

**LAKE AND PENINSULA BOROUGH  
REGULAR ASSEMBLY MEETING & WORKSHOP  
Monday, April 6, 2015 3:00 p.m.**

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

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

Guests: Ty Mase, Superintendent, Lake and Peninsula School District  
Don Bumpus, Planning Commissioner, Chignik Lagoon AK  
Diane Chung, Superintendent, Katmai National Park  
Stacy Hill, Igiugig AK  
Art Woinowsky, Planning Commissioner, Ugashik AK  
Victoria Briggs, Ugashik Village AK  
Roland Briggs, Ugashik Village AK  
Terry Mann, Kokhanok AK  
Lary Hill, Iliamna AK  
Adrienne Christensen, Port Heiden AK – 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 April 6, 2015 at 3:11 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 Myra Olsen, Alvin Pedersen, Michelle Pope-Ravenmoon and Christina Salmon present. Assembly member Randy Alvarez was absent, excused.

**C. APPROVAL OF AGENDA -**

A motion was made by Assembly member Salmon and seconded by Assembly member Pedersen to approve the agenda for the April 6, 2015 regular meeting with the addition of item H. 6. Additional Leases. Motion passed unanimously by voice vote.

**D. APPROVAL OF MINUTES -**

Motion was made by Assembly member Olsen to approve the minutes of March 16, 2015 regular meeting and the Special Assembly meeting minutes from March 27, 2015 as presented. Motion was seconded by Assembly member Pedersen. The mayor called for any scrivener's errors. None were noted. Motion passed unanimously by voice vote.

**E. PRESENTATIONS AND WORKSHOP**

1. Borough Budget Presentation – Susan Edwards, Borough Finance Officer, presented a Power Point presentation. She said she is projecting revenue of \$5.8 million for FY16, of which \$2 million is a transfer from the general fund for \$2 million for the Chignik dock. She noted that the transfer of \$2 million is subject to when the State requests the funds and it may happen yet in this fiscal year, in which case the expenses and revenues for FY15

and FY16 would be adjusted with an ordinance for budget amendment. The other revenues are conservative estimates and the actual may exceed. In addition, the legislature may effect State Revenue Sharing and State Fisheries Sharing revenues.

Ms. Edwards explained that the School Endowment Committee made a recommendation to the Assembly to create two new funds. One for career/technical education (CTE) and one for preschool. Ms. Edwards explained that those funds are not in this budget because the Assembly must direct staff to create the funds, not the School Endowment Committee. Ms. Edwards also noted that this is the last year to make payments on the 2016 school bond.

## **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 the Assembly he spent most of his time on the following projects:

- SWAMC – Mr. Hill attending a meeting of SWAMC in Iliamna regarding an energy plan SWAMC and BBNA are working on which will include LPB villages. With this plan, Mr. Hill will work with the Department of Energy to seek federal money for energy projects
- School Funding – The school staff, LPB staff and the school endowment committee are working toward establishing sustainable budgets. Mr. Hill said he sees three options: 1) Cut expenses; 2) Increase revenue; 3) A combination of both. He says he believes a combination of both increasing revenues and cutting expenses will have to be employed to establish long-term sustainability. He said the LPB finance department has been working hard to increase leases and guide taxes. He added that Agnew::Beck consulting will have an employee facilitate a conversation about long-term planning on Wednesday that will include education.
- Chignik Lagoon Hydro – The hydro project is online and running. While the project is functioning, it is not finished. The road erosion still needs to be addressed. Assembly member Pedersen said the turbine is working well, but the silt and gravel keep sliding onto the road.
- Chignik Dock – The dock should be out to bid soon. There are still some environmental permit issues and design work to be done.
- Kokhanok Wind – There was some discussion of the computer systems for the Kokhanok wind turbines.
- Legal Issues – Mr. Hill joined the finance officer and visited with Guess & Rudd. He explained that Jim DeWitt will still be the Borough Attorney, but Jim is retiring and we are beginning to transition to a different associate, Michael McLaughlin, with Guess and Rudd. He said he felt good about the meeting.

Assembly member Olsen asked about the ferry schedule. Mr. Hill said the legislature considered cuts, but at this time, there are to be no changes to the current schedule and the funding should be in place this year.

**3. Consultant's Report** –

1. **Cotten** – no further discussion
2. **Loeffler** – no further discussion

**4. Community Development Coordinator's Report** – Ranya Aboras reported that she is awaiting updates to complete the large map in the office. DCRA is doing two permits: one for seismic monitoring and another for old Iliamna Road. There have been nine new land leases. New contracts are coming in on the scrap project from villages. Ms. Aboras attended an environmental conference at Katmai National Park. Two new planning requests were reviewed today by the Planning Commission and the commission set a public hearing for one of them. She has been working on matching CIP funding requests with possible grant options. She has also been working with Kate Conley on a leadership project and has completed a survey for

students that will be administered in the fall and has found a grant application that is due in June that could fund the project.

5. **Planning Commission Minutes** – Ranya Aboras gave an update on a permit that was approved in March. She gave answers to questions that were asked at approval.
6. **Fishery Report**– Assembly member Olsen reported that she went to the board of fish meeting in Anchorage and was glad she did. The group studying the proposed escapement change in the Ugashik district did a good job. The outcome was that the low escapement goal will be the same and the high escapement goal will be increased. The advantage will be when the run is large.
7. **Finance Report** – Susan Edwards reported that the finance department has been working on preparing a budget. She attended a CDBG training and has concluded the reporting requirements are extensive. Revenue looks good so far this fiscal year. There are a lot of land leases on this agenda and there will be more in May.
8. **Lobbyist’s Report** – The Mayor said he saw reported in the newspaper this morning that the legislature is considering an income tax. He explained that the justification is simple. The local citizens pay for all services now; however, people from outside who come to Alaska to work get a payroll check but they do not pay for any services. The Mayor asked for Bob Loeffler to produce a memo on the effects of an income tax with numbers and dollar amounts.
9. **Clerk’s Report** – Ms. Conley told the Assembly there will be a lot of meetings over the next couple days. The election envelope has been redesigned and will be ordered. She has been working with Ranya Aboras on a leadership project, as Ranya reported earlier. New website proposals have been received and staff is reviewing them. Revenue sharing letters have been sent to the villages and are due back in the clerk’s office on April 30<sup>th</sup>. Ms. Conley recommended the May meeting be on May 11<sup>th</sup> instead of the 18<sup>th</sup> due to conflicts with other meetings and trainings. Assembly member Ravenmoon requested the meeting minutes be updated on the website.
10. **School Superintendent’s Report** – Ty Mase explained that there will be a change to the health care plan. In 2018 the healthcare reform will require the school district to pay a 40% Cadillac tax if they plan stays like it is because it is too generous. The changes to the plan will save the school district a lot of money. The plan is to offer dual plans and an incentive for employees to switch to a higher deductible plan. The district will offer an option of a plan with a high deductible with a health savings account. The plan will cover minor maintenance and major medical, but not a lot of little stuff. The will be a good plan for young healthy employees.
11. **Student Representative Report** – none was given.

#### **G. CONSENT AGENDA**

Motion was made by Assembly member Olsen to approve the consent agenda as presented.  
Motion was seconded by Assembly member Pedersen. The Mayor called for any questions. There were none. Motion passed unanimously by voice vote.

#### **H. NEW BUSINESS**

1. **Lease Ordinances – Ordinances 15-04, 15-05, 15-06, 15-07 and 15-08 - Hearing & Decision**

Motion was made by Assembly member Anderson to open ordinances 15-04, 15-05, 15-06, 15-07 and 15-08 for public hearing. Motion was seconded by Assembly member Pederson.  
Motion passed unanimously by voice vote. The public hearing was open at 4:04 pm. The Mayor explained that these are leases for property owned by the Borough along the beach in Egegik. The land was transferred from the State to the Borough as a municipal land

entitlements. The Borough Clerk reported that the ordinances had been properly noticed and no comments, either written or oral, had been received. Assembly member Pedersen asked how long the lessees have been on the property. He was told by staff that in some cases people have been on the property for decades, but never paid the state or the borough for use of the land. The Mayor called for additional testimony or questions. There was none. Motion was made by Assembly member Olsen to close the public hearing. Motion was seconded by Assembly member Anderson. Motion passed by unanimous voice vote. The public hearing was closed at 4:07 pm

Motion was made by Assembly member Olsen to adopt ordinances 15-04, 15-05, 15-06, 15-07 and 15-08. Motion was seconded by Assembly member Salmon. The Mayor called for discussion. There was none. Motion passed unanimously by voice vote.

**2. Ordinance 15-03 Section 6 Changes - Introduction**

Motion was made by Assembly member Olsen to introduce Ordinance 15-03 and to set a public hearing for May 11, 2015. Motion was seconded by Assembly member Anderson. Susan Edwards explained that this ordinance does not have a fiscal impact on the taxes, but clarifies definitions. It changes the way the payments are made to the leases and is generally cleaning up the code. The Mayor called for discussion or questions. There were none. Motion passed unanimously by voice vote.

**3. Ordinance 15-09 School Endowment Committee term - Introduction**

Motion was made by Assembly member Olsen to introduce Ordinance 15-09 and set a public hearing for May 11, 2015. Motion was seconded by Assembly member Anderson. The Mayor called for discussion. Kate Conley explained that the School Endowment Fund Account (SEFA) Committee met and recommended this change to the ordinance. The Mayor explained that the way the code is currently written, the school endowment fund could only be accessed when the principle reached the point where the interest alone would fund the school contribution. To make the fund more flexible, the change of language is needed. The Mayor also noted that the SEFA committee has recommend creating two funds, one for preschool and one for career/technical education. Ms. Conley added that should could not add that to the ordinance as she needs additional direction regarding funding and usage to draw up the ordinance. The Mayor assured the Assembly and staff the SEFA committee would work that out at their meeting the next day. There were no more questions. Motion passed unanimously by voice vote.

**4. Ordinance 15-11 Borough Budget - Introduction**

Motion was made by Assembly member Olsen to introduce Ordinance 15-11 and set a public hearing for May 11, 2015. Motion was seconded by Assembly member Pedersen. The Mayor called for discussion. The Mayor asked if the school contribution is in the budget. Ms. Edwards said the amount they requested is in the budget. There was no further discussion. Motion passed unanimously by voice vote.

**5. Request for CIP Funds – Nondalton – Equipment & Vehicle Repairs**

Motion was made by Assembly member Anderson to accept the CIP Fund request from Nondalton. Motion was seconded by Assembly member Olsen. Kate Conley asked the Assembly to consider whether the work outlined, which included equipment rental, was capital expense. The Assembly determined that the overall project is a capital expense and therefore a capital project. Motion passed unanimously by voice vote.

**6. Additional Lease Ordinances – Ordinances 15-16, 15-17, 15-18, 15-19 and 15-20 - Introduction**

Motion was made by Assembly member Pedersen to introduce Ordinances 15-16, 15-17, 15-18, 15-19 and 15-20 and set a public hearing for May 11, 2015. Motion was seconded by

Assembly member Salmon. The Mayor called for discussion. There was none. Motion passed unanimously by voice vote.

**G. UNFINISHED BUSINESS - none**

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

The Mayor said that at the last meeting there was question about why the study would only be for a portion of the villages in LPB. The answer is that the study is paid for with federal funds and so it will be conducted on federal lands. Motion was made by Assembly member Olsen to take the request for letter of support from BBNA from the table. Motion was seconded by Assembly member Salmon. Motion passed unanimously by voice vote. 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 Anderson. The Mayor said that he hopes valuable information will be gained from the study. Motion passed unanimously by voice vote.

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

**Regular Meeting, Monday May 11, 2015 – King Salmon AK**

There was discussion of the next Special Assembly meeting on May 11, 2015. The Assembly requested to go to Chignik Lagoon in May to see the completed hydro project.

**I. CITIZEN'S COMMENTS -**

**Tim Veal** – Susan Edwards handed out a letter from Mr. Veal, who was not present. The Mayor explained that the person who owns the title to any piece of land is liable, regardless of who did the contamination. Ranya Aboras agreed and added unless it is spelled out in a contract. The Mayor said yes, but a contract is only between the two people and gives one party the ability to sue the other. The State will still hold the owner liable. Ms. Aboras said she would have to research the contract from the State to see if the land contamination is addressed. The Mayor said there is a simple solution: To sell the land. The Borough may be terribly liable if required to pay remediation. Don Bumpus, Chignik Lagoon said he thought some legislation passed that made any contamination the responsibility of the previous owner. The Mayor suggested that the Borough investigate selling property. Art Woinowsky, Ugashik, said a lease fee of \$1000 is not much, and asked if the administrative expense exceeds the fee. The Mayor conceded that yes, initially the administrative costs are high, but renewing is not expensive. Mr. Woinowsky noted that the lease says the property will be inspected by the Borough. Nikki Reed, Assistant Finance Officer, said that she has seen an interesting trend in those that sign a lease toward cleaning up their properties.

**J. ASSEMBLY COMMENTS - none**

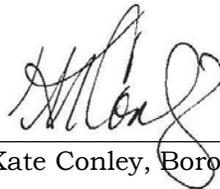
**K. MAYOR'S COMMENTS – none**

**M. ADJOURNMENT**

Motion was made by Assembly member Salmon to adjourn the Assembly meeting. Motion was seconded by Assembly member Anderson. Motion passed unanimously. The meeting was adjourned at 4:25 pm



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Glen R. Alsworth, Sr., Mayor



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Kate Conley, Borough Clerk

May 11, 2015  
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Date