

**LAKE AND PENINSULA BOROUGH  
REGULAR ASSEMBLY MEETING & WORKSHOP  
Monday, March 16, 2015 1:00 p.m.**

Assembly: Mayor Glen Alsworth  
Randy Alvarez  
Scott Anderson  
Myra Olsen  
Alvin Pedersen  
Michelle Pope-Ravenmoon  
Christina Salmon  
Nathan Ward, Student Representative to the Assembly, Chignik Lake AK

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

Guests: Bob Loeffler, Consultant to the Borough, Jade North LLC  
Ty Mase, Superintendent, Lake and Peninsula School District  
Laura Hylton, Business Manager, Lake and Peninsula School District  
Rick Luthi, Chief Operating Officer, Lake and Peninsula School District  
Don Bumpus, Planning Commissioner, Chignik Lagoon AK  
Diane Chung, Superintendent, Katmai National Park  
Becky Boettcher, School Endowment Fund Account Committee, Chignik AK  
AlexAnna Salmon, Planning Commissioner, Igiugig AK  
Art Woinowsky, Planning Commissioner, Igiugig AK  
Victoria Briggs, Ugashik Village  
Roland Briggs, Ugashik Village  
George Jacko, Pedro Bay  
Scott Anderson, Port Heiden – 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 March 16, 2015 at 1:25 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 Randy Alvarez, Myra Olsen, Alvin Pedersen, Michelle Pope-Ravenmoon and Christina Salmon present.

**C. APPROVAL OF AGENDA -**

A motion was made by Assembly member Olsen and seconded by Assembly member Salmon to approve the agenda for the March 16, 2015 regular meeting with the addition of items G. 8. Letter of Support for BBNA Subsistence Management and N.2 Pedro Bay Update. Motion passed unanimously by voice vote.

**D. APPROVAL OF MINUTES –**

Motion was made by Assembly member Olsen to approve the minutes of February 16, 2015 regular meeting as presented. Motion was seconded by Assembly member Pedersen. The mayor called for any scrivener's errors. It was noted that page 5 had an error and the word "up" needs to be eliminated. Motion passed unanimously by voice vote.

**E. PRESENTATIONS AND WORKSHOP**

1. School District Draft Budget – Ty Mase began by explaining that the projected deficit for the State budget is \$3.5 billion, which means State funding options are drying up. Current legislation eliminates the one time funding for the district in the amount of \$217,445. The internet services enhancement funding is still in the State budget, as is the basic student allocation (BSA) increase. Superintendent Mase gave some of the positive information: 1) LPSD is a recognized leader in student performance and in cooperating with other entities like Bristol Bay Borough School District; 2) The PERS funding floor may go away; 3) There are signs that legislators are reducing the unfunded mandates; and 4) The state will continue to pay for the previously promised broadband assistance. There is also some bad news, such as 1) the one time funding the state approved last year has been cut from this year’s budget; 2) There are rumors of increasing the minimum student count from 10 to 25; 3) there is discussion of consolidation of districts; 4) There have been major cuts to the Department of Labor budget; 5) The budget deficits are projected to continue until 2023. Laura Hylton added that a contract has been hired to review the education funding and the formula for funding schools. Assembly member Olsen asked about the Ketchikan lawsuit against the state about minimum funding requirements. Mr. Mase said the suit is stalled, but a judge had stated that a municipality doesn’t have to contribute, but the State shouldn’t have to contribute what the municipality doesn’t. Mr. Mase said that boarding schools are also being suggested and discussed by legislators. He explained that one time funding is down, the borough appropriation is down, impact aid is down, migrant monies are down, student enrollment is down and Pebble monies are down. Expenses are broken down to 62% for salaries and benefits, 22% utilities and other costs are 16%. Overall, the district deficit is estimated to be \$466,000 this year. He said that the district does have funds set aside. He explained that the plan is to collaborate with others. To utilize the University system, to work on cost savings with BBBS, to work with the borough to find sustainable financial assistance, with the union and administration on affordable healthcare, housing costs, etc. Mr. Mase then asked the following of the Assembly: 1) Keep the contribution at \$722,000, 2) Keep the \$343,668 from teacher rent, 3) LPB to take over responsibility of AKN building (cost of \$120,000 for fuel, electric and janitorial), 4) continue to fund CTE and bond reimbursement, 5) open the School Endowment Fund for preschool and CTE program funding, 6) consider a tax on the sporting industry to support student activities. Bob Loeffler said that the Department of Revenue is predicting oil prices to go up to \$80, but the budget is not balanced until the price is \$100 per barrel. He added that the State only has 5 years of reserves at the current deficit level. Nathan Ward led a discussion of sports schedules and costs. Assembly member Alvarez asked for a specific deficit dollar amount. Laura Hylton said the LPSD budget is short \$381,000. There was a discussion of schools projected to be in danger of closing. Mr. Mase said there are three: Egegik, Pilot Point and Chignik Lake. There was a short discussion of a four day school week. Mr. Mase said that the board considered the option, but chose not to utilize the schedule. He added that cutting classified staff may result in villages losing residents, which in turn, results in students leaving and eventually schools closing. Assembly member Alvarez said the Borough will have to fund the school. It is the Borough’s number one priority and there will just be less money for village projects. He added that the Borough needs to generate more revenue. Assembly member Ravenmoon asked about reducing the school board size. Mr. Mase said that the board had discussed the reduction. There was a discussion of utilities for teacher housing. There was a discussion of income and sales taxes.

**F. MANAGER’S & STAFF REPORTS**

1. **Introduction of Guests** – The mayor invited each person in the room to introduce themselves.
2. **Manager’s Report** – Nathan Hill told that he did not have anything to add to his written report. There was no questions.
3. **Consultant’s Report** –
  1. **Cotten** – Mr. Hill said he did not have anything to add to the written report. There were no questions.

2. **Loeffler** – Mr. Loeffler discussed the Millrock exploration and the work that will take place this year in the Chignik/Perryville area. Mr. Loeffler briefly answered questions about the Mr. Polley dam failure.
4. **Community Development Coordinator's Report** – Ranya Aboras reported the mapping project should be closed out this month. The hazard mitigation project will be adding Port Alsworth to AECOM's plan. A newsletter will be sent out to AECOM's communities this month. The hazardous materials haul out pilot project is 50% done. Ms. Aboras is working on a sample contract. The grant for the project ends in 2016 so it needs to get wrapped up. Ms. Aboras has also been working with Nikki Reed on land leases, as evidenced by the ordinances on the agenda. Water and sewer assessments are available through ANTHC at a cost \$10,000 each, but the municipality could save money overall. Training is also available through ANTHC.
5. **Planning Commission Minutes** – no discussion
6. **Fishery Report**– The Mayor began by explain that Assembly members Olsen and Alvarez are going to meeting for the Board of Fish in Anchorage right after the Assembly meeting. Assembly member Alvarez said that staff recommendations came out regarding escapement goals for Bristol Bay. The advice was to not change the lower escapement number, but to change the upper escapement number. The upper number would be used on years of large return.
7. **Finance Report** – Susan Edwards reported that the finance department has been working to increase revenue. There are five new leases on the agenda today and eight more are anticipated next month. More than 100 new guides and lodges have been registered. Ms. Edwards said she has been working on the budget for next year and will be presenting it to the Assembly next month.
8. **Lobbyist's Report** – no discussion
9. **Clerk's Report** – Ms. Conley told the Assembly she has been working on creative solutions for elections. The envelope will be redesigned. A new option is called ballot tracker and will allow the voter and the clerk to track the ballot and to send messages to the voter if the ballot is deficient. A paperless system is being considered for packet preparation. Ms. Conley is working with the Community Development Coordinator on some leadership training curriculum. In April, the Assembly will be meeting in conjunction with the school board and the student government. The meetings will be over several days.

The meeting was recessed at 3:25pm

The meeting was reconvened at 3:43 pm

At this time, Diane Chung, Superintendent of Katmai National Park and Preserve addressed the Assembly. The Park will be hosting a climate friendly parks workshop. This is the first step in Katmai National Park becoming a climate friendly park. She passed out a flyer and encouraged attendance. She explained that a planner will be coming out the week of the 30<sup>th</sup> of March to consider the park boundary along Pikes Ridge. The Bridge at Brooks has been partially funded this year by the Federal Government. The \$9.5 million bridge will replace the floating bride. They remaining money is anticipated to be allocated next year and then the Park Service will go out to bid for the project. The bride will include viewing platforms along the elevated bridge. Five local people have been hired for park positions. She said would like to hire more people who live here. The theater in the Park Service building on the Air Force Base will be upgraded this year with a new projector, screen and sound system.

**10. School Superintendent's Report** –Mr. Mase reported that the school calendars are ready for next year. Bristol Bay Borough and Anglo American appropriations are making it possible for the bus barn/superintendent's office at BBBSD to be remodeled to create dorms for LPB students who attending sports and CTE events. A new phase of the CTE will start in April. The energy improvements in the LPSD schools are going well. Newhalen Gym came in higher than anticipated, but Port Alsworth School came in under budget. The Port Alsworth School is going well. The bonding program which the Borough currently is participating in for the Port Alsworth school construction and Newhalen gym improvements is being cut by the state, but the state will continue to honor the present agreements.

**11. Student Representative Report** – Nathan Ward, a senior from Chignik Lake and student body president, served as Student Representative to the Assembly. He reported that the Student Government's primary job is to plan the prom. They also collect dues from each school. It is currently structured by the number of students and the council is considering structuring it as a flat fee. He said that the council attended AASG in the fall, and wanted to send someone to AASG this spring, as well, but the date coincides with the AA meet. He explained that there are seven council officers elected at the AA meet. Schools must pay their dues before they are eligible to vote. There was a discussion of the benefits to leadership and student government. Mr. Ward requested that the Assembly tell the students at the AA meet why they are serving on the board.

**SWEARING IN OF NEW ASSEMBLY MEMBER** - Borough Clerk Kate Conley swore in Assembly member Scott Anderson.

#### **G. NEW BUSINESS**

**1. Ordinance 15-03 – Amending Portions of Section 6: Revenue and Finance– Public Hearing & Decision –**

The Mayor read the short memo from Borough Manager Nathan Hill requesting this ordinance be removed from the agenda. Motion was made by Assembly member Olsen to remove Ordinance 15-03 from the agenda. Motion was seconded by Assembly member Salmon. There was no discussion. Motion passed unanimously by voice vote.

**2. Lease Ordinances – Ordinances 15-04, 15-05, 15-06, 15-07 and 15-08.**

Motion was made by Assembly member Olsen to introduce Ordinance 15-04, Ordinance 15-05, Ordinance 15-06, Ordinance 15-07 and Ordinance 15-08 and to set a public hearing for April 6, 2015. Motion was seconded by Assembly member Pedersen. There was no discussion. Motion passed unanimously by voice vote.

Meeting was recessed at 4:15 pm

Meeting was reconvened at 4:25 pm

**3. Ordinance 15-10 re: Redistribution of Bond Funds**

Motion was made by Assembly member Olsen to introduce Ordinance 15-10 and set a public hearing for March 27 at 8:30 am. Motion was seconded by Assembly member Salmon. The Mayor called for discussion. He first asked if redistribution of funds would be allowed by the bond bank. Ms. Edwards said yes, this action would be allowed. He asked if there would be financial implications. Ms. Edwards said it will cost an additional \$145,181 because the Port Alsworth project is being reimbursed from the state at 70%, but the Newhalen project would only be reimbursed at 60%. The Port Alsworth School is anticipated to come in at \$1 million under budget. The Mayor asked if this is enough for the Newhalen project. Laura Hylton, Business Manager of LPSD said she thinks so. The Mayor noted that this action will save the state \$145,181. Ms. Hylton added that she has a commitment from the State Department of Education that they will approve the fund redistribution subject to the Assembly's approval. Nathan Hill asked if all of the money in the ordinance has to be transferred at once, or can it be

done as need, and if there is too much money in the Newhalen project, can the fund be transferred back to the 70/30 fund? Ms. Hylton said she was not sure. She added that additional energy efficiency projects could be done to utilize the remaining funds. The Mayor asked if the principal could be used to make bond payments. Ms. Hylton said the payments cannot be pre-paid prior to 2023. There was no further discussion. Motion passed unanimously by voice vote.

**4. Consideration of School Endowment Fund Committee Appointment**

Ty Mase reported that the school board consented to the Assembly's recommendation of Becky Boettcher from Chignik to the School Endowment Fund Committee. The committee is scheduled to meet tomorrow for the first time. Motion was made by Assembly member Alvarez to appoint Becky Boettcher to the School Endowment Fund Committee. Motion was seconded by Assembly member Olsen. There was no further discussion. Motion passed unanimously by voice vote.

**5. Resignation of Danica Wilson from Planning Commission**

Kate Conley presented a letter from Danica Wilson. Ms. Wilson resigned from the Planning Commission because she is absent from the Borough for the majority of the year. The Assembly accepted the resignation of Danica Wilson by consent. The staff was instructed to send a letter of appreciation to Ms. Wilson.

**6. Consideration of Planning Commission Appointments**

The Mayor explained that there are two positions are open, one in each district, on the planning commission. For District 2, Adrianna Christensen from Port Heiden sent a letter of interest. The Mayor asked Scott Anderson if he knows Adrianna. Assembly member Anderson said that Adrianna is good people and a hard worker. The Mayor recommended Adrianna Christensen to the Assembly to serve on the Planning Commission. Motion was made by Assembly member Olsen to accept the Mayor's recommendation and appoint Adrianna Christensen to the Planning Commission. Motion was seconded by Assembly member Pedersen. Motion passed unanimously by voice vote. For District 1, Terry Mann from Kokhanok sent in a letter of interest. The Mayor asked Nathan Hill about Mr. Mann. Mr. Hill said that Mr. Mann is the Kokhanok Village Council president and has been interested in serving on the Planning Commission for some time. The Mayor recommended Terry Mann to the Assembly to serve on the Planning Commission. Motion was made by Assembly member Alvarez to accept the Mayor's recommendation and appoint Terry Mann to the Planning Commission. Motion was seconded by Assembly member Salmon. Motion passed unanimously by voice vote.

**7. Request for Letter of Support from Alaska Peninsula Fuel Services LLC**

Victoria Briggs, Ugashik AK, explained that Alaska Peninsula Fuel Services LLC, a company she and her husband own, is requesting a letter for support. A loan program is available thru DCRA that will allow them to sell fuel to fellow villagers. The loan program is often for municipalities, but it is offered to private businesses if there is no other business in the village selling fuel. This will allow APFS to sell heating fuel in the village of Ugashik at a lower price. Delta West won't deliver fuel to Ugashik because the village cannot purchase the ten to twenty thousand gallons that are the minimum purchase for Delta Western. Now villagers' only option is to haul on boats or over the tundra. Assembly member Anderson asked how much fuel APFS stores at one time. Ms. Briggs said they store between five and eight thousand gallons per year. They have one double wall tank and two single wall tanks. They do adhere to code and laws about fuel storage. Roland Briggs, Ugashik AK, said that if the storage and usage are less than 42,000 gallons the State is not concerned, however APFS does have a spill prevention plan. Ms. Briggs added that if their business grows, they will work with the planning commission. The point was made that the Ugashik River did not freeze this year, so fuel had to be hauled across the tundra, which is very difficult. Planning Commissioner Art Woinowsky, Ugashik, said the village has made arrangements, so there is another option. In addition, he

said, it is legal to transport the fuel across the tundra. The Mayor asked why time of year the fuel comes in. Ms. Briggs said it arrives in the spring. Mr. Briggs said it can arrive in the fall, but the fuel is usually more expensive in the fall. Assembly member Ravenmoon asked if a letter of support is sent from the Assembly for APFS, does that limit the opportunity for other businesses or entities to get these loans. Ms. Briggs said no, that fuel can still be brought in by anyone. Assembly member Pedersen said this seems like a “no-brainer” as it is helping the community. Mayor Alsworth asked to abstain from the voting as he benefits from and buys fuel from APFS. His abstention was approved by consent of the Assembly and the Deputy Mayor chaired the rest of the agenda item. Motion was made by Assembly member Pederson to authorize a letter of support from the Assembly to DCRA for Alaska Peninsula Fuel Services, LLC. Motion was seconded by Assembly member Alvarez. Motion passed unanimously by voice vote with Mayor Alsworth abstaining for conflict of interest.

#### **8. Request for Letter of Support from BBNA re Subsistence Management**

The Mayor said it appears BBNA is doing subsistence studies. Motion was made by Assembly member Pedersen to authorize a letter of support from the Assembly for BBNA subsistence management. Motion was seconded by Assembly member Salmon. Assembly member Olsen asked about other villages not listed. Assembly member Alvarez said it appears the study is only targeting Federal land and water. Nathan Hill asked what is being done with the information. He cited other studies that were done on the seals in Iliamna Lake that in turn were used in an attempt to declare them endangered species. Planning Commissioner Bumpus said that Lisa Scarborough had recommended the study and said it is a good project. Assembly member Alvarez wondered if the information goes to the RAC. Assembly member Olsen said she is not comfortable make spur of the moment decisions. Assembly member Pedersen asked to rescind his original motion. The seconder, Assembly member Salmon agreed to rescind her second. Assembly agreed to the removal of the original motion by unanimous consent. Motion was made by Assembly member Alvarez to table the request for a letter of support from BBNA re subsistence management. The motion was seconded by Assembly member Olsen. Motion passed unanimously by voice vote.

#### **G. UNFINISHED BUSINESS - none**

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

##### **Regular Meeting, Monday April 6, 2015 – King Salmon AK**

There was discussion of the next Special Assembly meeting on March 27, 2015 at 8:30 am.  
There was discussion of the other meetings that would take place in April.

#### **I. CITIZEN'S COMMENTS -**

#### **J. ASSEMBLY COMMENTS**

**Myra Olsen** – Assembly member Olsen asked about the Borough writing a letter to legislators in favor of reinstating personal income tax. Motion was made by Assembly member Olsen to authorize the staff to write a letter from the Assembly to the legislature supporting personal income tax. Motion was seconded by Assembly member Alvarez. Assembly member Ravenmoon suggested this action should be tabled and discussed more. She said it is not fair to bring it up at the end of the meeting. The Mayor noted that if there is not income tax, the residents pay for all services that nonresident workers use. There was a discussion of tax options. Assembly member Olsen asked to rescind her original motion. The Seconder, Assembly member Alvarez, agreed to rescind his second. The Assembly agreed to remove the original motion by unanimous consent.

**Christina Salmon** – Assembly member Salmon welcomed new Assembly member Scott Anderson to the Assembly.

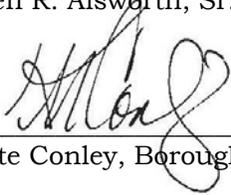
#### **K. MAYOR'S COMMENTS – none**

#### **M. ADJOURNMENT**

Motion was made by Assembly member Salmon to adjourn the Assembly meeting. Motion was seconded by Assembly member Pedersen. Motion passed unanimously. The meeting was adjourned at 5:30 pm



\_\_\_\_\_  
Glen R. Alsworth, Sr., Mayor



\_\_\_\_\_  
Kate Conley, Borough Clerk

April 6, 2015

\_\_\_\_\_  
Date