

**LAKE AND PENINSULA BOROUGH
REGULAR ASSEMBLY MEETING
Monday, October 19, 2015 3:00 p.m.**

Assembly: Mayor Glen Alsworth
Randy Alvarez - excused
Scott Anderson – via teleconference
Myra Olsen
Alvin Pedersen
Michelle Pope-Ravenmoon
Christina Salmon

Staff: Ranya Aboras, Community Development Coordinator
Kate Conley, Clerk
Susan Edwards, Finance Director
Nathan Hill, Borough Manager
Nikki Reed, Assistant Finance Officer

Guests: Susan Alexander, Fish and Wildlife
Dave Bendinger, KDLG Radio – via teleconference
Lamar Cotten, Consultant to the Borough – via teleconference
Chuck McCallum, Consultant to the Borough – via teleconference

A. CALL TO ORDER

The regular meeting of the Lake and Peninsula Borough Assembly was called to order by Mayor Glen R. Alsworth, Sr. on Monday October 19, 2015 at 3:15 p.m. in the meeting room of the Lake and Peninsula School District, King Salmon, Alaska. The meeting was broadcast via teleconference.

B. ROLL CALL

A quorum was established with Mayor Glen R. Alsworth, Sr. and Assembly members Alvin Pedersen, Christina Salmon, Myra Olsen and Michelle Pope-Ravenmoon present. Scott Anderson participated via teleconference. Randy Alvarez was absent, excused.

C. APPROVAL OF AGENDA -

A motion was made by Assembly member Olsen and seconded by Assembly member Pedersen to approve the agenda for the October 19, 2015 regular meeting as presented. Motion passed unanimously by voice vote.

D. APPROVAL OF MINUTES

Motion was made by Assembly member Olsen to approve the minutes of September 24, 2015, as presented. Motion was seconded by Assembly member Salmon. The mayor called for any scrivener's errors. None were noted. Motion passed unanimously by voice vote.

E. MANAGER'S & STAFF REPORTS

- 1. Introduction of Guests** – The mayor invited each person in the room and on the teleconference to introduce themselves.

- 2. Manager's Report** – Nathan Hill passed out his report and apologized for it being in late. He said he had a good excuse. Lamar Cotten called in to discuss capital improvements. Mr. Hill said he had a call from the Borough's Lobbyist, Mark Hickey who said there is a strong likelihood that the state will be taking out a geo-bond to fund capital projects. If that is the case the Borough will have a list of projects to propose. The good news is the capital projects are getting finished up or getting ready to move forward. The Chignik Lagoon hydro project is running well. The Chignik Dock will be out to bid by the end of the month. All the permits are lined up and the project should be completed in a year. He said he reached out to the four

communities affected by the Chignik dock project for consensus and ideas for utilization of the facility.

In other news, the Kokhanok wind project has a new hitch, but there is conversation to consider looking for other grant funding from DOE. There will be a change in the contractor, and Marsh Creek will be ending their relationship with the project and ABB will be starting work. This will match remaining grant money to procure an off-the-shelf inverter. In talking with Marsh Creek and UAF, it was decided a new approach is needed. Going after federal grant money and something that is tried and true will be the new approach. It may or may not be something that is operational. There may not be a lot of support when done. It is a very complicated mix of events with a whole different approach.

In not so good news, another check came in today for fish tax and it brings us up to about 50% of the money from last year. Tax dollars are not rolling in the way we would want. The Borough has the responsibility to fund education. There is funding we are obligated to and some are discretionary. There are examples of discretionary funding, such as SAVEC funding. The Borough gives SAVEC \$25,000. The Borough also gives out a total of \$175,000 to all 16 communities. The administration recommends lowering the amount given to SAVEC in the interest of keep our own education costs low. Mr. Hill added that CIP Funding has been given without consideration for sustainability and accountability. Ranya Aboras is working on the CIP fund to develop language and framework. Mr. Hill requested feedback from the Assembly about discretionary funding.

Capital projects fall into two categories: use and application. Use would be multi-village use and application is for villages that have projects that are ready for application. Mark Hickey recommended a range of projects in price and value.

- Chignik Bay Boatlift – This has potential for economic generation and could service multiple villages
- Taziminia – There is some funding available to increase capacity and funding. The facility needs to expand and direct more water toward the generators
- Williamsport-Pile Bay Road – Five years ago, the Corps of Engineers met with the Assembly in Anchorage. They proposed \$800,000 for dredging. This will benefit all the lake villages. * (this was not in the meeting but maybe worth mentioning that the Legislature did appropriate \$3.5M to the project in the 2014 Capital Budget)

Mr. Hill requested the Assembly narrow down the projects by January. Additional projects could include:

- BioMass
- Barge Landings
- ANTHC Water and Sewer Audits – Many villages have aging infrastructure. ANTHC will assess sanitation systems in the villages for \$10,000. The audits enable villages to apply for federal money which ANTHC can do as well on their behalf. Most infrastructure is 30 years old and a lot of money is spent keeping them running and repaired.

Mr. Hill noted that six villages have shifted from BBAHC to South Central Foundation. He said he was lucky to attend some of these meetings. During the fishing season, Maillot was in Bristol Bay Borough and mentioned he will be forming an advisory group

Mayor Alsworth said that the Borough needs to get a comprehensive approach to finance. He requested a list of discretionary expenses. He said we need to consider where we are getting the most bang for our buck and for our students. He said we also need to solicit projects from the communities with regional impact. Whenever we get to the point where we have to narrow the project down to a single one, we need to create a criteria and not be emotional about the benefits of a project. The real work is developing criteria and it will help us to have a more

objective approach. This will give clarity on what and how much we can fund and then take this to our villages. Twenty years ago we were focused 100% on education. Our communities have come to depend on the money we pass along because we have been dependable. Mr. Hill said it will be a continuing discussion. The Borough has been diligent about looking at the budget. Assembly member Pedersen asked if the Capital Improvement Project fund is still in place. Mr. Hill said yes. Mayor Alsworth said the best way to find out what the villages are spending their money on is to stop paying it. Mr. Cotten said that the Borough should review what the priorities are. We should try to leverage state and federal funding. The Borough has a good reputation for finishing projects.

Mr. Hill told the Assembly that he took a two day ANCSA class. It was informational and helpful to understand how tribes, state and fed work together.

Assembly member Olsen asked how far along Port Heiden is with the CAF system. Mr. Hill said that the freezer building is built. Assembly member Anderson said that an electrical engineer is needed to determine the system needs. The Assembly requested an update for the November Meeting. Assembly member Anderson added that the tank farm relocation is going well. The tanks have been moved a half mile further from the shore. There was some trouble with the concrete and the rain, but the project will be finished the middle of November. He added that Ranya Aboras was helpful in convincing AEA the project needed to be done immediately. Assembly member Anderson added that they are beginning to work with Capstone Solutions on a solar array and panels. Capstone will install the solar system and the City would be purchasing the power from this company for five to seven years. They will set up and maintain the system. Additionally, a power line is needed to service the freezer plant. He explained that he is participating via teleconference because he is in Washington DC to discuss the marine debris program. He will discuss some of the issues with collecting the debris, but most importantly, what to do with the debris after it is collected. Should it be buried or hauled out.

Nathan Hill said he spoke with Gerald Kosbruk from Perryville and work has begun on their new powerhouse. The boat ramp and lift is complete in Perryville, as well.

Assembly member Ravenmoon said she missed the last meeting, but asked about the letter that was sent to the Assembly members from Nick Anelon about hiring local on the Newhalen school remodel project. She said that hiring local should be part of the written criteria for all Borough projects to create jobs. Mr. Hill said that the response to the letter was that it was well written with a lot of good points. The Borough promotes local hire, but there is funding that limits our ability to influence who is employed by the winning contractor. Everyone agrees that encouraging local hire is a good thing. Mayor Alsworth added that the money received for the schools prevented the Borough from requiring local hire.

The Assembly meeting was recessed at 3:40 pm

The Assembly meeting was reconvened at 6:55 pm

3. Consultant's Report – No discussion.

4. Community Development Coordinator's Report –

Ms. Ranya Aboras said the scrap project is going strong. The equipment went to Ugashik and to the Lagoon and is now ready to be shipped back to King Salmon. She told the Assembly that she attended a backhaul meeting and learned about an idea proposed by Senator Lisa Murkowski for adopt-a-berge, where each village could purchase a stop from a barge to backhaul waste. NRCS is working with Port Heiden on their erosion issues. NRCS also visited Chignik Lagoon and Levelock. The Hazard Mitigation Plan is ready for review and sample resolutions were sent to the communities. Once all the communities pass the resolution, the Borough can approve and finally adopt the plan. Chignik City Council has requested the

Borough's help with applying for a CDBG to access their dam site. Ms. Aboras attended a CDBG training and will be contacting other villages for interest in CDBG funding.

5. Planning Commission Minutes – no discussion

6. Fishery Report– Chuck McCallum's report was distributed to the Assembly. He attended the North Pacific Fisheries meetings. There was mention of the budget for the upcoming board of fish meeting which will be discussed in new business later in the agenda. There was a discussion on the Chignik Management area. Mr. Hill gave an update and said he has arranged a meeting with Sam Cotten, the Commissioner for Fish and Game. Mayor Alsworth said there were assumptions about the efficiencies for service out of Kodiak instead of Anchorage and said he would be interested to see the actual cost of moving people from Kodiak versus Anchorage. Mr. Hill said he would have Mr. McCallum follow up on this. Mayor Alsworth asked if the additional \$4,000 mentioned in the report for board of fish expense budget was included in the \$25,000 asked for. Mr. Hill said it is part of the \$25,000 already in the budget.

7. Finance Report – Susan Edwards, Finance Officer, said she had good news; \$250,000 in fish tax had been received today. The fish tax returns are reflecting the .50 cent per pound price and noted that bonuses this year were paid up front and that many of these returns are final payments for the year and we should not expect much in the way of adjustment payments later in the fiscal year. Current fish tax revenue totals only 1/3 of budgeted revenue. Tax collections for Bed and Guide taxes are doing well; however, with the poor returns of fish tax, the reduced revenue will make for a difficult year.

All the bonded construction projects will be completed this year, noting that the new Newhalen gym should be completed by December. The completion of the bonded construction also means that those bonded funds have been expended and no longer earning interest in the Borough's investment accounts. This means that interest revenue will be much less than in the past year now that the funds are mostly spent.

Expenses are good levels for the time of year and on budget. The staff has been mindful of incurring expenses unnecessarily.

The School District, which administers health insurance for the Borough, has offered an additional choice of health care plan. The School District will be offering a high deductible plan that includes a health savings account along with the traditional plan. This new plan is targeted for people who do not need a lot of health service. The new plan does not work with co-insurance or with the native health care plan.

8. Lobbyist's Report – no discussion.

9. Clerk's Report – Ms. Conley said she did not have anything additional to her written report, but did remind the Assembly that the meetings in November will be in Anchorage on the 16th and 17th. Assembly member Ravenmoon noted that there were many ballots missing either a voter signature or identification of a witness. She said the current envelope has a sentence that could be misinterpreted. Ms. Conley said she would have the envelope changed and reprinted before the next election.

10. School Superintendent's Report – no discussion.

11. Student Representative Report – no student present.

F. CONSENT AGENDA - none

G. NEW BUSINESS

1. **Ordinance 15-27 Changes to 6.24.050 – Hearing & Decision**

Motion was made by Assembly member Olsen to open the public hearing for Ordinance 15-27 An Ordinance Amending Section 6.24.050 (A) of the Lake and Peninsula Borough Municipal Code and Providing for an Effective Date. Motion was seconded by Assembly member Pedersen. The public hearing was open at 4:35 pm. The Borough Clerk reported the ordinance was properly noticed since October 9, 2015 and no comments had been received via writing or telephone. The Mayor called for additional comments. There was no further discussion. Motion was made by Assembly member Olsen to close the public hearing on Ordinance 15-27. Motion was seconded by Assembly member Salmon. Motion passed unanimously by voice vote. The Hearing was closed at 4:38 pm. Motion was made by Assembly member Olsen to adopt ordinance 15-27. Motion was seconded by Assembly member Salmon. Mayor Alsworth called for conflict of interest. None was declared. The Mayor called for any discussion. There was no discussion. Motion passed unanimously by voice vote.

2. **Resolution 15-16 - Approval of Hazard Mitigation Plan**

Motion was made by Assembly member Olsen to adopt Resolution 15-16. Motion was seconded by Assembly member Ravenmoon. Mayor Alsworth called for discussion. Ms. Conley said she had a full copy of the plan available. Ms. Aboras said that if there are any questions, please let her know and there is still time to make changes to the document. There was no further discussion. Motion passed unanimously by voice vote.

3. **Resolution 15-17 – Urging Legislators to Maintain the Minimum of Student Registration at Ten**

Motion was made by Assembly member Pedersen to adopt Resolution 15-17. Motion was seconded by Assembly member Olsen. Mayor Alsworth called for discussion. Ms. Conley said she would be sending letters to the villages urging them to pass similar resolutions and send them to the legislators. Assembly member Ravenmoon said the resolution made good points and was well written. There was no further discussion. Motion passed unanimously by voice vote.

4. **Budget for Board of Fisheries Meeting Expenses**

Motion was made by Assembly member Pedersen to approve the budget for \$25,000 for the Board of Fisheries Meeting. Motion was seconded by Assembly member Olsen. The Mayor called for discussion. The Mayor asked if these funds will be taken from discretionary money. Ms. Edwards said yes. There was no further discussion. Motion passed unanimously by voice vote.

5. **Request for Funds for Igiugig Wind Resource Feasibility Conceptual Design**

The Mayor asked what, exactly, is Igiugig looking for. Assembly member Salmon said they are looking for match money to complete the feasibility/conceptual design for a wind project. Ms. Aboras said they received a grant from the Alaska Energy Authority, Renewable Energy Fund from a few years back. When this grant began the Borough had pledged \$20,000 as a match, which was years ago. The Mayor said that the Borough has a cash match program, the Capital Fund and does Igiugig have any money in that program. Ms. Aboras said no, Igiugig's Capital Fund account is expended. Ms. Edwards added that Igiugig has \$5,000 for this year. Assembly member Olsen asked if they utilized their Capital Funds. The Mayor said they would need to submit an application and a resolution. He asked what the timeframe for the grant is. Ms. Aboras said that they need a signature by the end of the month. She added that the Moore Foundation has said they may be willing to donate the \$20,000. The Mayor said the Borough can offer the \$5,000 that Igiugig has available in their Capital Fund. He added that the Borough does not have a lot of money and if this request is approved, it could open the door for more communities to ask. There is not a basis for saying we can assist this community, but

not all. Assembly member Salmon said she would check with AlexAnna Salmon, but the Moore foundation just visited Igiugig. Mr. Hill said that the funds were offered when the Borough did have money to match. He added that with conversations with AlexAnna, she said she is confident she can find the match elsewhere. No action was taken.

I. UNFINISHED BUSINESS - none

J. TIME AND PLACE OF NEXT MEETING

Regular Meeting, November 16-17, 2015 – Anchorage AK

The next Assembly meeting will be November 16 & 17, 2015 in Anchorage AK

K. CITIZEN'S COMMENTS –

Chuck McCallum – Mr. McCallum made a suggestion regarding a letter for the Chignik Management are. He said he was wondering if the Borough could send a letter asking questions. The Mayor said he is under the impression that Mr. Sam Cotten will be at the November Assembly meeting and the questions could be asked then. Assembly member Pedersen suggested that a group get together to strategize before the commissioner comes to the meeting.

L. ASSEMBLY COMMENTS

Myra Olsen – Assembly member Olsen asked about a sympathy card for Victoria Briggs. The Mayor said that Victoria is in Portland Oregon dealing with other family members' health. He added that he has spoken to Victoria and she said she is not going to give up on Roland's vision.

Christina Salmon – Assembly member Salmon asked if anyone has inquired about the Planning Commission opening. Ms. Conley said that she has not received a letter from anyone and encouraged the Assembly to invite people to apply. She said there is still a letter of interest from Karl Hill and she will contact him to find out if he is still interested in serving.

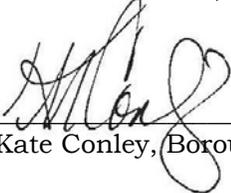
M. MAYOR'S COMMENTS - none

N. ADJOURNMENT

Motion was made by Assembly member Olsen to adjourn the Assembly meeting. Motion was seconded by Assembly member Salmon. Motion passed unanimously. The meeting was adjourned at 4:58 pm



Glen R. Alsworth, Sr., Mayor



Kate Conley, Borough Clerk

November 17, 2015

Date