

**LAKE AND PENINSULA BOROUGH
ASSEMBLY WORKSHOP
Monday, October 15, 2012**

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

Staff: Lamar Cotten, Borough Manager
Kate Conley, Borough Clerk
Jordan Keeler, Community Development Coordinator
Richard Wallace, Finance Director
Bob Loeffler, Jade North, Borough Consultant
Jim DeWitt, Guess & Rudd, Borough Attorney

Guests: Adam Sadoski, Attorney, Anchorage AK
Stacy Marchesano, Attorney, Seattle WA

The workshop was called to order at 6pm.

The Assembly reviewed the agenda for the meeting on October 16th.

Mr. Wallace told the Assembly that fish tax revenue has been slow to come in. There has been some concern that the fish tax may be going to Dillingham, but it does not appear to be the case and it is likely that Dillingham's increased area will have a long term impact on Lake and Peninsula Borough.

Bob Loeffler first addressed the status of the EPA watershed assessment. The independent peer review is done but is not yet public. The Keystone Process is an independent panel of scientists who are to look at the background data collected by Pebble and describe the current environment. The process is funded by Pebble. Mr. Loeffler said he was impressed with the scientists involved. Mr. Loeffler then announced he will be teaching a short overview class on mining on November 5th and invited the Assembly to attend. Finally, Mr. Loeffler briefly addressed the Bristol Bay area plan. He said this would likely not have an effect on pebble, but it may effect municipal entitlements.

Jordan Keeler then discussed the new comprehensive plan. He noted that the planning commission had approved the full plan at a meeting earlier in the day. He added that BBNA is displeased with the village based plan. The planning commission chose not to take action on the letter from BBNA, but the Assembly may chose to do so. There have

been some minor changes to the plan submitted by villages. There was a discussion of BBNC and BBNA and their role in the villages.

Mr. Keeler explained that resolution 12-12 is for the AEA grant that the Assembly approved by motion last meeting. AEA requested a more formal approval be made by resolution.

There was a discussion of the upcoming Board of Fish conference in Bristol Bay.

The meeting was adjourned at 7:40 pm

**LAKE AND PENINSULA BOROUGH
REGULAR ASSEMBLY MEETING
Tuesday, October 16, 2012**

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, October 16, 2012 at 9:03 am.

B. ROLL CALL

A quorum was established with Mayor Glen R. Alsworth, Sr., Deputy Mayor Myra J. Olsen, Assembly member Randy Alvarez, Assembly member Nana Kalmakoff and Assembly member Michelle Pope-Ravenmoon present. Assembly member Sue Anelon was absent, excused and Assembly member Victor Seybert was absent, unexcused.

Staff participating in the meeting included Borough Manager Lamar Cotten; Borough Clerk, Kate Conley; Community Development Coordinator, Jordan Keeler; Borough Attorney Jim DeWitt, Guess & Rudd; and Borough Consultant, Bob Loeffler, Jade North.

Guests for all or part of the meeting included Ty Mase, Superintendent, Lake and Peninsula School District; Rick Luthi, Lake and Peninsula School District; Susan Edwards, Lake and Peninsula School District; Bill Hill, Lake and Peninsula School District; Adam Sadoski, Attorney, Holmes, Weddle & Barcott; Stacy Marchesano, Attorney, Holmes, Weddle & Barcott.

C. APPROVAL OF AGENDA

It was proposed that the agenda be amended to add Items H. 5. CIP Request from Pedro Bay and Item H. 6. CDBG Application for Igiugig and to add an Executive Session after the Mayor's Comments. Motion was made by Assembly member Olsen to approve the agenda as amended. Motion was seconded by Assembly member Ravenmoon. Motion passed unanimously by voice vote.

D. APPROVAL OF MINUTES

Motion was made by Assembly member Ravenmoon to approve the Assembly minutes. Motion was seconded by Assembly member Alvarez. No scrivener's errors were noted. Motion passed unanimously by voice vote.

E. CONSENT AGENDA - none

F. MANAGER AND STAFF REPORTS

1. Introduction of Guests

The Mayor requested that everyone introduce themselves.

2. Manager's Report

Mr. Cotten briefly explained that he spent most of his time on items 1, 7 and 8, and would address the projects in the agenda. There were no questions.

3. Consultant's Report

Mr. Loeffler was not available to attend the meeting. Mr. Cotten noted that Mr. Loeffler has been following the Keystone process and the EPA watershed assessment.

4. Community Development Coordinator's Report

Mr. Keeler noted that most items in his report are covered later in the agenda. He added that he is working to resolve a potential problem with trespassers on Borough land near Egegik. Erosion has been a problem in Levelock and Port Heiden. He said he will continue to work with these villages, but there are no easy answers to erosion. Mr. Cotten said that the villages need to pursue funding by adding erosion projects to their CIP lists. Assembly member Olsen said that erosion is a widespread problem and asked if it can be addressed borough-wide. She noted that Egegik has an erosion problem as well. Mr. Keeler explained that he has investigated the Egegik spit erosion and it is State owned land. The State intends to let nature take its course and not intervene. Each village has different circumstances for erosion and different options. Mr. Keeler told the Assembly this may be his last meeting as he has accepted another position. Assembly member Ravenmoon thanked Mr. Keeler for his work on the Comprehensive Plan and wished him luck.

5. Planning Commission Minutes

The Mayor asked if the Planning Commission had reviewed the Comprehensive Plan and made comment at their meeting the day before. Mr. Keeler said they did review and approve the plan subject to additional comments that will trickle in.

6. Fisheries Report

Mr. Cotten asked the Assembly to choose a committee to recommend people to attend the Board of Fish meeting. He said the staff needs to figure the logistics. Guidelines and parameters will also need to be set for those who represent the Borough. He also encouraged the Assembly to consider a group of young people to learn about the process. There was a discussion of needs and Assembly member Alvarez told the Assembly about the WASSIP study that has been sampling fish since 2006. Mr. Cotten pointed out the information in Chuck McCallum's report about the Chignik tanner crab zone changes proposed for the BOF meeting. There was a discussion of by-catch. Assembly member Ravenmoon asked if any proposals for the Board of Fish meeting will affect subsistence users. Consensus of the Assembly was to appoint a committee that would include Myra Olsen and Randy Alvarez to recommend people to attend the Board of Fish meeting.

7. Finance Report

Richard Wallace discussed fish tax revenues.

8. Lobbyist Report

Mr. Cotten led a discussion about the politics of state wide redistricting.

9. Clerks Report

Ms. Conley said she is grateful the election is over. Next she will work on capital project lists with the communities.

10. Superintendent's Report

Ty Mase spoke to the Assembly about a student representative. He suggested they may need a school district employee to chaperone. He passed along that the school board valued meeting with the Assembly and Planning Commission and wants to discuss continuing the meetings. Mr. Mase then handed out enrollment numbers for the district. He spoke about the riflery competitions. Assembly member Kalmakoff asked about the sports physicals. Bill Hill, student services for the district, said that sports physicals have been a problem in the villages and the district has been somewhat understanding and flexible. He said some of the health aides are not comfortable certifying a student as fit to play sports.

The meeting was recessed at 10:10 am

The meeting was reconvened at 10:37 am

G. PUBLIC HEARINGS

1. Ordinance 12-09 re: Budget Amendment for Barge Landings - Hearing & Decision

Motion was made by Assembly member Olsen to open the public hearing on Ordinance 12-09 an ordinance amending the Lake and Peninsula Borough operating budget for the fiscal year beginning July 1, 2012 and ending June 30, 2013 (FY 13). Motion was seconded by Assembly member Ravenmoon. The Mayor declared the public hearing for Ordinance 12-09 open at 10:37 a. m. The Clerk testified that the hearing had been properly noticed and no comments had been received written or verbal. The Mayor called for testimony. There was none. Motion was made by Assembly member Olsen to close the public hearing on Ordinance 12-09. Motion was seconded by Assembly member Alvarez. The public hearing was closed at 10:40 am.

Motion was made by Assembly member Olsen to adopt Ordinance 12-09 an ordinance amending the Lake and Peninsula Borough operating budget for the fiscal year beginning July 1, 2012 and ending June 30, 2013 (FY 13). Motion was seconded by Assembly member Kalmakoff. The Mayor called for ex parte or conflict

of interest. Assembly member Alvarez declared that he lives in Igiugig. The Mayor said that living in the village would not be a conflict to abstain from the decision. The Mayor disclosed that he owns Lake Clark Air and Farm Lodge. He is not planning any specific flights related to this contract; however, it is possible because he does fly a lot of people and supplies in and out of Igiugig. The Mayor's involvement was not considered a conflict. The Mayor called for testimony. There was none. The ordinance passed unanimously by roll call vote.

2. Ordinance 12-10 re: Comprehensive Plan Adoption – Hearing & Decision
Motion was made by Assembly member Olsen to open the public hearing on Ordinance 12-10 an ordinance adopting the Lake and Peninsula Borough comprehensive plan and amending chapter 9.01 of Borough code and establishing an effective date. Motion was seconded by Assembly member Kalmakoff. The Mayor declared the public hearing for Ordinance 12-10 open at 10:42 a. m. The Clerk testified that the hearing had been properly noticed. The Mayor called for testimony. Jordan Keeler said that he had received several comments; most were from communities with specific edits to their community plan. Those edits were incorporated into the final document. Nondalton will not be able to submit comments until October 29th. Mr. Keeler also noted that he had comments from Mr. Anderson. Mr. Keeler handed out a copy of the comments made by Mr. Anderson to Agnew::Beck, the consulting firm. Mr. Keeler said that the borough has three options in responding to Mr. Anderson: 1. Acknowledge Mr. Anderson's comments, keep the present language in the comprehensive plan and document letter within the plan; 2. Acknowledge Mr. Anderson's comments and change the language in the plan as requested; 3. Ignore the letter. Mr. Cotten said that if the Assembly chooses option number 1, the acknowledgement to Mr. Anderson should point out that there is a misinterpretation. The plan said they should investigate, meaning the problem, not BBNA or BBNC. Mr. Keeler noted that a lot of the suggested actions at the end of the plan are to work with the BB's. Mr. Keeler then explained that the Assembly can either keep the public hearing open or adopt the ordinance with the understanding that future comments will be incorporated into the plan. There were no further comments. Motion was made by Assembly member Olsen to close the public hearing on Ordinance 12-10. Motion was seconded by Assembly member Alvarez. The public hearing was closed at 10:51 am.

Motion was made by Assembly member Olsen to adopt Ordinance 12-10 an ordinance adopting the Lake and Peninsula Borough comprehensive plan and amending chapter 9.01 of Borough code and establishing an effective date. Motion was seconded by Assembly member Alvarez. The Mayor called for ex parte or conflict of interest. None was declared. The Mayor called for testimony. The assembly directed the staff to acknowledge the letter written by Mr. Fred Anderson and to make the letter part of the plan comments. The Mayor asked if the plan

could be changed at any time with a public hearing and re-adopting an amended plan. Mr. Keeler said it can be amended and needs to be amended by the Planning Commission regularly. The ordinance passed unanimously by voice vote.

H. NEW BUSINESS

1. Resolution 12-12 re: Application for AEA Grant for Feasibility Studies and Design in KOK, EGE & IGI

Motion was made by Assembly member Alvarez to adopt resolution 12-12. Motion was seconded by Assembly member Olson. Mr. Keeler explained that this is a cleanup matter. AEA usually accepts a motion but they have requested a resolution. All three projects proposed to AEA have advanced past the first step. Mr. Cotten said he has worked with other engineers but the Borough is not obligated to go with any one company and will put the project out to bid. Motion passed unanimously by voice vote.

2. Memorandum of Understanding with KOK re: Ownership of Barge Landing and Wood Boiler

Mr. Cotten asked the authorization to transfer the Borough's rights and responsibility to the village for the barge landing and the wood boiler in Kokhanok. The final sign off will happen when each respective project is completed. The wood boilers will be signed off before the barge landings. Motion was made by Assembly member Alvarez to approve the memorandum of understanding with Kokhanok regarding the ownership of the barge landing and the wood boiler. Motion was seconded by Assembly member Ravenmoon. The Mayor called for conflict or ex parte. None was declared. Motion passed unanimously by voice vote.

3. Memorandum of Understanding with IGI re: Ownership of Barge Landing and Wood Boiler

Motion was made by Assembly member Olsen to approve the memorandum of understanding with Igiugig regarding the ownership of the barge landing and the wood boiler. Motion was seconded by Assembly member Kalmakoff. The Mayor called for conflict or ex parte. Assembly member Alvarez noted he may have a conflict. Jim DeWitt, Borough Attorney, clarified that it is not a conflict for Assembly member Alvarez to vote. Motion passed unanimously by voice vote.

4. Representative to Rural CAP board

The Mayor asked what things Rural CAP is involved in and what they are. Assembly member Olsen said she was on the board for several years. Rural CAP is involved in head start for children and they do weatherization audits and improvements. They are also involved with the homeless in Anchorage and with low income housing. Assembly member Alvarez said Igiugig received a burner for their dump through Rural CAP. No motion was made.

5. CIP for Pedro Bay

Kate Conley explained that Pedro Bay is requesting CIP funds to renovate their public buildings. They have \$10,000 available in the Capital Fund. They intend to use it as a match for a State Capital Matching Grant. Motion was made by Assembly member Alvarez to approve the request from Pedro Bay for \$10,000 in CIP Funds. Motion was seconded by Assembly member Olsen. The Mayor disclosed that he owns Lake Clark Air and flies to Pedro Bay daily with passengers and freight. He said he is not involved in Pedro Bay's budgeting. The consensus of the Assembly was that the Mayor did not have a conflict. There were no other questions or comments. Motion passed unanimously by voice vote.

6. Resolution 12-13 re: CDBG for Igiugig Wind

Mr. Keeler explained that Chignik Lake asked for help to apply for a Community Development Block Grant (CDBG) to replace the electrical generators. Part of the grant process requires the Borough to identify the projects for a block grant at a public meeting. The projects chosen will be presented to the Assembly in a resolution at the next meeting. He said that the Borough did a study and wind and hydro are not feasible in Chignik Lake so the generators are a good alternative. Chignik Lake is not incorporated and is not eligible to apply. The Borough, as an incorporated municipality, is eligible. The Mayor asked, if the grant is awarded, when would the project be completed. Mr. Keeler said the time line is long. Assembly member Ravenmoon asked, if the Borough helps, would it be staff or grant writers who assist. Mr. Keeler said it would be staff with help from Chignik Lake. Mr. Keeler noted that a municipality may only present one grant application per year to CDBG. No other projects were proposed to be eligible for a CDBG. Consensus of the Assembly was to move forward with a CDBG application on behalf of Chignik Lake to replace their generators.

I. UNFINISHED BUSINESS

1. Borough Capital Project Report

a. Kokhanok Wind Project

Mr. Cotten said that Kokhanok may be considering converting some buildings to electric heat now that the wind turbines are successful.

b. Wood Boiler Projects – no discussion

c. Port Heiden Power System and Wind Design – no discussion

d. Lake Iliamna Community Barge Landings – no discussion

e. Perryville Boat Launch & Haul Out Facilities

The estimate for the barge landing construction are anticipated to come in low and the \$100,000 the Borough has set aside for the project does not have any specific parameters, so it is possible the money may be used for a truck and trailer to haul the boats.

f. Chignik Public Dock – no discussion

g. Williamsport-Pile Bay Road & Associated Projects

Mr. Cotten said he is working with Mark Hickey to try to get \$7.4 million in the Governor's budget for next year for the road. Assembly member Alvarez asked if the borough will have a say in the new study. Mr. Cotten said he will have the Corps of Engineers do a presentation at the November Assembly meeting. He said it is less likely the State will fund the road improvements and more likely to be funded by a partnership with the Corps of Engineers and Lake and Peninsula Borough. Mr. Keeler asked what the 107 study is for. Mostly the study is for dredging and extending the channel 10,000 feet. Assembly member Alvarez noted that this would need to be done every year but if the road were extended to deeper water that would be more beneficial. There was a discussion of the importance, jurisdiction, politics and economics of the Williamsport - Pile Bay Road. Assembly member Ravenmoon asked about the road access and ownership.

h. Iliamna-Nondalton Road

This project is anticipated to be out to bid in the fall of 2013.

i. City of Chignik & Chignik Lagoon Hydroelectric Projects

1. **City of Chignik** - no discussion
2. **Chignik Lagoon** - no discussion

j. Port Alsworth Airport- no discussion

Mr. Cotten explained that BBNC is looking for 3 foot to 5 foot diameter rock to use for this project. If BBNC can provide the rock it will save the Borough from buying rock and paying to ship it in. There was a discussion of steel that Mr. Roland Briggs, Ugashik, had purchased. There was a discussion of options.

Mr. Keeler said he met with the Pilot Point City Administrator and they are progressing with the improvements.

The Mayor told the Assembly that Nondalton is working on their water and sewer system.

J. TIME AND PLACE OF NEXT MEETING

K. CITIZEN'S COMMENTS - none

L. ASSEMBLY COMMENTS

Myra Olsen - Assembly member Olsen said the ballot counting went better this year and she is looking forward to the next three years.

M. MAYOR'S COMMENTS

Mayor Alsworth - The Mayor told the Assembly that he visited Ugashik recently and met with some of the citizens. They are planning to develop a road to Pilot Point.

The meeting was recessed at 12 noon for lunch

The meeting was reconvened at 12:35 pm.

EXECUTIVE SESSION

Motion was made by Assembly member Olsen to go into Executive Session for legal and personnel issues. The motion was seconded by Assembly member Ravenmoon.

The meeting was recessed at 12:35 pm.

Motion was made by Assembly member Ravenmoon to come out of Executive Session.

Motion was seconded by Assembly member Kalmakoff.

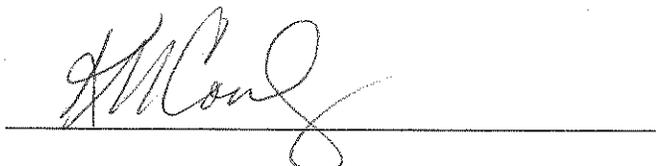
The meeting was reconvened at 1:22 pm.

N. ADJOURNMENT

Motion was made by Assembly member Olsen to adjourn the meeting. The motion was seconded by Assembly member Ravenmoon. The meeting was adjourned by unanimous consent at 1:22 pm.



Glen Alsworth, Sr., Mayor



Kate Conley, Borough Clerk

November 15, 2012

Date