: 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. The motion adopted by approval of the consent agenda: "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 presented this appeal to the assembly and with the assembly's direction, the clerk would schedule the appeal hearing. There was no other action to be taken at this time. The motion adopted by approval of the consent agenda: "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 was asked to schedule it at this meeting.*

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

**12. CORRESPONDENCE/REQUESTS** - None

**13. SET MEETING DATES**

**A. Government Affairs & Services Committee** – The mayor will contact committee chair Dave Berry to schedule a meeting. Topic: Ordinance 15-06-413 - Minor Offenses

**B. Commerce Committee** – 6:30 p.m., Tuesday, 6/16, Assembly Chambers, Topic: Title 18 Sign Code

**14. PUBLIC COMMENTS**

**FRIEDENAUR** – 1) This is her last meeting since she going to a different job; she has appreciated the part she has played in the public process and getting information out, and 2) *Cruise Ship Fee Waiver Proposal and concerns with the public process:* The Tourism Advisory Board (TAB) has been working on it for over a year and should have brought it sooner rather than expect the public to decide fast. She is disappointed only one TAB member attended the joint meeting with the Commerce Committee. As KHNS News Director, she was willing to accommodate the TAB to help get the message out to the community and offered three different opportunities to be on air. No one would make themselves available.

**15. ANNOUNCEMENTS/ASSEMBLY COMMENTS**

**LAPHAM** – Shared her thoughts on how she looks at the job an assembly person does: Get the job done but also listen to the public and to each other. The assembly has to lead by example and be respectful.

**JACKSON** – 1) He is recovering well and expects to be at the 6/23/15 meeting, and 2) suggested the assembly could use training in working with the public. Perhaps team building, respect for others, and dealing with differences.

**HILL** – Announced the 6/24, 2-4pm, grand opening for Aspen Hotel.

**16. ADJOURNMENT** – 7:54 p.m.

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

ATTEST:

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

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



**A Resolution of the Haines Borough Assembly Supporting a Marketing Initiative that includes Cruise Ship Docking Fee Waiver Incentives.**

**WHEREAS**, the Haines Borough through the State of Alaska, Department of Environmental Conservation (ADEC) has requested funding for Haines Sewer Treatment Plant Health and Safety Upgrades (Phase 2); and

**WHEREAS**, the Haines Borough is supportive of cooperative efforts of the Tourism Advisory Board and Tourism Department to promote Haines as a vital second tier port supporting a marketing program that includes docking fee waiver incentives to cruise ship industries; and

**WHEREAS**, due to the desire for new cruise lines to consider Haines as a steady port destination, the Haines Tourism Department will work to increase visitation by offering a cruise ship docking fee waiver initiative to enhance current marketing programs, the economy and improve visitation to the community; and

**WHEREAS**, this marketing initiative will be presented by a delegation to cruise line representatives on July 16, 2015 to promote repeat visitations for returning cruise lines, promote ships to visit Haines on a regular weekly basis, and to promote Haines as a new port option for passengers desiring to visit less crowded ports; and

**WHEREAS**, the Cruise Ship Docking Fee Waiver concept will be used as a financial incentive in the overall marketing plan promoting Haines as a desirable port; and

**WHEREAS**, Haines is uniquely positioned to showcase the Upper Lynn Canal and Haines' well-known attractions, history, tours, activities, natural qualities, services and products to passengers and crew; and

**WHEREAS**, the Marketing Initiative that includes Cruise Ship Docking Fee Waiver Incentives will reinforce a successful relationship with cruise lines and enhance the Haines' community for visitors and residents,

**NOW, THEREFORE, BE IT RESOLVED**, the Haines Borough Assembly officially supports the Tourism Department's Marketing Initiative that includes offering the cruise lines a fifty percent discount on docking fees beginning in 2017 with a sunset clause of 3 years ; and

**BE IT FURTHER RESOLVED**, the Haines Borough Assembly encourages unified efforts to attract cruise line traffic to Haines to enhance the economy and improve visitation to the Haines community.

Adopted by a duly-constituted quorum of the Haines Borough Assembly on this \_\_\_\_ day of \_\_\_\_\_, 2015.

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

Attest:

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

# Cruise Ship Waiver Initiative



**Old dock**



**New Dock with Golden Princess**

# History of PC Dock and Ships

## History

- 1995: PC Dock Expansion
- 1998: **152,230** cruise ship passengers disembark in Haines.  
*This was the last year of large ship numbers in Haines.*
- 2002: Haines Assembly passed a resolution to support efforts to increase ship traffic to the underutilized PC Dock
- 2011: PC Dock parking lot and restroom expansion project
- 2012: Haines Tourism Dept. and Assembly pass “Backroads” resolution with a 100% waiver for new ships for first dockings

## Present

- 2014: New Dock improvements finished at 6 million dollars
- Only one steady large ship each Wednesday
- 2 new ships visit Haines under the previous waiver incentive, Princess and Celebrity.
- Princess and Celebrity have not scheduled Haines for 2016.
- 2015 estimates **41,553** passengers disembark in Haines. This number will decrease in 2016.

# Why a Waiver?

- **Marketing:** Presently Haines has a strong marketing program to promote Haines as a place of adventure, art, scenery, and solitude. A waiver incentive adds a strong clear business proposal to tie together the marketing pitch.
- **Comprehensive Plan:** The 2012 Haines Comprehensive Plan states:  
*Continue efforts to increase cruise ships visits per week, such as building relationships with key cruise line representatives in Alaska and elsewhere.*  
**According to the Comprehensive Plan, 77% of people polled supported 2 or more ships per week, with the largest single group supporting 3 ships per week.**
- **Timing:** The Cruise line industry is booking for the 2017 season in July of 2015. Time is of the essence to have an immediate impact. If the proposal misses this deadline Haines is looking at 2018 visitations.
- **Sales Tax Revenue:** Haines needs to increase its sales tax in light of current reduction in state-shared revenues. Achieving this goal involves getting two to four more cruise ships to regularly make Haines a port of call.

# Why a Waiver cont.

- **Competition:** Presently Haines has strong competition with Hoonah's Icy Straight Point for attracting new ships. The location of Haines between two major Tier I ports (Skagway and Juneau) puts Haines in competition with two ports that have large economic draws compared to Haines.  
***With competition, Haines needs a stronger incentive to attract new ships.***
- **Empty Dock:** Currently Haines only receives one large ship per week. One ship does not support the expenses and investment of the PC Dock nor does it allow for businesses to expand or retain.
- **Business Expansion:** The increase of ships in port will in turn increase the ability for current businesses to expand, tour operators to create more tours, and potential for new businesses. More ship passengers will increase sales for retail and restaurants.
- **50% Waiver** across the board for 3 years, allows for ships to plan multiple visits for multiple years, opposed to a waiver for only 1 time. The goal of this incentive is to produce long term partnerships with cruiselines. One proposed amendment could be to offer greater incentives to ships booking on a weekly, yearly basis.



## The Numbers ...



### Golden Princess, May 26, 2015

<b>Tours Sold on Board:</b>	<b>1200</b>
<b>Estimated Average Cost Per Tour:</b>	<b>\$75</b>
<b>Estimated Sales Tax from Tour Operators alone:</b>	<b>\$4950</b>
<b>Waiver of fees to Ship:</b>	<b>(\$3329)</b>

*This does not include retail, f & b, fuel, transportation, etc.*

**Estimate sales tax from tours alone if this ship**

**returned 18 times in one season :**

**\$89100**

Estimated loss with waiver at 50% per docking  $(\$3329/2 \times 18) = (\$29961)$

*This is an estimate for one ship, comparable to the Holland America ships that have a total of 18 dockings in Haines in 2015*

# Bottom Line

- Haines needs to increase sales tax revenue.
- Haines needs to increase use of the new, improved 6 million dollar PC Dock.
- Haines needs additional incentive to attract new ships to port.
- Increase in sales tax revenue greatly outweighs cost of waiver. Current proposal is 50% rather than 100%
- Increase in sales tax revenue to tourism will multiply in increasing local purchase of goods and services.

Haines Borough Assembly Committee Meeting  
Committee: Joint Commerce and TAB, June 4, 2015

Issue: 50% Cruise Ship Waiver

Discussion: It was discussed that the waiver is a business proposition to create an effective marketing tool to open discussions with the cruise ship lines. The waiver will be used in encouraging new and repeat dockings from the cruise lines.

Recommended Action: Sean Gaffney motioned, George Campbell second to option the 50% waiver, and have staff create a resolution to bring to the Assembly on June 23,2015 meeting. Vote: 3-0 passed.

Who: Staff

June 23, 2015

Co-Chairs: Assemblyman George Campbell, TAB Chair Sean Gaffney.  
Report: Assemblywoman Diana Lapham, Other Committee Members: Assemblyman Ron Jackson,absent (excused), Assemblyman Mike Case, absent (excused).

Staff: Manager Dave Sosa, CFO Jila Stuart, Tourism Director Leslie Ross (call in)

Ex Officio: Mayor Jan Hill

Attendance: Debra Schnabel, Don Turner Jr., Bill Kurz, Carol Tynman, Andy Hedden, Karen Garcia/CVN, Emily/KHNS, Tresham Gregg.



# Haines Chamber of Commerce

*“Working Together to Build Business & Community”*

219 Main Street, Suite 14  
PO Box 1449 · Haines, AK 99827  
907-766-2202 · 907-766-2271 (Fax)  
chamber@haineschamber.org · www.haineschamber.org

June 15, 2015

Haines Borough Assembly  
PO Box 1229  
Haines, AK 99827

Re: Comments on the Tourism Revitalization Initiative  
Cruise Ship Moorage Fee Waiver Proposal

The Greater Haines Chamber of Commerce is in support of the initiatives designed to increase the visitation of cruise lines to the Haines port. For this reason, the Haines Chamber of Commerce supports the endeavors of the Tourism Advisory Board that intend to increase cruise ship passenger traffic in our community. We trust the Tourism Advisory Board to help create an environment that allows our tourism businesses to succeed.

The specific proposal to waive moorage fees as an incentive for new cruise ship contracts has risk only if the program ultimately gives away the revenue that we already have and fails to attract anything new. Even recognizing that risk, the Chamber is not prepared to support one option over another, believing that the Tourism Advisory Board and the Borough’s staff of economic and financial advisors will ultimately decide the degree of risk that the Borough budget can absorb. A recent poll of our membership concluded that the majority of our respondents felt informed on this topic and want to see more dockings in Haines.

The Chamber is especially interested in the Borough’s stated intent that the increased visitation of cruise ships will “trickle down” to grow local tour businesses and help sustain our businesses in other sectors. We believe that the entire community can benefit from increased passenger visitation. It is understood that an economy grows best when the market is predictable; local businesses will be able to invest in their businesses and employ local people, and new businesses will enter our market when we have a predictable influx of people to the community. We support a program that builds predictability and sustainability.

We appreciate the opportunity to be heard and look forward to seeing these ideas discussed and evaluated.

Sincerely,

Kyle Gray, President  
Haines Chamber of Commerce,

From: Thomas Ely [mailto:akthome@yahoo.com]  
Sent: Monday, June 15, 2015 2:25 PM  
To: Julie Cozzi  
Cc: Leslie Ross; David Sosa  
Subject: Cruise Ship Waiver - Public Testimony 6/23

Dear Haines Borough Assembly,

As you consider the proposed cruise ship docking fee waiver keep in mind that this is strictly an economic issue. It has nothing to do with Haines history, its reputation or the environmental community.

The reason that the cruise ships stopped coming to Haines in 2000 for their evening port calls is that White Pass Railroad offered a better deal. They would add a 4:30 train departure with a \$30,000 income potential for one ship if they stayed in Skagway. The most they could make in Haines was \$15,000 plus no casino revenue between the close ports.

Leaving Skagway for Haines is not a money maker for the cruise lines. We can't compete with the revenue that is generated by the train, no matter what we do.

Tourists love Haines. It is one of a few genuine Alaska towns not overrun with jewelry stores, noise and congestion. We can continue to do what we do best, by attracting a variety of tourists to come and experience our wonderful community, people, wildlife and peaceful environment.

Sincerely,  
Thom Ely



**Haines Borough  
Assembly Agenda Bill**

Agenda Bill No.: 15-574  
Assembly Meeting Date: 6/23/15

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:**  
Motion: Adopt Ordinance 15-05-411.

**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, 6/23/15	Public Hearing Date(s): 6/9, 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,

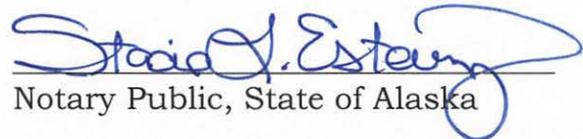


Michelle Hale, Director  
Division of Water

**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: \_\_\_\_\_



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 2. Memo from the Borough Clerk
Originator: Borough Clerk	
Originating Department: Administration	
Date Submitted: 6/1/15	

### Full Title/Motion:

The assembly already scheduled the second hearing for 7/14/15. 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 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, 6/23/15

Public Hearing Date(s): 6/23/15, 7/14/15

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 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.

Haines Borough  
Ordinance No. 15-06-414  
Page 2 of 2

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:	06/23/15
Date of Second Public Hearing:	07/14/15



# Memo from the Clerk

Date: June 23, 2015  
To: Mayor and Assembly  
Cc: Borough Manager  
From: Julie Cozzi, MMC, Borough Clerk  
Re: Ordinance 15-06-414 – Bidding Requirements

As a result of some comments made during the 6/9/15 assembly meeting when Ordinance 15-06-414 was discussed, I have prepared this memo to provide more explanation.

I am currently working on a more comprehensive ordinance that is intended to make the bidding/contracting code much more clear and up-to-date. In the mean time, staff has put forward Ordinance 15-06-414 to fix a couple of bidding requirements: business licensing and noncollusion affidavits.

1. Business License. Currently, Borough Code requires a bidder to have a borough business license in order to submit a bid. 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.

Staff's recommendation is to require a bidder to register their business if they end up the low bidder prior to entering into a contract. It is important to note that this should not be assumed to affect only out-of-town bidders, although for the most part it will. Sometimes, people are reluctant to make a business investment until they know they are the low-bidder and likely to get the contract. Note: Even the State of Alaska allows in AS 36.30.110(B) that a "bidder shall have a valid Alaska business license **at the time the contract is awarded.**"

Local preference. The question of whether local preference is given does not even enter in until after bids have been received and opened. Local preference is not intended as a way of limiting the submission of bids. That has to do with who gets recommended to the assembly for the contract. It is in the borough's best interest to receive as many bids as possible.

Staff recommends allowing anyone to submit a bid and then the issues of licensing and local preference can be considered after bid opening.

2. Noncollusion Affidavit. 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.

## Bid Bonds

There was a question about the requirement for a bid bond, also known as bid security. It is standard practice to require a bid bond only for construction projects. To my knowledge, we have never required that with proposals or bids for professional services such as snow removal. Even the State of Alaska (AS 36.30.120) requires bid bonds for all competitive sealed bidding for construction contracts and does not require it for other types of RFPs. It is not advisable to do away with the bid bond requirement for our public improvement projects. Bid bonds encourage legitimate bids. They are intended to deter bidders from withdrawing their bids, because they would otherwise forfeit the bid bond amount to the borough. It gives some assurance that the selected bidder will sign the contract or otherwise forfeit their bid bond.



# MANAGER'S REPORT

DATE: June 23, 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:**

Small Boat Harbor: In response to public requests presented during a public meeting on 15 June the Administration has posted several documents online which include comparisons of options, basis of design documents, and other data that helps provide background information on the current design considerations. These documents are available at: <http://www.hainesalaska.gov/ports>

Noise Study: The DRAFT Noise Study was posted on the Borough website last week and the Borough will accept written public comment through 5 PM on 26 June 2015 (<http://www.hainesalaska.gov/administration/draft-haines-noise-report-study-june-2015>). Please email, mail, fax, or hand-deliver comments directly to the Borough Clerk.

Police Study: Mr. Russell has completed a DRAFT and it is with AML-JIA for a legal review. We anticipate seeing the DRAFT soon.

Police Chief Hire: I am coordinating with the Public Safety Commission to establish a hiring process for the Police Chief that will include public input, a hiring panel, and a structured interview process. An initial goal in meeting with the PSC is to establish the base qualification and preferred qualification for applicants. There will also be a review of the DRAFT Police Study to assess the current status of the department to ensure that the individual chosen has the requisite skill sets to address the concerns of the report as well as the priorities of the community.

Legislative Visit: Representative Sam Kito's office called about scheduling a visit when there is a local government meeting scheduled. He is not available on the 23<sup>rd</sup> of June so I proposed 14 Jul (primary) when there is an Assembly Meeting and 9 July (alternate) when there is a Planning Commission meeting. Their office intends to invite Senator Dennis Egan should he be available. They will send an e-mail once they have determined the best date and time.

HARK Contract: Chief Griffiths and I met with HARK representatives last week and we are in the process of finalizing a contract for FY16.

Fireworks: The Tourism office has coordinated with Police and Fire and will be finalizing arrangements for the fireworks on the 4<sup>th</sup>.

IT Policy Training: The administration published an IT policy and developed a training pack for all employees, elected, and appointed officials including a PowerPoint Presentation. A Borough Vehicle Use policy will be issued shortly.

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.

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

#### Vocational Education Building Renovations

First phase of demolition and asbestos abatement is complete. Contractor has left the site for approximately 10 days or until the new equipment arrives. Project seems to be going as planned and the contractor feels the scheduled substantial completion deadline is attainable.

#### Public Safety Building/Jail Cells

Heating upgrades are about 50% complete, some controls and connection 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

The Staff is still getting used to this program. Cathy Keller is finding it more useful all the time and is coordinating with Ed Bryant on fine-tuning the reporting aspect of the system. This may be a slightly optimistic assessment.

#### 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. Aside from continued communication and detail clarification with the contractor there is not much new here.

#### Sledding Hill

Trees have been removed, and the 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

The project is well underway with no major surprises yet. Working with the contractor, the engineer and borough staff to implement a system of recording project features with GPS to develop more accurate as-built drawings and GIS mapping of the entire utility system.

#### Piedad Water Transmission Line Replacement

Mr. Meacock's surveyor was onsite and we await his drawings so the plat can be filed and the sale of the property finalized.

#### Chilkat Lake Rd. and Porcupine Rd.

Southeast Road Builders (SRI) stands ready to grind, grade and roll the first mile of Chilkat Lake Road in anticipation of chip sealing by the State of Alaska. SRI and ADOT are coordinating on the timing of this project.

#### 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. Still assuming the project will begin sometime in early July. Permission to use Ocean Beauty's beach for the repair has been attained.

#### Picture Point Restrooms

Construction has begun today on this project. The projection is that it will take less than 30 days to complete.

#### Sewer Treatment Plant

Awaiting confirmation from Carson Dorn that the plans were submitted to the ADEC for review in a timely manner. Expect to hear from Mr. Dorn this week.

#### Senior Center Window and Siding Replacement

Contacted Jensen Yorba Lott in reference to developing limited design and bid documents to allow for an approximate \$100k project to replace siding, some doors and windows in the Senior Center. Funding is available in this year's CIP budget and some remaining grant money acquired by the Senior Center group last year.

May 2015 Haines Vol. Fire Dept. Monthly Report

The Haines Vol. Fire Dept. had 1 fire (11 responders/ 22 hours) callout in May. The call was a mutual aid assist for a grass/brush fire at 33 mile. Fire callouts for 2015 total 7. There were 5 service callouts in May. Service calls included a response for a leaky fuel tank at the Lutak Boat launch, 2 responses to the old Lutak sawmill site for an abandoned fire on the chip pile, a controlled burn check, and a small fire in the duff at Chilkat State Park. The Haines Vol. Fire Dept. responded to 33 ambulance callouts (98 responders /69 hours) in May. Calls included 3 with altered level of consciousness, 2 with abdominal pain, a general weakness, 5 with chest pain, 2 seizures, a psychiatric patient, a respiratory distress, an extremity trauma, 2 falls, a recall, a medic alert activation and 13 medivac/transport. Ambulance callouts for 2015 total 99. There were no SAR callouts in May.

The first joint meeting (21 Fire & 11 EMS, 3hrs) was a business meeting followed by a boat harbor response drill for fire responders. The drill was run twice to allow members to take on different roles. Ambulance responders practiced transporting two different patients (trauma & medical) from a boat tied to the dock. Thanks to the Downer family for the use of their boat. EMS responders also examined many different limited access areas in a boat. The EMS training meeting (11volunteers, 2.5hours) was led by both our Physician sponsors, Dr Noble Anderson & Dr. Dave McCandless. Without their sponsorship & support our response capabilities would be drastically reduced. Training focused on anaphylaxis and the use of epinephrine pens. Expanded scope training on the use of Epi. pens & albuterol nebulizers followed their presentation. The fire training was canceled due to a holiday.

Chris Downer & Jenn Walsh attended a Wilderness Advanced Life Support class in Sitka. The 36-hour class focuses on using advanced medical skills & procedures in a rural or remote environments. Julie Anderson assisted in the training of the course. Many times our responses are not near where an ambulance can go.

Thanks to all that put in the extra time, you are going to make a difference. Those that come in to practice IV skills, and others specialized training are keeping themselves better prepared, thanks folks.

Volunteer Hours for May 2015

HVFD Fire 125                      HVFD Ambulance 252                      SAR

Volunteer Hours HVFD for 2015

HVFD Fire 757                      HVFD Ambulance 1084                      SAR

Total Volunteer Hours HVFD for 2015      1841 Hours

Respectfully Submitted,

AL Badgley HVFD Training Officer

RECEIVED  
JUN 08 2015  
HAINES BOROUGH

## Sheldon Museum and Cultural Center

Director's Report: May 2015

May Visitor count: 1267 (675 from Haines)

May Volunteer hours: 28 volunteers donated 218 hours

Student Programs: 7 educational programs, serving 183 students and adults

# Collection Accession Records Created or Altered: 242

Research Requests: 5 separate requests

### Programs, Events and Staff Training

- May 1: **First Friday** 5-7 p.m., Strawberry Plant sale
- May 5: **Flavoring Food without Salt** (Aleene Poulsen)
- May 6: **New Pathways Board and Staff Coaching**, 2-6 p.m.
- May 7: **New Pathways Participant Forum** (in Anchorage, John Hagen and Helen Alten attended)
- May 7: **Eating Food From My Garden All Year Long** (Brigid O'Connor)
- May 15: **Unrolling Maps workshop** for staff
- May 22: **Selections from the Haines School Student Art Show Opened**
- May 23: **Volunteer Appreciation Luncheon.**
- May 28: **Manager's Town Hall Meeting**
- May 29: **Good-bye Party for Blythe Carter**

### **Administration:**

- **Blythe Carter's resignation** as Operations Coordinator was effective May 31, 2015. She worked 7 a.m. to 3 p.m. to have quiet time to write procedures into manuals for staff to follow after she left.
- **Advertised three positions:** Operations Facilitator (full-time), Museum Assistant (20 hours/week), and Summer Museum Aide (full-time for 4 months). Interviewed two Museum Assistant candidates.
- **Summer Intern Kathleen King** arrived May 8 and started work May 11. She is full-time until the end of July.
- **Andrea Nelson** finished her seasonal work at the end of May. She will return as the Collections and Exhibits Coordinator on October 1.
- **Staff Evaluations:** Completed evaluations for Blythe Carter, Nancy Nash and Jono Greene.
- **Art Acquisition Fund Grant:** Received \$5,900 to purchase 20 photographs from John Hagen.
- **Volunteer Luncheon** attended by 34 volunteers on the lawn under the blossoming apple tree. Burgers and brats were cooked on a grill, with condiments, sliced tomatoes and onions, a green salad, watermelon slices, lemonade and potato chips.

### **Exhibits**

- **Key Ingredients Exhibit:** Added some more local material to the exhibit and fixed some labels.
- **Sixweek Spotlights:** Met with Kate Craney for contract and orientation. Organized Sixweek Spotlight responsibilities for Helen during the summer.
- **Tom Bieleski's Model Bridges:** Closed May 17. Volunteers J.B. Axsom, Jim Shook and Bob Atkins deinstalled exhibit. Numerous positive comments from the community about the beauty of this exhibit. Visitors were impressed with the detail, accuracy and dedication required to make the

bridges. Few knew that Tom made such amazing peices. The museum is purchasing one bridge as representative of his skill.

- **Haines Student Art Show:** Opened May 22. Four judges met at the school on May 1 and picked three artworks from each grade using criteria forms created by Andrea Nelson. Staff created advertising posters and assisted Linnus Danner with installation and signage.
- **Exhibits General:** Exhibit adjustments, label corrections, repairs across all exhibit spaces prior to start of summer season.

### **Collections**

- **Museums Alaska Collections Management Grant (Spring 2015):**
  - Hired CJ to design flat file cataloging and reorganization project and prepare tasks for summer intern and Jeff Moskowitz.
  - Re-grouped holdings into categories with specific drawers.
  - Met with Jeff Moskowitz to orient him on his role (scanning large documents), documentation procedure, equipment and handling techniques
  - Re-arranged archive room work station to accommodate Jeff
  - Staff and intern attended instructional training on flattening/reshaping objects
  - Began flattening rolled items. Completed 6 items
  - Numbered 170 maps, plans and other large flat items. Organized 38 flat file drawers. Created a work outline for the intern and summer staff.
- **Collections Committee Meeting** held to discuss new donations and possible purchases. Results will be presented to the Museum Board in June.
- **Loans**
  - Completed international loan of ground squirrel jacket. Required over 13 hours of prep work for dealing with 2 borders, USFW clearance, inter-museum loan agreement paperwork, museum meeting, logistics, condition reporting, correspondence, transferring the item, etc.
  - Completed paperwork for pending loan of John Svenson's watercolor *High and Dry* to the Anchorage Museum for the 10 year retrospective traveling exhibit on the Art Acquisition Fund.
- **Collections Other:** Accepted donations, completed initial paperwork, froze incoming objects for pest control, created specialty storage for multiple objects (glass bowl, bridge, pastel painting, etc.), addressed miscellaneous collection problems (misfiling, location changes, missing numbers, etc.), and organized tasks for staff during the summer absence of the collections coordinator.
- **KHNS History Talks:**
  - None were done in May

### **Operations**

- **Museum Passes** were prepared and distributed to the three other museums and the Visitor's Center.
- **Provided History Tours** to Alaska Nature Tours operators, to the Outdoor Explorer Tour and to the Alaska Youth Choir.

- **Created Procedures Manuals** for using museum technology and equipment, the museum store operations, and how to make alterations to the web site and e-publications.
- **Set up a schedule for backups with Warren Johnson.** Staff changed how backups are completed, and Warren began doing backups after staff changed tapes on Fridays. Hired Eli White to continue technology upgrades after Blythe leaves.

### ***Staff Training***

- **New Pathways:** Staff and Board attended a virtual coaching session on May 6 (2 hours). John Hagen and Helen Alten attended the final participant forum in Anchorage on May 7.
- May 15: **Unrolling Maps workshop** for staff – taught staff how to humidify and unroll tight and brittle documents and maps.

### ***Upcoming Activities***

- June 5: First Friday Event: Kyle Yarborough on Piano
- June 16 and 17: Lea Wight: Portrait Painting Demonstration in the gallery
- June 19: **Portrait Exhibit** opens
- Six Week Spotlight: Katie Craney: July 31-Sep 12
- Six Week Spotlight: Rebecca Brewer & Adrian Revenaugh Collaboration: Sep 18 – Oct 31
- Six Week Spotlight: Kerry Cohen: Feb 5-Mar 19, 2016

### **Unscheduled:**

- Totem Pole Raising (August 15 with the Totem Trot?)
- Reprint “The Tlingit” by Wallace Olson (fall 2015?)
- Totem Pole book/brochure (2016?)

**May Statistics**

Visits: 7,262  
 Monthly Circulation: 7,551  
 Internet Use: 1,078; Wi-Fi: 2,267  
 Library Programs: 49, Attendance: 995  
 Non-Library Programs: 2, Attendance: 18  
 Meeting Room Reservations: 26; Attendance: 174

**June 17, 2015**  
**Director's Report**

**Updates:**

- The Rasmuson Foundation Board will be in Haines June 29 and 30. The Chilkat Valley Community Foundation's donor appreciation event is combined with the Rasmuson Foundation Board meet & greet on Monday, June 29 from 6-8pm at the fairgrounds. You should all have received an email invitation to this event. In addition, they would like to visit the library. Events coordinator, Zulie Mason, has informed me their schedule is a bit fluid but they have penciled a visit to the library in for Tuesday, June 30, from 10:30-11AM. I've let them know that I will be out of town at the National Library conference but gave them Rebecca's name and email as the library assistant director. I would appreciate library board members attendance when Foundation members visit the library.
- According to the Alaska Library Association advocacy committee, OWL funding has remained in the state legislative budget. We are awaiting the final word from our State Librarian in regards to the amount of funding.
- We received the membership agreement of the Joint Library catalog and the MOU relating to the merger from Michael Stallings.
- Al Badgley and Scott Bradford responded to our request and checked occupancy levels for each of our rooms.
- A Borough facilities crew member took time to mow, weed-whack, and trim tree limbs at the Library Totem Park. It looks wonderful. Many thanks for this effort.

**Staff:**

- During this week's staff meeting, we will be reviewing the new Borough Information Technology Resources Policy. This is a document each Borough employee is asked to sign and the signature page will be placed in their employee file.
- Jessie and Erik received scholarships through the Association of Tribal Archives, Libraries and Museums (ATALM) to assist with registration and housing costs for our upcoming conference in September. We will be in attendance to report on our current Enhancement grant. The conference is in Washington, DC this year.
- I received a state continuing education grant to assist with travel costs to ALA.

# Haines Borough Public Library

## Programs:

- This past Friday's Story Time had an attendance of 20 adults and 50 children. The summer reading program and story time attendance continue to grow. Much of this is due to Holly's creative programming and ongoing positive energy.
- Jessie has had 14-20 kids participating in Native Youth Olympic game practices on Thursdays. We will again offer this event during the 4<sup>th</sup> of July Festivities. Last Thursday, she held the event at Tlingit Park and had an interview with KHNS.
- Jessie has partnered with Takshanuk Watershed Council to assist with and participate in the upkeep and future of Starvin' Marvin's Hoop House. Thursday afternoons at 4pm all ages are welcome to meet at the library before heading to the Hoop House.

## Special Events:

- Beginning Monday, June 22, 6pm – Formline practice sessions in partnership with the Chilkoot Indian Association Tribal Youth Program.
- June 23, 7pm – iPad, Smart Phone, and Mobile Device Party with Jessie and Erik
- Thursday, June 25, 7pm – Wayne Price will be leading a discussion of methods of transportation used by Tlingit ancestors and how these methods are still used successfully today.

## Upcoming:

- Join the Friends in "Taming the Library Jungle", a BBQ and yardwork party, on Friday, June 19 at 6pm. The more the merrier!
- Friends of the Library BBQ, Book and Bake sale, July 4<sup>th</sup>. The book sale will be in the library this year. The Friends are still looking for grillers, set-up and clean-up crews for the BBQ at Tlingit Park.
- The library will be closed on July 3, the Borough holiday, and on July 4<sup>th</sup>.
- American Library Association annual conference, June 25-30. I will be attending as President of the Alaska Library Association and have been invited by the Association of Rural, Native, and Tribal libraries of ALA to make a presentation about our library and its programs and projects at the national conference. I will be leaving on the 23<sup>rd</sup> from Haines returning on July 1.
- I have been invited to attend the Pacific Northwest Library Association (PNLA) conference in August. Registration, room, and partial travel costs will be covered by the association. PNLA is hoping to have Presidents from each state's association in attendance.

## Other:

- Many thanks to all of you for your assistance and attendance at the volunteer appreciation picnic. It was a fun event and we couldn't do it without you.

**Minutes**  
**Haines Borough Public Library Board**  
**May 20, 2015**  
**4:00 PM**

*The mission of the Haines Borough Public Library is to be responsive to community needs by assembling, preserving and providing access to materials, information, and technology. The Library offers an environment conducive to providing programs, sharing information, and stimulating ideas. HBPL is a community gathering place where all ages are welcome.*

**Call to Order - 4:04PM**

**present - Anne Marie Palmieri, Patty Brown, Tracy Wirak, Stacey Gala, Diana Lapham, James Alborough, Lorrie Dudzik, Dick Flegel, JoAnn Ross Cunningham**

**excused - Heather Lende, Cecily Stern**

**Additions or Revisions to Agenda - none**

**Consent Agenda Items**

The following items are consent items for final action to be taken on all by a single vote. Any item may be removed for separate consideration if necessary. Anne Marie/Stacey moved/seconded to approve the agenda as written. Approved.

- Approval of Agenda
- Approval of Minutes 3/18/2015
- Director's Report

**New Business**

- Treasurer's Report – 3<sup>rd</sup> Quarter, FY15

**Items for Discussion**

- Motion to approve joining Joint (Alaska) Library Catalog and commit \$5000 to that end. Anne Marie/Stacey moved/seconded to approve. Approved.
- Board Officers - Dick volunteered to be the interim vice chair until the end of Stacey's term.
- Update to meeting room policy (see email) - Tracy/Lorrie moved/seconded to change wording in meeting room policy. Approved.
- Enhancement grant position - Patty shared information about the new position which will be part of the grant.
- Volunteer picnic – date, time, place - June 14, 1:00PM, Reba's house
- Capital Campaign meeting date - June 6, 2015 9:00AM

**Other**

- Radio - May 22 - James, May 29 - Barb, June 5 - Staff, June 12 - Dick

Board Comments - James recommended that we sign a card to thank Gene Cornelius for his work on the LEAP video. We did.

Stacey said that it's been an honor and a complete joy to be on this board. We will miss her.

Director's Comments - The staff did a fabulous job on the yard clean up! Jesse did a lot of work on tomorrow night's Alaska Native program.

Next Meeting June 17, 4pm

Adjournment - 4:58PM

Government Affairs & Services Committee  
June 2,2015 Assembly Chambers 5:30pm

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

Attendance:

Committee Members: Assembly members: Dave Berry (Chair), George Campbell, Diana Lapham, and ex officio member Mayor Jan Hill. Absent: Ron Jackson (excused)

Staff: Borough Manager David Sosa

Others: Assembly Member Mike Case, Mike Denker, Karen Garcia CVN, Margaret Freidnauer KHNS, Dana Hallett, and Stephanie Scott

**Issue: Does Borough Policy Regarding Agendas Reconcile to code HBC 2.10.030 (A)?**

Discussion/Action: Review and discussion. Assembly member Campbell motioned to have a written summary of the committee meeting, Chair Dave Berry seconded. Amendment made by Mike Case, seconded by Chair Dave Berry to make the meeting summary oral. Vote was 3-1 with Campbell opposed. It was identified that Assembly Member Case is not on the committee, so Assembly member Diana Lapham reconsidered the Amendment, second by Chair Dave Berry. Vote was unanimously passed. Vote on the motion was 3-0 unanimous for a written summary.

Chair Dave Berry motioned and Assembly member Campbell seconded for the Clerk and Manager and any other necessary staff member to make sure Code 2.10.030 and policy on the Agenda Request form are aligned. The Vote was 3-0 unanimous.

Report Attachment: Original request submitted by Mike Denker

Date: May 19, 2015  
From: Mike Denker, 203 Union Street / P.O. Box 298, Haines, AK 99827  
To: Members of the Haines Borough Assembly  
Re: HBC § 2.10.030 Agenda – Does Borough Policy Regarding Agendas Reconcile to the Code?

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I would like to submit the following comments for assembly consideration. I have also attached an accompanying resolution<sup>1</sup> to be included in the appropriate order of business at the next regularly scheduled meeting of the assembly.

## ISSUE

As reported in the May 14, 2015 issue of the Chilkat Valley News, Haines Borough Manager David Sosa initially tried to keep correspondence addressed to the assembly out of the assembly packet.<sup>2</sup> The CVN reported:

*"Manager David Sosa initially tried to keep the document out of the assembly's packet, saying it would be part of contract negotiations. 'While the assembly deals with total allocation of funds, it does not deal with items related to contract negotiations. Our review therefore determined that your concerns are best addressed through contract negotiations and that they are not the purview of the assembly', Sosa wrote in an email to Mikowski."*<sup>3</sup>

A review of the document submitted by HARK Executive Director Tracy Mikowski clearly identifies that it was addressed to the "Members of the Assembly".<sup>4</sup> Thus, the question is:

***Does the code provide the manager a role in assessing correspondence addressed to the assembly before an agenda or meeting packet is prepared and delivered to the assembly?***

In this paper it will be shown that HBC § 2.10.030 (A) regulating agendas does not provide the Manager with such a role. In fact, the manager's actions in the HARK matter appear to indicate he was following a borough policy that does not adhere to this

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<sup>1</sup> See Addendum 1 – Proposed Resolution.

<sup>2</sup> Chilkat Valley News, *Assembly wants HARK cut options*, May 14, 2015, Pg. 1, 12.

<sup>3</sup> *Id.*

<sup>4</sup> *Haines, Alaska, Borough Assembly meeting packet, Item 12A*, May 12, 2015 – see attached Addendum No 2.

section of code. Therefore, this paper will argue why the assembly should pass the attached resolution<sup>5</sup> directing the manager to task staff with aligning borough policy regarding agendas to the provisions set out HBC § 2.10.030 (A).

## RULE

Agendas for assembly meetings are regulated under Haines Borough Code § 2.10.030 (A). This section of code provides for the proper handling of citizen correspondence addressed to the assembly during the agenda preparation process. Regarding the types of matters that are to be delivered to the assembly for its meetings, HBC § 2.10.030 (A) states the following:

*"A. Regular and Special Assembly Meetings. All reports, communications, ordinances, resolutions, contract documents or other matters to be submitted to the assembly shall be delivered to the clerk by the deadlines stipulated in the current assembly-approved agenda preparation schedule."*<sup>6</sup>

Regarding the roles of borough personnel in handling these matters, codes stipulates:

*"A...The mayor, with assistance from the clerk, shall arrange a list of such matters according to the order of business and the clerk shall furnish each member of the assembly, the mayor, manager and chief fiscal officer with a copy of the same in packet form five calendar days in advance of the assembly meeting."*<sup>7</sup>

As such, these stipulations provide for the proper handling of citizen correspondence intended for assembly consideration.

## ARGUMENT

### **I. Haines Borough Code § 2.10.030 (A) does not provide the manager a role in assessing correspondence addressed to the assembly before an agenda or meeting packet is prepared and delivered to the assembly.**

The text of HBC § 2.10.030 (A) is quite clear about the types of matters to be arranged on agendas or placed in assembly meeting packets. Code is also clear about how these items are to be handled by borough personnel. It will be shown that the manager is not provided a role in receiving and arranging citizen correspondence

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<sup>5</sup> See Addendum 1 – Proposed Resolution.

<sup>6</sup> *Haines, Alaska, Borough Code § 2.10.030 (A).*

<sup>7</sup> *Id.*

addressed to the assembly before an agenda or meeting packet is prepared and delivered to the assembly. Additionally, it will be shown that code does not provide for the assessment of citizen correspondence addressed to the assembly.

**A. Only the mayor and clerk are provided roles for receiving and arranging matters addressed to the assembly before an agenda or meeting packet is prepared and delivered to the assembly.**

The text of HBC § 2.10.030 (A) is clear about which borough personnel may receive and arrange matters for assembly consideration during agenda preparation. First, matters addressed to the assembly “shall be delivered to *the clerk* by the deadlines stipulated in the current assembly-approved agenda preparation schedule.”<sup>8</sup> Next, “*the mayor*, with assistance from *the clerk*, shall arrange a list of such matters according to the order of business” for the next regular meeting of the assembly.<sup>9</sup> Finally, “*the clerk* shall furnish each member of the assembly, the mayor, manager and chief fiscal officer with a copy of the same in packet form five calendar days in advance of the assembly meeting.”<sup>10</sup>

As stipulated in code, the manager has no role in receiving or arranging any citizen correspondence addressed to the assembly before agenda or meeting packet preparation. Code only provides for the clerk and the mayor to handle these roles. Thus, the only role for the manager in this process is on the receiving end of the information “five calendar days in advance of the assembly meeting.”<sup>11</sup>

**B. Code does not provide for the assessment of matters for assembly consideration during the agenda preparation schedule.**

The section of code regulating agendas is also quite clear regarding the assessment of citizen correspondence for assembly consideration. First, the code states, “*All* reports, communications, ordinances, resolutions, contract documents or other matters to be submitted to the assembly...”<sup>12</sup> Code then goes on to stipulate, “The mayor, with assistance from the clerk, *shall arrange a list of such matters*...”<sup>13</sup> Code is clear in stating that *ALL* matters *SHALL* be submitted to the assembly. Hence, code does not provide for an assessment of these matters to determine if they are within the assembly’s purview. Therefore, no assessment of matters submitted for assembly consideration shall take place prior to these matters being arranged on agendas or prepared in the meeting packets.

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<sup>8</sup> *Id.* Emphasis added.

<sup>9</sup> *Id.* Emphasis added.

<sup>10</sup> *Id.* Emphasis added.

<sup>11</sup> *Id.*

<sup>12</sup> *Id.* Emphasis added.

<sup>13</sup> *Id.* Emphasis added.

**II. Haines Borough policy outlined in the “Agenda Requests for Assembly Action” form, and on the borough website link “Public Input / Request for Agenda Item”, fails to reconcile with HBC 2.10.030 (A) regarding agendas.**

The borough provides a policy for citizens to request assembly action at regular meetings. This policy provides the manager a role in assessing citizen correspondence for inclusion on assembly agendas. This role results in some citizen requests that are filtered and judged “not in [the] purview of the assembly.”<sup>14</sup> This policy clearly fails to adhere to the provisions set out in HBC § 2.10.030 (A).

**A. Haines Borough policy regarding agendas fails to adhere to HBC § 2.10.030 (A) because it provides a role for the manager in assessing matters for assembly consideration before an agenda or meeting packet is prepared and delivered to the assembly.**

As mentioned above, Haines Borough Code is explicit in stipulating which borough personnel may receive and arrange citizen matters addressed to the assembly. Only the mayor and clerk are provided roles in this process prior to these matters being delivered to the assembly.<sup>15</sup>

However, borough policy regarding requests for assembly action allows the manager a filtering role in this process. Borough policy states, “your request will be referred to the borough manager and mayor and may require legal review and / or more information before a determination can be made.”<sup>16</sup> This statement of policy contradicts to the explicit provisions set out in HBC § 2.10.030 (A).

As stated earlier, code does not provide a role for the manager to assess citizen correspondence addressed to the assembly before an agenda or meeting packet is prepared and delivered to the assembly. Therefore, by providing this filtering role for the manager, borough policy does not reconcile with the provisions set out in HBC § 2.10.030 (A).

**B. Haines Borough policy regarding agendas fails to adhere to HBC § 2.10.030 (A) because ALL matters for assembly consideration SHALL be included on assembly agendas.**

Code explicitly states that a citizen may submit any matter, including requests for assembly action, and expect that they will be included on an assembly agenda. A citizen may submit such items as “reports”, “ordinances”, “resolutions”,

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<sup>14</sup> *Haines, Alaska, Borough website, Public Input / Request for Agenda Item, “How to Make a Request for Assembly Action at a Meeting”,*  
<http://www.hainesalaska.gov/boroughassembly/public-input-request-agenda-item>

<sup>15</sup> See HBC § 2.10.030 (A).

<sup>16</sup> See *Haines Borough website, Public Input / Request for Agenda Item.*

“correspondence”, or “other matters” for assembly consideration.<sup>17</sup> Code provides that if these items are “delivered to the clerk by the deadline[s]”,<sup>18</sup> these items “*shall* [be] arrang[ed]” according to the order of business during the next regular assembly meeting.<sup>19</sup> Thus, a citizen need not “request” items be included on assembly agendas because a “request” implies that permission is first required. As long as these matters are delivered to the clerk by the deadline, HBC § 2.10.030 (A) stipulates they *must* appear on the agenda of the next regular meeting of the assembly – no conditions; no if’s, and’s or but’s.

However, borough policy outlined in the “*Agenda Requests for Assembly Action*” form, along with the borough website link “*Public Input / Request for Agenda Items*”, does not align with these provisions set out in code. According to these two statements of borough policy, “your request will be referred to the borough manager and mayor and may require legal review and / or more information before a determination can be made.”<sup>20</sup> Additionally, policy states, “placement on a borough assembly agenda is not guaranteed.”<sup>21</sup> As such, borough policy provides the manager a filtering role in the process for handling citizen requests for assembly consideration whereby a matter can be judged “not in [the] purview of the assembly.”<sup>22</sup> Thus, the borough’s policy does not reconcile with the provisions stipulated in HBC § 2.10.030 (A).

As per HBC § 2.10.030 (A), *ALL* matters addressed to the assembly *SHALL* be included on the next regularly scheduled meeting provided they are delivered to the clerk by the deadline. The contradictory borough policy regarding agendas fails to adhere to the provisions clearly expressed in HBC § 2.10.030 (A).

## CONCLUSION

Haines Borough Code § 2.10.030 (A) regarding agendas does not provide the manager a role in assessing correspondence addressed to the assembly before an agenda or meeting packet is prepared and delivered to the assembly. Only the mayor and clerk are provided roles for receiving and arranging these matters.<sup>23</sup> This borough policy may result in some matters being deemed “not in [the] purview of the assembly’s.”<sup>24</sup> As such, Haines Borough policy regarding requests for assembly action fails to

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<sup>17</sup> See HBC § 2.10.030 (A).

<sup>18</sup> *Id.*

<sup>19</sup> *Id.* Emphasis added.

<sup>20</sup> See Haines Borough website, *Public Input / Request for Agenda Item*.

<sup>21</sup> See HBC § 2.10.030 (A).

<sup>22</sup> See CVN, Pg. 1,12.

<sup>23</sup> *Id.*

<sup>24</sup> Haines, Alaska, Borough website, *Public Input / Request for Agenda Item*, “How to Make a Request for Assembly Action at a Meeting”,

<http://www.hainesalaska.gov/boroughassembly/public-input-request-agenda-item>. See also, Chilkat Valley News, *Assembly wants HARK cut options*, May 14, 2015, Pg. 1, 12.

reconcile with the provisions set out in HBC § 2.10.030 (A).

The assembly must address this serious contradiction between code and policy. By following a policy that fails to adhere to code, the link between citizens and their elected representatives is weakened. It is a serious matter, indeed, when a citizen addresses correspondence to their assembly only to have it filtered through a policy that does not adhere to code. Haines Borough Code § 2.10.030 (A) provides that each and every citizen has a right to have their correspondence delivered to its intended recipients. Therefore, the assembly should pass the attached resolution<sup>25</sup> that directs the manager to task staff with aligning borough policy regarding agendas to the provisions set out in code.

Thank you for your prompt consideration to this matter.

Respectfully,

Mike Denker  
203 Union Street / P.O. Box 298  
Haines, AK 99827  
Phone: 907-766-3235

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<sup>25</sup> See Addendum 1 – Proposed Resolution.

HAINES BOROUGH, ALASKA  
RESOLUTION No. 15-xx-xxx

**A Resolution of the Haines Borough Assembly directing the manager to task staff with aligning borough policy outlined in the form “*Agenda Request for Assembly Action*”, and on the borough website link “*Public Input / Request for Agenda Item*”, to the provisions set out in Haines Borough Code § 2.10.030 (A) regulating agendas.**

**WHEREAS**, Haines Borough Code § 2.10.030 (A) regulating agendas guarantees that “all reports, communications, ordinances, resolutions, contract documents, or other matters to be submitted to the assembly shall be delivered to the clerk by the deadlines stipulated in the current assembly-approved agenda preparation schedule”; and

**WHEREAS**, “or other matters to be submitted to the assembly” includes any matter for assembly consideration, including a citizen’s request for assembly action; and

**WHEREAS**, the Haines Borough form titled “*Agenda Request for Assembly Action*”, along with the borough website link “*Public Input / Request for Assembly Action*”, contradicts HBC § 2.10.030 (A) by stating that placement of a citizen’s agenda request for assembly action “is not guaranteed” to be placed on a borough meeting agenda; and

**WHEREAS**, Haines Borough Code § 2.10.030 (A) regulating agendas also provides that “the mayor, with assistance from the clerk, shall arrange a list of such matters according to the order of business and the clerk shall furnish each member of the assembly, the mayor, manager and chief fiscal officer with a copy of the same in packet form five calendar days in advance of the assembly meeting.”; and

**WHEREAS**, Haines Borough Code § 2.10.030 (A) does not provide a role for the manager in assessing “all reports, communications, ordinances, resolutions, contract documents, or other matters to be submitted to the assembly” prior to these matters being included in the assembly packet; and

**WHEREAS**, the Haines Borough form titled “*Agenda Request for Assembly Action*”, along with the borough website link “*Public Input / Request for Assembly Action*”, contradicts HBC § 2.10.030 (A) by stating “your request will be referred to the borough manager and mayor and may require legal review and/or more information before a determination can be made”; and

**WHEREAS**, Haines Borough Code § 2.10.030 (A) does not stipulate conditions that must be met before “all reports, communications, ordinances, resolutions, contract documents, or other matters to be submitted to the assembly” are included in an assembly packet.

**WHEREAS**, the Chilkat Valley News (CVN) reported in the May 14, 2015 edition, "Manager David Sosa initially tried to keep [a] document out of the assembly's packet" - a document that was clearly addressed to "Members of the Assembly" from HARK executive director Tracy Mikowski; and

**WHEREAS**, Manager David Sosa appeared to be following both the policy outlined on the borough website link "*Public Input / Request for Agenda Item*", and the borough policy outlined on the "*Agenda Request For Assembly Action*" form, when he was quoted by the CVN May 14, 2015 edition as stating, "Our review therefore determined that your concerns are best addressed through contract negotiations and that they are not the purview of the assembly"; and

**WHEREAS**, by stating "our review therefore determined", the manager indicates he was taking a role in the assessment of citizen correspondence addressed to the assembly, which clearly demonstrates that borough policy was being followed as outlined in the "*Agenda Request for Assembly Action*" form, and the borough website link "*Public Input / Request for Agenda Item*" - a policy that does not adhere to HBC § 2.10.030 (A).

**NOW THEREFORE BE IT RESOLVED** that the Haines Borough Assembly directs the manager to task staff with aligning borough policy outlined in the "*Agenda Request for Assembly Action*" form, and on the borough website link "*Public Input / Request for Agenda Item*", to the provisions set out in Haines Borough Code § 2.10.030 (A) regulating agendas.

Adopted by a duly-constituted quorum of the Haines Borough Assembly this \_\_\_\_ day of \_\_\_\_\_, 2015.

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

Attest: \_\_\_\_\_



## **HAINES ANIMAL RESCUE KENNEL**

**A PLACE FOR PETS AND THEIR PEOPLE**

PO Box 1533, Haines AK 99827

[www.harkalaska.org](http://www.harkalaska.org) | (907) 766-3334

May 4, 2015

Haines Borough Assembly  
103 3<sup>rd</sup> Ave. S.  
Haines, AK 99827

Dear Members of the Assembly:

The Haines Animal Rescue Kennel wishes to continue to provide comprehensive Animal Control Services to the community. Since the budget, as proposed, will not fund that type of contract we have determined what services could still be provided by HARK. The following pages contain four different funding scenarios based on the duties/responsibilities outlined in our current contract. We hope this information proves helpful should you decide to discuss this budget item.

Thank you for your time and dedicated service.

Kind thoughts,

*Tracy Mikowski*

Tracy Mikowski, Executive Director  
Haines Animal Rescue Kennel

## **BOROUGH FUNDING SCENARIOS FOR HARK**

### Full funding

Services at existing contracted level

### \$32,000 Borough contract

Borough would be responsible for:

- patrols in Borough owned vehicle
- National Animal Control Association (or equivalent) training
- responding to all complaints
- dog catching – at-large dogs
- supplying equipment for catching and handling aggressive dogs
- transport
- investigations according to Borough Code (Chapter 6.08.020-6.08.130)
- collection of fines
- retrieval and disposal of dead dogs

HARK would be responsible for:

- licensing and recordkeeping
- management and operation of the shelter
- responding to emergency situations
- determining dog ownership
- contacting owners
- euthanasia as appropriate
- collection of fees
- liability insurance
- public education on dog care and safety

### \$16,000 Borough contract

Borough would be responsible for:

- patrols in Borough owned vehicle
- National Animal Control Association (or equivalent) training
- responding to all complaints
- responding to emergency situations
- dog catching – at-large dogs
- supplying equipment for catching and handling aggressive dogs
- providing food and veterinary care for impounded dogs at shelter
- transport

- investigations according to Borough Code (Chapter 6.08.020-6.08.130)
- collection of fines
- retrieval and disposal of dead dogs
- licensing and recordkeeping
- determining dog ownership
- contacting owners
- euthanasia as appropriate

HARK would be responsible for:

- management and operation of the shelter
- liability insurance
- collection of fees
- public education on dog care and safety

#### No contract

Borough would be responsible for:

- patrols in Borough owned vehicle
- National Animal Control Association (or equivalent) training
- responding to all complaints
- responding to emergency situations
- dog catching – at-large dogs
- supplying equipment for catching and handling aggressive dogs
- transport
- liability insurance
- managing, maintaining and operating a shelter facility
- providing food and veterinary care for impounded dogs at shelter
- investigations according to Borough Code (Chapter 6.08.020-6.08.130)
- collection of fines
- retrieval and disposal of dead dogs
- licensing and recordkeeping
- determining dog ownership
- contacting owners
- euthanasia as appropriate



## HAINES BOROUGH

### AGENDA REQUEST FOR ASSEMBLY ACTION

You may appear before the assembly during the "Public Comments" portion of any regular assembly meeting without making prior arrangements. However, if you want the assembly to take action on a matter, it must be on the agenda. To make a request to have an issue on an agenda, please provide the following information. (See Note below)

Name: Tracy Mikowski Date: May 4, 2015

Name of Group Represented (if applicable) Haines Animal Rescue Kennel

Address: PO Box 1533, Haines AK 99827 Phone: (907) 766-3334

Email Address: Director@HarkAlaska.org Fax: none

I request to be scheduled on the Borough Assembly meeting agenda dated the 12<sup>th</sup> day of May, 2015, or as soon thereafter as possible.

Purpose of Request: To provide additional information concerning the Animal Control budget.

Estimated Time Required (if a presentation) none

Action you wish the Assembly to take: We respectfully request that the Assembly reconsider the proposed amount budgeted for Animal Control.

**Note:** Placement on a borough assembly agenda is not guaranteed. In a manager form of government, some matters are not within the assembly's purview and are more appropriately handled by staff. Your request will be referred to the borough manager and mayor and may require legal review and/or more information before a determination can be made. You will be contacted and informed of the best and most appropriate avenue for action. If your request ends up on an assembly agenda, it will most generally be placed under "Correspondence/Requests" and is subject to all necessary paperwork being submitted in a timely manner. The deadline for agenda topics is 10:00 a.m. the Monday (one week and one day) prior to an assembly meeting. Please be aware that we may ask for additional supportive and/or background information in order to assist the assembly in making an informed decision. The clerk will provide copies for them.

Return this form to the Borough Clerk's Office in the Haines Borough Administrative Office Building, 103 S. Third Ave., P.O. Box 1209, or fax: 766-2716, or email: jcozzi@haines.ak.us.



**Haines Borough  
Assembly Agenda Bill**

Agenda Bill No.: 15-579  
Assembly Meeting Date: 6/23/15

Business Item Description:	Attachments:
Subject: Identify Sewer Plant Upgrades as Number One Local State Funding Priority for FY 2017	1. Resolution 15-06-630 2. ADEC Grant Solicitation Letter/Scoring Criteria
Originator: Interim Director of Public Facilities	
Originating Department: Public Facilities	
Date Submitted: 6/11/15	

Full Title/Motion:
Motion: Adopt Resolution 15-06-630.

Administrative Recommendation:
The Borough Manager recommends adoption of this resolution.

Fiscal Impact:			
Expenditure Required	Amount Budgeted	Appropriation Required	Projected Impact to Future Operating Budgets
\$ 0	\$ 0	\$ 0	Reduced Energy/Maintenance Costs

Comprehensive Plan Consistency Review:	
Comp Plan Goals/Objectives: Objective 15A, Page 252	Consistent: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Summary Statement:
<p>The Haines Borough through ADEC will request grant funding for Haines Sewer Treatment Plant Health and Safety Upgrades. ADEC has requested that the Borough identify if this project is the community's number one local state funding priority for fiscal year 2017. The project will provide for improving the screening process that removes incoming solids to the facility and replacing the existing belt filter press with a screw press. Upgrades will allow screening to be done on the first floor, which will reduce energy costs incurred from pumping the sewage to the second floor, and will allow for greater energy efficiency. This project will reduce health risks to employees and the general public, enhance safe operating conditions, and significantly reduce operating costs.</p> <p>Note: The Borough applied for a matching grant in 2014 for the wastewater treatment plant and narrowly missed being funded, based on a point system. This year's grant request is capped at a \$1,428,000 project cost, meaning a \$1 million (70 percent) ADEC share (see attached). ADEC awards extra points for phased projects like this one.</p>

Referral:	
Referred to:	Referral Date:
Recommendation:	Meeting Date:

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

**A Resolution of the Haines Borough Assembly designating the acquisition of State of Alaska, Department of Environmental Conservation (ADEC) grant funds for the project entitled Sewer Treatment Plant Health and Safety Upgrades as the number one local state funding priority for fiscal year 2017.**

**WHEREAS**, the Haines Borough through the State of Alaska, Department of Environmental Conservation (ADEC) will request grant funding for Haines Sewer Treatment Plant Health and Safety Upgrades; and

**WHEREAS**, the ADEC has requested that the Haines Borough identify if this project is the community's number one local state funding priority for fiscal year 2017; and

**WHEREAS**, Haines Sewer Treatment Plant Health and Safety Upgrades will provide for improving the screening process that removes incoming solids to the facility and replacing the existing belt filter press with a screw press; and

**WHEREAS**, upgrades will allow screening to be done on the first floor, which will reduce energy costs incurred from pumping the sewage to the second floor, and will allow for greater energy efficiency; and

**WHEREAS**, this project will reduce health risks to employees and the general public, enhance safe operating conditions, and significantly reduce operating costs; and

**WHEREAS**, the Haines Borough seeks to obtain the necessary financial assistance for Sewer Treatment Plant Health and Safety Upgrades; and

**WHEREAS**, the ADEC is able to offer funding through the Municipal Matching Grant program,

**NOW, THEREFORE, BE IT RESOLVED** that the Haines Borough Assembly designates Sewer Treatment Plant Health and Safety Upgrades as the number one local state funding priority for fiscal year 2017.

Adopted by a duly-constituted quorum of the Haines Borough Assembly on this \_\_\_\_ day of \_\_\_\_\_, 2015.

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

Attest:

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



THE STATE  
of **ALASKA**  
GOVERNOR BILL WALKER

## Department of Environmental Conservation

DIVISION OF WATER  
Municipal Grants & Loans

555 Cordova Street  
Anchorage, Alaska 99501-2617  
Main: 907.269.7502  
Fax: 907.269.7509

May 28, 2015

Dear Utility:

The Alaska Department of Environmental Conservation's **Municipal Matching Grant (MMG)** program is seeking questionnaires for projects to be evaluated and scored for placement on the program's State Fiscal Year 2017 (FY 17) project list. The MMG program provides match funding for drinking water, wastewater, solid waste, and water quality related projects. The questionnaire solicitation period will begin on June 1<sup>st</sup> and end on July 15<sup>th</sup>.

MMG questionnaires must be filled out and submitted to the department on-line through the Online Application System (OASys). The enclosed document entitled "FY 2017 MMG Online Step-by-Step" guidance will help you navigate through the necessary steps to complete the on-line questionnaire. Please note, you will need to use either a "My Alaska Account" personal or business account to log into the system to access the questionnaire. If you have questions about the program or need technical assistance in filling out the questionnaire, please contact either your assigned community MGL project engineer or myself in Anchorage at 269-7616. Access to the on-line questionnaires may be found at the following link:

<http://www.dec.state.ak.us/water/munigrant/MMGonlineQuestionnaires.htm>

If you would rather send the questionnaire directly and bypass the above page as the method of accessing, then use this link instead:

<https://myalaska.state.ak.us/login/login.aspx?pubid=opa>

Please complete and submit a questionnaire for each project you wish considered for funding assistance under the grant program, which may include projects to be co-funded under the ACWF (Alaska Clean Water Fund) or ADWF (Alaska Drinking Water Fund) loan programs. For questionnaires not submitted electronically, please mail the original to Soraida (Zorrie) Cassell-Caparrosso at Alaska

Department of Environmental Conservation, Division of Water, Municipal Matching Grants and Loans Program, P.O. Box 111800, Juneau, AK 99811-1800 or fax at (907) 465-5177.

Completed questionnaires must be received no later than **5:00 p.m. Wednesday, July 15, 2015** to be considered for funding. After the deadline, projects will be scored and a review period will be allowed for communities to check their preliminary scores for comment. No additional information will be accepted during this period with the exception of a community council/assembly resolution designating a project as the community's number one state priority project. This community review period will run from July 27<sup>th</sup> through the 31<sup>st</sup>. Final comments and any outstanding resolutions must be received no later than 5:00 p.m., July 31, 2015.

New for this year's questionnaire is a reduced project funding level amount of \$1 Million. In prior years, MMG requested communities limit their project amounts to \$3 Million; however, with current lower state budgeting levels a reduced amount is being requested to better ensure funding. Additionally, MMG is working on combining questionnaires and applications into one process. Under this year's questionnaire, additional information is being requested in parts of the form which will minimize the application process.

As a reminder from previous questionnaire solicitation, we have added features to the on-line questionnaire process to allow easier use of the system. One of these key features allows you to revisit an already submitted questionnaire to make changes during the open solicitation period. The effective submission date of the questionnaire will be the final date submitted. Another key feature allows you to copy repetitive information (i.e. name, address, etc.) from one questionnaire onto a new questionnaire. This feature helps reduce the amount of typing needed when filling out additional questionnaires. A final key feature increases the timeout period for inputting a questionnaire to one hour.

We would appreciate receiving any comments you may have regarding your experience working with the on-line questionnaire submission system. Your comments are valuable to us for making future improvements to the questionnaire process. We look forward to hearing from you.

Sincerely,



Mike Lewis

Program Manager

Enclosures:      Enclosures: "FY 2017 MMG Online Step-by-Step" - Guidance



# ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION

## DIVISION OF WATER

### SFY 17 CAPITAL PROJECTS SCORING CRITERIA

#### MUNICIPAL MATCHING GRANTS

#### **I. Project Need - 300 Maximum Points**

Projects score the highest from either Public Health or Environmental criteria.  
(Choose one of the following)

##### **A. Public Health**

Points

##### - Drinking Water Projects

- 1) A human disease event exists, documented by ADEC or a recognized public health organization, which may include a compliance order to correct any violation related to the event. Construction of this project will correct the existing problem. Documentation is required; OR 300

Examples:

- Outbreaks of Hepatitis, Giardiasis or Cryptosporidiosis
- Upgrading facilities to meet new EPA/DEC regulations w/ shorter term deadlines (examples: arsenic /LT2 rules)
- Installation of new water mains to an area where wells are contaminated by a documented regulated contaminant that exceeds safe standards

##### - Drinking Water & Wastewater Projects

- 2) Current conditions are severe enough that a disease event could occur, but has not yet happened or been reported, or a Primary MCL drinking water standard has been exceeded. Documentation is required; OR 200

Examples:

- Fecal contamination of surface waters and/or contamination of drinking water source
- Replacement of old pipe or facilities that are leaking or constructed of inferior materials (example - asbestos cement pipe, structurally impaired water tank/reservoir), or installation of new water and/or sewer (un-piped area) mains to un-serviced area
- Upgrading facilities to meet new federal and state standards w/longer term deadlines
- Installation of new water and/or sewer (un-piped area) mains to un-serviced area

- Drinking Water & Wastewater Projects

- 3) Current conditions show that a disease event might occur. This project will prevent or minimize the potential public health concern of this problem; OR 100

Examples:

- Replacement of aging water and/or sewer main with no documented failures, but failures on cross streets and/or separation distance issues exists.
- Extension of water and/or sewer service for existing customers and/or water main looping to remove dead-end mains.
- New or upgrade of water tank/reservoir to allow either added disinfection/chlorine contact time or documented capacity need. Extra points may be awarded if required to meet new regulatory rule or replacement of failing infrastructure

**B. Environmental**

- Wastewater & Non-Point Source Projects

- 1) A pollution event or a violation of an existing permit limit has occurred, as documented by ADEC or by a recognized public health organization, which may include a compliance order to correct any violation related to the event. Construction of this project will correct the existing problem. Documentation is required; OR 200

Examples:

- Violations of wastewater permits or documented failure of on-site disposal systems
- Correction of I&I issues that will help the WWTP meet permit limits
- Construction to remedy surface water contamination violation

- 2) Current conditions are severe enough that a pollution event can occur, but has not yet happened or been reported. Documentation is required; OR 100

Examples:

- Inadequate community or on-site wastewater treatment systems – treatment deficiencies with high potential of permit or pollution event
- Replacement of old pump station/lift station - documented operating deficiencies
- Landfill cell closure

- 3) Current conditions show that a pollution event is unlikely to occur, but this project will prevent or minimize the potential future concern of pollution events; OR 50

Examples:

- Wastewater Treatment Facility Upgrades – capacity and/or obsolete equipment
- Cathodic protection (unless documented leaks)
- Recycling facility (included waste oil recycling)
- Security fencing and monitoring, access cards etc.
- SCADA upgrades

**C. Minor public health or environmental impacts. 0**

Examples:

- Water and sewer main alignment changes (rerouting mains that have little to no improvement on operation)
- Sewer main expansion for future development
- Water/wastewater treatment plant pilot studies unless meeting compliance conditions
- Master Plans

**II. Project Development Status – 125 Maximum Points**

(Choose one of the following)

- A. Engineering plans and specifications have been approved by ADEC or the appropriate regulatory authority. Documentation is required; OR 125
- B. Substantial engineering plans and specifications (at least 65% complete) have been prepared and provided to ADEC; Documentation is required; OR 100
- C. A feasibility study, facility plan, and/or a set of engineering plans and specifications (at least 35% complete) has been prepared and has been provided to ADEC. Documentation is required; OR 50
- D. An up to date comprehensive study, master plan, and/or a current project cost estimate has been prepared and is available or has been provided to ADEC; OR 25
- E. No project development has been accomplished. 0

**III. Relationship to other Project Phases – 100 Maximum Points**

(One of the following)

Phased projects are identified as phased for purposes of ADEC funding. Please note, planning or design work is not considered a phase under this criteria.

- A. This construction project will make functional or complete the previous phases that received funding and phasing points under this program. Documentation identifying the full project, the remaining/unfinished phased work, and previously completed phases must be provided.; OR 100

- |  |    |
|--|----|
| B. This construction project will make functional or complete the previous phases that received funding from other funding sources. Documentation identifying the full project, the remaining/unfinished phased work, and previously completed phases must be provided; OR   | 75 |
| C. This is the initial phase of construction for a large project that is being phased for purposes of funding under this program. Documentation identifying the full project and identifying the individual phases must be provided; OR  | 50 |
| D. This project is planned to be constructed in conjunction with another state or federally funded project to reduce costs. This can include projects being constructed and funded through RDA/USDA, ADOTPF, EPA STAG/SAAP Grants, etc... Documentation of the companion funds and project(s) must be provided. OR | 25 |
| E. None of the above criteria applies.   | 0  |

**IV. Operation, Maintenance and Management Capabilities – 400 Maximum Points**  
(Multiple choices may be applicable except where noted)

A. Operator Qualifications

- |   |    |
|---|----|
| 1) Water and Wastewater Facilities are operated by the correct level of State certified operators. For solid waste and stormwater projects, operators have been trained and/or certified; |    |
| *Drinking Water Treatment Certified?  | 25 |
| *Drinking Water Distribution Certified?   | 25 |
| *Wastewater Treatment Certified?  | 25 |
| *Wastewater Collection Certified?   | 25 |

(\* Note: If a community does not operate the system type, a 25 point credit will be given.)

OR

- |  |     |
|--|-----|
| 2) Solid Waste or Stormwater System Operated by Qualified Operators? | 100 |
|--|-----|

OR

- |  |   |
|--|---|
| 3) Operators are not sufficiently qualified. | 0 |
|--|---|

B. Operation Capabilities (Note – Points will only be deducted by lack of due diligence by the community.)

- |   |    |
|---|----|
| 1) Drinking Water System complies with the sampling and submittal requirements; AND | 75 |
|---|----|

2) Wastewater Treatment facilities comply with permit requirements; OR	75
3) For Solid Waste or Stormwater permit (if applicable) requirements are being met by the system; OR	150
4) Facility is not in compliance.	0
<b>C. Operation and Maintenance Costs</b>	
1) Operation and Maintenance costs have been estimated for this project and have been found to be equal to or less than current costs. <u>Documentation is required</u> ; OR	50
2) Operation and Maintenance costs have been estimated for this project and have been found to be more than current costs. <u>Documentation is required</u> ; OR	25
3) Costs have not been estimated.	0
<b>D. Rate Analysis and User Rate Consideration</b>	
1) Has a water/sewer/solid waste utilities rate analysis been conducted within the last 5 years, or documentation provided that shows rates have been reviewed during the annual budget process for cost of services? <u>Documentation of the most current rate analysis and year issued is provided</u> ; AND	50
2) Has a user fee ordinance been adopted and provided? <u>Documentation of the most current ordinance and year issued is provided</u> ; OR	50
3) None of the above criteria apply.	0
<b>V. <u>Local Project Commitment – 225 Maximum Points</u></b> (Multiple choices may be applicable except where noted)	
A. The source, amount and year of matching funds has been identified and are available now. This does not include anticipated funds from future year grants or appropriations. <u>Documentation is required</u> ; AND	100
B. This project has captured federal funds (this includes an ADEC loan agreement) and are available for use on the project. <u>Documentation is provided</u> ; OR	75
C. The project is listed on a current ADEC loan program Intended Use Plan and has a loan application submitted. <u>Documentation is provided</u> ; OR	50

- D. The project is currently listed on an ADEC loan fund program Intended Use Plan; AND 25
- E. The local governing body has submitted an acceptable resolution or priority list identifying this project as the top priority in the community's overall list of State capital projects for this fiscal year. Documentation is provided; OR 50
- F. None of the above criteria applies. 0

**VI. Project Cost/Population Benefiting Ratio – 15 Maximum Points (Data from DCCED)**

Low cost/population benefiting	0 – 400	15
Moderate cost/population benefiting	401 – 4000	10
High cost/population benefiting	> 4000	5

**VII. Project Costs**

- Estimated project costs provided are complete. 25
- Estimated project costs provided are incomplete. 0



**Haines Borough  
Assembly Agenda Bill**

Agenda Bill No.: 15-580

Assembly Meeting Date: 6/23/15

Business Item Description:	Attachments:
Subject: Authorize Manager to Apply for ADEC Loan to Upgrade the Wastewater Treatment Plant	1. Resolution 15-06-631 2. Alaska Clean Water Fund Priority List - FY 2016
Originator: Interim Director of Public Facilities	
Originating Department: Public Facilities	
Date Submitted: 6/12/15	

Full Title/Motion:
Motion: Adopt Resolution 15-06-631.

Administrative Recommendation:
The Borough Manager recommends adoption of this resolution.

Fiscal Impact:			
Expenditure Required	Amount Budgeted	Appropriation Required	Projected Impact to Future Operating Budgets
\$ 0	\$ 0	\$ 0	Later ordinance would accept loan

Comprehensive Plan Consistency Review:	
Comp Plan Goals/Objectives: Objective 15A, Page 252	Consistent: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Summary Statement:
<p>The Haines Borough through the State of Alaska, Department of Environmental Conservation (ADEC) has requested funding for Haines Sewer Treatment Plant Health and Safety Upgrades (Phase 2). The project would provide for improving the screening process that removes and treats raw sewage particulates at the wastewater treatment facility. The ADEC is able to offer funding through the Alaska Clean Water Fund. The project currently is listed on an Alaska Clean Water Fund priority list for fiscal year 2016. The loan of up to \$2,317,000 would be repaid over a 20-year term, with a 1.5 percent finance rate.</p> <p>Note: According to the attached Alaska Clean Water Fund Priority List, "Full funding of the Haines - Sewer Treatment Plant Health and Safety Upgrades project for \$2,317,000 will be dependent upon remaining available loan funds. The Department will negotiate with Haines to provide additional funds as they become available later in the year."</p>

Referral:	
Referred to:	Referral Date:
Recommendation:	Meeting Date:

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

**A Resolution of the Haines Borough Assembly authorizing the Borough Manager to apply to the State of Alaska, Department of Environmental Conservation (ADEC) for a loan from the Alaska Clean Water Fund for the project entitled Sewer Treatment Plant Health and Safety Upgrades (Phase 2).**

**WHEREAS**, the Haines Borough through the State of Alaska, Department of Environmental Conservation (ADEC) has requested funding for Haines Sewer Treatment Plant Health and Safety Upgrades (Phase 2); and

**WHEREAS**, the project would provide for improving the screening process that removes and treats raw sewage particulates at the wastewater treatment facility; and

**WHEREAS**, the ADEC is able to offer funding through the Alaska Clean Water Fund; and

**WHEREAS**, the project currently is listed on an Alaska Clean Water Fund priority list for fiscal year 2016; and

**WHEREAS**, the loan of up to \$2,317,000 would be repaid over a 20-year term, with a 1.5 percent finance rate,

**NOW, THEREFORE, BE IT RESOLVED** that the Haines Borough Assembly authorizes the Borough Manager to apply to the State of Alaska, Department of Environmental Conservation (ADEC) for a loan from the Alaska Clean Water Fund for the project entitled Sewer Treatment Plant Health and Safety Upgrades (Phase 2).

Adopted by a duly-constituted quorum of the Haines Borough Assembly on this \_\_\_\_ day of \_\_\_\_\_, 2015.

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

Attest:

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

**ALASKA CLEAN WATER FUND  
Point Source Funding Priority List  
Fiscal Year 2016**

Rank	Score	APDES Permit Number	Category	Community	Project Title	Project Description	Requested Assistance Amount	Finance Charge Rate	Term (Yrs)	Green Project Amount <sup>2</sup>	Green Project Type <sup>2</sup>	Estimated Binding Commitment	Estimated Construction Start	Sustainability Policy <sup>3</sup>
1	660	AK-0021458	III(b)	Petersburg	Scow Bay 1 Pump Station Upgrade	Inadequate wet well storage capacity and undersized pumps replaced with properly sized and rated submersible pumpstation, and which will include high efficiency pumps and controls.	\$400,000	1.50%	20	\$400,000	ENG-BC	7/1/2015	6/1/2016	Fix it First
2	575	AK-0021440	III(b)	Ketchikan ♦	Schoenbar Road Sewer Mains Replacement	Install 2,200 Lineal feet of 8" to 12" C900 PVC sewer mains, and 12 sewer manholes, in approximately 1,400 feet of roadway.	\$3,006,944	1.50%	20			7/1/2015	9/30/2015	Fix it First ●
3	575	AK-0021440	III(b)	Ketchikan ♦	Chatham Avenue Sewer Main Replacement	Install 488-lineal feet of 8" C900 PVC sewer mains, (2) sewer manholes, and (16) services installed to the edge of the right-of-way, in approximately 540 feet of roadway.	\$1,057,013	1.50%	20			7/1/2015	9/30/2015	Fix it First ●
4	540	AK-0021474	I	Anchorage - AWWU	Girdwood Wastewater Treatment Facility - Ph II ■	Work will include various upgrades and expansion of the Girdwood Wastewater Treatment Facility to meet existing and future flows from the Girdwood area.	\$24,000,000	1.50%	20			2/9/2016	12/5/2016	Fix it First
5	535	2007DB0003	III(b)	Nome ♦	Nome Sciaircore Replacement-Ph III	Replacement of failing sciaircore piping systems, and rehabilitation of the main wastewater lift station to wastewater lagoons. Energy savings on reduced I&I from correction of permafrost impacts.	\$3,249,100	1.50%	20	\$649,820	EIN-BC	6/15/2015	6/1/2015	Fix it First
6	480	AK-0021458	III(b)	Petersburg ♦	Pump Station 4 Force Main Replacement	Replace a badly corroded ductile iron force main that has been under influence of tidal waters since its installation in the mid 1970's.	\$325,000	1.50%	20			8/31/2015	4/4/2016	Fix it First
7	430	AK-0023213	III(b)	Sitka	Marine Street Sewer - Osprey to Eler	Replace Marine Street sewer from Osprey Street to Eler Street. Work includes 600 LF of 8" C900 sewer main, 3 sanitary manholes and 24 services. Energy savings on lift stations from reduced I&I.	\$1,052,500	1.50%	20	\$210,500	ENG-BC	7/1/2015	4/1/2017	Fix it First
8	430	AK-0021385	I	Haines ♦	Sewer Treatment Plant Health and Safety Upgrades <sup>1</sup>	Upgrades will allow screening to be done on the first floor (currently located on the second floor), which will reduce energy costs incurred by pumping the sewage, and will allow for greater energy efficiency.	\$2,317,000	1.50%	20	\$463,400	ENG-BC	7/1/2015	5/2/2016	Fix it First

♦ Disadvantaged Community (criteria may be referenced on page 10)

Total Requested Amount: **\$35,407,557**

■ Equivalency Project (criteria may be referenced on page 9)

Total Green Amount: **\$1,723,720**

● Extra 50 points for "ready to go projects," approved construction by February 13, 2015

Total Equivalency Amount: **\$24,000,000**

<sup>1</sup> Full funding of the Haines - Sewer Treatment Plant Health and Safety Upgrades project for \$2,317,000 will be dependent upon remaining available loan funds. The Department will negotiate with Haines to provide additional funds as they become available later in the year. Total available funding under this IUP is \$35,255,660, and is split on a ratio of 80/20 between Point Source Priority List (\$28,204,528) and Non-Point Source Priority List (\$7,051,132) projects. Note, any funding that is not awarded to Non-Point Source projects will be awarded to Point Source projects or vice-versa if necessary.

<sup>2</sup> Green Project Reserve Category Type: GIF - Green Infrastructure, WTR - Water Efficiency, ENG - Energy Efficiency & EIN - Environmentally Innovative. Green Project Justification Type: BC - Business Case / CAT - Categorical. Funding for Green projects is based on meeting a minimal required amount of \$837,600 under the State's capitalization grant for the program. Note, an extra 25 scoring points are awarded to Green projects.

<sup>3</sup> Sustainability Policy - "Fix it First" - fix existing critical infrastructure; "Improve TFM" - improve technical, financial and managerial capacity of the system; and, "Planning" - planning and development of alternative projects that reflect the full life cycle cost of infrastructure.



**Haines Borough  
Assembly Agenda Bill**

**Agenda Bill No.:** 15-549

**Assembly Meeting Date:** 6/23/15

Business Item Description:	Attachments:
Subject: Community Purpose Exemption Standards & Requirements	1. Resolution 15-06-632 2. Administrative Policy - Community Purpose Exemptions 3. Adopted Ordinance 15-02-401
Originator: Borough Manager	
Originating Department: Administration	
Date Submitted: 6/15/15 (originally 2/9/15)	

Full Title/Motion:
Motion: Adopt Resolution 15-06-632.

Administrative Recommendation:
This ordinance is recommended by the Borough Manager.

Fiscal Impact:			
Expenditure Required	Amount Budgeted	Appropriation Required	Projected Impact to Future Operating Budgets
\$ 0	\$ 0	\$ 0	TBD; + or - to property tax receipts

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

Summary Statement:
<p>On 5/26/15, the assembly adopted Ordinance 15-02-401 amending HBC 3.70.040 to establish a procedure for community purpose exemptions. The ordinance also authorizes the borough manager to adopt a written policy setting forth additional community purpose standards and requirements provided the policy is approved by the assembly via resolution. This resolution is for that purpose.</p> <p>This policy was developed in conjunction with the ordinance and as a result of several meetings with the Finance Committee and stakeholders.</p>

Referral:	
Referred to: Finance Committee	Referral Date: 3/10/15
Recommendation:	3/16, 4/8, Meeting Date: 4/13,4/20,5/18

Assembly Action:	
Meeting Date(s): 2/24, 3/10, 4/28, 5/26, 6/23/15	Public Hearing Date(s): 3/10, 4/28, 5/26/15
	Postponed to Date:

**A Resolution of the Haines Borough Assembly approving a written administrative policy setting forth community purpose standards and requirements as authorized by HBC 3.70.040(D)(1).**

**WHEREAS**, on May 26, 2015 the borough assembly adopted Ordinance 15-02-401 amending Haines Borough Code Title 3, Section 3.70.040 to establish a procedure for community purpose exemptions; and

**WHEREAS**, HBC Subsection 3.70.040(D)(1) of that adopted ordinance authorizes the borough administration to adopt a written policy setting forth additional community purpose standards and requirements, including standards and requirements applicable to housing serving a community purpose; and

**WHEREAS**, such written policy must be approved by the Borough Assembly via resolution; and

**WHEREAS**, the borough administration has developed a written policy setting forth additional community purpose standards and requirements,

**NOW, THEREFORE BE IT RESOLVED** the Haines Borough Assembly approves the written administrative policy as submitted by the borough administration setting forth additional community purpose standards and requirements.

Adopted by a duly-constituted quorum of the Haines Borough Assembly on this \_\_\_\_ day of \_\_\_\_\_, 2015.

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

Attest:

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



## Community Purpose Exemption Policy

Applicable to: All persons seeking to qualify for exemption of real property taxes under the *community purpose* category, as described in HBC 3.70.040(D). This policy outlines additional standards and requirements:

Effective Date: June 24, 2015 (Approved by the Borough Assembly via Resolution 15-06-632 on 6/23/15)

### 1. Documentation Requirements:

- A letter to the Assessor requesting exemption...
    - Must provide a description of the use of the property and consistency with the requested exemption
    - Must describe any rental income received by the applicant organization including;
      - Any property, or portions of the property from which rentals of income are derived
      - Actual operating expenses, excluding debt service or depreciation
  - Copy of By-Laws
  - Copy of Articles of Incorporation
  - Copy of IRS 501(c)(3) or 501(c)(4)
  - Where property is leased by the organization to other entities, financial statements for the past tax year including income and expense reports, and description of any debt service or depreciation included in the financial statements for the property
  - Documentation supporting/describing the activities of the organization. For example, brochures, pamphlets and web pages are acceptable forms of documentation.
  - The municipal assessor or designee may request additional information prior to its determination, as reasonably necessary to determine the exempt status of a property in accordance with municipal code and regulations and state law.
2. A request for exemption from the property taxes must be received by **March 31** of the applicable tax year.
  3. The property must be in use as of January 1 of the tax year in order to obtain an exemption for that year.
  4. Exemptions are not prorated and are granted based on two critical criteria; not-for-profit ownership and exclusive use of the property for an exempt purpose. Typically, vacant land is not exempt.
  5. A taxpayer claiming a tax exemption has the burden of showing that the property is eligible for the exemption. (Greater Anchorage Area Borough vs. Sisters of Charity, Sup. Ct. No. 1299)
  6. The Community Purpose exemption is intended to allow property tax relief to those organizations providing services that result in a community-wide benefit. To qualify for the exemption the following requirements must be met:
    - The property's availability to public use regardless of sex, race, creed, color, sexual orientation, or national origin;

- That the applicant organization is an exempt organization under Section 501(c)(3) of the Internal Revenue Code, as amended from time to time;
  - Whether, any part of the net earnings of the applicant inures to the benefit of any private entity or individual;
  - No evidence of a dominant financial motive such as excessive charges, excessive employee compensation, or rental income that exceeds operating expenses;
  - No evidence that the property is being used to financially benefit any officer, trustee, director, shareholder, member, or contributor, of the applicant;
  - Ensuring that the property is used for the actual operation of at least one community activity;
  - That the fees and charges for the use of such property and facilities thereon do not effectively deny to a significant portion of the borough the privileges and benefits provided by the property;
  - Determining that the applicant organization is governed by a volunteer board of directors;
  - The benefits provided to the community by the organization warrant the value of the exemption
  - Considering whether substantially similar community benefits are available through other entities; and
  - Considering the degree to which the organizations use of the property impacts the quality of life of borough residents.
  - The Assessor will have latitude to exclude from consideration funds set aside for Capital Projects, reasonable amounts set aside as an operating reserve, and costs of depreciation.
  - Property utilized as long-term residential housing only qualifies if the rental of the property provides a clear benefit to the community as a whole and sufficient to address the advantage to the property owner of providing a Borough supported subsidy. The community service provided must be clearly evident and sufficiently compelling to warrant an exemption. Examples of uses outweighing
    - Providing affordable rental housing for low income residents
    - Providing affordable rental housing with access to care for Senior Citizens (age 65 and older)
    - Providing affordable rental housing with access to care for US military Veterans with a service related disability of 50% or higher as determined by the Veteran's Administration
    - Providing affordable rental housing with access to care for members of the community with a long term illness, injury, or disability
7. Property used for primarily for the following activities and functions **does not qualify** for the community purpose exemption:
- Property use or activities which require a membership fee
  - Activities which are not open or available to the general public
  - Activities where the main community purpose benefit is derived from spectator attendance

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

BE IT ENACTED BY THE HAINES BOROUGH ASSEMBLY:

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

Section 2. Effective Date. This ordinance is effective upon adoption.

Section 3. Amendment of Section 3.70.040 Section 3.70.040 of the Haines Borough Code is hereby amended to read as follows:

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

**3.70.040 Local exemptions and exclusions.**

A. The following property is exempt from general taxation:

1. Business inventory and items held for resale;
2. All motor vehicles which are subject to the motor vehicle registration tax described in Chapter 3.85 HBC.

B. The assembly may by ordinance exempt or partially exempt from taxation privately owned land, wetland and water areas for which a scenic, conservation, or public recreation use easement is granted to the borough. To be eligible for a tax exemption, or partial exemption, the easement must be in perpetuity. However, the easement is automatically terminated before an eminent domain taking of fee simple title or less than fee simple title to the property, so that the property owner is compensated at a rate that does not reflect the easement grant.

C. The increase in assessed value of improvements to real property shall be exempt from taxation if an increase in assessed value is directly attributable to alteration of the natural features of the land or to new maintenance, repair or renovation of an existing structure, and if the alteration, maintenance, repair, or renovation, when completed, enhances the exterior appearance or aesthetic quality of the land or structure.

An exemption may not be allowed under this subsection for the construction of an improvement to a structure if the principal purpose of the improvement is to increase the amount of space of occupancy or nonresidential use in the structure or for the alteration of land as a consequence of construction activity. An exemption provided in this subsection shall continue for four years from the date the improvement is completed, or from the date of approval for the exemption by the assessor, whichever is later.

~~D. Pursuant to AS 29.45.050(b)(1)(A), the below listed properties shall remain exempt from property taxation so long as they remain the property of their present owners (organizations not organized for business or profitmaking purposes) and so long as they remain used exclusively for community purposes:~~

~~1. Southeast Alaska Fairgrounds: that area containing 42 acres, more or less, in USS 735, currently owned by Southeast Alaska State Fair, Inc.;~~

~~2. Port Chilkoot Parade Ground, currently owned by Alaska Indian Arts, Inc., that area surrounding Block G, Port Chilkoot Subdivision, containing 7.58 acres, more or less, not used for commercial purposes;~~

3. Land and improvements situated on Lots 1 through 7, Block O, Presbyterian Mission Subdivision, currently owned by the American Bald Eagle Foundation;

4. Land and improvements situated on Small Tracts Road, specifically the north 300 feet of the west 100 feet of Lot 40, Section 2, Township 31 South, Range 59 East, of the Copper River Meridian, currently owned by the Haines Animal Rescue Kennel;

5. Charles Anway Cabin: land and improvements situated on Lot 2C within the resubdivision of Lot 2, Meacock Subdivision within Survey 206 currently owned by the Chilkat Valley Historical Society;

6. Land and improvements situated on Lots 1 through 5, Block 12, and Lots 5 through 8, Block 6, Townsite, currently owned by Takshanuk Watershed Council.

**D. Community purpose exemption. The borough exempts from taxation the real property of an organization not organized for business or profit-making purposes and used exclusively for community purposes, provided that income derived from rental of that property does not exceed the actual cost to the owner of the use by the renter.**

**1. In order to determine that a property qualifies for this exemption, the borough may consider various factors including, but not limited to:**

**a. The property's availability to public use regardless of sex, race, creed, color, sexual orientation, or national origin;**

**b. That the applicant organization is an exempt organization under Section 501(c)(3) of the Internal Revenue Code, as amended from time to time; and**

**c. Whether any part of the net earnings of the applicant inures to the benefit of any private entity or individual;**

**d. No evidence of a dominant financial motive such as excessive charges, excessive employee compensation, or rental income that exceeds operating expenses;**

**e. No evidence that the property is being used to financially benefit any officer, trustee, director, shareholder, member, or contributor, of the applicant;**

**f. Ensuring that the property is used for the actual operation of at least one community activity;**

**g. That the fees and charges for the use of such property and facilities thereon do not effectively deny to a significant portion of the borough the privileges and benefits provided by the property;**

**h. Determining that the applicant organization is governed by a volunteer board of directors;**

**i. The benefits provided to the community by the organization warrant the value of the exemption**

**j. Considering whether substantially similar community benefits are available through other entities; and**

**k. Considering the degree to which the organization's use of the property impacts the quality of life of borough residents.**

**The borough administration may adopt a written policy setting forth additional community purpose standards and requirements, including standards and requirements applicable to housing serving a community purpose. Such written policy will be approved by the Borough Assembly via resolution.**

**2. A property may be apportioned into community-purpose and non-community-purpose areas in order to calculate a partial exemption if appropriate. Only**

**that portion of the property that is actually used exclusively for the purpose of providing a benefit to the community is eligible for the exemption.**

**3. The assessor may disregard insignificant non-community purpose use.**

**4. "Actual cost to the owner" shall include any costs that, in the judgment of the borough assessor, the owner incurred in its calendar or fiscal year for the purpose of renting the property. The borough administration may adopt a written policy setting forth specific costs that may and may not be considered. Such policy will be approved by the assembly via resolution.**

**5. An exemption may be granted under this subsection upon written application on a form provided by the borough assessor. The assessor shall require proof as necessary, and may require additional proof under this section at any time. If the applicant fails to respond to a request for additional proof, the failure may be considered in determining whether to grant the exemption.**

**a. The claimant must file the application no later than March 31st of the assessment year for which the exemption is sought with a January 1 Tax Day. Once approved, claimants retain the exemption for a period of three years and must submit annual validation statements to the assessor no later than March 31st of each year in which the exemption remains valid. The claimant must file a separate application by March 31 in the year in which an exemption expires. Subsequent applications in which there are no substantive changes can be approved by the Assessor.**

**b. For the calendar year in which this Ordinance is passed claimants will have until 60 days after the adoption of this Ordinance to file an application. Organizations that have an exemption granted under the prior standard will retain their exemption for tax year 2015 but will be required to submit an application beginning with tax year 2016.**

**c. Upon receipt of an application the borough assessor shall evaluate the request and recommend within 30 Borough business days that the Borough assembly grant or deny the exemption and specify his reasons for recommending or not recommending the exemption. The assessor shall then forward the application to the assembly for action.**

**6. If approved by the Assembly, the assessor shall allow an exemption in accordance with the provisions of this section. If the claimant has already paid taxes for that year prior to approval of a timely application, the exempted tax amount, without interest, shall be refunded to the claimant.**

**7. A person may appeal the denial or approval of an exemption granted under this subsection to Superior Court.**

E. The borough exempts from taxation an interest, other than record ownership, in real property of an individual residing in the property if the property has been developed, improved, or acquired with federal funds for low-income housing and is owned or managed as low-income housing by the Alaska Housing Finance Corporation under AS 18.55.100 through 18.55.960 or a regional housing authority formed under AS 18.55.996.

F. Any firm that begins operation after July 1, 1986, in the Haines Borough to process timber after it has been delivered to the processing site, if the firm has a yearly payroll of at least \$250,000, shall have 75 percent of the real property exempted from taxation for a period of five years.

G. Land and improvements situated on Lots 17, 19, 22, 23, and 24, Block F, Mission Subdivision, owned by Haines Senior Citizens' Center, Inc.

~~H. Land and improvements in the SE1/4, SE1/4, Section 22, T28S, R55E, CRM, managed by Klehini Valley Sports and Recreation. This exemption shall require a review on a yearly basis and becomes void if property is not used exclusively for nonprofit recreation.~~

I.F. Hardship Exemption. That portion of the property tax levied on the residence of a qualified senior citizen or disabled veteran who applies for the exemption and meets the standards set forth in 3 AAC 135.040(b) and (c), which exceeds two percent of their gross household income.

1. In order to qualify for this exemption, the applicant must:

a. Have gross family income, from all sources in the prior year, which does not exceed 135 percent of the poverty guideline as established by the United States Department of Health and Human Services for a similar sized household in the state of Alaska for the year requested;

b. Be eligible for a permanent fund dividend under AS 43.23.005 for the same year or for the immediately preceding year;

c. Not own more than one parcel of real property in Alaska on the date of application, excluding an adjacent parcel that is necessary for the use of the primary residence; and

d. Have net worth as of the date of application of less than \$250,000 including the first \$150,000 of the market value of the principal residence of the applicant.

2. This exemption will be apportioned in the same manner and formula as applied to the standard senior citizen/disabled veteran exemption previously granted.

3. An exemption may not be granted under this subsection except upon written application for the exemption on a form provided by the borough assessor. The applicant must also submit an affidavit, supplied by the borough, attesting that the applicant meets the subscribed criteria. The assessor shall require proof, in the form the assessor considers necessary, of the right to and amount of an exemption claimed under this subsection, and shall require a disabled veteran claiming an exemption to provide evidence of disability rating. The assessor may require additional proof under this section at any time. If the applicant fails to respond to a request for additional proof, such failure may be considered by the assessor in determining whether to grant the exemption.

4. The claimant must file the application no later than March 31st of the assessment year for which the exemption is sought. The claimant must file a separate application for each assessment year in which the exemption is sought.

5. If an application is filed by the deadline, and approved by the assessor, the assessor shall allow an exemption in accordance with the provisions of this section. If the claimant has already paid taxes for that year prior to approval of a timely application, the exempted tax amount shall be refunded to the claimant.

6. If an otherwise qualified claimant is unable to comply with the March 31st application filing deadline, the claimant may submit an application to the assessor's office for review by the assembly. If the claimant has submitted a valid application, the assembly may, by resolution, waive the claimant's failure to file the application by the March 31st deadline, and authorize the assessor to accept the application as if timely filed. For purposes of this subsection, an inability to comply must be caused by a serious medical condition of the applicant or member of the applicant's family, or an extraordinary event beyond the claimant's control. No late applications can be submitted after November 1st of the qualifying year. This section does not create any private rights whatsoever, nor does it in any manner require the assembly to introduce or adopt any such resolution.

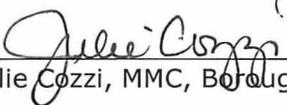
7. Upon receipt of the completed application, any additional proof required, and affidavit, the borough assessor shall evaluate the request and grant or deny the hardship

exemption within 15 borough business days. If denied, the borough assessor shall specify the reasons for the denial.

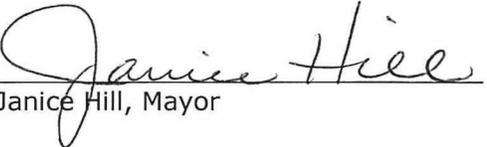
8. A person may appeal the apportionment of a hardship exemption granted under this chapter or a denial of an application to the board of equalization in accordance with HBC 3.72.100 through 3.72.120.

ADOPTED BY A DULY CONSTITUTED QUORUM OF THE HAINES BOROUGH ASSEMBLY THIS 26th DAY OF MAY, 2015.

ATTEST:

  
Julie Cozzi, MMC, Borough Clerk



  
Janice Hill, Mayor

Date Introduced:	02/24/15
Date of First Public Hearing:	03/10/15
Date of Second Public Hearing:	04/28/15
Date of Third Public Hearing:	05/26/15 - Adopted



**Haines Borough  
Assembly Agenda Bill**

Agenda Bill No.: 15-581

Assembly Meeting Date: 6/23/15

Business Item Description:	Attachments:
Subject: Harbor Fee Schedule Revision	1. Ordinance 15-06-415 2. Port & Harbor Advisory Committee Request 3. Harbormaster Recommendation with SE Alaska Comparisons
Originator: Port & Harbor Advisory Committee	
Originating Department:	
Date Submitted: 6/3/15	

**Full Title/Motion:**  
 Motion: Introduce Ordinance 15-06-415 and schedule a first public hearing for 7/14/15 and a second public hearing for 7/28/15.

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

**Fiscal Impact:**

Expenditure Required	Amount Budgeted	Appropriation Required	Projected Impact to Future Operating Budgets
\$ none	\$ n/a	\$ n/a	Increased Revenue for the Harbors

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

**Summary Statement:**  
 The existing Harbor Fee Schedule was adopted on 6/12/12 via Ordinance 12-05-292. The Port & Harbor Advisory Committee recommends a revision of certain fees. Additionally, staff recommends removal of the penalty section since harbor-related fines are to become a part of the new minor offenses fine table through the state court system. To avoid a gap between when the harbor fee schedule is revised and the adoption of the minor offenses ordinance, that change is proposed to have a later effective date than the rest of the harbor fee schedule revisions.

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

**Assembly Action:**  
 Meeting Date(s): 6/23/15 Public Hearing Date(s): \_\_\_\_\_  
 Postponed to Date: \_\_\_\_\_

**An ordinance of the Haines Borough adopting a revised fee schedule for harbor facility usage.**

**WHEREAS**, the Haines Borough owns and operates the Portage Cove Harbor and the Letnikof Cove Harbor; and

**WHEREAS**, the Borough Assembly establishes rates, fees, and penalties for Haines Borough harbor facilities; and

**WHEREAS**, Haines Borough Code, section 2.12.020(B), requires fines and penalties be provided by ordinance,

**NOW THEREFORE BE IT ENACTED**, by the Haines Borough Assembly, that the following Harbor Fee Schedule is hereby adopted by ordinance.

Section 1. Classification. This ordinance is not of a general and permanent nature and shall not become a part of the Haines Borough Code of Ordinances.

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 2. Effective Date. This ordinance shall become effective immediately upon adoption with the exception of the penalties section of the schedule which shall become effective immediately upon adoption of Ordinance 15-06-413 provided that ordinance includes penalties pertaining to harbor violations.

Section 3. Purpose. To adopt, via ordinance, the following revised Harbor Fee Schedule:

## Haines Borough – Harbor Fee Schedule

(See HBC Title 16 for regulations and more information)

### ~~4.~~ Transient Boat Moorage Fees

Short-term (less than two weeks)	<del>\$-50</del> <b>.55</b> per lineal foot per day*
Long-term (two weeks and longer)	<del>\$5-00</del> <b>5.50</b> per lineal foot per month*

**Winter Rates** – From October 1 through March 31, transient moorage vessels qualify for winter rates: one-half the amount that the vessel would ordinarily be charged. To qualify vessel must be up-to-date on all Port and Harbor Fees and pay for the winter moorage rate in advance.

\* Transient moorage which must be invoiced will be charged at twice the normal rate (HBC 16.16.050).

### ~~2.~~ Boat Launch Ramp Use Fees

Annual Launch Ramp Sticker – Recreational Vessel	\$60.00 per trailer per year
Daily Launch Ramp Use Fee	\$15.00 per trailer per day
Non Compliance Fee	\$60.00 per violation

### **3. Live-Aboard Fees**

1 to 14 days	No charge other than the regular moorage rate
Over 14 days (prohibited October 15 <sup>th</sup> to April 1 <sup>st</sup> )	\$70.00 per month in addition to the regular moorage rate

### **4. Conducting Business from Any Vessel in the Harbor**

Transient Vessel	\$10.00 per day (plus a borough business license and collection of sales tax)
Permanent Stall Vessels and Permanent Open Moorage Vessels	\$0 per day but must have a borough business license & collect sales tax
Non Compliance Fee	\$50.00 per violation

### **5. Boat Houses, Floats, Scows, Barges, Pile Drivers, and Dredges**

These vessels are allowed only on a temporary basis at the harbormaster's discretion and, when allowed, are assessed a fee twice the rate of other vessels. Note: Living aboard is not allowed on these vessels and watercraft.

### **6. Seaplane Moorage Fees**

Open Moorage	Fee
Less than 3 hours	No charge
3 to 24 hours	\$15.00
Each additional 24-hour period or fraction thereof	\$15.00

### **7. Electrical Connection and Service Rates**

Connection Costs (permanent stalls or open moorage) <i>Paid to the local utility</i>	Actual cost of connection (boat owner makes the arrangements with the local utility and pays them directly)
Service Fee (all vessels utilizing electrical service) <i>Paid to the borough</i>	\$10.00 per day
Service Fee (utilizing 240 service)	\$20.00 per day
Annual Service Maintenance fee (if Electrical service is activated)	\$15.00 annual

### **8. Harbor Crane Use**

Annual Crane Use Permit (not available for transient vessels)	\$50.00 per year
Transient Vessels	\$20.00 per hour

**9. Letnikof Cove Harbor Moorage**

**Special Joint-Use Permit Fees**

(only for boat harbor stall renters who are paid current)

Length of Vessel	Annual Fee
Up to 24 feet	<del>\$75.00</del>
<del>25</del> <b>Up</b> to 40 feet	\$100.00
41 to 60 feet	\$125.00
61 to 80 feet	\$150.00
Over 80 feet	\$200.00

**Regular Use Permit Fees**

(for vessels without a boat harbor stall OR stall renters who are not paid current)

Short-term (less than two weeks)	<del>\$.50</del> <b>.55</b> per lineal foot per day
Long-term (two weeks and longer)	<del>\$5.00</del> <b>5.50</b> per lineal foot per month

**10. Miscellaneous Fees**

Grid Use	\$15.00 min or \$.50 per ft per tide cycle
Harbor Staff Labor (8-5 Monday-Saturday)	\$40.00 per hour (one hour minimum)
Harbor Staff Labor (After regular hours)	\$80.00 per hour (one hour minimum)
Tie-up Fee	\$20.00 per time plus cost of line (Harbor staff time not included)
Fee to Move a Boat	\$50.00 per time
Waitlist Fee	\$25.00 (first year) and \$10.00 per year thereafter
Seniority Transfer list Fee	\$10.00 per year
Pump Fee	\$20.00 per hour
Portable Electric Generator Fee	\$20.00 per day
Upland Storage Fee	\$.20 per square foot per month
<b><u>Boat Stand Fee</u></b>	<b><u>\$2.50 per month or portion of a month</u></b>

**11. Hazardous Waste Disposal**

Motor Oil	Free <b><u>Included in moorage fees</u></b>
Hydraulic Oil	Free <b><u>Included in moorage fees</u></b>
Diesel	Free <b><u>Included in moorage fees</u></b>
Gasoline	Free <b><u>Included in moorage fees</u></b>
Antifreeze	Free <b><u>Included in moorage fees</u></b>
Oil filters and Oiled Rags	Free <b><u>Included in moorage fees</u></b>
Paint	Free <b><u>Included in moorage fees</u></b>
Hazardous Materials Not Listed From Vessel	Free <b><u>Included in moorage fees</u></b>

**~~12. Penalties for Violations~~** (see Section 2, Effective Date)

<del>First Violation</del>	<del>\$50.00</del>
<del>Second Violation</del>	<del>\$100.00</del>
<del>Third Violation And Any there After</del>	<del>\$150.00</del>

**~~13. Permanent Open Moorage Vessels~~**

**Long-term vessels with no permanent stall** that meet the conditions outlined in HBC 16.16.105(A) shall qualify for rates equal to the regular moorage rate for their size vessel (see #14 - *Annual Moorage Rates*). If the conditions are not met, transient rates apply (see #1 – *Transient Boat Moorage Fees*).

**Permanent stall renters that have a second commercial vessel** and meet the conditions outlined in HBC 16.16.105(A) shall qualify for rates equal to the regular moorage rate for their size vessel (see #14 - *Annual Moorage Rates*) provided the permanent stall fee is paid. If the conditions are not met, transient rates apply (see #1 – *Transient Boat Moorage Fees*), and from April 1st through September 30th these vessels shall be charged the long-term transient moorage rate.

**14. Annual Moorage Rates**

Length (feet)	<del>10/1/12 to</del> <b>9/30/13</b>	<del>10/1/13 to</del> <b>9/30/14</b>	10/1/14 to 9/30/15	10/1/15 to 9/30/16	10/1/16 to 9/30/17	10/1/17 to 9/30/18	10/1/18 to 9/30/19	10/1/19 to 9/30/20
	(\$18/ft up to 40 ft; \$24/ft over 40 ft)	(\$19/ft up to 40 ft; \$25/ft over 40 ft)	(\$20/ft up to 40 ft; \$26/ft over 40 ft)	(\$21 <del>22</del> /ft up to 40 ft; \$27 <del>28</del> /ft over 40 ft)	(\$22 <del>23</del> /ft up to 40 ft; \$28 <del>29</del> /ft over 40 ft)	(\$23 <del>24</del> /ft up to 40 ft; \$29 <del>30</del> /ft over 40 ft)	<b>(\$25/ft up to 40 ft; \$31/ft over 40 ft)</b>	<b>(\$26/ft up to 40 ft; \$32/ft over 40 ft)</b>
15	\$270	\$285	\$300	\$315	\$330	\$345		
16	\$288	\$304	\$320	\$336	\$352	\$368		
17	\$306	\$323	\$340	\$357	\$374	\$391		
18	\$324	\$342	\$360	\$378	\$396	\$414		
19	\$342	\$361	\$380	\$399	\$418	\$437		
20	\$360	\$380	\$400	\$420	\$440	\$460		
21	\$378	\$399	\$420	\$441	\$462	\$483		
22	\$396	\$418	\$440	\$462	\$484	\$506		
23	\$414	\$437	\$460	\$483	\$506	\$529		
24	\$432	\$456	\$480	\$504	\$528	\$552		
<b>up to 25</b>	\$450	\$475	\$500	\$525	\$550	\$575	<b>\$625</b>	<b>\$650</b>
26	\$468	\$494	\$520	\$546	\$572	\$598	<b>\$650</b>	<b>\$676</b>
27	\$486	\$513	\$540	\$567	\$594	\$621	<b>\$675</b>	<b>\$702</b>
28	\$504	\$532	\$560	\$588	\$616	\$644	<b>\$700</b>	<b>\$728</b>
29	\$522	\$551	\$580	\$609	\$638	\$667	<b>\$725</b>	<b>\$754</b>
30	\$540	\$570	\$600	\$630	\$660	\$690	<b>\$750</b>	<b>\$780</b>
31	\$558	\$589	\$620	\$651	\$682	\$713	<b>\$775</b>	<b>\$806</b>
32	\$576	\$608	\$640	\$672	\$704	\$736	<b>\$800</b>	<b>\$832</b>
33	\$594	\$627	\$660	\$693	\$726	\$759	<b>\$825</b>	<b>\$858</b>
34	\$612	\$646	\$680	\$714	\$748	\$782	<b>\$850</b>	<b>\$884</b>
35	\$630	\$665	\$700	\$735	\$770	\$805	<b>\$875</b>	<b>\$910</b>
36	\$648	\$684	\$720	\$756	\$792	\$828	<b>\$900</b>	<b>\$936</b>
37	\$666	\$703	\$740	\$777	\$814	\$851	<b>\$925</b>	<b>\$962</b>
38	\$684	\$722	\$760	\$798	\$836	\$874	<b>\$950</b>	<b>\$988</b>
39	\$702	\$741	\$780	\$819	\$858	\$897	<b>\$975</b>	<b>\$1014</b>

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Length (feet)	<del>10/1/12 to</del> <b>9/30/13</b>	<del>10/1/13 to</del> <b>9/30/14</b>	<del>10/1/14 to</del> <b>9/30/15</b>	<del>10/1/15 to</del> <b>9/30/16</b>	<del>10/1/16 to</del> <b>9/30/17</b>	<del>10/1/17 to</del> <b>9/30/18</b>	<del>10/1/18 to</del> <b>9/30/19</b>	<del>10/1/19 to</del> <b>9/30/20</b>
	(\$18/ft up to 40 ft; \$24/ft over 40 ft)	(\$19/ft up to 40 ft; \$25/ft over 40 ft)	(\$20/ft up to 40 ft; \$26/ft over 40 ft)	(\$21 <del>22</del> /ft up to 40 ft; \$27 <del>28</del> /ft over 40 ft)	(\$22 <del>23</del> /ft up to 40 ft; \$28 <del>29</del> /ft over 40 ft)	(\$23 <del>24</del> /ft up to 40 ft; \$29 <del>30</del> /ft over 40 ft)	<b>(\$25/ft up to 40 ft; \$31/ft over 40 ft)</b>	<b>(\$26/ft up to 40 ft; \$32/ft over 40 ft)</b>
40	\$960	\$760	\$800	\$840	\$880	\$920	<b>\$1000</b>	<b>\$1040</b>
41	\$984	\$1,025	\$1,066	\$1,107	\$1,148	\$1,189	<b>\$1271</b>	<b>\$1312</b>
42	\$1,008	\$1,050	\$1,092	\$1,134	\$1,176	\$1,218	<b>\$1302</b>	<b>\$1344</b>
43	\$1,032	\$1,075	\$1,118	\$1,161	\$1,204	\$1,247	<b>\$1333</b>	<b>\$1376</b>
44	\$1,056	\$1,100	\$1,144	\$1,188	\$1,232	\$1,276	<b>\$1364</b>	<b>\$1408</b>
45	\$1,080	\$1,125	\$1,170	\$1,215	\$1,260	\$1,305	<b>\$1395</b>	<b>\$1440</b>
46	\$1,104	\$1,150	\$1,196	\$1,242	\$1,288	\$1,334	<b>\$1426</b>	<b>\$1472</b>
47	\$1,128	\$1,175	\$1,222	\$1,269	\$1,316	\$1,363	<b>\$1457</b>	<b>\$1504</b>
48	\$1,152	\$1,200	\$1,248	\$1,296	\$1,344	\$1,392	<b>\$1488</b>	<b>\$1536</b>
49	\$1,176	\$1,225	\$1,274	\$1,323	\$1,372	\$1,421	<b>\$1519</b>	<b>\$1568</b>
50	\$1,200	\$1,250	\$1,300	\$1,350	\$1,400	\$1,450	<b>\$1550</b>	<b>\$1600</b>
51	\$1,224	\$1,275	\$1,326	\$1,377	\$1,428	\$1,479	<b>\$1581</b>	<b>\$1632</b>
52	\$1,248	\$1,300	\$1,352	\$1,404	\$1,456	\$1,508	<b>\$1612</b>	<b>\$1664</b>
53	\$1,272	\$1,325	\$1,378	\$1,431	\$1,484	\$1,537	<b>\$1643</b>	<b>\$1696</b>
54	\$1,296	\$1,350	\$1,404	\$1,458	\$1,512	\$1,566	<b>\$1674</b>	<b>\$1728</b>
55	\$1,320	\$1,375	\$1,430	\$1,485	\$1,540	\$1,595	<b>\$1705</b>	<b>\$1760</b>
56	\$1,344	\$1,400	\$1,456	\$1,512	\$1,568	\$1,624	<b>\$1736</b>	<b>\$1792</b>
57	\$1,368	\$1,425	\$1,482	\$1,539	\$1,596	\$1,653	<b>\$1767</b>	<b>\$1825</b>
58	\$1,392	\$1,450	\$1,508	\$1,566	\$1,624	\$1,682	<b>\$1798</b>	<b>\$1856</b>
59	\$1,416	\$1,475	\$1,534	\$1,593	\$1,652	\$1,711	<b>\$1829</b>	<b>\$1888</b>
60	\$1,440	\$1,500	\$1,560	\$1,620	\$1,680	\$1,740	<b>\$1860</b>	<b>\$1920</b>
61	\$1,464	\$1,525	\$1,586	\$1,647	\$1,708	\$1,769	<b>\$1891</b>	<b>\$1952</b>
62	\$1,488	\$1,550	\$1,612	\$1,674	\$1,736	\$1,798	<b>\$1922</b>	<b>\$1984</b>
63	\$1,512	\$1,575	\$1,638	\$1,701	\$1,764	\$1,827	<b>\$1953</b>	<b>\$2016</b>
64	\$1,536	\$1,600	\$1,664	\$1,728	\$1,792	\$1,856	<b>\$1984</b>	<b>\$2048</b>
65	\$1,560	\$1,625	\$1,690	\$1,755	\$1,820	\$1,885	<b>\$2015</b>	<b>\$2080</b>

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Length (feet)	<del>10/1/12 to 9/30/13</del>	<del>10/1/13 to 9/30/14</del>	10/1/14 to 9/30/15	10/1/15 to 9/30/16	10/1/16 to 9/30/17	10/1/17 to 9/30/18	10/1/18 to 9/30/19	10/1/19 to 9/30/20
	(\$18/ft up to 40 ft; \$24/ft over 40 ft)	(\$19/ft up to 40 ft; \$25/ft over 40 ft)	(\$20/ft up to 40 ft; \$26/ft over 40 ft)	(\$21 <del>22</del> /ft up to 40 ft; \$27 <del>28</del> /ft over 40 ft)	(\$22 <del>23</del> /ft up to 40 ft; \$28 <del>29</del> /ft over 40 ft)	(\$23 <del>24</del> /ft up to 40 ft; \$29 <del>30</del> /ft over 40 ft)	(\$25/ft up to 40 ft; \$31/ft over 40 ft)	(\$26/ft up to 40 ft; \$32/ft over 40 ft)
66	\$1,584	\$1,650	\$1,716	\$1,782	\$1,848	\$1,914	<b>\$2046</b>	<b>\$2112</b>
67	\$1,608	\$1,675	\$1,742	\$1,809	\$1,876	\$1,943	<b>\$2077</b>	<b>\$2144</b>
68	\$1,632	\$1,700	\$1,768	\$1,836	\$1,904	\$1,972	<b>\$2108</b>	<b>\$2244</b>
69	\$1,656	\$1,725	\$1,794	\$1,863	\$1,932	\$2,001	<b>\$2139</b>	<b>\$2208</b>
70	\$1,680	\$1,750	\$1,820	\$1,890	\$1,960	\$2,030	<b>\$2170</b>	<b>\$2224</b>
71	\$1,704	\$1,775	\$1,846	\$1,917	\$1,988	\$2,059	<b>\$2201</b>	<b>\$2272</b>
72	\$1,728	\$1,800	\$1,872	\$1,944	\$2,016	\$2,088	<b>\$2232</b>	<b>\$2304</b>
73	\$1,752	\$1,825	\$1,898	\$1,971	\$2,044	\$2,117	<b>\$2263</b>	<b>\$2336</b>
74	\$1,776	\$1,850	\$1,924	\$1,998	\$2,072	\$2,146	<b>\$2294</b>	<b>\$2368</b>
75	\$1,800	\$1,875	\$1,950	\$2,025	\$2,100	\$2,175	<b>\$2325</b>	<b>\$2400</b>
76	\$1,824	\$1,900	\$1,976	\$2,052	\$2,128	\$2,204	<b>\$2356</b>	<b>\$2432</b>
77	\$1,848	\$1,925	\$2,002	\$2,079	\$2,156	\$2,233	<b>\$2387</b>	<b>\$2464</b>
78	\$1,872	\$1,950	\$2,028	\$2,106	\$2,184	\$2,262	<b>\$2418</b>	<b>\$2496</b>
79	\$1,896	\$1,975	\$2,054	\$2,133	\$2,212	\$2,291	<b>\$2449</b>	<b>\$2528</b>
80	\$1,920	\$2,000	\$2,080	\$2,160	\$2,240	\$2,320	<b>\$2480</b>	<b>\$2560</b>
81	\$1,944	\$2,025	\$2,106	\$2,187	\$2,268	\$2,349	<b>\$2511</b>	<b>\$2592</b>
82	\$1,968	\$2,050	\$2,132	\$2,214	\$2,296	\$2,378	<b>\$2542</b>	<b>\$2624</b>
83	\$1,992	\$2,075	\$2,158	\$2,241	\$2,324	\$2,407	<b>\$2573</b>	<b>\$2656</b>
84	\$2,016	\$2,100	\$2,184	\$2,268	\$2,352	\$2,436	<b>\$2604</b>	<b>\$2688</b>
85	\$2,040	\$2,125	\$2,210	\$2,295	\$2,380	\$2,465	<b>\$2635</b>	<b>\$2720</b>
86	\$2,064	\$2,150	\$2,236	\$2,322	\$2,408	\$2,494	<b>\$2666</b>	<b>\$2752</b>
87	\$2,088	\$2,175	\$2,262	\$2,349	\$2,436	\$2,523	<b>\$2697</b>	<b>\$2784</b>
88	\$2,112	\$2,200	\$2,288	\$2,376	\$2,464	\$2,552	<b>\$2728</b>	<b>\$2816</b>
89	\$2,136	\$2,225	\$2,314	\$2,403	\$2,492	\$2,581	<b>\$2759</b>	<b>\$2848</b>
90	\$2,160	\$2,250	\$2,340	\$2,430	\$2,520	\$2,610	<b>\$2790</b>	<b>\$2880</b>
91	\$2,184	\$2,275	\$2,366	\$2,457	\$2,548	\$2,639	<b>\$2821</b>	<b>\$2912</b>

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Length (feet)	<del>10/1/12 to 9/30/13</del>	<del>10/1/13 to 9/30/14</del>	10/1/14 to 9/30/15	10/1/15 to 9/30/16	10/1/16 to 9/30/17	10/1/17 to 9/30/18	10/1/18 to 9/30/19	10/1/19 to 9/30/20
	(\$18/ft up to 40 ft; \$24/ft over 40 ft)	(\$19/ft up to 40 ft; \$25/ft over 40 ft)	(\$20/ft up to 40 ft; \$26/ft over 40 ft)	(\$21 <del>22</del> /ft up to 40 ft; \$27 <del>28</del> /ft over 40 ft)	(\$22 <del>23</del> /ft up to 40 ft; \$28 <del>29</del> /ft over 40 ft)	(\$23 <del>24</del> /ft up to 40 ft; \$29 <del>30</del> /ft over 40 ft)	(\$25/ft up to 40 ft; \$31/ft over 40 ft)	(\$26/ft up to 40 ft; \$32/ft over 40 ft)
92	\$2,208	\$2,300	\$2,392	\$2,484	\$2,576	\$2,668	<b>\$2852</b>	<b>\$2944</b>
93	\$2,232	\$2,325	\$2,418	\$2,511	\$2,604	\$2,697	<b>\$2883</b>	<b>\$2976</b>
94	\$2,256	\$2,350	\$2,444	\$2,538	\$2,632	\$2,726	<b>\$2914</b>	<b>\$3008</b>
95	\$2,280	\$2,375	\$2,470	\$2,565	\$2,660	\$2,755	<b>\$2945</b>	<b>\$3040</b>
96	\$2,304	\$2,400	\$2,496	\$2,592	\$2,688	\$2,784	<b>\$2976</b>	<b>\$3072</b>
97	\$2,328	\$2,425	\$2,522	\$2,619	\$2,716	\$2,813	<b>\$3007</b>	<b>\$3104</b>
98	\$2,352	\$2,450	\$2,548	\$2,646	\$2,744	\$2,842	<b>\$3038</b>	<b>\$3136</b>
99	\$2,376	\$2,475	\$2,574	\$2,673	\$2,772	\$2,871	<b>\$3069</b>	<b>\$3168</b>
100	\$2,400	\$2,500	\$2,600	\$2,700	\$2,800	\$2,900	<b>\$3101</b>	<b>\$3200</b>

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: 06/23/15  
Date of First Public Hearing: \_\_\_/\_\_\_/\_\_\_  
Date of Second Public Hearing: \_\_\_/\_\_\_/\_\_\_



Haines Borough  
**BOROUGH ASSEMBLY**  
**ACTION REQUEST**

DATE: 4-27-15

TO: Borough Assembly

FROM: Haines Borough Ports and harbor Advisory Committee

BOARD ACTION:

Motion: Norman to finish Edits on fee schedule and submit to the Borough Assembly for their consideration. Bill 1st, Don 2<sup>nd</sup>, passed 5-0

RATIONALE:

The HBPHAC has spent the last three Months reviewing the Harbor Fee Schedule (last updated in 2012). David Sosa met with the HBPHAC and recommended 6% cut in department budgets or increase revenues to offset the 6%. The Harbor committee focused on revenue increases and assigning vacant stalls to people on waiting list to help the budget.

Fee schedule recommendations from the HBPHAC

1# Transient moorage was increased 10%

9# Letnikof joint use permit fee, up to 24 feet was removed and up to 40 feet is the minimum fee class.

Transient moorage rate at Letnikof was raised 10%.

10# Miscellaneous fees, a new fee was listed for Boat stands that the Haines Borough is providing for safe storage of boats in parking lot if boat owners do not have their own. (Boat stands can also be purchased from the borough instead of renting)

11# Hazardous Waste disposal, is now included in the moorage fees as is garbage.

13# Winter rates, have been removed per harbormasters request.

14# Annual moorage rates, Moorage rates have been increasing a Dollar a foot since 2006. The HBPHAC recommended that for the moorage increase for 2016 would be two dollars a foot. Then back to a dollar a foot increase annually for the next four years.

A minimum boat length rate for stall rental was set at up to 25 feet.

Because that is the minimum length of boat stalls in the small boat harbor.

BOARD REQUEST:

The HBPHAC request the Haines Borough Assembly draft and introduce and pass an ordinance for an updated Harbor fee schedule and consider HBPHAC recommendations on the Harbor Fee Schedule.

SUBMITTED BY Norman Hughes Chair HBPHAC



# Memo HARBOR

Date: June 11, 2015

To: David Sosa, Haines Borough Manager

From: Shawn Bell, Harbormaster

Re: Revised Harbor Fee Schedule

It is the recommendation of the Ports & Harbor Advisory Council (PHAC) and the Harbormaster that a revised harbor fee schedule, which is attached, be adopted.

## **Background**

In 2012 our fee schedule was adopted with a minor change made in 2013. The 2012 fee schedule was adopted in order to slowly increase rates, year over year, and catch the Haines Harbor up to other Southeast Alaska Harbors. Transient daily moorage was set at \$.50 a linear foot and transient monthly moorage was set at \$5.00 a linear foot, these are fixed fees. Annual moorage in 2012 started at \$18.00 a linear foot for vessels 40' and under and \$24.00 a linear foot for vessels over 40'. This schedule has no vessel length minimum. The schedule was designed to increase \$1.00 per linear foot each moorage year.

## **Other Southeast AK Harbors**

I have attached a breakdown of moorage rates for other Southeast Alaska Harbors. It can be difficult to compare apples to apples when comparing harbors and rates. Harbor size, services, and location differ greatly as well the breakdown of other harbor fee schedules. The numbers that I provided gives the price to moor a 25' vessel, the new proposed minimum for annual moorage, at the daily rate, monthly rate, and annual rate. The moorage rate that is used for the Haines Harbor is based on the proposed fee schedule.

## **Why the Increase**

It is evident, from the attached fee schedule comparison, that the Haines Harbor is still one of the cheapest places to moor a vessel. It is also evident that the Haines Harbor does not take in enough revenue to cover its yearly budget. It, however, is not my opinion that the harbor should be able to stand on its own without community support. The community benefits greatly from the harbor and the two financially depend on one another. We can close the gap slightly though by reasonably increasing the fees while still staying at a competitive price.

## SOUTHEAST ALASKA MOORAGE COMPARISON

(All prices based on a 25' vessel)

### Haines Harbor:

Daily Trans. – \$13.75

Monthly Trans. - \$137.50

Annual - \$550.00

### Ketchikan Harbor:

Daily Trans. - \$14.75

Monthly Trans. - \$151.75

Annual – Within City \$574.50, Outside City \$689.50

### Skagway Harbor:

Daily Trans. - \$8.75

Monthly Trans. - \$87.50

Annual - \$325.00

### Sitka Harbor:

Daily Trans. - \$22.84

Monthly Trans. - \$392.18

Annual - \$882.00

Juneau Harbor:

Daily Trans. - \$14.44

Monthly Trans. - \$111.56

Annual - \$1275.00

Petersburg Harbor:

Daily Trans. - \$13.25

Monthly Trans. - \$159.00

Annual - \$901.00

Wrangell Harbor:

Daily Trans. - \$10.70

Monthly Trans. - \$93.62

Annual - \$668.75

Hoonah Harbor:

Daily Trans. - \$12.50

Monthly Trans. - \$75.00

Annual - \$600.00

Craig Harbor:

Daily Trans. - \$13.13

Monthly Trans. - \$105.00

Annual - \$413.44



THE STATE of ALASKA

GOVERNOR BILL WALKER

Department of Commerce, Community, and Economic Development

ALCOHOLIC BEVERAGE CONTROL BOARD

550 W 7th Avenue Ste. 1600
Anchorage, Alaska 99501
Main: 907.269.0350
TDD: 907.465.5437
Fax: 907.334.2285

June 9, 2015

Haines Borough
Attn: Julie Cozzi, Borough Clerk
VIA Email: jcozzi@haines.ak.us

Port Chilkoot Distillery, LLC - Distillery #5182 DBA Port Chilkoot Distillery

- Checkboxes for New Application, Transfer of Ownership (marked with X and 'stock'), Transfer of Location, Restaurant Designation Permit, and DBA Name Change.

We have received an application for the above listed licenses (see attached application documents) within your jurisdiction. This is the notice as required under AS 04.11.520. Additional information concerning filing a "protest" by a local governing body under AS 04.11.480 is included in this letter.

A local governing body as defined under AS 04.21.080(11) may protest the approval of an application(s) pursuant to AS 04.11.480 by furnishing the board and the applicant with a clear and concise written statement of reasons in support of a protest within 60 days of receipt of this notice. If a protest is filed, the board will not approve the application unless it finds that the protest is "arbitrary, capricious and unreasonable". Instead, in accordance with AS 04.11.510(b), the board will notify the applicant that the application is denied for reasons stated in the protest. The applicant is entitled to an informal conference with either the director or the board and, if not satisfied by the informal conference, is entitled to a formal hearing in accordance with AS 44.62.330-44.62-630. IF THE APPLICANT REQUESTS A HEARING, THE LOCAL GOVERNING BODY MUST ASSIST IN OR UNDERTAKE THE DEFENSE OF ITS PROTEST.

Under AS 04.11.420(a), the board may not issue a license or permit for premises in a municipality where a zoning regulation or ordinance prohibits the sale or consumption of alcoholic beverages, unless a variance of the regulation or ordinance has been approved. Under AS 04.11.420(b) municipalities must inform the board of zoning regulations or ordinances which prohibit the sale or consumption of alcoholic beverages. If a municipal zoning regulation or ordinance prohibits the sale or consumption of alcoholic beverages at the proposed premises and no variance of the regulation or ordinance has been approved, please notify us and provide a certified copy of the regulation or ordinance if you have not previously done so.

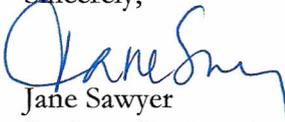
Protest under AS 04.11.480 and the prohibition of sale or consumption of alcoholic beverages as required by zoning regulation or ordinance under AS 04.11.420(a) are two separate and distinct subjects. Please bear that in mind in responding to this notice.

AS 04.21.010(d), if applicable, requires the municipality to provide written notice to the appropriate community council(s).

If you wish to protest the application referenced above, please do so in the prescribed manner and within the prescribed time. Please show proof of service upon the applicant. For additional information please refer to 3 AAC 304.145, Local Governing Body Protest.

**Note:** Applications applied for under AS 04.11.400(g), 3 AAC 304.335(a)(3), AS 04.11.090(e), and 3 AAC 304.660(e) must be approved by the governing body.

Sincerely,

A handwritten signature in blue ink that reads "Jane Sawyer". The signature is written in a cursive style with a large initial "J".

Jane Sawyer  
Business Registration Examiner  
907-269-0359  
Jane.sawyer@alaska.gov

State of Alaska  
Alcoholic Beverage Control Board

Date of Notice: June 9, 2015

Application Type: **NEW**\_\_\_\_\_

**TRANSFER (stock only)**  
 \_\_\_\_\_Ownership  
 \_\_\_\_\_Location  
 \_\_\_\_\_Name Change

Governing Body: **Haines Borough**  
 Community Councils: None

License #: 5182  
 License Type: Distillery  
 D.B.A.: Port Chilkoot Distillery  
 Licensee/Applicant: Port Chilkoot Distillery, LLC  
 Physical Location: 34 Blacksmith Street, Haines, AK 99827  
 Mail Address: PO Box 1248, Haines, AK 99827  
 Telephone #: 907-766-3434  
 EIN: 45-5148160

Corp/LLC Agent:	Address	Phone	Date and State of Incorporation	Good standing?
Port Chilkoot Distillery, LLC	PO Box 1248 Haines, AK 99827	907-766-3434	04/09/2012 Alaska	Yes

*Please note: the Members/Officers/Directors/Shareholders (principals) listed below are the principal members. There may be additional members that we are not aware of because they are not primary members. We have listed all principal members and those who hold at least 10% shares.*

Member/Officer/Director:	DOB	Address	Phone	Title/Shares (%)
Sean Copeland Owner	06/04/1970	554 Mud. Bay Road Haines, AK 99827	907-303-0043	25%
Heather Shade Owner	09/28/1978	554 Mud. Bay Road Haines, AK 99827	907-314-0838	75%

If **transfer** application, current license information:

License #: 5182  
 Current D.B.A.: Port Chilkoot Distillery  
 Current Licensee: Port Chilkoot Distillery, LLC  
 Current Location: 34 Blacksmith Street, Haines, AK 99827

Additional comments: **stock transfer from Sean Copeland to Heather Shade in the amount of 25%**

A local governing body as defined under AS 04.21.080(11) may protest the approval of an application(s) pursuant to AS 04.11.480 by furnishing the board **and** the applicant with a clear and concise written statement of reasons in support of a protest within 60 days of receipt of this notice. If a protest is filed, the board will not approve the application unless it finds that the protest is "arbitrary, capricious and unreasonable". Instead, in accordance with AS 04.11.510(b), the board will notify the applicant that the application is denied for reasons stated in the protest. The applicant is entitled to an informal conference with either the director or the board and, if not satisfied by the informal conference, is entitled to a formal hearing in accordance with AS 44.62.330-44.62-630. **IF THE APPLICANT REQUESTS A HEARING, THE LOCAL GOVERNING BODY MUST ASSIST IN OR UNDERTAKE THE DEFENSE OF ITS PROTEST.**

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Protest under AS 04.11.480 and the prohibition of sale or consumption of alcoholic beverages as required by zoning regulation or ordinance under AS 04.11.420(a) are two separate and distinct subjects. Please bear that in mind in responding to this notice.

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**Note:** Applications applied for under AS 04.11.400(g), 3 AAC 304.335(a)(3), AS 04.11.090(e), and 3 AAC 304.660(e) must be approved by the governing body.

Sincerely,



Jane Sawyer

Business Registration Examiner

907-269-0359

Jane.sawyer@alaska.gov

## Transfer Liquor License

License is:  Full Year      OR       Seasonal      List Dates of Operation: \_\_\_\_\_

SECTION A - LICENSE INFORMATION			FEES
License Year: <u>2015</u>	License Type: <u>Distillery</u>	Statute Reference Sec. 04.11. <u>170</u>	<u>12635</u>
License #: <u>5182</u>			Filing Fee: \$100.00
Local Governing Body: (City, Borough or Unorganized) <u>Haines Borough</u>	Community Council Name(s) & Mailing Address: <u>Haines Borough</u>		Rest. Desig. Permit Fee: <del>(\$50.00)</del> \$
Name of Applicant (Corp/LLC/LP/LLP/Individual/Partnership): <u>Port Chilkoot Distillery LLC</u>	Doing Business As (Business Name): <u>Port Chilkoot Distillery</u>		Fingerprint: \$ <i>(\$49.75 per person)</i>
Mailing Address: <u>PO Box 1248</u>	Street Address or Location of Premises: <u>34 Blacksmith St.</u>	Business Telephone Number: <u>907-766-3434</u>	
City, State, Zip: <u>Haines AK 99827</u>	<u>Haines AK 99827</u>	Fax Number:	
Is any shareholder related to the current owner? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If "yes" please state the relationship <u>Owners are the Shareholders</u>		Email Address: <u>heather@portchilkootdistillery.com</u>	
<b>TOTAL \$100 ✓</b>			

SECTION B - TRANSFER INFORMATION	
<input checked="" type="checkbox"/> Regular Transfer <input type="checkbox"/> Transfer with security interest: Any instrument executed under AS 04.11.670 for purposes of applying AS 04.11.360(4)(b) in a later involuntary transfer, must be filed with this Application. Real or personal property conveyed with this transfer must be described. Provide security interest documents. <input type="checkbox"/> Involuntary Transfer. Attach documents which evidence default under AS 04.11.670.	Name and Mailing Address of <b>CURRENT</b> Licensee: <u>Port Chilkoot Distillery LLC</u> <hr/> Business Name (dba) <b>BEFORE</b> transfer: <u>Port Chilkoot Distillery</u> <hr/> Street Address or Location <b>BEFORE</b> transfer: <u>34 Blacksmith St.</u>

SECTION C - PREMISES TO BE LICENSED		
Distance to closest school grounds: <u>0.5 miles</u>	Distance measured under: <input checked="" type="checkbox"/> AS 04.11.410    OR <input type="checkbox"/> Local ordinance No.	<input type="checkbox"/> Premises is GREATER than 50 miles from the boundaries of an incorporated city, borough, or unified municipality. <input type="checkbox"/> Premises is LESS than 50 miles from the boundaries of an incorporated city, borough, or unified municipality. <input checked="" type="checkbox"/> Not applicable
Distance to closest church: <u>581 ft.</u>	Distance measured under: <input checked="" type="checkbox"/> AS 04.11.410    OR <input type="checkbox"/> Local ordinance No.	<input checked="" type="checkbox"/> Plans submitted to Fire Marshall (required for new & proposed buildings) <input checked="" type="checkbox"/> Diagram of premises attached
Premises to be licensed is: <input type="checkbox"/> Proposed building <input checked="" type="checkbox"/> Existing facility <input type="checkbox"/> New building		

## Transfer Liquor License

### SECTION D – LICENSEE INFORMATION

1. Does any individual, corporate officer, director, limited liability organization member, manager or partner named in this application have any direct or indirect interest in any other alcoholic beverage business licensed in Alaska or any other state?

Yes  No If Yes, complete the following. Attach additional sheets if necessary.

Name	Name of Business	Type of License	Business Street Address	State

2. Has any individual, corporate officer, director, limited liability organization member, manager or partner named in this application been convicted of a felony, a violation of AS 04, or been convicted as a licensee or manager of licensed premises in another state of the liquor laws of that state?

Yes  No If Yes, attach written explanation.

### SECTION E – OWNERSHIP INFORMATION - CORPORATION

*Corporations, LLCs, LLPs and LPs must be registered with the Dept. of Community and Economic Development.*

Name of Entity (Corporation/LLC/LLP/LP) (or N/A if an Individual ownership): <b>Port Chilkoot Distillery LLC</b>		Telephone Number: <b>907-766-3434</b>	Fax Number:
Corporate Mailing Address: <b>heather@portchilkootdistillery.com</b>	City: <b>Haines</b>	State: <b>AK</b>	Zip Code: <b>99827</b>
Name, Mailing Address and Telephone Number of Registered Agent: <b>Heather Shade PO Box 124 8 Haines AK 99827</b>		Date of Incorporation OR Certification with DCED: <b>April 9, 2012</b>	State of Incorporation: <b>AK</b>
Is the Entity in "Good Standing" with the Alaska Division of Corporations? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, attach written explanation. Your entity <b>must</b> be in compliance with Title 10 of the Alaska Statutes to be a valid liquor licensee.			

#### Entity Members (Must include President, Secretary, Treasurer, Vice-President, Manager and Shareholder/Member with at least 10%)

Name	Title	%	Home Address & Telephone Number	Work Telephone Number	Date of Birth
<b>Sean Copeland</b>	<b>owner</b>	<b>25</b>	<b>554 Mud. Bay Rd. 303-0043</b>	<b>314-0838</b>	<b>6/4/70</b>
<b>Heather Shade</b>	<b>owner</b>	<b>75</b>	<b>554 Mud. Bay Rd. 314-0838</b>	<b>766-3434</b>	<b>9/28/78</b>

## Transfer Liquor License

**NOTE: If you need additional space, please attach a separate sheet.**

### SECTION F – OWNERSHIP INFORMATION – SOLE PROPRIETORSHIP (INDIVIDUAL OWNER & SPOUSE)

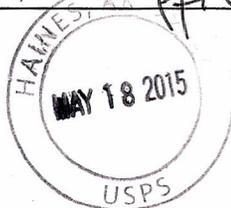
**Individual Licensees/Affiliates** (The ABC Board defines an "Affiliate" as the spouse or significant other of a licensee. Each Affiliate must be listed.)

Name: Address:  Home Phone: Work Phone:	Applicant <input type="checkbox"/> Affiliate <input type="checkbox"/>  Date of Birth:	Name: Address:  Home Phone: Work Phone:	Applicant <input type="checkbox"/> Affiliate <input type="checkbox"/>  Date of Birth:
Name: Address:  Home Phone: Work Phone:	Applicant <input type="checkbox"/> Affiliate <input type="checkbox"/>  Date of Birth:	Name: Address:  Home Phone: Work Phone:	Applicant <input type="checkbox"/> Affiliate <input type="checkbox"/>  Date of Birth:

#### Declaration

- I declare under penalty of perjury that I have examined this application, including the accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct and complete, and this application is not in violation of any security interest or other contracted obligations.
- I hereby certify that there have been no changes in officers or stockholders that have not been reported to the Alcoholic Beverage Control Board. The undersigned certifies on behalf of the organized entity, it is understood that a misrepresentation of fact is cause for rejection of this application or revocation of any license issued.
- I further certify that I have read and am familiar with Title 4 of the Alaska statutes and its regulations, and that in accordance with AS 04.11.450, no person other than the licensee(s) has any direct or indirect financial interest in the licensed business.
- I agree to provide all information required by the Alcoholic Beverage Control Board in support of this application.

Signature of Current Licensee(s)	Signature of Transferee(s)
Signature <i>Heather Shade</i>	Signature <i>Heather Shade</i>
Signature <i>Sean Copeland</i>	Signature <i>Sean Copeland</i>
Name & Title (Please Print) Sean Copeland, Owner Heather Shade, Owner	Name & Title (Please Print) Sean Copeland, Owner Heather Shade, Owner
Subscribed and sworn to before me this <u>18</u> day of <u>May</u> , 2015	Subscribed and sworn to before me this <u>18</u> day of <u>May</u> , 2015
Notary Public in and for the State of Alaska <i>Genevieve Bell</i>	Notary Public in and for the State of Alaska <i>Genevieve Bell</i>
My commission expires: <u>with office</u>	My commission expires: <u>with office</u>



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, games, counters, bars, coolers, stages, etc.

DBA: PORT CHILKOOT DISTILLERY

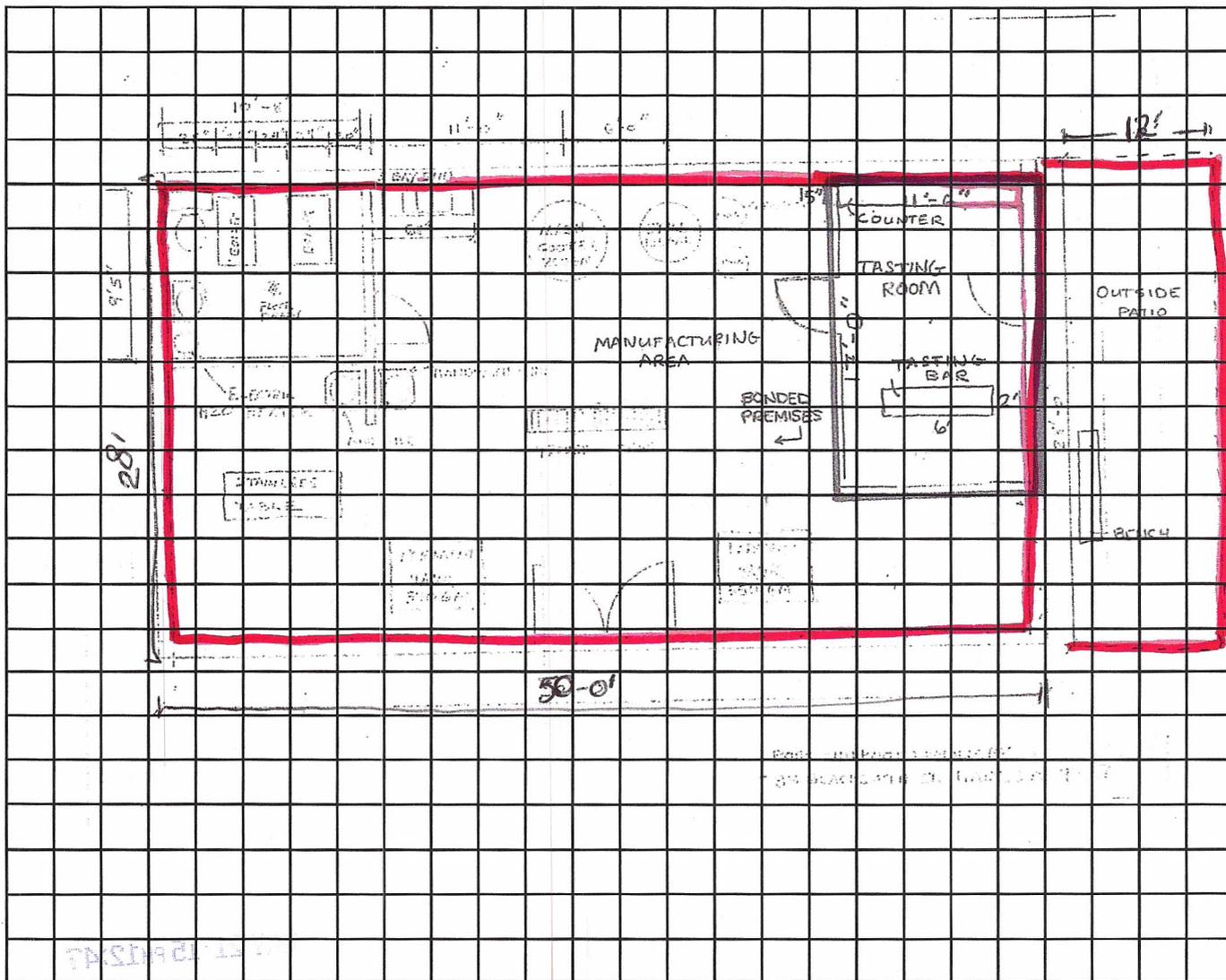
PREMISES LOCATION: 34 BLACKSMITH ST.

Indicate scale by x after appropriate statement or show length and width of premises.

SCALE A: X 1 SQ. = 2 FT.      SCALE B: \_\_\_\_\_ 1 SQ. = 1 FT.

Length and width of premises in feet: ~~62'~~ 62' x 28'

**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.**



May 22, 2015

RECEIVED  
JUN 05 2015  
HAINES BOROUGH

To: Haines Borough Assembly  
Haines Borough Ports and Harbor Advisory Board

We, as individual fishermen/businessmen and members of our local Lynn Canal Gillnetters Association, are writing in support of the South Portage Cove Harbor Expansion Project. Fishermen are consistent harbor users and our businesses completely rely upon a good usable harbor and access to it. We appreciate the time and efforts of the Harbor Committee in seeing this project through to it's current phase and agree with the plans as they stand today.

Thank you,

Lynn Canal Gillnetters Association  
Ryan Cook, President  
Will Prisciandaro, Vice President  
Cynthia Adams, Secretary

~~John~~ FU-ELLA MAY

Wm' ~~but~~ Raven's Walk

Thomas Williams <sup>F/V</sup> Oracle  
Joel Pasqu <sup>F/V</sup> Sea Dawn

~~Tom~~ shotgun

~~Dean~~ Coolyn

Dean Risley Dean Risley

Chris Olsen <sup>Gabriella</sup> Chris Olsen

Leri Williams

Charles H. ~~Dawson~~ TIFFANY Lee  
Alan W. ~~Newton~~

Tony Scott Pearce SU DARSHAN

Boley F/V smallship

BRIAN O'RILEY F/V LYNN CHRISTINE

Paul Kelly FV Selah, etc.

Jack Smith

Marty Smith F/V High Surf

Cullen Taylor F/V Clew

~~J. FV Kiska C~~

Jann S. Hagen

Kim Morden F/V sequel

Red Budge F/V Osprey

Con Felt F/V Glacier Pt.

John J. Schmalzer Distinctive Finnish

Ray Ross F/V Memories

Shawn Bell

Marlaine MarkAllen PO Box 1373 99827

Daryl Conner 205 Allen Rd AUS.

Dorothy McCormell NW 1st Choice

RECEIVED  
JUN 05 2015  
MAINES BOROUGH

TRAD. Angelo SARA GAEL

Don't know III

~~Lee J Taylor~~  
Mark Light

Stuart Dewitt Keakigan

Lee J Taylor Chippewas GA

MARK LIGHT

~~James Szymanski~~  
Hugh Kibbe

JAMES SZYMANSKI 3 POTUS

~~Harry Rietze~~  
David Lorentz

Harry Rietze, Haines Packing Co.

David Lorentz - HPC

Will Priscianaro

William Priscianaro F/V Lori Ann

Patrick Luke Dunbar Jr

Patrick Luke Dunbar Jr F/V Blue Boy

Lee E Clayton

Lee E CLAYTON F/V SAGA

CONCEPT IS MOST FLEXIBLE AND MAY  
BE IMPROVED WITH FLOATING BRECKWATER

HARBOR IS PROTECTED FROM SE WIND UP  
TO 60° EAST OF SOUTH BY STATE PARK

FLOATING BRECKWATER WOULD IMPROVE  
APPEARANCE AT LOW TIDE

ALLOW BOATS TO PARK OFF SEASON AT MEMORIAL  
PARK

IF DESIRED ADDITIONAL BOAT PARKING  
COULD BE BUILT TO THE SOUTH, WITH DRUGE FILL

UPDATING SLIP WAITING LIST WITH RENEVAL  
FOR NON PAYMENT, AT ADMINISTRATIVE OFFICE

STRAIGHT DRIVE ON TO LAUNCH RAMP  
AND WORK FLOAT

UNTIL MONEY IS AVAILABLE TO CONSTRUCT  
ADDITIONAL SLIPS ANCHOR BOUYS COULD BE  
USED FOR TIE UP

6/16/15  
J.W.W.



HAINES BOROUGH

AGENDA REQUEST FOR ASSEMBLY ACTION

RECEIVED  
JUN 15 2015  
HAINES BOROUGH

You may appear before the assembly during the "Public Comments" portion of any regular assembly meeting without making prior arrangements. However, if you want the assembly to take action on a matter, it must be on the agenda. To make a request to have an issue on an agenda, please provide the following information. (See Note below)

Name: Bill McCord Date: 6/15/2015

Name of Group Represented (if applicable) \_\_\_\_\_

Address: P.O. B. 983 Phone: 766-3917

Email Address: nobler2us@hotmail.com Fax: \_\_\_\_\_

I request to be scheduled on the Borough Assembly meeting agenda dated the 23rd day of June, or as soon thereafter as possible.

Purpose of Request: To implement an orderly, publicly interactive process for selecting the next Haines Borough Chief of Police. With due diligence in respecting the collective consent of Haines citizens, the Assembly will facilitate entrusting common law and civil rights protection to a reliable, authoritative agency

Estimated Time Required (if a presentation) 10 minutes

Action you wish the Assembly to take:  
1) Sponsor a series of forums featuring consultant-guided citizen-centered discourse aimed at selecting a Chief of Police.  
2) Set a calendar for said forums that optimizes citizen participation.  
3) Clean from the forums a set of criteria for interviewing and selecting a Chief of Police.

**Note:** Placement on a borough assembly agenda is not guaranteed. In a manager form of government, some matters are not within the assembly's purview and are more appropriately handled by staff. Your request will be referred to the borough manager and mayor and may require legal review and/or more information before a determination can be made. You will be contacted and informed of the best and most appropriate avenue for action. If your request ends up on an assembly agenda, it will most generally be placed under "Correspondence/Requests" and is subject to all necessary paperwork being submitted in a timely manner. The deadline for agenda topics is 10:00 a.m. the Monday (one week and one day) prior to an assembly meeting. Please be aware that we may ask for additional supportive and/or background information in order to assist the assembly in making an informed decision. The clerk will provide copies for them.

Return this form to the Borough Clerk's Office in the Haines Borough Administrative Office Building, 103 S. Third Ave., P.O. Box 1209, or fax: 766-2716, or email: jcozzi@haines.ak.us.