

**LAKE AND PENINSULA BOROUGH
ASSEMBLY WORKSHOP
Monday, September 17, 2012**

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
Richard Wallace, Finance Director

Guests: Ty Mase, LPSD Superintendent
Rick Luthi, LPSD
Jack Forrester, LPSD Vocational Education
Adam Sadoski, Attorney, Anchorage AK – via teleconference

The workshop was called to order at 6:45 pm.

Ty Mase updated the Assembly on the latest school count figures, and then introduced Jack Forrester who is coordinating all vocational education courses for the school district. Mr. Forrester expressed excitement at the end of a weeklong session in conjunction with Bristol Bay School District. Twenty two students attended training in either small engine technologies or administrative assistant skills. Many of the students also received OSHA 10 certificates, driver permits or driver licenses. He then showed a PowerPoint of the kids and some of their activities. He said there will be another session in December and a third in the spring. Assembly member Michelle Ravenmoon asked if the small engines class is the same as a welding class. Mr. Forrester explained that the small engine class taught the students about ATV 4-wheeler engines, snow machine engines and jet boat engines. Assembly member Ravenmoon asked about carpentry classes and small business classes. Mr. Forrester said that both building and entrepreneurial skills will be taught in spring 2013. School board member Patty Alsworth suggested that culinary arts classes should include preparation of local foods. Assembly member Myra Olsen asked if businesses are contributing to training the youth. Mr. Forrester said that money for the courses came from Denali Commission, the School districts and from the Borough. The district continues to seek money from BBNC and from the marine industries. Assembly member Anelon suggested that the students also have the opportunity to discuss with a trooper the responsibility of driving and the significance of driving under the influence.

The Assembly then reviewed some of the items for the meeting the next day in Perryville.

G. 1. Ordinance 12-08 – Jordan Keeler explained that this is a five year lease to a lodge near King Salmon. The Borough has not had any problems with the lessee in the past.

H. 1. Amending Budget – Mr. Cotten explained that because a budget item is increased the budget must be amended by ordinance. Assembly member Anelon asked why the amendment is for \$150,000 when the Assembly approved \$130,000 at the previous meeting. Mr. Cotten said the additional money is just in case the project goes over budget. Mayor Alsworth asked when it is anticipated the landings will be completed. Mr Cotten said that the contract requires completion by the end of 2013, but the schedule anticipates completion by late spring of 2013.

H. 2. Introduction of the Comp Plan - Mr. Keeler explained that this ordinance is to introduce only a portion of the comprehensive plan; it does not include the village plans. The Assembly may choose to approve the ordinance after a public hearing in October, or hold a hearing and leave the notice out for additional public comments until the next Assembly meeting. Assembly member Ravenmoon noted that in some communities information about public hearings and notices are not disseminated in a timely manner. There was a discussion of how to get information out to the citizens. It was suggested to post notices at the post office. There was a discussion of empowering local government to be more effective and to be better communicators.

H. 3. Permission to purchase server – Mr. Cotten explained that the current server is very old and not compatible with all the newer hardware and software. He added that this also is for the purchase of new computers which the Borough staff purchased, but exceeded the \$5000 limit because of shipping. There was a discussion of the ordinance and it was suggested that the current spending limit is outdated and too low. There was a discussion of purchasing a second vehicle for the Borough.

H. 4. Iliamna Dock - Mr. Cotten said that he initially anticipated eliminating this agenda item, but after the packet was sent out he spoke with Tiel Smith at BBNC. Mr. Smith said that BBNC could find the rock needed for the dock and save the project at least \$1 million. Assembly member Anelon noted that BBNC has said they want to invest \$30 million in the Borough. There was a discussion of BBNC, the Iliamna dock and possible investment options.

H. 5. Igiugig Wind – Mr. Cotten said that after the last Assembly meeting, the Igiugig Village Council met and decided to ask the Borough to assist them with a wind project. Mr. Cotten suggested the Borough match any grant money with \$200,000, which is approximately 20% of the cost of the project. Mr. Cotten said there is some

debate whether a high penetration system works in small villages. He said that Kokhanok is a good example of one that does work well. There was a discussion of energy projects and the potential in each village.

I. 1. Capital Projects

Chignik Lagoon Hydro - Mr. Cotten explained that a very small population of resident Dolly Varden fish is holding up the project. The Department of Fish and Game is concerned that too much water would threaten this resource. The project proposes to take a portion, but not all of the water and more studies are needed. There may be some options to negotiate. Chignik Lagoon and the Borough are working with legal, environmental and fishing consultants.

Iliamna-Nondalton Road - New communications are saying that construction on the road may not begin until 2014.

Perryville - Construction on boat launch and haul out facility is scheduled for 2013. Gerald Kosbruk has worked hard to get this underway.

Williamsport-Pile Bay Road - Mr. Cotten said that reconstruction on this should be done in October. He said that the Corps of Engineers is looking for a partner to help pay for more improvements. The Mayor asked why the Borough would pay for a project in someone else's borough.

The meeting was adjourned by unanimous consent at 8:35 pm.

**LAKE AND PENINSULA BOROUGH
REGULAR ASSEMBLY MEETING
Tuesday, September 18, 2012**

A. CALL TO ORDER

The regular meeting of the Lake and Peninsula Borough Peninsula Borough Assembly was called to order by Mayor Glen R. Alsworth, Sr. on Tuesday, September 18, 2012 at 11:33 am. The meeting was delayed due to travel. The meeting was not teleconferenced due to problems with the telephone connection.

B. ROLL CALL

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

Staff participating in the meeting included Borough Manager Lamar Cotten; Borough Clerk, Kate Conley; and Community Development Coordinator, Jordan Keeler.

Guests for all or part of the meeting included Andy J. Shangin, Charlene Yagie, Alex Phillips, Jr., Gerald Kosbruk, Harry W. Kosbruk, Derek Kosbruk, Terrence Kosbruk, Desire Shangin, Blake Kosbruk, Diane Shangin-Kosbruk, Donovan Shangin, Eric Kosbruk, Eugene Kosbruk, Jerome Phillips, Anthony Washington, Christian Meneskie, Lydia Yagie, Randal Kosbruk, Ivon Washington, Justine Kosbruk, Victoria Yagie, Roy Shangin, Kennisha Shangin, Bernice O'Domin, Patrick Kosbruk and Audrey O'Domin all of Perryville, and Art Woinowsky of Ugashik.

C. APPROVAL OF AGENDA

Motion was made by Assembly member Olsen to approve the agenda as presented. Motion was seconded by Assembly member Anelon. Motion passed unanimously by voice vote.

D. APPROVAL OF MINUTES

Motion was made by Assembly member Ravenmoon to approve the Assembly minutes from August 212, 2012. Motion was seconded by Assembly member Olsen. No scrivener's errors were noted. Motion passed unanimously by voice vote.

F. MANAGER AND STAFF REPORTS

1. Introduction of Guests

The Mayor requested that everyone introduce themselves.

2. Manager's Report

Mr. Cotten said he has been working on the wood boilers in Kokhanok and Igiugig. He has also been challenged on the hydro electric project in Chignik Lagoon to try to figure out how to work with Fish and Game. The stumbling block is a population of resident Dolly Varden near the intake site. Mr. Cotten then noted the solar panel adjacent to the meeting room in Perryville that is used for heating. It is a small scale and it may be worth considering for other villages. He explained that the Borough is helping to construct two barge landings on Iliamna Lake.

Mr. Andy Shangin asked, "When are we going to start creating jobs." He said that the halibut quota is low now and it is a good time to buy because it will go up and be worth more. He said the cost to invest is too much for an individual. Mr. Cotten explained that the community could buy a quota and lease it to community members. He said he will follow up with Chuck McCallum, the Borough Fisheries Advisor, regarding the Halibut quota. Mr. Cotten asked Mr. Shangin if they had approached BBNC. Mr. Shangin said that BBNC is "taking care of their own." Mr. Cotten said that BBNC leaders have admitted they do not understand the Pacific fishery as they are all familiar with Bristol Bay and perhaps if they were aware of the opportunity, they would be more receptive. Assembly member Anelon asked how the Borough can help. Mr. Shangin said that the local fishermen need the Borough to help them get a quota of the Halibut fishery. Assembly member Alvarez said that SAVEC has money to do fishery job training and will teach how to do your own processing. He then shared his experience with processing and securing licenses. The Mayor asked how much money would be needed. Mr. Shangin said they would need the cost of the quota and the cost of administration. The Mayor agreed that the economic opportunity is on Perryville's doorstep and no one else is as well positioned as Perryville to catch the fish and make a profit. The fish are currently being caught near Perryville and then processed in Sand Point. The Mayor asked if Perryville had ever considered processing their own fish. There was a discussion of what it takes to process and sell fish.

3. Consultant's Report

Mr. Cotten said that Bob Loeffler will be following the Keystone process to review the baseline data for Pebble.

4. Community Development Coordinator's Report

Mr. Keeler reported that the comprehensive plan and community plans are available on the Borough website, www.lakeandpen.com. He invited everyone to submit comments and give feedback. Mr. Keeler then announced that Lake and Peninsula Borough is always available to help write grants for the communities. He also noted that the Borough has a newsletter and invited those who do not receive it to give staff their e-mail to be added to the mailing list. Mr. Cotten

asked the audience if Perryville is still looking for a VPSO. He said that the both Igiugig and Kokhanok have worked with BBNA and have been successful in securing both housing and a VPSO. He invited Perryville's Village Administrator, Charlene Yagie to contact either village for more information. The vocational technology program was then discussed. There was a discussion of the marine industry, education, marketing, processing and entrepreneurial opportunities.

5. Planning Commission Minutes

Mr. Keeler explained the role of the Planning Commission and told the audience that there may be an opening on the Planning Commission in the coming year.

6. Fisheries Report

Mr. Cotten explained that the Borough has a Fisheries Advisor, Mr. Chuck McCallum and how he assists the staff and Assembly. He explained that Black Lake is one of the on-going concerns. Assembly member Alvarez told the audience that on October 11th there will be a report on the findings and outcome of the WASSIP study. The discussion then turned to the Board of Fish meeting in December in Bristol Bay Borough. Mr. Cotten said that the Borough will pay for plane tickets for citizens to attend the meeting. There was more discussion on CQE for halibut.

7. Finance Report

Mr. Cotten explained that the audit will happen next month and the results will be back in a couple months. Mr. Cotten then explained the programs in which the Borough helps the communities monetarily: State revenue sharing, Borough revenue sharing, fish tax revenue and capital project fund. Mr. Andy Shangin asked if the Borough addresses social issues, in particular, veterans. He said that it is hard to get information about benefits and when they have informational meetings in the Bush, the meetings are held in larger communities, not in small villages. The Mayor agreed that more information should be available, and the ones who need it the most can't access the information. Mr. Cotten said that there is some good information online and said he would follow up and get some links back to the village.

8. Lobbyist Report

Mr. Cotten said that this past month he went to Juneau and with the Borough's lobbyist, Mr. Mark Hickey, they met with some people regarding the Chignik dock and the importance of the dock to the surrounding communities.

9. Clerks Report

Ms. Conley said that the election is underway. Ballots were mailed September 12th. She urged everyone to get their ballot marked and back in the mail as soon as possible to avoid any postal delays.

10. Superintendent's Report

The Mayor told the audience that the enrollment numbers are better than anticipated and enrollment is up a little from last year.

G. PUBLIC HEARINGS

1. ORDINANCE 12-08 AN ORDINANCE AUTHORIZING A FOUR YEAR NINE MONTH LEASE OF REAL PROPERTY CONTAINING 1 ACRES MORE OR LESS TO JERRY SHULTS, DBA RAPIDS CAMP LODGE FOR THE OPERATION OF A BOAT STORAGE SITE - HEARING AND DECISION -

Motion was made by Assembly member Olsen to open the public hearing on Ordinance 12-08 for public comment. Motion was seconded by Assembly member Anelon. Motion was approved unanimously by voice vote. The public hearing was open at 12:30 pm. Mr. Keeler explained that the Borough received lands through the municipal land entitlement. This land is for boat storage near Egegik. Staff reported that no comments had been received prior to the meeting. The Mayor called for questions or comments from the Assembly or the audience. Mr. Art Woinowsky asked if some this is the same as VUU lands. The Mayor agreed that it is the same and then explained how the Borough prioritized the options and chose the parcels. The first priority was land near the villages, the second priority was parcels that generate income or have leases and the third option was land that has potential for future development. Mr. Keeler added that a lot of the selected parcels were delayed in being assigned to the Borough until 2005 when the Bristol Bay area plan was passed. The mayor called for anymore testimony. There was none. Motion was made by Assembly member Olsen to close the hearing for Ordinance 12-08. Motion was seconded by Assembly member Alvarez. Motion passed unanimously by voice vote. The public hearing was closed at 12:38 pm. Motion was made by Assembly member Olsen to approve Ordinance 12-08. Motion was seconded by Assembly member Alvarez. The mayor called for ex parte or conflict of interest. None were declared. The Mayor called for any testimony. None were given. Motion passed unanimously by voice vote.

The meeting was recessed for lunch at 12:40 pm

The meeting was reconvened at 1:00 pm and everyone sang Happy Birthday to Ivon Washington.

H. NEW BUSINESS

1. Ordinance 12-09 re: Budget Amendment for Barge Landings - Introduction and Set Hearing -

Motion was made by Assembly member Olsen to introduce Ordinance e12-09 and set a public hearing for October 16, 2012. Motion was seconded by Assembly member Anelon. There was no discussion. Motion passed unanimously by voice vote.

2. Ordinance 12-10 re: Comprehensive Plan Adoption - Introduction & Set Hearing

Motion was made by Assembly member Olsen to introduce Ordinance 12-10 and set a public hearing for October 16, 2012. Motion was seconded by Assembly member Anelon. The mayor noted that this is an ongoing effort. He noted that it will be out for comments for one month and if there are many comments, the Assembly may choose to leave it out for another month before adoption. Mr. Keeler said that the the community plans, comprehensive plan and sub-regional plans will all be available for review. He urged everyone to read the plan and comment as soon as possible so the comments can be incorporated into the document and adopted. Motion passed unanimously by voice vote.

3. Authorization to purchase server for an amount not to exceed \$8000 -

The Mayor explained that the Borough Code says that the staff may spend up to \$5000 without out requesting Assembly permission. Mr. Cotten noted that computers were purchased in June and the shipping costs put the price just over \$5000, and the office also needs a new server. Motion was made by Assembly member Anelon to authorize the purchase of a serve for an amount not to exceed \$8000. Motion was seconded by Assembly member Ravenmoon. The Mayor asked if the computers and server need to be upgraded often. Mr. Cotten said no. Motion passed unanimously by voice vote.

4. Iliamna Dock Status

Mr. Cotten said he hopes to do something with the existing dock, but he is not prepared for the Assembly to take action on this item today. He said he hopes to find a rock resource for the facility and save money. The project as currently planned is too expensive. No action was taken.

5. Igiugig Wind Project

Mr. Cotten explained that there is now one year of data on the Igiugig wind site. The grant application for AEA is due September 24. This grant will allow the Borough to go after \$1 million for the project. Mr. Cotten requested the Borough put \$200,000 toward the project. Motion was made by Assembly member Ravenmoon to authorize \$200,000 toward the wind project at Igiugig and to apply for a grant from AEA. Motion was seconded by Assembly member Olsen. Assembly member Alvarez requested to abstain because will benefit

from the project and cheaper electric bills because he lives in Igiugig. The Assembly rejected his request. Assembly member Alvarez requested to abstain because he is on the Village Council and the Council owns Iliamna Lake Contractors, who may bid on the project. The Assembly allowed Assembly member Alvarez to abstain. Motion passed by voice vote with Alvarez abstaining.

6. November Meeting – AML/Retreat

The Assembly discussed the options of meeting in November. The third Tuesday falls on November 20th this year, two days before Thanksgiving. In addition, the week prior is Alaska Municipal League conference in Anchorage which staff and assembly may choose to attend. The Assembly agreed, by consensus to meeting on November 15, 2012 in Anchorage. A retreat was not discussed.

7. City of Newhalen request from Capital Improvement Project Fund for sewer repairs

Mr. Keeler explained that Newhalen has been working with Alaska Rural Utilities Collaborative (ARUC) to solve a problem with the City water system that restricted the residents to two hours a day. ARUC found the leak and the repairs are underway, but the cost was unexpected and around \$20,000. Motion was made by Assembly member Olsen to approve the City of Newhalen's request for \$20,000 from their Capital Improvement Project Fund. Motion was seconded by Assembly member Alvarez. The Mayor called for conflict of interest or ex parte. None was declared. There was no further discussion. Motion passed unanimously by voice vote.

I. UNFINISHED BUSINESS

1. Borough Capital Project Report

Mr. Cotten explained that the Borough is involved in many capital projects, but only if a community requests assistance. He congratulated the village of Perryville on their accomplishments.

- a. Kokhanok Wind Project** – no discussion
- b. Wood Boiler Projects** – no discussion
- c. Port Heiden Power System and Wind Design**– no discussion
- d. 1. Lake Iliamna Community Barge Landings**
 - 1. Igiugig**– no discussion
 - Kokhanok**– no discussion
- e. Perryville Boat Launch & Haul Out Facilities**

Mr. Cotten said that the plan is to use a trailer system with hydraulics in conjunction with the haul out facility. The village has a large grant to complete the facility along with \$100,000 that the Borough is holding from a State grant. Mr. Cotten suggested that the \$100,000 could go

toward purchasing the equipment to make the haul out facility practical. Mr. Patrick Kosbruk said that \$100,000 is not enough for what is need. Mr. Cotten said that there are many options and as the project progresses and costs are realized this could be worked out. Mr. Art Woinowsky said that he bought a revamped a trailer and it was \$60,000 undelivered.

f. Chignik Boat Dock– no discussion

g. Williamsport-Pile Bay Road & Associated Projects– no discussion

h. Iliamna-Nondalton Road - no discussion

i. City of Chignik & Chignik Lagoon Hydroelectric Projects

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

2. **Chignik Lagoon**- no discussion

k. Port Alsworth Airport- no discussion

J. TIME AND PLACE OF NEXT MEETING

The next meeting will be October 16, 2012 in King Salmon. The Assembly will meet on the 15th for Canvass Committee in the day and Workshop in the evening.

K. CITIZEN'S COMMENTS

Patrick Kosbruk announced that there would be a training in January in Dillingham presented by Administration for Native Americans that may be a good opportunity to get the younger generation involved.

Andy Shangin asked what flight services the village will have when Pen Air leaves October 1st. Mr. Keeler said that Grant Air will be taking over the flight schedule. He added that Grant has already taken over service to several Lake and Peninsula Borough villages and the people in those villages are very pleased with the service. Mr. Christian Meneskie asked if the same pilots will be working for Pen Air. Mr. Keeler said yes, as far as he knows it will be the same pilots.

Andy Shangin thanked the Assembly for having their meeting in Perryville.

L. ASSEMBLY COMMENTS

Michelle Ravenmoon – Assembly member Ravenmoon said it was nice to see the students. She explained that Northwest Arctic Borough has a student representative on their Assembly, and she suggested that Lake and Peninsula Borough staff look into the option.

Sue Anelon – Assembly member Anelon thanked the community for their hospitality and invitation to visit. She said this was her first visit to Perryville and remarked on how beautiful it is. She encouraged the audience to participate in the Borough and communicate needs because the Assembly really does listen.

Myra Olsen – Assembly member Olsen remarked that Perryville is beautiful and that she had some of the black sand from the beach she was going to take home.

M. MAYOR'S COMMENTS

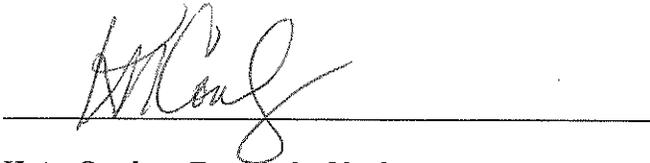
Mayor Alsworth – The Mayor encouraged the students to get involved in their community and to become leaders.

N. ADJOURNMENT

Motion was made by Assembly member Ravenmoon to adjourn the meeting. The motion was seconded by Assembly member Anelon. The meeting was adjourned by unanimous consent at 1:40 pm.



Glen Alsworth, Sr., Mayor



Kate Conley, Borough Clerk

October 16, 2012

Date