

**LAKE AND PENINSULA BOROUGH  
REGULAR ASSEMBLY MEETING  
Tuesday, February 21, 2012 - 9:00 a.m.**

Assembly: Mayor Glen Alsworth  
Randy Alvarez  
Sue Anelon  
Nana Kalmakoff, absent, excused  
Myra Olsen  
Michelle Pope-Ravenmoon  
Victor Seybert, absent, excused

Staff: Lamar Cotten, Borough Manager  
Kate Conley, Borough Clerk  
Jordan Keeler, Community Development Coordinator

Guests: Bob Loeffler, Consultant to the Borough  
Lary Hill, Iliamna AK  
George Jacko, Pedro Bay AK  
Adam Sadowski, Holmes, Weddle & Barcott, Attorney  
Anders Gustafson, Renewable Resources  
Cindy Gabel, Egegik AK  
Richard Alto, Egegik AK  
Rick Luthi, Lake and Peninsula School District  
Don Strand, Egegik City Administrator

**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 Tuesday, February 21, 2012 at 9:15 a.m. in the Fishermen's Hall in Egegik, Alaska. No portion of the meeting was transmitted via telephone.

**B. ROLL CALL**

Prior to roll call Borough Clerk Kate Conley explained that the Borough Code 2.08.060 says "No member shall absent himself from any meeting of the assembly except for good and sufficient reason." Historically, if a member called and reported their absence prior to the meeting, it was excused regardless of the purpose; however she was uncomfortable declaring what is excused and what is unexcused. She explained that the attorney was consulted and advised that the question should be put to the Assembly and they should determine if a particular reason was excused or unexcused.

Ms. Conley said an Assembly member is absent because of knee surgery last month. This person is still having mobility challenges. She asked if this was excusable by the Assembly. Assembly member Olsen said that medical reasons and surgery is legitimate. She added that it had been bothering her that there are a lot of absences by Assembly members and she has been uncomfortable with the reasons. Assembly member Ravenmoon agreed. Motion was made by Assembly member Olsen to allow Assembly members to be excused for medical, family emergencies and weather. Motion was seconded by Assembly member Anelon. Motion passed unanimously by voice vote.

Ms. Conley said that one Assembly member is absent because of a conflicting meeting. She asked the Assembly to determine if this absence is excused or unexcused. Assembly member Alvarez said this is unexcused. He added that this person made a decision about which meeting to attend. Assembly member Olsen agreed. Mayor Alsworth cautioned that the Assembly should write a policy and give a copy to each Assembly member before noting anyone unexcused. In fairness, the Assembly should commit in writing to a policy and make it clear there is a level of commitment that cannot be fulfilled without being at the table. He added

that the policy should be given with the nomination packet. The Mayor suggested counting the Assembly member as excused for this meeting and send a letter with the policy for future absences. Assembly member Ravenmoon agreed that it should be a written policy. The question was presented that if the Assembly member was representing the Borough at a meeting, would the absence be excused. The consensus of the discussion was that absences as a result of an Assembly Member conducting official LPB business would be excused. The Mayor asked staff to notify all borough elected and appointed officials about policy changes. He added that the Assembly does not vary the date of the meetings only the location. He said he is concerned about the level of commitment. Assembly member Alvarez said that a change cannot be made until a policy is established. The Mayor agreed and said that this will make the Borough better. Motion was made by Assembly member Olsen that for the purpose of the February 21, 2012 meeting, until a policy is developed, a person is excused if absent from this meeting to attend another meeting. Motion was seconded by Assembly member Ravenmoon. Motion passed with Alsworth, Olsen and Ravenmoon voting aye and Anelon and Alvarez voting nay.

A quorum was established with Mayor Glen R. Alsworth, Sr. and Assembly members Randy Alvarez, Sue Anelon, Myra Olsen, and Michelle Ravenmoon present. Assembly members Nana Kalmakoff and Victor Seybert were absent, excused.

Borough staff participating in all or part of the meeting included: Lamar Cotten, Borough Manager; Kate Conley, Borough Clerk; and Jordan Keeler, Community Development Coordinator.

Guests for all or part of the meeting included: Bob Loeffler, consultant to the Borough; Lary Hill, Planning Commissioner, Iliamna; George Jacko, Pedro Bay; Adam Sadowski, Attorney; Cindy Gabel, Egegik; Richard Alto, Egegik; Rick Luthi, Lake and Peninsula School District; Don Strand, Egegik City Administrator.

#### **C. APPROVAL OF AGENDA –**

A motion was made by Assembly member Myra Olsen and seconded by Assembly member Michelle Ravenmoon to approve the agenda for the February 21, 2012 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 January 17, 2012. Motion was seconded by Assembly member Alvarez. The Mayor gave the clerk a set of minutes with scrivener's errors. Assembly member Alvarez noted that on page 37, third sentence should be changed to "Igiugig has built a new house every year for the last three years." And that the certification in the next sentence is NCCER. Motion passed unanimously by voice vote.

#### **F. CONSENT AGENDA**

Motion was made by Assembly member Alvarez to approve the consent agenda as presented. Motion was seconded by Assembly member Ravenmoon. There was no discussion. Motion was approved unanimously by voice vote.

#### **G. MANAGER'S & STAFF REPORTS**

- 1. Introduction of Guests** – The mayor invited each person in the room to introduce themselves.
- 2. Manager's Report** – Lamar Cotten noted that there are three contracts in the agenda. He then explained that the money for the barge landings in Kokhanok and Igiugig and dock in Iliamna will come from the Denali Commission. There will be an RFP for approval at the next assembly meeting. Mr. Cotten also recommended that the Pedro Bay barge landing be added to the waterfront bond request with the state. The Port

Alsworth airport will be discussed later in the meeting. Levelock is looking at community projects. Skipper Tallekpalek, the new planning commissioner, was in the Borough offices yesterday and he is from Levelock and should be a good addition. The newsletter received a positive review. If anyone has friend or family who want to receive the newsletter, send a message to [kateconley@lakeandpen.com](mailto:kateconley@lakeandpen.com) with the address. Mr. Cotten was asked about the Dillingham annexation. He answered that the election will be next month. If it passes it will be enacted this year. It should have minimal impact on Lake and Peninsula Borough, but more on Bristol Bay Borough. There was a discussion of taxation. Mr. Cotten added that he attended SWAMC. He also noted that redistricting will eliminate Senator Hoffman and Representative Austerman as our legislators.

- 3. Consultant's Report** – Mr. Loeffler told the Assembly that Pebble released baseline data. The socio-economic information is interesting but is only through 2008. All the data is nice to have. The Supreme Court ruled on a lawsuit regarding the Bristol Bay area plan. DNR won on technical purposes, but the Supreme Court said the question can still be tried. Ken Taylor has announced that Pebble will start permitting this year. Assembly member Alvarez asked if the Assembly needs a workshop to review the Pebble Data. Mr. Loeffler said he could arrange for Heidi Franklin from Pebble to present the information at a March workshop. The information is also available on the Pebble website. Mr. Loeffler is planning a mine tour to Red Dog for the Assembly.
- 4. Community Development Coordinator's Report** – Mr. Keeler reported that some communities may want to spend some of their capital funds on fuel because the severe winter has caused them to use more than anticipated and they are running low, but none are at emergency levels yet. An avalanche expert visited Chignik Bay. There have been a series of avalanches which has closed the road from the harbor and airport to the clinic and city. Mayor Alsworth reported that Chignik Lake airport is closed to all aircraft except the Caravan because the snow has been plowed too high and narrow for any other wingspan.
- 5. Planning Commission Minutes** – There was a Planning Commission meeting yesterday. Mr. Keeler said it was good to get the commission together again.
- 6. Fishery Report**– Mr. Cotten presented Chuck McCallum's report. There were 24 vessels, nine from Chignik, that participated in the tanner crab fishery. Don Bumpus said he spent some time in the Chignik Harbor during a portion of the exceptionally bad weather and said it was very nice. Aloys Kopun and Dick Sharpe from Chignik had a boat incident that they survived and are okay. There will be a Fish and Game Advisory meeting in Iliamna in March and in Naknek in the fall.
- 7. Finance Report** – Mr. Cotten presented Maile Zimin's report. Ms. Zimin is resigning at the end of the month. Mr. Cotten hired part-time employee Richard Wallace to replace her. Maile will be helping with the transition, but she will be gone the first of March. Revenue is likely to be as projected. The audit was good. A couple grant reports were late and so the responsibility for the grants was moved to finance. He added that he is very comfortable with Altman Rogers, the current audit firm. Assembly member Anelon asked about the \$400,000 noted on page 82. The Mayor said that the accountants don't like the permanent fund. They call it a special fund within the general fund. This is something the accountants did for accounting purposes. Mr. Cotten added that the Borough is lucky to have the good format that Don Strand helped to put into place.
- 8. Lobbyist's Report** – Mr. Cotten presented Mark Hickey's report. The legislature will be advancing the Chignik Lagoon Hydro project. He stated that only 5% of the bills

introduced become law. There was a discussion of some of the proposed legislation that may be important to the Borough. Mr. Cotten will go to Juneau next week.

- 9. Clerk's Report** – Ms. Conley presented a written report and reminded the Assembly to get their APOC Financial Statements in by March 15, 2012.
- 10. School Superintendent's Report** – Mr. Rick Luthi, Chief Operating Officer for Lake and Peninsula School District, presented a report. He said they are in the process of adjusting for an anticipated budget deficit next year. Staff will be reduced. The district will lose counselors and a literary specialist. In addition, several grants are ending. The administration is trying to make the cuts as far from the classroom as possible. There is hope the State legislators will come through with funding of approximately \$300,000. Assembly member Anelon said she is seeing more alcohol and drug use by school district employees. She asked if the un-classified employees can be alcohol and drug tested. Mr. Luthi explained the district does test those individuals in a position of safety, but the district does not have a blanket policy for drug testing. They do pre-employment testing. Assembly member Anelon said she sees this as a problem. Mr. Luthi said he will communicate the concern to the superintendent and the school board. Assembly member Olsen said that she agrees with Anelon, but the testing is expensive and she does not want the testing to take away from the education funding. Assembly member Anelon said it is important to teach the students to live a clean life. Assembly member Alvarez said he spoke to the superintendent about the budget shortfall and Mr. Mase said he is unsure what the actual budget will be. Fuel and electricity prices are a large problem. Assembly member Alvarez proposed the Borough help pay for a portion of the utilities to prevent programs being cut. Mr. Luthi explained that a second vocational training program is going on right now at SAVEC. Eight students are learning welding and eight students are learning computer/office skills. Next year the district anticipates the vocational program will teach electricity, construction and more office skills. He said he hopes the program will be kept going. Assembly member Anelon said she is very concerned about education and is worried about the budget shortfall.

The Assembly recessed at 11:20 am

The Assembly was reconvened at 11:30 am

## **H. PUBLIC HEARINGS**

- 1. Ordinance 12-01– An Ordinance of the Lake and Peninsula Borough in Accordance with State of Alaska DOT/PF Requirements and in Support of the Sub-lease of Lot 1C, Block 1200 of the Iliamna Airport to Pebble Limited Partnership for Three Years of the Borough's Lease Term and to Set Annual Fees for Same – Motion was made by Assembly member Olsen to open the public hearing on Ordinance 12-01. Motion was seconded by Assembly member Anelon. Motion passed unanimously by voice vote.** The public hearing was called to order at 11:32 am. The Mayor read the ordinance by title. The clerk confirmed that the ordinance had been properly noticed. No written or verbal comments were received by the clerk. The Mayor called for questions. There were none. The Mayor called for public comments. There were none. Motion was made by Assembly member Olsen to close the public hearing. The motion was seconded by Assembly member Alvarez. Motion passed unanimously by voice vote. The public hearing was closed at 11:35 am. Motion was made by Assembly member Olsen to adopt Ordinance 12-01. Motion was seconded by Assembly member Alvarez. Mr. Cotten explained that this ordinance extends Pebble's sublease until 2013. The Borough has leased this property from the State for years. At the last meeting there was some discussion about property availability near the airport in Iliamna. Mr. Keeler explained that the Borough lease with the State is until 2015. Because the land is on airport property, the FAA has to approve the lease and the sublease. They are

becoming less lenient about non-aviation related usage. It cannot be known for sure, but it is possible that when the lease renewal is applied for in 2015, FAA may not approve the lease because the usage is not aviation related. The Mayor noted that because the sublease with Pebble only runs until 2013, this could be revisited next year. Mr. Keeler added that he did research available property in the area and it is likely that no airport land would be available for non-aviation purposes. There is property that is 14c3 in the area. There is also State land available, but the State would require a more solid plan for usage. Mr. Cotten acknowledged that years ago, when this lease was initiated, FAA wasn't worried about usage, but they are now. The Mayor explained that the Borough leased this land because there was a lot of personnel and freight moving in and out of Iliamna. There was no Crowley to barge in goods and there was not a fence between the land and the airport. The planes would taxi right to the building and unload. There were also no paved roads in Iliamna then. A lot has changed, he added. There were no further questions or comments. Motion passed unanimously by voice vote.

2. **Ordinance 12-02- An Ordinance Amending Title 9, Planning Powers to Provide for the Lapse of the Alaska Coastal Management Act, and Providing for an Effective Date** - Motion was made by Assembly member Olsen to open the public hearing on Ordinance 12-02. Motion was seconded by Assembly member Anelon. Motion passed unanimously by voice vote. The public hearing was called to order at 11:45 am. The Mayor read the ordinance by title. The clerk confirmed that the ordinance had been properly noticed. No written or verbal comments were received by the clerk. The Mayor called for a staff report. Jordan Keeler explained that this is a clean up ordinance to remove Coastal Management references in the Planning code. Should proposed legislation to renew Coastal Management pass and once again become law, it would take two years for implementation. In the meantime the Borough needs to have accurate codes. The Mayor called for questions. There were none. The Mayor called for public comments. There were none. Motion was made by Assembly member Olsen to close the public hearing. The motion was seconded by Assembly member Ravenmoon. Motion passed unanimously by voice vote. The public hearing was closed at 11:52 am. Motion was made by Assembly member Olsen to adopt Ordinance 12-02. Motion was seconded by Assembly member Alvarez. There was no discussion. Motion passed unanimously by voice vote.

## I. NEW BUSINESS

### 1. Wood Boiler Contract

- a. **Igiugig** – Mr. Loeffler explained that two RFPs were received. Iliamna Lake Contractors was chosen because they were the cheapest bid and they had the most appropriate process. There is not a lot of water storage on this boiler system. Mr. Cotten added that the Igiugig Village Council building and hangar is on leased land. Mr. Keeler said that the Borough will need Fire Marshal and site plan approval before installation. Assembly member Alvarez asked to abstain from voting because he is a shareholder of Igiugig Lake Contracts. There was no objection Motion was made by Assembly member Olsen to approve the contract with Iliamna Lake Contractors to install a wood boiler in Igiugig. Motion was seconded by Assembly member Ravenmoon. Motion passed with four ayes and one abstention.
- b. **Kokhanok** – Mr. Cotten told the Assembly CE2 Engineers, who was awarded this contract, visited Kokhanok and prepared a cost estimate. The price went down by \$50,000. Also, the contractor wants to involve the community in the construction. It is a large project. Mr. Loeffler said that the man who visited Kokhanok seems like someone who understands how to make a project work. Mayor Alsworth clarified the funding. He asked if the boilers will be functioning and on line by fall. The answer was yes. Mr. Cotten added that the CE2 bid is a time and materials type

and so each steep will require his approval. Motion was made by Assembly member Alvarez to approve the contract with CE2 for a wood boiler in Kokhanok. Motion was seconded by Assembly member Anelon. Motion passed unanimously by voice vote.

- 2. Borough Comprehensive Plan Proposal Recommendation** - Mr. Cotten said that the RFP went out and while there was only one bid, the staff chose Agnew::Beck to recommend to the Assembly to create a village-based Comprehensive Plan. Agnew::Beck's plan will include Tatiana Askoak, AlexAnna Salmon and Michelle Anderson to help with gathering baseline data. The plan will not be focused on land use, but on the communities. Motion was made by Assembly member Alvarez to approve the contract with Agnew::Beck to create a Comprehensive Plan. Motion. Motion was seconded by Assembly member Ravenmoon. The Mayor called for questions or comments. Mr. Cotten said that both he and staff are comfortable with this bid. Motion passed unanimously by voice vote.
- 3. Request for Sponsorship from Damien Hill** - Mr. Cotten presented a letter from Damien Hill, a former student of Lake and Peninsula School District, who now is a competitive triathlete. He asked the Borough for sponsorship. Mr. Cotten explained that each race costs Mr. Hill approximately \$1,100. The Mayor noted that the Borough donated some unused airplane tickets to Mr. Hill in the past. Assembly member Olsen said that the Borough donated money to Japan after the tsunami and this is a local man who is doing a positive thing. Assembly member Alvarez agreed with Olsen and added that Mr. Hill will be marketing Bristol Bay sockeye. Assembly member Anelon said that Mr. Hill lived in Kokhanok and graduated from Bristol Bay High School in Naknek. The Mayor questioned if the Borough is allowed to donate to individuals rather than non-profits. He also said that this may be the beginning of many funding requests if the Borough grants money to an individual. Assembly member Anelon noted that Mr. Hill is her second cousin, so she may have a conflict of interest. The Assembly tasked the staff to determine the legality of donating to individuals.
- 4. Attendance Policy** – The Mayor summarized the topic by stating that the Borough Code provides very little guidance about what is an excused or unexcused absence. Historically if an Assembly member or commissioner notified the clerk prior to the meeting, then the absence was excused. The Mayor said that the Assembly needs to address the issue in more detail. The Assembly meetings have always been on the third Tuesday of every month for the last twenty years. The intent is to represent the people and that intent should be in the policy. One cannot represent if they are not present. The Mayor said that once a policy is in place, the policy needs to be included in the nomination packet. Mr. Cotten suggested the Assembly pass an interim policy today and a longer term policy can be developed based on the Assembly comments and presented at the next meeting. The Mayor said that boards all over the country have policies. The staff was directed to research board policies and present a new policy at the next meeting.

The Assembly recessed for lunch at 12:20 pm

The Assembly reconvened at 1:00 pm

## **J. UNFINISHED BUSINESS**

- 1. Borough Newsletter** – Mr. Cotten explained that the newsletter in the packet is the draft. The final has gone out. Ms. Conley said it will be on the website.
- 2. Borough Capital Project Updates** - Pilot Point has a grant to install a turbine. Dennis Miners was working with the city, but they have since hired Roland and Victoria Briggs. Mr. Cotten added that the project needs to get underway.

- a. **Kokhanok Wind Project** – no discussion.
- b. **Wind Monitoring in Igiugig**– Mr. Cotten said there is not yet enough data to determine if wind is a good option in Igiugig.
- c. **Lake Iliamna Community Barge Landing Project**– Mr. Cotten said that the money is coming for the barge landings and for the dock repair at Iliamna
- d. **Perryville Boat Launch & Haul Out Facility** – no discussion
- e. **Chignik Boat Harbor Construction** – no discussion
- f. **Williamsport/Pile Bay Road & Associated Projects**– The bridge repairs that need to be done will be completed to a standard that will allow boat transport to occur this summer, but it will not be sufficient for fuel transport.
- g. **Iliamna-Nondalton Road** – The DOT has a draft on the road, but they are reluctant to share it. They are scheduled to go out to bid the end of this year and for construction to begin in 2013.
- h. **City of Chignik and Chignik Lagoon Hydro Studies** –
  - 1. **Indian Creek Hydro Feasibility Study** – no discussion
  - 2. **Chignik Lagoon Hydro Electric Final Design** – This project will displace 80% of the diesel the village current uses. Permits are the next step. The Borough will play a still to be defined role in this project. The work may begin this year, but it is not likely. The funding will be in place this year.
- i. **Port Alsworth Airport** – Port Alsworth Improvement Corporation did request help from the Borough with the airport. The project will be very expensive so it will be tackled in phases. Motion was made by Assembly member Olsen for the Borough to assist in working the State to advance the construction of a public airport in Port Alsworth, and a bridge and road to access it. Motion was seconded by Randy Alvarez. Mayor Alsworth asked to abstain. The Mayor said that the Environment Impact Statement (EIS) process will need help. The EIS is to cross the park property. To his knowledge, the NPS wants to work with the Borough. Mr. Cotten added that the airport is a long shot. The Borough would not take ownership of the airport, but the efforts may include lobbying for and facilitating the construction. Motion passed with four ayes and one abstention by Mayor Alsworth.
- 3. **Waterfront Statewide Bond** –Mr. Cotten explained that the waterfront bond will be on the ballot in November if it is approved in the legislature. If it is approved by the voters, the money would be available in 2013. The Borough is committing 20% of the funds for each project they have requested to be added to the bond, except the large one, the Chignik boat harbor dock. Pilot Point would pay the 20% on their dock with in-kind work. Motion was made by Assembly member Olsen to add Pedro Bay waterfront project to the Statewide Bond. Motion was seconded by Assembly member Ravenmoon. Motion passed unanimously by voice vote.

#### **K. TIME AND PLACE OF NEXT MEETING**

- 1. **Regular Meeting – Tuesday March 20, 2012 at 9:00 am** – The Assembly discussed the upcoming schedule. In April there will be APOC training in King Salmon. Mr. Cotten suggested Levelock or Nondalton or Chignik Bay. At the March workshop there will be a presentation on the Comp Plan and on the Pebble data.

**L. CITIZEN’S COMMENTS**

**Don Strand, Egegik** – Mr. Strand reminded the Assembly he is on the Pebble Fund board. This is the last year they will be making \$1 million in grants. Pebble committed \$1 million dollars each year for five years. He asked everyone to get their requests in. He then told the Assembly he was examining the finances and in the last ten years, Egegik fish has yielded \$6.3 million to the Borough in fish tax revenue. The City of Egegik has received 2.25 cents on the dollar back in capital projects funded by the Borough. The Mayor then discussed Egegik’s electrical utility. Mr. Strand said the City of Egegik just spent \$686,000 to repair the dock. The City is spending a lot of money to keep the infrastructure maintained. The Mayor added that the City also owns and maintains the airport. He acknowledged that Egegik is a good investment.

**M. ASSEMBLY COMMENTS**

**Myra Olsen** – Assembly member Olsen said she was glad that the Assembly and staff could visit and see the new Fishermen’s Hall. She attended the Pebble Elder’s Council and was appointed to the board. The board was formed to offer advice on subsistence issues. She added that she enjoyed the SWAMC conference.

**N. MAYOR’S COMMENTS** – none

**O. ADJOURNMENT**

A motion was made by Assembly Member Olsen and seconded by Assembly Member Alvarez to adjourn the meeting of February 21, 2012 at 1:40 pm. The meeting was adjourned by unanimous consent.

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Glen Alsworth, Sr., Mayor

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Kate Conley, Borough Clerk

\_\_\_\_\_  
Date