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April 18, 2024

To Mayor Morphet and the Haines Borough Assembly,

I am writing to express grave concerns about the direction our Borough government is taking. While there are several, I am speaking on one primary topic: the Lutak Dock design and its progression.

When you accepted your elected seats and swore to the Oath of Office, you were confirming your intentions to uphold the U.S. Constitution, the Haines Borough Charter, and the will of the people of Haines. I am witnessing a lack of integrity and/or knowledge in both of these areas.

- 1. Mayor Morphet and a majority of you on the Assembly have said that the Lutak Dock purpose is to meet only the needs of Haines. Wrong! We have received allocation of federal tax dollars for the Lutak Dock. Use of federal monies for local benefit violates Article 1 Section 8 of the Constitution:
  - a. 1.8.1 states: "Congress will have Power to lay and collect Taxes, Duties, Imposts, and Excises, to pay the Debts and provide for the common Defence [sic] and general Welfare of the United States." This means that federal money must be allocated for the general well-being of the United States.
    - i. Alexander Hamilton (New York delegate to the 1787 Constitutional Convention, major author of the Federalist Papers, and first Secretary of the Treasury under George Washington) defined the parameters of general welfare in these terms:
    - ii. "The welfare of the community (of states) is the only legitimate end for which money can be raised from the community. Congress can be considered as only under one restriction, which does not apply to other governments. They cannot rightfully apply the money they raise to any purpose merely or purely local. . . The constitutional test of a right application must always be whether it be for a purpose of general or local nature."
    - iii. *The Papers of Alexander Hamilton*, vol. 8, *February 1791-July 1791*, ed. Harold C. Syrett. New York: Columbia University Press, 1965, pp. 97-134.

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- b. It is incumbent on this Borough Assembly and Mayor Morphet to uphold the spirit of the wording in the U.S. Constitution and not twist desired interpretations to fit personally held and locally limited benefits.
  - i. John Adams (Founding Father, leader in American Revolution, 1st Vice President, 2nd President, statesman, lawyer, diplomat) wrote:
  - ii. "The interest of the people is one thing: the public interest. And where the public interest governs, it is a government of laws and not of men.

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- iv. The interest of a king or of a party is another thing: it is a private interest. And where private interest governs, it is a nation of men and not of laws."
- v. John Adams, *A Defense of the Constitutions of Government of the United States* (London: C. Dilly, 1787), I:126

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- 2. The currently adopted Lutak Dock design has undergone years of public process and comment. The design is accepted by the U.S. Government and is awarded \$20,000,000+ to renovate. When the public hears that Assembly members are willing to stall and/or deny forward progression of the project, we are witnessing a violation of Haines Borough Code related to **fiduciary duty**.
  - a. Haines Borough Code, Chapter 2.06, Conflicts of Interest, Partiality, and Code of Ethics, defines purpose by stating the following:
    - ii. 2.06.010.A "The purpose of this chapter is to set reasonable standards of conduct for borough officials so that **the public may be assured that its trust in such persons is well placed** [emphasis added] and that the borough officials are aware of what is expected of them."
    - iii.
      iv. 2.06.010.E "The borough assembly intends this code to be interpreted to promote fair, honest, and impartial dealings with members of the public, to ensure proper use of borough resources and to avoid conflicts of interest [emphasis added]. (Ord. 17-10-481 § 4)"
    - vi. 2.06.025 Definitions "'Fiduciary duty' is the duty imposed upon an individual in whom another has placed the utmost trust and confidence to manage and protect property or money. One who owes a fiduciary duty to another has an obligation to act for the other party's benefit [emphasis added]."
  - b. Over the course of the last year, the Borough and the Design-Build Team have worked toward obtaining required permitting that has cost an excess of \$500,000. If the Assembly insists on including a different design that has NOT undergone public processes and scrutiny, **you are willing to throw away the time, resources, and money** invested to get to this point. We are essentially required to start over. This violates your commitment to uphold the fiduciary duty that you swore to in the Oath of Office.

## **Conclusion:**

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- 1. Federal money cannot, must not, be spent on projects of a local nature. Lutak Dock is an asset to the State of Alaska and is positioned to serve as a terminal connected to State and Federal highways with international trade potential, as well.
- 2. It is incumbent and legally binding upon this Assembly and the Mayor to uphold the Haines Borough Code in ALL aspects. Your **fiduciary duty** is required to serve the public needs and not merely your personally held viewpoints, i.e. private interests.
- 3. You are sworn to uphold the tenets and statutes in a system designed to serve **We the People**. If you choose to allow federal monies to be declined because of private interest, you are demonstrating a blatant disregard for fiduciary duty, ignorance of the general welfare clause, and that you are unfit to serve.
- 4. Your decisions have legal and Constitutional significance. I strongly urge you to carefully reconsider the direction you are taking regarding Lutak Dock and the future of this community. By choosing to sit in those elected seats, you are choosing to make decisions according to the spirit of the law as it was intended. Stop slow rolling this vital infrastructure project.
- 5. Walk, speak, act with integrity. The Haines community deserves nothing less.

Sincerely, Cheryl Stickler