



Lake and Peninsula Borough

*P.O. Box 495
King Salmon, Alaska 99613*

*Telephone: (907) 246-3421
Fax: (907) 246-6602*



PLEASE POST

REGULAR ASSEMBLY MEETING

Tuesday, March 15, 2016 11:00 a.m.*

NOTICE AND AGENDA

Notice is hereby given that the Lake and Peninsula Borough Assembly will hold its regular meeting on Tuesday March 15, 2016 at 11:00 a.m.* via teleconference from the offices in King Salmon, AK *note the time is subject to change. The meeting will not begin before the posted time, but it is possible the meeting may begin after the posted time due to travel, weather and/or scheduling inconsistencies. This is a public meeting and the public is invited and welcome to participate. This meeting may be accessed by teleconference. The teleconference number is 1-866-339-5580. Enter pass code *2288317*. Any questions, please contact Borough Clerk, Kate Conley at 907-246-3421 or 1-800-764-3421 or kateconley@lakeandpen.com.

NOTE: Due to telephone service inconsistency inherent to rural Alaska, the Borough meeting may not always be available in all locations or audible.

A. CALL TO ORDER

B. ROLL CALL

C. APPROVAL OF AGENDA

D. APPROVAL OF MINUTES

1. January 26, 2016
2. February 15, 2016

E. MANAGER'S & STAFF REPORTS

1. Introduction of Guests
2. Manager's Report
3. Consultant's Report
4. Community Development Coordinator's Report
5. Planning Commission Minutes
6. Fisheries Report
7. Finance Report
8. Lobbyist Report
9. Clerk's Report
10. Superintendent's Report
11. Student Representative Report

F. CONSENT AGENDA

G. NEW BUSINESS

1. Ordinance 16-01: 25 Year Land Lease for NWA Outfitters, LLC – *Hearing & Decision*
2. Ordinance 16-02: 5 Year Land Lease for F. & J. Hoff – *Hearing & Decision*
3. Ordinance 16-03: FY 2016 Budget Amendment - *Introduction*
4. Resolution 16-06 re Support of Legislation Improving Alaskan’s Access to Fisheries
5. Resolution 16-07 re Support of Extending the Termination date of the AREAP

H. UNFINISHED BUSINESS - none

I. TIME AND PLACE OF NEXT MEETING

Regular Meeting, April 13, 2016 – Newhalen (AA Meet with the students)

J. CITIZEN’S COMMENTS

K. ASSEMBLY COMMENTS

L. MAYOR’S COMMENTS

M. ADJOURNMENT

N. INFORMATION

D. 1.
Minutes
January 26, 2016

Lake and Peninsula Borough
Regular Assembly Meeting
March 15, 2016

**LAKE AND PENINSULA BOROUGH
ASSEMBLY WORKSHOP
Monday, January 25, 2016 2:00 p.m.**

Assembly: Mayor Glen Alsworth
Randy Alvarez
Scott Anderson
Myra Olsen
Alvin Pedersen
Michelle Pope-Ravenmoon
Christina Salmon
Natalya Shellikoff, Student Representative, Port Heiden AK

Staff: Kate Conley, Clerk
Susan Edwards, Finance Officer
Nathan Hill, Borough Manager
Nikki Reed, Assistant Finance Officer

Guests: none

Nathan Hill explained that this workshop is to discuss the financial status of the borough and the upcoming budget. Assembly member Salmon asked if other borough in the state have the same challenges. Mayor Alsworth said that most do not have the savings LPB does.

Nathan Hill said that since the December workshop, the staff has been discussion the budget. He read a quote from the Declaration of Independence. He said this workshop is to discuss the future of the borough and talk about the philosophy of and why the borough was formed. This will guide the budget process. It is good to know the historical context of the borough and who formed it. In conjunction with this, he said he also wants to discuss some general questions to guide and direct the budget discussion.

There was a brief history sent out via email last week with questions. Print out of this discussion were available.

Myra Olsen said she is proud to serve on the Assembly. It is the only board she serves on that she thinks makes sense. She is glad to share the Borough actions with others. The borough is unique and different. The Assembly is here to help the villages, not to tell them what to do. Forward funding is becoming more common and accepted. She said she is strongly opposed to changing any of the philosophies that formed the Borough. It is government done right.

Mayor Alsworth said a year or two ago, he went through a process with the Foraker Group for a business plan. Each business had to have a vision statement, what do you exist for, a mission statement, why the business exists, and policies for how to carry out the vision and mission statements. The Assembly needs to think through whether the original vision, mission and policies for the borough are still relevant. This discussion is crucial to where we are going to be in the future. We are in as good of shape as we are now because someone did this years ago. The assembly need to revisit and reaffirm why the Borough exists and how we do things.

Mayor Alsworth said everyone hates taxes. Assembly member Ravenmoon shared that her family on her dad's side is from Ohio and were told they could come to Alaska and claim land. Her father chose to claim as little land as possible because he was afraid some day they would have to pay taxes on the land. Mayor Alsworth said her father probably would have voted against the formation of the borough because of fear of paying taxes. Many of the people who helped to form the borough were afraid of

government and the establishment of taxes. At the first Borough meeting, the Assembly chose not to tax residents. If the Borough has to hurt residents to exist, then the Borough should not exist.

For what purpose(s) does the Borough exist? The Mayor said that initially the borough was formed to protect the school district territory. Originally, there was no expectation that the Borough would fund the school, but that they would protect the district from encroachment. They wanted the decision made for the school and the students to be made locally. The best way to keep the decisions local was to form the school district. The group of people that created the Borough wanted local people, not someone in Juneau or Washington DC, to make decision that effect the people of the Lake and Peninsula Borough. They did not want the borough to exist to create a huge budget that fuels a big government. There was initially a fear that the area would be taken over by neighboring government entities. Then there was fear of taxes. The question is, do people still want local decisions?

Nathan Hill said that decisions made by the Assembly effect everyone in the Borough. One of the philosophies of the Borough is to support communities to support themselves. The more likely dollars are spent close to home, the more likely the transactions will be transparent. There was a discussion of how the Borough does not take a portion of the funds for administration. Assembly member Olsen said she agrees that it is best the Borough not charge an administration fee and to pass along as much money as possible. LPB does with five employees, what other entities do with 85 employees. The Mayor added that he and the other original founders of the Borough are not against government, they just want to do the opposite of what government does that people hate. People hate taxes, then we aren't going to charge taxes.

Mr. Hill said the State budget is forcing other governments to ask these same questions. Taxes should not go to support the government, but to support he communities. Taxes should be as little as is needed, and nothing more. Otherwise, the government will figure out how to spend the surplus and it is too easy to become bloated. Another tax may require us to hire an additional employee to administer that tax, and it can snowball on itself. The Mayor said that 250 years ago, the US Government was formed because of taxes. People were angry because they were taxed without representation.

Mr. Hill said that guidance is needed so that decisions are not made out of desperation. Long term decisions will steer proactively. He added that the Assembly can made short-term decision for the current situation, but needs to come up with long-term sustainable solutions into the future. Assembly member Alvarez said that he sees his role on the Assembly to make decision so that the Borough does not get into desperate situation. The state of the State does not look good. Oil was only \$29 per barrel today. The State is not going to have much money for a long time – as long as ten years. The price is so low, there are no companies that are going to be exploring. There is not going to be a new source of income anytime soon. The permanent fund is subject to the global market and has already lost \$3 billion in principle in the last year. Two years ago, the expectation was the price of fish would be higher.

Assembly member Ravenmoon said that the values that the Borough were formed on, is one of the reasons she ran for office. She said she believes in the values that founded the Borough and believes government is for the people. She said she still stands behind the Borough and what is good for the communities. She said she has more challenges with economic and business growth and how we can support our communities and help them strengthen their communities, as well as their health and safety. The last several years, the Borough focused on alternative energy. She would like to see the focus and energy that grew the alternative energy projects, applied to economic growth and health programs. The Borough needs to look at new challenges. Assembly member Pedersen asked how to tackle economic development. Assembly member Ravenmoon asked how we can help the residents be more self-sufficient.

Mr. Hill said the Borough has a policy to promote businesses. What helps the business owner, helps the Borough. If their businesses are healthy, it helps the Borough be healthy. Nikki Reed, Assistant

Finance Officer, said that one of the things to help the businesses is the new website. There is a list of guides and bed and breakfasts on the website. She said she has been in touch with all the stakeholders, and the Borough wants to promote LPB as the destination for Alaska. This is a small step toward promoting the economic drivers in the Borough. Not much can do to promote fish, but can promote recreation and tourism. Assembly member Pedersen said that, as far as promoting, there is as much being done as can be. Susan Edwards said that, because the communities are small, there is not much opportunity for commerce, and the real challenge is to get outside money into the village. The Borough should encourage economic development and support it. It needs to be part of the future. The Mayor agreed that money from the outside is a necessity. There is not enough local revenue to support businesses, so outside money needs to be the target. He added that the Borough does not require anything from a business owner that the Borough can exempt. All requirements are from the State and Federal governments. What is missing from a lot of borough residents is the mental grasp of how to start and maintain a business.

Assembly member Olsen said there is also a need for infrastructure in the villages. A little piece of this problem might also be vocational training. Perhaps if carpenters need certification, then they could be required to build a house in the village to become licensed. Mayor Alsworth referenced Assembly member Ravenmoon's comment about health. He said that it has always struck him how ineffective government is at changing social norms. Social changes are the responsibility of parents. If they teach integrity and morality, then people grow up to be good citizens. The Borough can't teach values, only parents can. Mr. Hill said that the results of some well-intentioned programs that the government has brought to communities, like subsidized heat, food and housing, has given people less incentive. They are robbing them of ownership and pride and healthy values. We have to be careful of the things we support. Assembly member Alvarez said you make people dependent on government and it does not do them good. Some states have just as many people on welfare as they have working. That is making the situation worse. Mr. Hill said that there are systems in place that are well-intended but in some ways they have gone backward. The mental health system is getting worse. Until there is ownership of these problems. There will be these problems. The efforts should be grassroots, not from outside.

Assembly member Ravenmoon said we are looking at this from only one way. She challenged the room to think about the problem from the values that LPB was built on. The communities should come the Borough with their problems, not the Borough come to them. IN general, Alaskans think very independently and differently. Rather than think about how LPB can run a program, but how we can support the communities' ideas. Our mission is to help our communities be well. The Mayor agreed that the Borough has to support, not impose. The communities need to be empowered to be solution oriented, not take the power away. Ms. Edwards said that encouragement is as helpful as support. The Borough could do a better job. Assembly member Olsen agreed that the Borough could celebrate successes more. Assembly member Salmon added that Ranya Aboras, the Community Development Coordinator, is doing a good job of sending information of opportunities to the communities. The Mayor asked again, is every resident, business, community, student, better off because the borough exists.

Assembly member Alvarez said that the fishermen are only fishing for the processors. The processors are only going to give the least they can to fishermen. If you can become your own processor, then you are in control of your market. Assembly member Pedersen said most fishermen don't know how to get around the regulations. Assembly member Alvarez said that the Borough can help them with that. Assembly member Anderson said that the cells alive system (CAS) can help with keeping the fish fresh. Assembly member Alvarez said that running a lodge takes a lot of initial investment. Assembly member Pedersen said it would be neat if the planning commission could be a resource for this kind of help.

Mr. Hill asked if, in summary, this discussion has been helpful and worthwhile. Assembly member Pedersen said the discussion reminds him to keep it simple. Assembly member Alvarez said that things have to be kept simple. The Borough cannot afford to give away money, but LPB can give help.

Mr. Hill asked the Assembly if they should do more of this kind of conversation. The Mayor said that early on, the Assembly put in a disciplined savings policy with the thought that the day would come when it is needed. The question, he said, is whether that day is now. Assembly member Alvarez said either use the savings or cut the budget. The Mayor acknowledged that the Borough has not been truly forward funded for years.

There was a discussion of the current budget situation. Situations have changed. The school used to not need additional money, but the Borough has always given more than the State's minimum required local contribution. The school now has 300, not 400 students. Now, because of cuts to the State school support, the school district needs more than the Borough has been giving. There is a school endowment fund to aid for hard times. Assembly member Anderson said that it is time for the communities to realize they need to start purchasing their own items, because there are good programs available to pay back the energy projects, for example, if there is a reduction in PCE.

There was a discussion of the Kokhanok wind generator system. Ms. Edwards said that capital projects are an investment in public goods. The projects need to be part of the Borough's purpose and that such projects directly benefit the residents. The Mayor said that one of the purposes to become a Borough was to be able to assist with capital projects, not only with money, but also to provide an advantage because of our collective strength. Assembly member Alvarez says he sees the advantage when the Borough issues an RFP. The bid is often awarded to a local contractor, whereas State RFPs are given to out of state companies. The goal should be to try to keep Alaskans working. Ms. Edwards pointed out that the USDA & HUD have strong local hire components. There was a discussion of local hire and grant money.

The Student Representative, Natalya Shellikof commented about the discussion. She said it is good that the Assembly and Borough are trying to help the community. Government is necessary and it can be a good thing. Assembly member Pedersen said that this is a good discussion to have with the kids. This is going to be their future. Mr. Hill said that we are just a few, but maybe there are some other good ideas floating around. It is a public process and the public should be educated and informed. Assembly member Olsen said that this topic should be the focus of a short meeting with the student government.

Mr. Hill asked to review the topics from the December meeting. Ms. Edwards said that a lot of the things discussed today she would like to represent in a proportional sense. The graph in her report had revenue sources viewed as a percentage of total revenue. We are relying on fish tax, she explained, for the bulk of the revenue and it as represented in the graph how it differs year to year as a percentage of total revenue. The percentage over time has been relatively stable for revenue from the state which has been 1/5 of our budget, for the most part; however, cuts at the State level to these income streams will have a severe affect on Borough finances. The other bar on the graph are PILT and PILD payments, which as a percentage of revenue has come to an end. There has been growth on tourist taxes in the last year, but it is only 12% of the income total. Fish tax is what the Borough is really relying on; however, fish tax has a volatility. It was stable for a couple years, but it is not sustainable. We had fat years, and now we are seeing the lean. Next year is going to look a lot like last year. There was discussion of the bed tax and guide tax growth income. It may grow, but it is not likely to grow more than incrementally. Ms. Edwards said that the tourist taxes cannot make up for a drop in fish price, or a reduction in state revenue. There was a discussion of the potential for land leasing. There was a discussion of bed and guide tax.

The workshop was adjourned at 5:12 pm.

**LAKE AND PENINSULA BOROUGH
REGULAR ASSEMBLY MEETING
Tuesday, January 26, 2016 9:00 a.m.**

Assembly: Mayor Glen Alsworth
Randy Alvarez
Scott Anderson
Myra Olsen
Alvin Pedersen
Michelle Pope-Ravenmoon
Christina Salmon
Natalya Shellikoff, Student Representative, Port Heiden AK

Staff: Kate Conley, Clerk
Susan Edwards, Finance Officer
Nathan Hill, Borough Manager

Guests: George Jacko, Pedro Bay AK

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 January 26, 2016 at 9:00 a.m. in the main lodge of Gold Creek Lodge, King Salmon AK. The meeting was broadcast via teleconference.

B. ROLL CALL

A quorum was established with Mayor Glen R. Alsworth, Sr. and Assembly members Randy Alvarez, Scott Anderson, Myra Olsen, Alvin Pedersen, Michelle Pope-Ravenmoon, and Christina Salmon were present, as well as Student Representative Natalya Shellikoff, Port Heiden AK

C. SWEARING IN OF NEWLY ELECTED OFFICIALS

Borough Clerk, Kate Conley, swore in Assembly members Salmon, Olsen and Anderson and Mayor Alsworth.

D. APPROVAL OF AGENDA -

A motion was made by Assembly member Olsen and seconded by Assembly member Salmon to approve the agenda for the January 26, 2016 regular meeting. Motion passed unanimously by voice vote.

E. APPROVAL OF MINUTES

A motion was made by Assembly member Olsen to approve the minutes of November 17, 2015 and December 1, 2015 as presented. Motion was seconded by Assembly member Salmon. There was no discussion. Motion passed unanimously by voice vote.

1. November 17, 2015

2. Special Assembly December 1, 2015

F. CONSENT AGENDA – none

G. MANAGER'S & STAFF REPORTS

- 1. Introduction of Guests** – The mayor invited each person in the room and on the teleconference to introduce themselves.
- 2. Manager's Report** – Mr. Hill said he has had a lot of discussion about the budgets since the last meeting. He said he was on the phone with Representative Bryce Edgmon and expressed,

due to fiscal challenges, the importance of Assembly members visiting Juneau this year to witness what is going on.

There is a group of fish issues that Chuck McCallum is following in Juneau, as well. The State is looking at income from fisheries management. There was a meeting last week to move the Chignik management to Anchorage. There will be another meeting coming up. Chignik has a rational argument for moving a portion of the management.

The Chignik dock construction was up for bid. The chosen contractor came in \$500,000 under bid. There were a couple of design models. Due to the low construction bid, a bigger dock can be built. The State is managing and owns the project. In the Borough's budget, there was a line item for a sinking fund for the Chignik Dock, but we do not know if we will need that yet. If the dock is still owned by the State this fiscal year, we will not need it.

A grant application went in on December 8, 2015 for the Kokhanok Wind project. If the grant is awarded, the Borough already has a potential contractor. The project is still making progress and eventually they will put out power and it will be a benefit to the community. The Mayor said that the original goal was 100% penetration. He asked what the latest goal is. Mr. Hill said that the current goal is to get it working. The best approach is to break the project into phases. The first is to get it up, running and a medium penetration. Diesels off is not even a conversation now. Once it is up and running, we can revisit the idea of full penetration.

Ranya Abora's mother's death has affected her deeply and it is too difficult for her to return to King Salmon. The Borough has been working with her to accommodate her at this time, as much as is possible. She will be tying up loose ends and submitting her resignation. The comprehensive plan was going to be updated, but given the staff and financial challenges, the plan may need to wait for now. Ultimately, the community development coordinator position is slow now due to the time of year, so it is good timing and not too much of a burden. Lamar Cotten and Bob Loeffler are available to help out if needed.

Assembly member Ravenmoon noted that Mr. Cotten's report does not address the capital project and asked Mr. Hill to discuss the Iliamna dock project. Mr. Hill said this project was put out to bid and it was originally hoped the structure could be rebuilt, but the contractor was unable to fulfill his contract. An entire year went by, while working with that contractor and additional damage was sustained by the dock. In the second year it was determined that the existing structure is a liability. An engineer reviewed the site and said salvaging it would cost a lot of money. To reduce the liability, we had to get rid of the facility. There were contractors who tie up to the site and wanted to continue doing so, but that wasn't viable. There have been a lot of ideas, but the budget available is small, so we could build a good barge landing. That is what we are doing because it is viable. It is not an ideal spot, but we can't afford to do anything beyond a barge landing. If people need more information, questions can be directed to Nathan Hill. Assembly member Alvarez said he talked to Tinny Hedlund and he said the village council is mainly concerned about getting the steel out. The original intent was to put in a facility to load and unload freight. It would have taken a lot to rebuild that dock. The dock there was more for tying up skiffs and boats. A barge landing was what people have wanted.

3. Consultant's Report

No discussion

3. Community Development Coordinator's Report –

Ms. Ranya Aboras, Community Development Coordinator (CDC) was not present and did not submit a report. Mr. Hill said that Ms. Edwards will work on the scrap haul out project. Ms. Conley will review the permits as they come in and ask the consultants for help if needed. There was no need for a planning commission meeting this month.

4. Planning Commission Minutes

No discussion

5. Fishery Report

Chuck McCallum, Fishery Advisor to the Assembly, had submitted a written report. Mr. Hill discussed a meeting he attend about the Chignik fishery management. Assembly member Alvarez said that there will be a Fish and Game advisory meeting tomorrow via teleconference. He will also be attending the area M Board of Fish meeting in February. There was a discussion of who is attending the meeting and if the Borough is receiving enough taxes from Area M fish that are intercepted. Assembly member Alvarez said that the fishermen are fishing outside their area, it is illegal. Assembly member Olsen said that area M has crept up the peninsula. It is an intercept fishery, but enforcement does not do anything. It is getting worse and worse and it impacts the fisheries to the north. The Mayor said that if they are appropriately paying the tax, for the Borough, it is better for us to have area M catch them, than for the fish to be caught in Naknek. Assembly member Alvarez said that mostly they are catching Ugashik fish. There was a discussion of the Levelock fishery. There was a discussion of cost recovery and how each State Natural Resource department will have to pay for their own enforcement. Chuck McCallum joined the conversation via teleconference. He said he sent an addendum to his report. He discussed an effort to fold CFEC into other managements. It is currently its own agency, and it is thought to be important to keep it independent. He encouraged the Assembly to write a resolution to support CFEC as an independent agency. He strongly recommended to pass the resolution. Motion was made by Assembly member Olsen to approve a resolution to keep CFEC as a separate agency. The Mayor said he would like to see how much it would take to save the agency. Assembly member Alvarez said there is no sense moving the agency if it won't generate much money. Motion died for lack of a second.

- 6. Finance Report** – Ms. Susan Edwards, Finance Officer, stated that her primary concern is for revenue. This is a slow time of year for revenue. The department is currently renewing business licenses and taking in lease payments. She is investigating the fish tax for the Chignik fishery and the possibility that some of the taxes are not being collected. She said she just received another check from Trident. Their numbers do not agree with the Borough's numbers. Regarding expenses, the Borough is running lower than budget, overall. The Mayor said, other than the difference in numbers, is it that the Borough is being overpaid. Ms. Edwards said no, the numbers do not err on the side of being overpaid. Assembly member Pedersen asked if the Finance Department goes off the final report from the State. Ms. Edwards said it is hard to reconcile the report from the State totals reported on fish tax returns. There is a report specific to the canneries that is used, as well as some compilations. It is hard to suss out the most accurate numbers. She said she does not think the Borough receives all of the numbers, but in order to request the numbers, she has to know what she does not have. She added that she does not believe there is a processors conspiracy, but there may be some categories overlooked. In the future, Ms. Edwards will take a more conservative number and use a historical mean of fisheries taxes for budget purposes.

7. Lobbyist's Report

Mark Hickey, Borough Lobbyist, had submitted a written report. There was a discussion of the Governor's budget. There was a discussion of the Small School Matter campaign. The initiative to increase the minimum enrollment is not likely to be proposed in a bill. There was a discussion of the struggle to access State hunt records. This will help the Finance department with compliance of guide taxes.

8. Clerk's Report

Borough Clerk, Kate Conley had submitted a written report. She noted that the website should be up and running by February 1, 2016. She reminded all elected officials to submit their

APOC POFD statements by March 15, 2016. She then outlined the plans for the February meeting in Newhalen and the ribbon cutting.

9. School Superintendent's Report

Ty Mase had submitted a written report. There was a discussion of the gym in Newhalen. Assembly member Alvarez asked when the school district wants their budget passed. The Mayor said that it does not need to be passed until May.

10. Student Representative Report

Natalya Shellikoff said that the Student Council has been discussing their own budget. They have enough money to either send eight representatives from each school for go to AASG, versus the one they sent last year, or get new prom decorations. To send students, they will give each school \$400, and then each school would be responsible to raise the rest of the money. Tanalian School has said that is not fair because they have 30 students, and so they would need to raise more money. If they do send students to AASG, they would have to use old decorations. The student council will be creating a new position on the council to go to all the Assembly meetings and to keep up with all the events on Facebook and Snapchat. Right now the students are getting ready for the AA meet. Ms. Conley said that a couple years ago the student representative told the Assembly that there was not much interest in student government, so it is encouraging to see so many students interested in going to AASG.

H. NEW BUSINESS

1. Election of Deputy Mayor

The Mayor called for nominations for Deputy Mayor. Assembly member Anderson nominated Myra Olsen for deputy mayor. The nomination was seconded by Assembly member Alvarez. There were no further nominations. The Mayor asked for unanimous consent. Assembly Member Olsen was elected Deputy Mayor by unanimous consent.

2. Resolution 16-01 Supporting an Independent CFEC Department

Mayor Alsworth said he would be interested to have Bob Loeffler's evaluation of this issue. CFEC was a special interest committee with a specific focus. To absorb into a general department may not save much money for the State. Their mission needs to stay true to their original mission upon formation. If there is a significant cost savings, then permit holders may need to pay for the additional cost of having this committee. Mr. Hill said that when he met with the Commissioner about moving the Chignik management, they said it would be too expensive to move the CFEC, but this last meeting they said that the expense is not the issue. The Mayor asked what the timing for passing this resolution needs to be. He said he would like to have a financial review by Bob Loeffler on the matter. Motion was made by Assembly member Pedersen to adopt Resolution 16-01. Motion failed for lack of a second. The Mayor said that there are two issues at play. One is cost savings, and the other is how the best way to run the CFEC is. If timing is critical, the Assembly could pass the resolution today, but if timing is not, he has more questions. Chuck McCallum said that there is no hurry. Assembly member Alvarez said that he would like to see more information. Assembly member Anderson agreed. Motion was made by Assembly member Alvarez to table the resolution until February. Motion was seconded by Assembly member Olsen. Motion passed unanimously by voice vote.

3. Resolution 16-02 Setting Per Diem Allowances

The Mayor said this is a resolution set each year. Mr. Hill said it is the same dollar amount as last year. Motion was made by Assembly member Alvarez to adopt Resolution 16-02 as presented. Motion was seconded by Assembly member Salmon. There was no further discussion. Motion passed unanimously by voice vote.

4. Liquor License Renewals

The Mayor explained that these are the liquor licenses in the Borough for the year. If the Borough contests any of the licenses, then now would be the time to bring the issue, otherwise this item is simply information. There was no contest. No action was taken.

K. CITIZEN'S COMMENTS

Susan Edwards read a letter from **Carl Donohue**, owner of Expeditions Alaska. Mr. Donohue wrote a letter expressing his feeling that the "cap" on bed tax is unfair to small operators. He suggests that the Borough is charging a higher rate than necessary and asked if there is room to lower the tax rate. He explained that he pays a lot of fees in addition to LPB taxes. He also suggested the form the Borough uses to report taxes should be altered to include instructions. He added that there is no notice to tax payers about an opportunity to comment on LPB matters. He asked for notification of meetings in the tax notices. Ms. Edwards said that she cannot think of a way to make filing the taxes simpler. She said that there is a pdf form that will calculate and do the math for the taxpayer. They are working to have that pdf carried over onto the new website. A lot of people like that they can pay their taxes online, even from their phone. The department has worked to make it as convenient as possible. Several people have challenged the cap and the accounting system. She said she is willing to work with anyone, as long as she can stay within the bounds of the code.

L. ASSEMBLY COMMENTS

Myra Olsen – Asked if flowers were sent to Ranya's mother's funeral. Ms. Conley said they were sent and received.

Randy Alvarez – Said he has found it difficult to find people willing to go to the Board of Fisheries meeting for Area M. Mr. Hill said that there is still money available from the \$25,000 the Assembly approved in October.

M. MAYOR'S COMMENTS

The Mayor said he has been thinking of budget and cost savings. One easy thing to do is to have every other meeting by teleconference. The cost of a teleconference is hundreds, and the cost of having a meeting is thousands. He said that the meetings could be structured right and could have heavy meeting items when meeting in person, and have lesser involved meetings by teleconference. This would be a cost savings. He added that the Borough needs to come up with a long range sustainable plan. Even if the plan is not tolerable, it will start the process and stop the deficit. He said it is an exciting time to maximize time and concentrate on core values.

N. EXECUTIVE COMMITTEE SESSION – per Borough Code 2.08.050 (B.)

Motion was made by Assembly member Olsen to go into executive session as per Borough Code 2.08.050 (b). Motion was seconded by Assembly member Salmon. Motion passed unanimously by voice vote.

The Assembly was recessed at 11:23 am and all persons left the room except the Assembly and Mr. Hill.

The meeting was reconvened at 12:00 pm.

No action was taken.

O. ADJOURNMENT

The meeting was adjourned by unanimous consent at 12:00 pm.

Glen R. Alsworth, Sr., Mayor

Kate Conley, Borough Clerk

Date

D. 2.
Minutes
February 15, 2016

Lake and Peninsula Borough
Regular Assembly Meeting
March 15, 2016

**LAKE AND PENINSULA BOROUGH
REGULAR ASSEMBLY MEETING
Tuesday, February 16, 2016 9:00 a.m.
VIA TELECONFERENCE**

Assembly: Mayor Glen Alsworth
Randy Alvarez
Scott Anderson
Myra Olsen
Alvin Pedersen
Michelle Pope-Ravenmoon
Christina Salmon

Staff: Kate Conley, Clerk
Susan Edwards, Finance Officer
Nathan Hill, Borough Manager

Guests: Chuck McCallum, Fisheries Advisor
Ty Mase, Superintendent, LPSD
Hannah Colton, Report, KDLG radio
Chad Senn, NWA Outfitters
Earl Sutherlin, NWA Outfitters
John Coleman, NWA Outfitters

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 16, 2016 at 9:00 a.m. via teleconference originating in King Salmon AK.

B. ROLL CALL

A quorum was established with Mayor Glen R. Alsworth, Sr. and Assembly members Randy Alvarez, Scott Anderson, Myra Olsen, Alvin Pedersen, Michelle Pope-Ravenmoon, and Christina Salmon were present on the conference call.

C. APPROVAL OF AGENDA -

A motion was made by Assembly member Salmon and seconded by Assembly member Pedersen to approve the agenda for the February 16, 2016 regular meeting. There was some discussion of adding items, but the items were determined to be able to wait until the March meeting. Motion passed unanimously by voice vote.

D. APPROVAL OF MINUTES

No minutes were available.

E. CONSENT AGENDA – none

F. MANAGER’S & STAFF REPORTS

1. Introduction of Guests – The mayor asked the clerk to introduce those on the teleconference.

2. Manager’s Report – Mr. Hill explained that the report in the packet is not the right one, instead he gave an oral report.

- Kokhanok Wind – He will be meeting with stakeholders this coming month to discuss funding for the project. The project is currently in a holding pattern.

- Chignik Dock – He has been discussion the details of the construction, the funding and the management of the dock.
- Iliamna Dock – The construction of the ramp is nearing. All systems are go.

Ranya Aboras, has resigned and will be leaving employment at the end of the month, Mr. Hill is working with her on her transition. He attended the ribbon cutting of the Newhalen gym. While at the ribbon cutting, there was a community meeting. Several subjects came up and the Assembly and staff will revisit the issues when they are in Newhalen in April.

3. Consultant's Report

No discussion

3. Community Development Coordinator's Report –

Ms. Ranya Aboras, Community Development Coordinator (CDC) gave her report orally. She began by thanking everyone for the opportunity to work for and with the Borough. She said that, while she is leaving the Borough, she remains available for any of the communities' needs or questions.

The City of Chignik was awarded \$139,000 CDBG grant to develop plans to for an access trail to their hydro facility. With the match, the total project is \$180,000. They can use this grant money to match other agencies as well, like AEA. Six CAPSIS requests were submitted to the legislature. The requests looked good and the CIP priority lists corresponded well with the requests. This year communities were asked to breakdown their CIP lists by long term and short term projects. The break out was interesting.

Ms. Aboras met with Bill Gissel from US Fish and Wildlife and two employees of CIAP about the scrap project. They are all working together to develop a concrete outline for the end of the project. Pilot Point is working to develop a fish plant. Ms. Aboras expects the plat to be received in the next few weeks. She will be working with the City of Pilot Point to give them a realistic timeline. Writing instructions and wrapping up work will be Ms. Abora's priority. She said she will also be available for continuity & transferring information. She will be working from the Anchorage office until the end of the month. In closing she again thanked the Assembly and staff.

4. Planning Commission Minutes

No discussion

5. Fishery Report

Chuck McCallum, Fishery Advisor to the Assembly, began his report by explaining that preparations for attendance at the Board of Fish meetings are in place. The Borough will be sending five to six fishermen to the meetings. There are a least three pieces of legislation Mr. McCallum is tracking in the legislature, one of which is HB112, the CFEC issue that the Borough had a resolution for at the last meeting. He said that the current plan is to resubmit the bill with a name change and a slightly different focus, while still shifting CFEC over to ADFG. This was prompted by a study showing a \$1.3 million cost savings. He is also tracking HB220 re: hatcheries. Initially Mr. McCallum said, he was alarmed by this bill, so he called the chief aquaculture guy in Alaska for decades, and as they discussed the bill he was reassured there is nothing to be concerned about. The bill basically means that hatcheries would have to go through a regional planning process. Mr. McCallum is advising the Assembly to take no action on HB220. He is also keeping his eye on legislation that changes where the boundaries of the region are drawn. The maker of the bill has made some changes and Mr. McCallum read an email about the bill. He said the Borough needs to keep an eye on the bill; however, if it is well designed it could help. In general, Commissioner Cotten is leading the charge to change the future rationalization plans. The preparation meeting in Portland was difficult, but Cotten handled it well, despite the pressure. A resolution in support of Cotten will be upcoming for at

the next Assembly meeting. The last item he is tracking is an initiative by the sports fishing industry to form their own entity. There could be splash over effects were this to happen

Assembly member Olsen asked about the proposal to add a non-consumptive commercial user to the board of game. Mr. McCallum said that he noticed that proposal, but he doesn't usually follow game issues too closely. He said he would prefer to take direction from the Assembly. Assembly member Olsen said it is something the Assembly should think about. Having a lay person on the board may slow the process down. Mr. McCallum said he understands the board's struggle to get enough people on the committees to begin with. Assembly member Alvarez said that the bill is in the legislature and it would add one person on the board of game, but he does not think the bill will go anywhere. The Mayor requested the topic be added to the March Assembly meeting.

Assembly member Alvarez said that BBEDC Sent an email that the ADFG is supporting an out of Cinder River district below Ugashik for Area M. Boats can probably see each other they will be so close together. He said there used to be a district there, but it hasn't been open in a long while. Assembly member Alvarez added that he will be at the Board of fish meeting on February 26th, so he won't be there for the first two committees, which are Chignik area and Sports Fishing.

6. Finance Report – Ms. Susan Edwards, Finance Officer, said she had an addendum to the finance report with a lot of information that she produced yesterday. She suggested this be addressed at the next Assembly meeting. The Mayor asked if canneries have 30 days after the end of the quarter to file their reports. Ms. Edwards said that canneries have 30 days and guides have 15 days. By the end of July all information should be in. The Mayor said, for planning purposes, the forward funding is for a year or two previous. Ms. Edwards said that she is looking at trends and can get fairly close, but there will always be variation. Price and quantity of fish is always a question. The Mayor noted that the price and quantity of fish is not relevant to forward funding. Forecasting is important, but to base your budget on forward funding, price is irrelevant. Good policy and judgement in the past has allowed the Borough to not be forward funded in the immediate present. Mr. Hill said he wanted to note that the report is based on one of the worst fish years. This is a scary outlook on things and based on the worst case scenario. The Mayor said that this does not mean a massive layoff, but the Borough needs to be judicious and work to make the savings last. Assembly member Alvarez said we need to discuss this again at the next meeting. The Mayor thanked Ms. Edwards for her work and the reality check.

7. Lobbyist's Report

Mark Hickey, Borough Lobbyist, had submitted a written report. The Mayor noted that all bills in progress are listed, but there is not a request for advice or action on any of them. Assembly member Alvarez said that by next meeting, some of the legislation may be more advanced and Mr. Hickey would have a better idea of what he needs from the Assembly. Mr. Hill said that all committee meetings have been held up until the budget is worked out.

8. Clerk's Report

Borough Clerk, Kate Conley told the Assembly that the website is up and running, but there are still items to be worked out. She reminded the Assembly to get their APOC Financial Disclosure statements completed and filed.

9. School Superintendent's Report

Ty Mase invited questions of the Assembly. Mayor Alsworth said that he sees on the legislative report, that there are several bills for keeping the student allocation status quo. Mr. Mase said that he is hoping that a bill to increase the count is not introduced, but Representative Lynn Gattis is talking about it again. The Governor's budget increases the CSA but may be cut on the back side and said that all the schools can do is watch and wait. Assembly member Olsen

asked about HB36 regarding pre-Kindergarten requirement. Mr. Mase said that the bill will effect LPSD and everyone knows pre-K education is good and is something everyone wants, but the bill never gains momentum. He said it would be great if the bill did pass.

10. Student Representative Report

No students were present.

G. NEW BUSINESS

1. Ordinance 16-01: 25 year Land Lease for NWA Outfitters, LLC - Introduction

Assembly member Olsen made a motion to introduce Ordinance 16-01 and hold a public hearing at the March Assembly meeting. Motion was seconded by Assembly member Salmon. There was no further discussion. Motion passed unanimous by voice vote.

2. Ordinance 16-02: 5 year Land Lease for F & J Hoff - Introduction

3. Assembly member Olsen made a motion to introduce Ordinance 16-02 and hold a public hearing at the March Assembly meeting. Motion was seconded by Assembly member Pedersen. There was no further discussion. Motion passed unanimous by voice vote.

4. Shared Fisheries Resolutions

Motion was made by Assembly member Anderson to adopt Resolutions 16-03, 16-04 and 16-05 as presented. Motion was seconded by Assembly member Salmon. Ms. Conley explained that these are passed each year. The only variation from past years is with Ordinance 16-04 for FMA4, which is not using the usual agreement method, but because there was less money in the fund, the money is divided in a 50-50 split. There was no further discussion. Motion passed unanimously by voice vote.

K. CITIZEN'S COMMENTS

George Hornberger – A letter from George Hornberger about the Iliamna dock project was distributed via e-mail. The Mayor said that the Assembly needs to respond. He said that Mr. Hornberger needs to be thanked for the effort and thought he has put in on behalf of all the communities affected by the Iliamna dock. The Borough has the funding to complete phase 1 – removing the liability of the old dock and placing a ramp for dock landing. There is value in the landing. At some future point, there may be funding or the ability to pool resources to do a different plan. There may be resources available the Borough does not know about. The Assembly agrees with the assessment that it is a regional facility and it is important to have it sheltered. The Borough does not have the money for a “Cadillac” at this time and will have to make do with the phase one option. The Assembly consented to send a letter in response.

L. ASSEMBLY COMMENTS

Randy Alvarez – Said he is concerned that if the price of fish does not come up, the Borough may be short on finances from fish tax. He added that he as a feeling that not as many fish will return this year. The birds are dying and smelts aren't showing up. He said the reality is not likely to be as much as forecasted. Fish returns are cyclic and there have been good returns the last few years, so it is likely to be less return. He said he has not proof, but the ocean is warmer and a warm ocean produces less food. This will impact the budget. The Mayor agreed that this information is likely right.

Alvin Pedersen – Thanked Ranya for her work and wished her the best. Assembly member Olsen agreed, as did Assembly members Salmon and Anderson.

M. MAYOR'S COMMENTS

None

O. ADJOURNMENT

The meeting was adjourned by unanimous consent at 10:09 am.

Glen R. Alsworth, Sr., Mayor

Kate Conley, Borough Clerk

_____ Date

DRAFT

E. 2. Reports Manager

Lake and Peninsula Borough
Regular Assembly Meeting
March 15, 2016



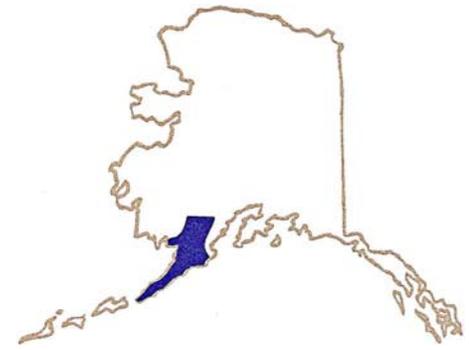
Lake and Peninsula Borough

P.O. Box 495

King Salmon, Alaska 99613

Telephone: (907) 246-3421

Fax: (907) 246-6602



March 7, 2016

To: Mayor Alsworth,
Assembly Members
From: Nathan Hill, Manager
Re: March Report

March Report

It is good to be gaining daylight and getting back into the brighter time of the year. In the month since we last met, I have been in regular contact with staff, consultants, assembly, planning commissioners and contractors. The discussions include but are not limited to projects, politics and plans for the future in a challenging fiscal climate.

Staff and I are in touch on nearly a daily basis on a variety of subjects. The transition out of our CDC staff has been smooth so far with current staff dividing the workload which primarily consisted of the scrap haul out project and CIP and future planning related tasks. Finance is taking on the grant work and the Clerk's office is filling in on the latter. It seems to be working out well as we await an ideal candidate for the position.

There were a few projects that were discussed over the course of the last month. The list of projects that were the most heavily discussed were the Iliamna and Chignik docks, Igiugig bulk fuel farm repair and bank stabilization and Kokhanok wind. It is also worth mentioning that we are taking a close look at borough wide project needs and attempting to prioritize these needs accordingly, keeping in mind that we do not yet know if the state will be bonding for any capitol money.

Consultants are also in the loop with important issues that we need to keep on the periphery. Bob continues to work closely with us on our budget. Chuck has had a substantial month steeping in the ever changing political fish pond. Lamar and I are in regular contact as issues arise and particular projects need attention. I have had several conversation with Mark recently and we are planning a trip to Juneau during session. I will be meeting with DOT/PF regarding the Chignik Dock and also with Fish and Game on policy that effects the boroughs bottom line. I brought up earlier in the year that we may want to have more assembly involvement in Juneau, however at this point I am not sure exactly how that is going to pan out. The fiscal woes of the State may have us going with less frequency.

In other news, I was able to attend some of the SWAMC conference in the last week and was accompanied by assembly member Salmon. I was also asked by Alaska Energy Authority if I would represent LPB communities on behalf of AEA to attend at the 2016 Rural Energy Conference next month. I accepted and will present on the projects that AEA has supported within the Borough. It is usually a productive and interesting conference in which I have presented in the past. I hope everyone is enjoying the sunshine and warmth of March.

**E. 3.
Reports
Consultants
Cotten**

**Lake and Peninsula Borough
Regular Assembly Meeting
March 15, 2016**

To: Glen Alsworth, Mayor
Assembly members Nathan Hill, Manager
From: Lamar Cotten March 2, 2016

Re: Monthly Report-February 2016

Below is a summary my work for the month of February 2016.

1. Chignik-multi-community public dock. Continue to communicate with PND and City of Chignik officials on future dock operational matters and local fish tax matters. I communicated with Local Boundary Commission officials and the city of Sand Point officials on boundary expansions matters.
3. Worked with Nathan on budget and future capital projects.
4. I generally communicate on a daily basis with some combination of the manager, staff, the mayor, engineering firms, state agencies, lobbyist and legal team on a variety of issues.

E. 4. Reports CDC

none

**E. 5.
Reports
PC Minutes**

none

E. 6. Reports Fisheries

**Lake and Peninsula Borough
Regular Assembly Meeting
March 15, 2016**

Fishery Advisor Report

Lake and Peninsula Borough | March 2016

Part 1 - Board of Fisheries Outcomes in a Nutshell:

Disappointment for Bristol Bay; Mixed feelings for Chignik.

Bristol Bay:

The Board of Fisheries has decided against closing the Outer Port Heiden section to Area M fishermen (proposal 155 submitted by Mitch Seybert) and has reversed the decision of the 2012 Board to close half of the Outer Port Heiden Section from 1.5 miles to 3 miles from shore although they did extend a buffer around Reindeer Creek out to 1000 yards. These decisions are a big disappointment for Bristol Bay fishermen. When the Board decided to allow Area M fishermen to begin fishing in the Outer Port Heiden Section during its December 2006 meeting all Bristol Bay was outraged at the unusual process under which the decision was reached, the apparent ignorance that the decision would significantly increase interception of Bristol Bay bound sockeye, that it would further erode Port Heiden access to their traditional salmon resources; and that it was all based on data poor department assessments of escapement needs of the Meshik River. Since December 2006 Bristol Bay fishermen have hoped to reverse this troubling decision. The 2012 Board of Fisheries failed to overturn the 2006 decision despite the fact that a new, comprehensive, and widely respected genetic study (WASSIP) showed that the claims of Area M fishermen regarding the stock composition of fish available for harvest in Outer Port Heiden during the 2006 Board meeting were deeply flawed and that huge percentages of Bristol Bay stocks are harvested there.

After the Board's current decision on Outer Port Heiden the group "Concerned Area M fishermen" withdrew their proposal 149 which asked that they be permitted to fish in the Outer Cinder River Section which, being right on the doorstep of Ugashik, would intercept vastly more Ugashik sockeye than Outer Port Heiden already does. While this proposal probably had no real chance of passage you can never be absolutely sure with the Board of Fisheries until it is over so it was still a relief to have it disposed of.

Proposal 22 asked the Board to approve moving the Cinder River, Inner Port Heiden, and Outer Port Heiden sections of the Northern District from the Alaska Peninsula Area M to the Bristol Bay Management Area T. Fritz Johnson was recused out of this issue and the vote failed 2 in favor and four against.

Despite the disappointment the mood I sense is forward looking: what went wrong, what could have been done better, how did the Board make up affected the outcome – people are already planning for the next cycle with a stalwart refusal to give up.

Chignik:

This is the first time in history that Chignik salmon fishermen do not have their own stand-alone meeting for regulation changes in their area – Chignik and Area M share the same meeting going into the future. One Chignik subsistence proposal (172) was submitted. Chignik stakeholders submitted two commercial salmon proposals (173 & 175) and one cod proposal (2). Area M fishermen submitted one proposal (174) to change Chignik salmon regulations.

The Board passed an amended version of proposal 172 which five local tribes submitted for increasing subsistence opportunity in Chignik. The amended proposal increases the September Chignik in-river escapement goal by 25,000 sockeye in an attempt to help provide more red fish for subsistence in Chignik. This issue remains controversial with some Chignik subsistence users concerned that this may not be enough to enhance subsistence fishing while others are quietly concerned that it will curtail commercial fishing.

All other Chignik proposals for the Chignik area failed. Proposals 173 & 175 were designed to get beyond the chronic underutilization of pinks and chums and hopefully achieve the full utilization of harvestable pinks and chums beyond escapement requirements. This was a significant disappointment but everyone knew that with the opposition of Fish and Game that it was an uphill battle. It is hoped that the department will do a better job working with local fishermen in the future regardless of this disappointing Board of Fisheries result.

All South East District Mainland Proposals (176 - 179) submitted by Area M fishermen failed. The proposals, if they had passed, would have allowed Area M fishermen fishing along the mainland just immediately to the west of the Chignik area (also known as SEDM) to harvest significantly more Chignik bound fish. While it should be a no-brainer to not expand the interception of a known mixed stock fishery dominated by the fish stocks of the neighboring fishing area nothing can be taken for granted at a Board of Fisheries meeting and this is an important good result.

The Board did pass an amended version of proposal 186 submitted by Chignik to curtail the fishery in Area M's Dolgoi Island WASSIP area in the South Peninsula of Area M. The WASSIP genetic study showed that the harvest composition of this area averages about 50% Chignik salmon stocks and can exceed 70%. Likewise WASSIP indicates that 9% of all Chignik bound sockeye in the WASSIP study were harvested in this one relatively small area we now call Dolgoi. However, it was an amended version of the proposal that passed and the negotiations to get to that amended version were difficult and while most Chignik fishermen at the meeting seem to think that what the Board passed is better than nothing, some Chignik fishermen feel that it is an unacceptable compromise that may not be any better than status quo. Without getting too detailed the new regulation will define an area (The entire WASSIP area known as Dolgoi Island which includes parts of Southwestern and South Central Districts of Area M) and impose a trigger of 191,000 sockeye harvest after which a subset of the area will close to fishing until July 25 - except one part which will reopen on July 17. Significant numbers of Bristol Bay sockeye can also be harvested in the Dolgoi area so this should be some help there also.

A map is attached which was edited and adapted from an RC (record comment) submitted to the Board by a Chignik fisherman. I have added labels so that it shows more areas of interest to the Borough. Also attached is a four page summary of the Boards actions on 46 proposals that came before the Board at this meeting. More information is available on-line at <http://www.adfg.alaska.gov/index.cfm?adfg=fisheriesboard.meetinginfo>.

Overview of the Process:

The Board of Fisheries meeting was very well attended by Bristol Bay and Chignik fishermen. In fact the participation was a standout as perhaps the best in decades including more younger people. Those persons whom the Borough financially supported to attend the meeting appropriately participated in the Board process and well justified the Boroughs expense and two of them are of the younger set.

Bruce Barrett (staff biologist for Chignik Regional Aquaculture Association) and myself assisted the Chignik folks, which numbered more than a dozen, to write testimonies and RC's as well as to assist their efforts in many other ways. Bruce, whose strong support efforts were critically essential, and I were the only support staff for the Chignik folks.

Borough funds supported a separate small strategy room for the Chignik fishermen which was highly effective and very beneficial to the overall effort to optimally advance the fishing interests of all Borough residents.

BBEDC and BBNA provided at least five support staff for Bristol Bay fishermen and a Bristol Bay strategy room. BBEDC has invested hundreds of thousands of dollars in Board of Fisheries efforts and it would be difficult to understate the value and importance of the engagement of BBEDC and BBNA in the Board process. It is good to see BBEDC showing a good example of how they can meet their CDQ mission by helping their member communities fully participate at these critical meetings. Lake and Peninsula Borough should continue to encourage BBEDC in their efforts and seek ways to increase coordination of our mutual efforts while maintaining the Boroughs unique interests.

While Bristol Bay folks did not get what was wanted and Chignik folks got something that not everyone thinks is great, I believe that the efforts of the Borough (and BBEDC and BBNA) were such that we should all be satisfied and proud that we put our best efforts into practice.

Borough Involvement:

While financially supporting experienced fishermen is vital it is also important to support younger and first time participants. We were able to fund the participation of two younger Chignik fishermen (Marty Takak from Chignik Lake & Timothy Murphy from Chignik Lagoon) while BBEDC sent Mike Shangin (a younger man from Port Heiden) that the Borough had sent to the December Bristol Bay Board of Fisheries meetings. All these younger men participated fully and they learned a great deal. We hope that they will continue to grow into the leaders of the future. Over two dozen Bristol Bay fishermen and over a dozen Chignik fishermen participated and the coordination of efforts of BBEDC/BBNA with the Lake and Peninsula Borough produced excellent support for all Borough residents who chose to participate in the Board of Fisheries process.

The next page is the map. The four pages following provide a brief overview of each proposal.



Chignik Lagoon Harvest Area



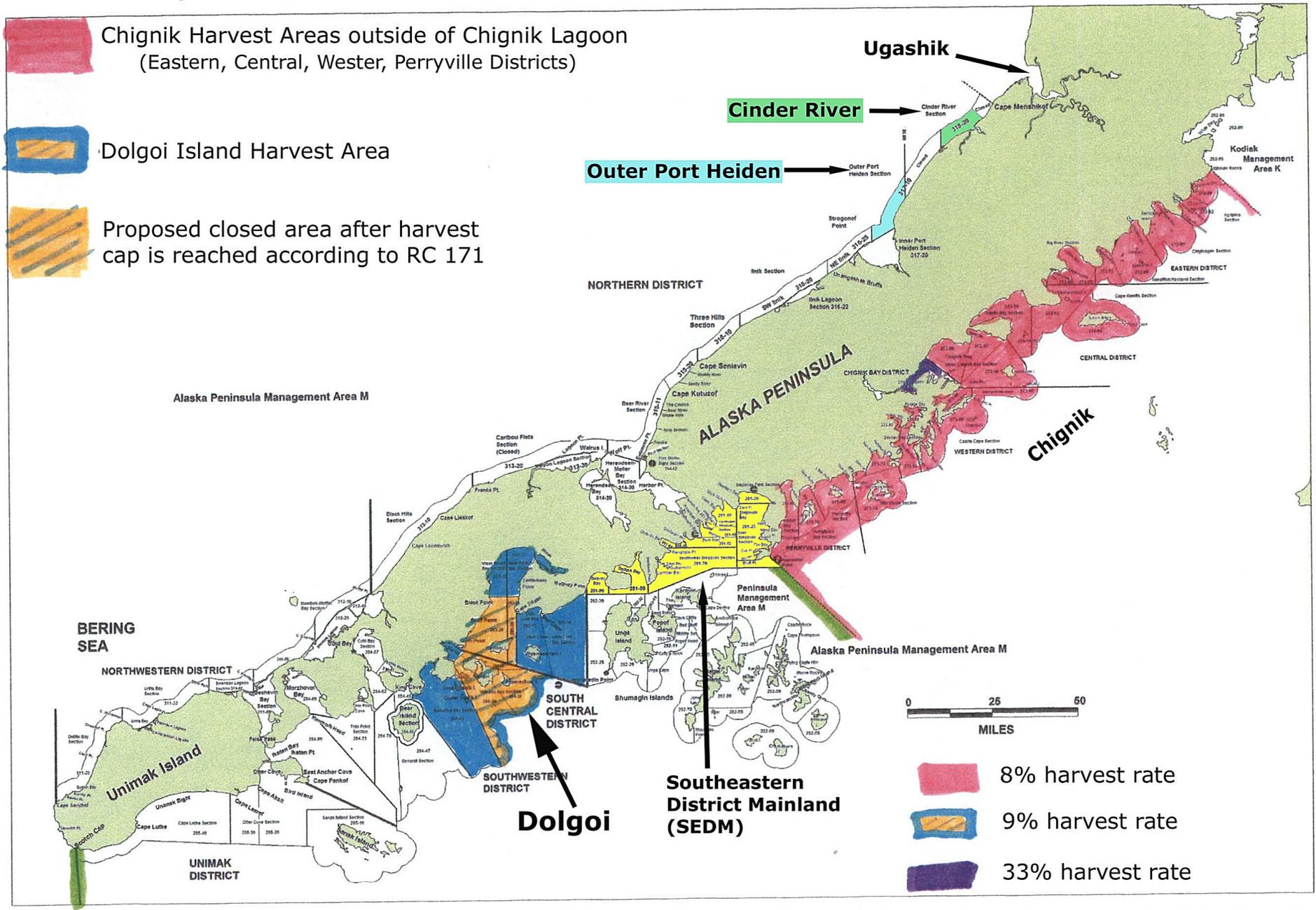
Chignik Harvest Areas outside of Chignik Lagoon
(Eastern, Central, Western, Perryville Districts)



Dolgoi Island Harvest Area



Proposed closed area after harvest cap is reached according to RC 171



Average Harvest Rates for Chignik Sockeye, 2006-2008 WASSIP

CHIGNIK				
Proposal	172	Passed as amended	7 to 0	Increase the passage of sockeye salmon above the Chignik River weir to provide additional subsistence fishing opportunity. (<i>Amended by substitute language found in RC105.</i>)
Proposal	173	Failed	0 to 7	Reduce waters closed to commercial fishing for salmon in Kujulik, Portage, and Ivanof bays in the Chignik Area.
Proposal	174	Failed	0 to 7	In July and August close Chignik Area commercial salmon fisheries between Castle Cape and Kupreanof Peninsula when the Southeastern District Mainland is closed to commercial salmon fishing with set gillnet gear.
Proposal	175	Failed	0 to 7	Create a specified pink salmon management plan in the Chignik Area.
NORTH ALASKA PENINSULA SALMON (AREA M)				
Proposal	22	Failed	2 to 4 1 recused	Move the Cinder River, Inner Port Heiden, and Outer Port Heiden sections of the Northern District from the Alaska Peninsula Area to the Bristol Bay Area. (<i>Johnson recused.</i>)
Proposal	23	No Action	7 to 0	Move the Cinder River, Inner Port Heiden, and Outer Port Heiden sections of the Northern District from the Alaska Peninsula Area to the Bristol Bay Area. (<i>Johnson recused. Took no action based on action taken on Proposal 22.</i>)
Proposal	24	No Action	7 to 0	Move all waters of the Northern District east of the latitude of Cape Seniavin from the Alaska Peninsula Area to the Bristol Bay Area. (<i>Johnson recused. Took no action based on action taken on Proposal 22.</i>)
Proposal	151	Failed	1 to 6	Consider the catch of non-local salmon as a factor in management of Northern District salmon fisheries.
Proposal	152	No Action	7 to 0	From June 20 through July 20 manage the Northern District salmon fisheries jointly with Alaska Department of Fish and Game Alaska Peninsula and Bristol Bay staff. (<i>The board took no action based on having no administrative authority over staffing decisions.</i>)
Proposal	153	Failed	1 to 6	Include information on the abundance of non-local stocks as a factor in managing Northern District commercial salmon fisheries.
Proposal	154	No Action	7 to 0	Link management actions in the Northern District of the Alaska Peninsula Area commercial salmon fisheries to salmon abundance in adjacent Bristol Bay Area districts. (<i>The board took no action based on having no administrative authority over staffing or administrative decisions.</i>)

Proposal 155	Failed	3 to 4	Close the Outer Port Heiden Section of the Northern District to commercial salmon fishing.
Proposal 156	No Action	7 to 0	Close the Outer Port Heiden Section of the Northern District to commercial salmon fishing. <i>(The board took no action based on action taken on Proposal 155.)</i>
Proposal 159	Passed as amended	5 to 2	Open waters of the Outer Port Heiden Section of the Northern District from one and one half miles to three miles offshore to commercial salmon fishing. <i>(The board amended the proposal to extend a buffer around Reindeer Creek to 1000 yards on either side of the creek during the commercial fishing openers.)</i>
Proposal 157	No Action	7 to 0	In the Inner and Outer Port Heiden sections of the Northern District restrict commercial fishing for salmon to no more than four days in any seven day period. <i>(The board took no action based on the proposer's request to withdraw in RC75.)</i>
Proposal 147	Passed as amended	7 to 0	Repeal sequential closures in the Bear River, Three Hills, and Ilnik sections. <i>(The board amended the proposal with substitute language found in RC 174.)</i>
Proposal 158	Failed	3 to 4	Restrict commercial salmon fishing in the Three Hills, Ilnik, and Outer Port Heiden sections of the Northern District to no more than one and one-half miles offshore.
Proposal 160	Failed	0 to 7	Close waters of the Bear River and Nelson Lagoon sections of the Northern District between zero to one and one-half miles offshore to commercial salmon fishing with drift gillnet gear until escapement objectives have been met.
Proposal 161	Failed	0 to 7	Close waters of the Northern District between zero and one and one-half miles offshore to commercial fishing with drift gillnet gear when Bear River and/or Nelson River coho salmon escapements do not meet objectives.
Proposal 162	Failed	0 to 7	Close waters of the Northern District between zero and one and one-half miles offshore to commercial fishing with drift gillnet gear when Bear River and/or Nelson River sockeye salmon escapements do not meet objectives.
Proposal 169	Failed	1 to 6	Implement global positioning satellite coordinates for all district and section boundaries in the Northern District of the Alaska Peninsula Area.
Proposal 170	No Action	7 to 0	Redefine the boundaries of the Outer Port Heiden Section using GPS coordinates. <i>(The board took no action based on action taken on Proposal 159.)</i>
Proposal 171	No Action	7 to 0	Implement global positioning satellite coordinates for all district and section boundaries in the Northern District of the Alaska Peninsula Area. <i>(The board took no action on Proposal 171 given it is already required in regulation and would have no practical effect.)</i>

Proposal	150	Passed	7 to 0	Describe waters of Cinder Lagoon open to commercial salmon fishing.
Proposal	148	No Action	7 to 0	Allow commercial fishing for salmon with drift gillnet gear in the Ilnik Section. <i>(The board took no action based on the proposer's request to withdraw in RC136.)</i>
Proposal	165	No Action	7 to 0	In the Nelson Lagoon Section allow the compliment of drift gillnet gear to be split into two 100 fathom nets that may be fished simultaneously. <i>(The board took no action on Proposal 165 given it is already required in regulation and would have no practical effect.)</i>
Proposal	163	Failed	1 to 6	Between the longitude of Three Hills and the northern boundary of the Outer Port Heiden Section restrict drift and set gillnets to 29 and one-half meshes depth.
Proposal	149	No Action	7 to 0	Create a directed sockeye salmon fishery in the Cinder River Section. (The board took no action based on the proposer's request to withdraw in RC178.)
SOUTH ALASKA PENINSULA SALMON (AREA M)				
<i>South Alaska Peninsula Southeastern</i>				
Proposal	176	Failed	0 to 7	Amend Southeastern District Mainland commercial salmon set gillnet fishery season opening times and fishing periods.
Proposal	177	Failed	0 to 7	Revise the Southeastern District Mainland Salmon Management Plan to allow commercial salmon fishing with set gillnet gear concurrent to the Chignik Area commercial sockeye salmon fishery.
Proposal	178	Failed	0 to 7	In the Southeastern District Mainland establish weekly fishing through July 10 for set gillnet gear and from July 11 through July 25 establish 48 hour open fishing periods and closures for set gillnet and purse seine gear.
Proposal	179	Failed	0 to 7	Amend the Southeastern District Mainland Salmon Plan to establish that 40 percent of the sockeye salmon taken in the East Stepovak, Stepovak Flats, Southwest Stepovak, Balboa Bay, and Beaver Bay sections are considered to be of Chignik River origin.
Proposal	180	Failed	0 to 7	Require all salmon harvested in the Southeastern District Mainland fishery to be landed within the Southeastern District.
<i>South Alaska Peninsula Salmon June</i>				
Proposal	181	Failed	0 to 7	Repeal the South Unimak and Shumagin Islands June Salmon Management Plan.
Proposal	182	Failed	3 to 4	Modify the South Unimak and Shumagin Islands June Salmon Management Plan to shift the opening date for the drift gillnet fishery to coincide with the set gillnet fishery opening date.

Proposal	183	Failed	0 to 7	Modify the South Unimak and Shumagin Islands June Salmon Management Plan to stagger opening days for the drift and purse seine fisheries.
Proposal	184	Failed	2 to 5	Repeal the current South Unimak and Shumagin Islands June Salmon Management Plan and readopt the management plan in place during 2003-2004. <i>(The proposal was amended to remove set gillnet operations and ratios from the new plan.)</i>
Proposal	186	Passed	7 to 0	Establish a Dolgoi Island Section and Dolgoi Island Section June South Alaska Management Plan. <i>(The board initially amended the proposal with substitute language found in RC 191, followed by an amendment, but that created regulatory uncertainty. The board later amended its original amendment with substitute language found in RC 192.)</i>
Proposal	185	No Action	7 to 0	Establish a Dolgoi Island Section and Dolgoi Island Section Management Plan. <i>(The board took no action on Proposal 185 based on action taken on Proposal 186.)</i>
<i>South Alaska Peninsula Salmon Post-June Management Plan</i>				
Proposal	187	Failed	0 to 7	Modify the Post June Salmon Management Plan for South Alaska Peninsula to provide the department authority to make openings for specific gear groups.
Proposal	189	No Action	7 to 0	Allow for dual permit vessels and increased gear limits for dual permit vessels in the Alaska Peninsula Area commercial salmon purse seine fishery. <i>(The board took no action based on it lacking regulatory authority.)</i>
Proposal	190	No Action	7 to 0	Change purse seine depth measurement standard from number of meshes deep to an equivalent depth measurement in feet and inches. <i>(The board took no action based on the proposer's request to withdraw in RC172.)</i>
Proposal	191	Passed	7 to 0	Repeal minimum mesh size standards for drift gillnet gear.
Proposal	192	Failed	2 to 5	Allow commercial fishing for salmon with set gillnets in the area between Popof Head and Dark Cliffs any time the area is closed to commercial salmon fishing with purse seine gear.
Proposal	193	Failed	2 to 5	Change the Southwestern and Unimak District seaward boundary.
CHIGNIK GROUND FISH				
Proposal	2	No Action	7 to 0	Allow bycatch retention of Pacific cod in the Chignik Area salmon seine fishery. <i>(The board took no action on this proposal given it lacked regulatory authority.)</i>

Note: Some Proposals considered irrelevant to Borough fishing interests have been excluded from this summary including: 194; 195; 196; 188 ; 197; 198; 199; 200; and 201. Examples would include Alaska Peninsula sport and subsistence proposals. More information can be found at <http://www.adfg.alaska.gov/index.cfm?adfg=fisheriesboard.meetinginfo&date=02-23-2016&meeting=anchorage>

Fishery Advisor Report

Lake and Peninsula Borough | March 2015

Part 2 – Pending Legislation and Potential Resolutions:

Several pending Legislative bills regarding fisheries issues have attracted Assembly attention over the last few months and an update of a select few are included here:

HB 112: Transfers CFEC duties to ADF&G

I have been strongly recommending that CFEC retain its status as an independent agency. However the Governor has instituted administrative order #279 which effectively transfers the administrative and research functions of CFEC to ADF&G. This accomplishes what I was advising against but now that the governor has weighed in so decisively I see no point to the Borough trying to change it. If UFA or other fishing groups want to fight this then I say more power to them but I recommend that the Borough take no action on this issue.

HB 220: a new way for individuals to establish hatcheries

This bill would allow a different path for an individual to start a salmon hatchery. At first blush this bill looks dangerous but after consulting the States foremost expert, Sam Rabung, on the hatchery permitting process I am convinced that this poses no real problems. I recommend no action. Sam is available for a teleconference call with all or part of the Assembly if you wish him to address your questions.

HB 366: Establishes Regional Permit Banks

This bill has great potential to redress a central and important negative impact of the limited entry law and help communities bring back and permanently anchor salmon permits in their communities, helping them reestablish lost fishing economies and traditional lifestyles. The bill is somewhat complex and will take time to get through the public process making it virtually impossible to pass in this legislative session. A copy of the bill is available along with a sample resolution for your consideration. The resolution does not go so far as asking for support for all the details and nuances of the bill but rather seeks support for the conceptual goals of the legislation – which seems like a reasonable approach given the complexity of the bill. Organizations that have that have passed similar resolutions include: The City of Ouzinkie; The Native Village of Ouzinkie; The Sun'aq Tribe of Kodiak; and The Native Village of Port Lions. I am personally very excited about the potential for Permit Banks and this seems like a natural to support but when and under what circumstances? No recommendation at this time.

SB 198: Would create a new 12.5% Fisheries Royalty Tax

Obviously we will need to track this one. We can count on UFA to vigorously oppose this and we can track their efforts as well.

HB 327: would put a 1% tax on the fishery bycatch

No one thinks this bill is going anywhere but it certainly gets talked about.

E. 7. Reports Finance

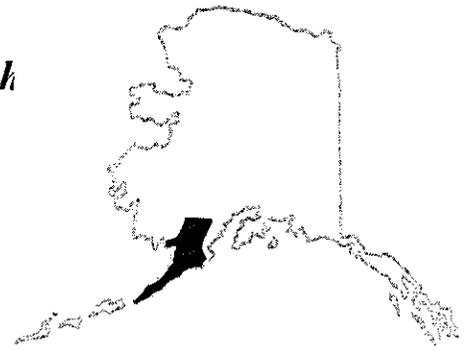
**Lake and Peninsula Borough
Regular Assembly Meeting
March 15, 2016**



Lake and Peninsula Borough

P.O. Box 495
King Salmon, Alaska 99613

Telephone: (907) 246-3421
Fax: (907) 246-6602



March 2016 Finance Report

To: Mayor Alsworth
Assembly Members
Nathan Hill, Manager

From: Susan Edwards, Finance Officer

The financial position of the Borough as expressed by its balance sheet remains strong.

Revenue collection is slow, not only because it usually is at this time of the year, but we have noticed that set net lease payments are lagging with leasee's citing the low price for fish for last season. With expected fish price for this season to be generally in the same area as last year, we can expect a percentage of fishermen to struggle to meet their obligations. It is in the Borough's interest to support the areas fishery and we will work with those who are experiencing cash flow problems with payment arrangements. There is of course a limit to what we can do and we have set policy that all amounts due cannot pass uncollected beyond this calendar year.

The Borough is still relying on its reserves to make up shortfalls in current account revenues. For this year we have drawn down General Fund balance by \$700+k.

	Beginning Balance	Current Balance
GENERAL FUND	\$ 2,038,171	\$ 1,762,890
BOROUGH PERMANENT FUND	7,046,031	7,061,548
SCHOOL ENDOWMENT FUND	7,062,837	6,587,573
	<u>\$ 16,147,039</u>	<u>\$ 15,412,012</u>
	Difference	\$ (735,028)

I believe cash reserves are sufficient for operating expenses through the balance of the year, uncertainty as to fish tax revenue and State revenue sharing in the coming year, may mean further draw down of General Fund reserves and we draw closer to considering drawing on the other funds.

We continue to refine the budget for FY-17 and will be presenting to the Assembly at the next regular meeting.



Lake and Peninsula Borough



With Ranya's departure, we have taken up project management of the CIAP Scrap Backhaul grant. Nikki Reed has taken on the day to day project management and her progress report follows:

I have picked up where Ranya has left off, I have been working diligently to follow up with communities to make sure we will be able to meet our deadline of December 2016. I was able to get into contract Chignik Lake and have successfully begun planning a strategy to get their project started. I also followed up with Levelock and Port Heiden and they are requesting to expand their scope of work for more scrap removal. I am currently working with Ugashik on payment request for reimbursement and they are preparing a narrative report of work completed. Reimbursement requests have been coming in from communities and contract adjustments have been made to those that requested a deadline extension. I am pleased that communities have been able to do such amazing job getting this done.

10 GENERAL FUND

Assets

Current Assets		
CASH	777,721.82	
WELLS FARGO CHECKING	2,728,357.28	
WELLS FARGO TRUST	1,053,921.07	
TIME VALUE INVESTMENTS	1,468,908.57	
TD AMERITRADE	1,347,902.65	
SCOTTRADE	0.77	
ACCOUNTS RECEIVABLE	42,059.40	
GRANT REIMBURSEMENT	(77,500.00)	
RAW FISH TAX RECEIVABLE	393,170.03	
BED TAX RECEIVABLE	2,536.26	
OTHER RECEIVABLES	10,312.00	

Total Current Assets		7,747,389.85

Total Assets		7,747,389.85

Liabilities and Equity

Current Liabilities		
ACCOUNTS PAYABLE-CONVERSION	29,177.05	
ACCOUNTS PAYABLE	(50,622.50)	
DEPOSITS PAYABLE	18,550.00	
SBS	(471.55)	
FEDERAL WITHHOLDING	10.12	
MEDICARE CONTRIBUTION	(21.50)	
ACCRUED ANNUAL LEAVE	38,131.77	
FICA CONTRIBUTION	(219.32)	

Total Current Liabilities		34,534.07

Total Liabilities		34,534.07
Equity		
FUND BALANCE - UNASSIGNED	5,952,836.67	
CONVERSION BALANCING ACCOUNT	1,427,080.95	
CURRENT YEAR INCOME/(LOSS)	332,938.16	

Total Equity		7,712,855.78

Total Liabilities & Equity		7,747,389.85

10 GENERAL FUND

Account Object	Description	Current Year			Variance	%
		Current Month	Current YTD	Budget		
Revenue						
30000	REVENUES		-149.00			
30011	RAW FISH SALES AND USE TAX	6,760.01	1,028,375.37	1,500,000.00	-471,624.63	69
30012	BED TAX	-10,500.64	108,027.12	155,000.00	-46,972.88	70
30030	LICENSES AND PERMITS	425.00	4,500.00	5,000.00	-500.00	90
30031	PROFESSIONAL GUIDES	-3,054.00	161,064.09	32,000.00	129,064.09	503
30032	DEVELOPMENT PERMITS		400.00	1,500.00	-1,100.00	27
30033	LAND USE PERMITS			1,500.00	-1,500.00	
30039	PENALTIES & INTEREST	-1,402.36	2,850.37	330,000.00	2,850.37	
30041	TEACHER HOUSING RENTS		327,216.00	330,000.00	-2,784.00	99
30044	LAND LEASE	-250.00	64,510.00	30,000.00	34,510.00	215
30071	INTEREST	465.37	86,632.70	45,000.00	41,632.70	193
30072	MARKET GAIN/LOSS	2,048.08	-168,041.62	80,000.00	-248,041.62	-210
30090	OTHER LOCAL REVENUES	-600.00	1,500.00	1,000.00	500.00	150
30092	PYMT IN LIEU OF DEVELOPMENT		100,000.00	100,000.00		100
30104	STATE COMMUNITY REV SHARE		563,390.00	582,690.00	-19,300.00	97
30115	STATE FISHERIES BUSINESS TAX		352,015.68	29,352.43	-29,352.43	
30116	SOA SHARED FISH TAX			520,000.00	-167,984.32	68
30120	ELECTRIC AND TELEPHONE COOP			2,000.00	-2,000.00	
30159	OTHER DIRECT FEDERAL REVENUE		22,235.00	283,130.00	-260,895.00	8
						72
Total Revenue		-6,108.54	2,654,525.71	3,698,172.43	-1,043,646.72	72
Expenses						
41100	ASSEMBLY		57,347.46	80,000.00	22,652.54	72
351	INSURANCE - LIFE AND HEALTH	6,802.80	110.20	175.00	64.80	63
354	MEDICARE CONTRIBUTION	10.15	44.00	1,200.00	672.00	44
355	PERS RETIREMENT CONTRIBUTION	44.00	465.88	750.00	284.12	62
356	SBS CONTRIBUTION	42.91	942.47	1,350.00	407.53	70
435	COMMUNICATIONS - TELECOM	191.76		500.00	500.00	
441	RENTALS		3,766.09	8,500.00	4,733.91	44
470	FOOD	411.29	24,509.78	40,000.00	15,490.22	61
481	TRANSPORTATION	1,770.75		500.00	500.00	
482	REGISTRATION/TUITION		7,600.00	13,000.00	5,400.00	58
484	STIPENDS	700.00	9,900.00	17,000.00	7,100.00	58
485	PER DIEM	700.00	5,395.69	13,500.00	8,104.31	40
486	LODGING	400.96	50.00	100.00	50.00	50
491	DUES AND FEES					
	Total Account	11,074.62	110,615.57	176,575.00	65,959.43	63
41300	PLANNING COMMISSION		47.85	125.00	77.15	38
354	MEDICARE CONTRIBUTION		202.29	375.00	172.71	54
356	SBS CONTRIBUTION		180.45		-180.45	
435	COMMUNICATIONS - TELECOM		863.93	3,200.00	2,336.07	27
470	FOOD					

10 GENERAL FUND

		----- Current Year -----				
Account Object	Description	Current Month	Current YTD	Budget	Variance	%
481	TRANSPORTATION		12,880.34	9,500.00	-3,380.34	136
484	STIPENDS		3,300.00	5,500.00	2,200.00	60
485	PER DIEM		3,200.00	7,000.00	3,800.00	46
486	LODGING		3,673.99	7,500.00	3,826.01	49
	Total Account		24,348.85	33,200.00	8,851.15	73
41400	ADMINISTRATION					
310	SALARIES - FULL TIME STAFF	26,554.77	212,569.34	320,178.00	107,608.66	66
351	INSURANCE - LIFE AND HEALTH	5,846.62	45,221.50	47,400.00	2,178.50	95
354	MEDICARE CONTRIBUTION	385.05	3,102.86	4,643.00	1,540.14	67
355	PERS RETIREMENT CONTRIBUTION	4,030.84	31,838.04	70,500.00	38,661.96	45
356	SBS CONTRIBUTION	1,627.82	12,937.73	19,627.00	6,689.27	66
357	PERS SALARY FLOOR CONTRIBUTION		-9,996.16	36,000.00	45,996.16	-28
359	FICA CONTRIBUTION		181.66		-181.66	
399	OTHER EMPLOYEE BENEFITS	2,590.00	2,615.00	2,500.00	-115.00	105
412	AUDITING AND ACCOUNTING		15,963.43	35,000.00	19,036.57	46
414	LEGAL SERVICES	45.00	16,965.61	125,000.00	108,034.39	14
415	ADVERTISING			500.00	500.00	
419	LOBBYIST					
420	TECHNICAL SUPPORT	511.00	27,499.98	55,000.00	27,500.02	50
422	CONSULTANTS	910.00	6,977.30	15,210.00	8,232.70	46
424	DEVELOPMENT CONSULTANT	937.50	21,937.50	59,000.00	28,090.00	52
425	MAPPING	132.18	1,846.53	30,000.00	-28,153.47	6
431	ELECTRICITY	60.00	3,235.81	8,000.00	4,764.19	40
433	WATER AND SEWAGE		330.00	350.00	20.00	94
435	COMMUNICATIONS - TELECOM	993.92	-13.27	12,640.00	12,653.27	
436	COMMUNICATIONS - INTERNET SERVICES	5.00	8,850.40		-8,850.40	
440	OTHER PURCHASED SERVICES			2,500.00	2,500.00	
441	RENTALS			2,500.00	1,588.00	36
443	OFFICE EQUIPMENT		912.00	2,500.00	1,823.01	27
444	SITE REPAIR AND MAINTENANCE		676.99	2,500.00	1,823.01	25
445	INSURANCE AND BOND PREMIUMS		1,364.98	5,500.00	4,135.02	25
451	OFFICE SUPPLIES	525.99	17,423.00	18,500.00	1,077.00	94
452	COMPUTER HARDWARE/SOFTWARE		2,499.79	9,000.00	6,500.21	28
455	POSTAGE		9,313.48	25,200.00	15,886.52	37
465	VEHICLE EXPENSE	100.00	3,083.90	6,500.00	3,416.10	47
470	FOOD		892.75	2,500.00	1,607.25	36
481	TRANSPORTATION	1,205.88	528.57	2,000.00	1,471.43	26
482	REGISTRATION/TUITION		18,819.49	40,370.00	21,550.51	47
485	PER DIEM			1,500.00	1,500.00	
486	LODGING	200.00	2,100.00	4,500.00	2,400.00	47
491	DUES AND FEES	443.52	3,664.73	7,170.00	3,505.27	51
496	BANK FEES/CHARGES		3,111.01	4,500.00	1,388.99	69
499	MISCELLANEOUS EXPENSES		2,358.05	2,800.00	441.95	84
	Total Account	47,105.09	499,722.00	980,088.00	480,366.00	51
41500	ELECTIONS					
415	ADVERTISING		348.62	500.00	151.38	70
451	OFFICE SUPPLIES		771.72	7,500.00	6,728.28	10
452	COMPUTER HARDWARE/SOFTWARE			6,400.00	6,400.00	

10 GENERAL FUND

Account Object	Description	Current Year				Variance	%
		Current Month	Current YTD	Budget			
455	POSTAGE		658.09	1,200.00	541.91	55	
470	FOOD			250.00	250.00		
	Total Account		1,778.43	15,850.00	14,071.57	11	
	Total Expenses	58,179.71	636,464.85	1,205,713.00	569,248.15	53	
	Net Income from Operations	-64,288.25	2,018,060.86				
	Other Revenue			2,925,843.00	-2,925,843.00		
	30250 TRANSFERS FROM GENERA FUND						
	Total Other Revenue	0.00	0.00	2,925,843.00	-2,925,843.00	80	
42000	Other Expenses						
	COMMUNITY/ECONOMIC DEVELOPMENT						
312	BOROUGH MATCH		54,886.11	115,684.00	60,797.89	47	
515	IMPROVEMENTS OTHER THAN BUILDINGS		37,134.63		-37,134.63		
	Total Account		92,020.74	115,684.00	23,663.26	80	
42100	CDC - PLANNING						
310	SALARIES - FULL TIME STAFF	4,583.34	36,666.72	54,546.00	17,879.28	67	
351	INSURANCE - LIFE AND HEALTH	849.48	7,663.41	8,445.00	781.59	91	
354	MEDICARE CONTRIBUTION	66.46	531.68	1,582.00	1,050.32	34	
355	PERS RETIREMENT CONTRIBUTION	1,008.34	8,066.72	12,000.00	3,933.28	67	
356	SBS CONTRIBUTION	280.96	2,247.68	3,344.00	1,096.32	67	
425	COMPUTER HARDWARE/SOFTWARE			2,500.00	2,500.00		
455	POSTAGE		20.58	5,500.00	5,500.00		
481	TRANSPORTATION		3,938.13	5,000.00	1,061.87	79	
482	REGISTRATION/TUITION		1,073.97	1,500.00	426.03	72	
485	PER DIEM		2,500.00	3,100.00	600.00	81	
486	LODGING		1,387.12	4,300.00	2,912.88	32	
491	DUES AND FEES		595.00	500.00	-95.00	119	
499	MISCELLANEOUS EXPENSES			250.00	250.00		
	Total Account	6,788.58	64,691.01	102,567.00	37,875.99	63	
42200	ILIAMNA DOCK REHAB						
414	LEGAL SERVICES	90.00	1,247.50	20,750.00	-1,247.50	25	
416	ENGINEERING AND ARCHITECT		320,563.60	491,668.00	171,104.40	65	
458	CONSTRUCTION SERVICES						
	Total Account	90.00	327,060.27	512,418.00	185,357.73	64	
43100	FISHERIES ADVISOR						

10 GENERAL FUND

		----- Current Year -----				
Account Object	Description	Current Month	Current YTD	Budget	Variance	%
413	ADVISORY/CONSULTANT		27,000.00	45,000.00	18,000.00	60
420	TECHNICAL SUPPORT	4,500.00	4,525.00		-4,525.00	
481	TRANSPORTATION	1,827.50	1,827.50	1,000.00	-827.50	183
486	LODGING			600.00	600.00	
	Total Account	6,327.50	33,352.50	46,600.00	13,247.50	72
43110	BOARD OF FISH					
440	OTHER PURCHASED SERVICES		160.00	160.00		100
441	RENTALS		420.00	420.00		100
451	OFFICE SUPPLIES		62.96	63.00	0.04	100
481	TRANSPORTATION	1,028.00	1,028.00	9,000.00	7,972.00	11
485	PER DIEM	3,825.00	5,425.00	12,000.00	6,575.00	45
486	LODGING		2,750.72		-2,750.72	
	Total Account	3,825.00	9,846.68	21,643.00	11,796.32	45
44000	DONATIONS					
493	DONATIONS		500.00	30,000.00	29,500.00	2
	Total Account		500.00	30,000.00	29,500.00	2
44500	LEASE - K SVC					
441	RENTALS			5,000.00	5,000.00	
	Total Account			5,000.00	5,000.00	
46000	MANAGERS CONTINGENCY					
481	TRANSPORTATION		540.00	10,000.00	9,460.00	5
	Total Account		540.00	10,000.00	9,460.00	5
49200	STATE REVENUE SHARING					
104	STATE REVENUE SHARING		154,400.00	180,800.00	26,400.00	85
	Total Account		154,400.00	180,800.00	26,400.00	85
49400	BOROUGH REVENUE SHARING					
106	BOROUGH REVENUE SHARING		175,000.00	175,000.00		100
	Total Account		175,000.00	175,000.00		100
49800	OTHER FINANCING USES					
550	TRANSFER TO OTHER FUNDS		154,000.00	154,000.00		100
553	TRANSFER TO DEBT SERVICE		550,280.00	550,280.00		
557	TRANSFER TO PERMANENT FUND		150,000.00	150,000.00	550,280.00	
558	TRANSFER TO CHIGNIK DOCK		2,021,000.00	2,021,000.00	150,000.00	
559	TRANSFER TO WIND ENERGY		17,750.00	17,750.00	2,021,000.00	
590	TRANSFER TO COMPONENT UNIT		673,711.50	1,347,423.00	673,711.50	50
	Total Account		827,711.50	4,240,453.00	3,412,741.50	20
	Total Other Expenses	17,031.08	1,685,122.70	5,440,165.00	3,755,042.30	31

10 GENERAL FUND

Account Object	Description	----- Current Year -----			
		Current Month	Current YTD	Budget	Variance %
Net Income		-81,319.33	332,938.16		

E. 8. Reports Lobbyist

**Lake and Peninsula Borough
Regular Assembly Meeting
March 15, 2016**

LEGISLATIVE REPORT #16-03

By Mark Hickey, Hickey & Associates – February 28, 2016

House Finance Subcmtes Finish Budget Crunching

Senate plans to complete its FY 2017 operating budget by mid-March



The House Finance Subcmtes. completed its work this week on the proposed FY 2017 operating budget, eliminating another \$125 million in general funds from the budget proposed by Governor Walker. His budget reduces agency spending by \$114 million.

Highlights include another \$43 million from the Department of Health and Social Services, another \$35 million from the University of Alaska, and nearly \$9 million more out of the Department of Education & Early Development.

Details about proposed reductions and changes can be found at [Legislative Finance FY 2017 Agency Summaries](#). The “Narrative” column on the right-hand side provides a summary of expected impacts.

The Senate plans to start its closeouts at the subcommittee level during the next week, with a plan to get the FY 2017 operating budget onto its floor by mid-March. The Senate is expected to reduce the operating budget further, perhaps by a total of \$500 million compared to FY 2016.

SPECIAL ORDERS

Revenue Sharing

The full House Finance Committee will act on what level of new funding to add into the Revenue Sharing Fund. Senate Finance members are working behind the scenes to propose a restructuring of the program.

K-12 Education Funding

Indications are the full House Finance Committee will decide whether to accept the administration’s proposal to fully fund K-12 public education. Some House members expect to see a decrease of at least the added \$50 to the BSA provided under HB 278.

Tax Increases

Hearings on the governor’s tax proposals continue in both bodies. The bills to increase motor fuel taxes (*HB249/SB132*) have moved to each Finance Committee.

Permanent Fund Plans

Hearings continue in both bodies on a wide variety of proposals to restructure the Alaska Permanent Fund, with significant impact to the Permanent Fund Dividend program. No bills have advanced to date.

Today marks the 41st day of the Second Regular Session of the 29th Alaska State Legislature.

Other Happenings!

House Finance Public Testimony on Operating Budget
Monday, Feb. 29 - 4 p.m. to 6 p.m. – Juneau
Tuesday, March 1 - 1 p.m. to 3:30 p.m. – Homer, Kenai, Ketchikan, Kodiak, Mat-Su & Seward
3:45 p.m. to 6 p.m. – Barrow, Dillingham & Fairbanks
6:15 p.m. to 7:30 p.m. – *Off Net
Wednesday, March 2 - 1 p.m. to 4:30 p.m. – Anchorage
4:45 p.m. to 6:45 p.m. – Sitka, Petersburg, Delta Junction, Unalaska, Glennallen & Tok
7 p.m. to 8 p.m. – *Off Net sites

Thursday, March 3 - 1 p.m. to 4 p.m. – Bethel, Cordova, Kotzebue, Nome, Valdez, Wrangell
4:15 to 6 p.m. – *Off Net sites

The Senate Finance Committee is nearing completion of its work to pass a major bill to enact Medicaid cost reform and containment measures. SB 74 will be up for more testimony throughout the upcoming week.

Summary of State Legislation of Interest



*Check out what your legislators are up to in Juneau! New bills appear in **BLUE**, while any change in status will be in **RED**.*

Each report lists legislative measures of interest, divided into five topics: fiscal plan measures, general municipal issues, education measures, fishery & resource issues, and energy matters. **Legislation enacted last year has been removed.**

House measures are first, followed by Senate measures. Companion bills (measures in both bodies) are usually listed together, with priority to bills sponsored by majority members.

More information about these measures and other information about the legislature can be found at Alaska State Legislature.

Fiscal Plan Measures

HJR2 by Hawker	Proposes a constitutional amendment to manage the Permanent Fund with a "Percent of Market Value" or POMV methodology.	Pending House State Affairs
HJR 19 by Reinbold	Limits annual use of the Constitutional Budget Reserve to 10% of the available balance.	Referred to House JUD & FIN
HCR 23 by House Rules	Suspends rules to restrict committee hearings to bills that relate to appropriating or raising state revenue, and adopts the 24-hour committee notice rule until the House passes its budget.	Passed House 38 to 1 Referred to Senate Rules
HB 182 by Seaton	Establishes a statewide individual income tax and capital gains tax.	Pending House Finance
HB 224 by Hawker	Requires the governor to submit to the legislature a projection of the fiscal year end surplus or deficit. If it is a deficit, then governor shall submit proposal to increase state revenue or reduce spending. The bill also sets limits for the PFD.	Pending House Finance Heard and held in House FIN on 2/17 and 2/22

Continued on page 3

HB 245/SB 128 by governor	Implements the Alaska Permanent Fund Protection Act. Funds dividend checks at \$1,000 per person in the first year, does not cap the dividend, increases what is deposited into the Fund, and starts using a substantial portion of annual earnings for public services.	HB 245 heard and held House Finance on 2/15 and 2/22 SB 128 heard and held Senate State Affairs on 2/11 and 2/23
HB 248/SB 131 by governor	Proposes an increase on the state's alcohol tax by doubling it from 10 cents to 20 cents a drink.	HB 248 heard and held in House L&C on 2/15 SB 131 heard and held in Senate L&C on 2/16
HB 249/SB 132 by governor	Increases the state tax on motor fuel from 8 to 16 cents on all motor fuel except: (1) aviation gas tax from 4.7 to 10 cents; (2) watercraft motor fuel tax from 5 to 10 cents; and (3) other aviation fuel tax from 3.2 to 10 cents. Both CS versions based increases on oil prices at less than \$85. House version exempts commercial fishermen from marine fuel increase.	HB 249 moved from House TRA on 2/25; await Finance SB 132 moved from Senate TRA on 2/16; referred to Finance on 2/24
HB 250/SB 134 by governor	Reestablishes an individual income tax at six percent of the federal income tax for all residents and nonresidents with income from a source in the state.	HB 250 pending House FIN SB 134 heard and held in Senate L&C on 2/23 and 2/25
HB 251/SB 135 by governor	Increases the fisheries business tax from 4.5 to 5% for shore-based canned processing, from 3 to 4% for shore-based processing, and from 5 to 6% for floating processing. Also increases the fishery resource landing tax from 3 to 4%. All revenues from increase go to state general fund.	HB 251 heard and held House Fisheries on 2/18 and 2/23 SB 135 pending in Senate Resources
HB 252/SB 136 by governor	Eliminates an existing port fees credit deduction as part of the cruise ship head tax, thereby providing a modest increase in revenue.	HB 252 pending in House L&C SB 136 pending in Senate L&C
HB 253/SB 137 by governor	Increases the mining license tax from 7 to 9% on net income in excess of \$100,000. Establishes a license fee of \$50 for any application or renewal.	HB 253 heard and held House Resources 2/15, 2/17, 2/19, 2/23 and 2/25 SB 137 pending Senate RES
HB 311 by Millett	Requires the governor's fiscal plan to project the amount available for spending for the succeeding ten fiscal years, with some exceptions.	Pending House Finance
HB 319 by Tilton	Increases annual snowmobile registration fees from \$10 to \$20, or \$50 for a six-year registration.	Referred to House Transportation and Finance
HB 365 by Seaton	Creates an individual income tax of 15% of an individual's federal tax, and a refundable tax credit for state residents similar to the permanent fund dividend.	Referred to House Finance

Continued on page 4

SJR 1 by Wielechowski	Proposes a constitutional amendment to restructure the permanent fund earnings reserve, including adding the POMV methodology.	Heard and held Senate STA on 2/23; scheduled on 3/3
SSSB 114 by McGuire HB 303 by Millett	Restructures the Permanent Fund, including an annual transfer of 5% of the POMV earnings from the preceding five years to the general fund. Sets a floor of \$1,000 on future dividend payments.	SB 114 heard and held Senate State Affairs on 2/16 and 2/23 HB 303 heard and held in House Finance on 2/22
SB 133/HB 304 by governor	Increases the state tax on cigarettes from \$2 to \$3 per pack, and the tax on other tobacco products (OTP) from 75% to 100% of wholesale price. Also adds electronic smoking devices into the OTP tax.	SB 133 heard and held in Senate L&C on 2/16 HB 304 heard and held House L&C on 2/19, 2/22 and 2/24
SB 188 by Wielechowski	Provides for the legislature to appropriate money from various oil and gas taxes to the earnings reserve account of the Permanent Fund.	Referred to Senate Resources and Finance

General Municipal Issues

HCR 1 by Edgmon	Urges the Governor to acknowledge officially the sovereignty of Alaska tribal governments.	Pending House Rules
HJR 3 by Edgmon	Urges the Congressional delegation to introduce legislation similar to the Alaska Safe Families and Villages Act of 2013, and support tribal courts.	Pending House Rules
HJR 21 by Reinbold	Proposes amendments to the Alaska Constitution that would limit the terms of state legislators.	Pending House State Affairs
HB 21 by Josephson	Authorizes the creation of regional transit authorities.	Pending House Transportation
HB 47 by Foster	Provides relief for local PERS contribution by municipalities in which the population decreased by 25% between 2000 and 2010.	Pending House FIN
HB 59 by Seaton	Defines marijuana concentrates and requires the state to adopt implementation regulations.	Pending House Judiciary
HB 64 by Hawker SB 6 by MacKinnon SB 11-Wielechowski	Exempts Alaska from the requirement to observe daylight savings time. Requests US Dept. of Transportation to hold hearings to effect this change.	SB 6 pending in House STA Other two bills pending in respective State Affairs Cmtes.

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HB 65 by Hawker	Changes the required annual APOC financial disclosures for legislators and public officials from March 15 to May 15.	Pending Senate Judiciary
HB 68 by Kreiss-Tompkins	Requires state agencies to post reports on the Alaska Online Public Notice System.	Passed House on 4/11/15 Pending Senate State Affairs
HB 75 by House C&RA	Adds new authority for municipal regulation of marijuana. Senate CS permits a village to allow marijuana establishments by voter initiative.	Passed from Senate on 2/24 by vote of 18-2 Transmitted to House same day
HB 77 by Thompson	Proposes disability training for village public safety officers and other public safety officers.	Pending House Finance
HB 79 by Judiciary SB 30 by Judiciary	Implements the initiative to legalize and regulate marijuana. SB 30 opts out the unorganized borough, while adding authority for muni's & certain unincorporated communities to opt in.	Both bills pending House Judiciary
HB 84 by Reinbold	Requires state agencies, municipalities, and REAA's to report on federal receipts.	Pending House Finance
HB 95 by Tuck	Proposes several measures relating to election registration and voting, including online and same day voter registration.	Pending House State Affairs
HB 96 by Thompson	Establishes rules for collecting biometric information. Applies to municipalities.	Pending House State Affairs
HB 125 by Millett	Restricts the sale of products containing dextromethorphan (cough suppressants) and prohibits regulation by municipalities.	Pending House Rules
HB 127 by Vazquez	Requires public libraries that provide access to the Internet to install software filters that block certain sites including pornography.	Pending House Education

Continued on page 6

HB 133 by House C&RA	Stipulates how municipalities may process applications for various marijuana businesses or prohibit such facilities, and how to tax. Villages may act to prohibit activities by voter initiative.	Pending House L&C
HB 142 by Foster	Establishes an Elder's Day to be celebrated on the winter solstice of each year.	Pending Senate Rules
HB 148/SB 78 by governor	Allows for the Medicaid program expansion in Alaska, which includes eligibility for coverage, reform and cost containment measures.	HB 148 pending House Finance SB 78 pending Senate Finance
HB 160 by Gattis	Repeals art in public buildings requirement, including schools.	Pending House State Affairs
HB 208 by Edgmon	Amends the community revenue sharing program to grandfather the minimum payment versus a proration when funding is reduced.	Pending House Finance
HB 209 by Foster	Creates a Water and Sewer Advisory Committee under the auspices of the legislative branch.	Pending House C&RA
SSHJR 27 by Claman	Proposes amendments to the Alaska Constitution on the convening date of the regular session and calling for adjournment after ninety days.	Pending House State Affairs
HB 223 by Kito	Calls for the repeal of the ninety-day session in statute. This in effect will return the duration of the regular session to 121 days.	Pending House State Affairs
HB 255/SB 138 by governor	Capital Budget – Very barebones submittal. Governor may propose GO bond bill to fund critical capital needs.	HB 255 pending House FIN SB 138 pending Senate Finance
HB 256/SB 139 by governor	Operating Budget – Fully funds K-12 Base Student Allocation, including \$50 increase provided by HB 278 (which passed in 2014).	HB 256 scheduled public testimony on 2/29, 3/1, 3/2 and 3/3 SB 139 pending Senate Finance
HB 275 - Drummond SB 159 by D. Olson	Establishing the second Monday of October of each year as Indigenous Peoples Day.	Both pending respective State Affairs Committees

Continued on page 7

HB 292 by Kito	Allows municipalities to contribute to the designated Alaska Marine Highway system fund within the general fund.	Pending House Transportation
HB 299 by Wilson SB 177 by Coghill	Creates a new section whereby a state contractor or employee of a contractor is not eligible for the state's retirement system.	HB 299 pending House STA SB 177 pending Senate STA
HB 313 by House L&C	Limits Little Davis Bacon to a public construction contract that exceeds \$75,000.	Referred to House L&C
HB 314 by Hughes	Extends the termination date of the Alaska Regional Economic Assistance Program to July 1, 2021. Program currently sunsets July 1, 2016.	Referred to House L&C
HB 323 by LeDoux	Creates a special fund and marijuana grant program that provides for education, prevention and cessation to reduce marijuana use by minors.	Referred to House HSS and Finance
HB 337 by LeDoux	Establishes an additional tax of \$50 per ounce on marijuana for people found to be in possession of an excess of plants authorized for personal use.	Referred to House L&C and Finance
HB 338 by Seaton	Eliminates the senior property tax exemption and allows a municipality to grant a property exemption to a disabled vet or a widow or widower of a senior or disabled vet without voter approval.	Referred to House C&RA
HB 346 by Guttenberg	Creates the Broadband Development Corporation and establishes the Alaska Broadband Task Force.	Referred to House L&C and Finance
SJR 9 by Gardner HJR 12 by Josephson	Urges federal government to seek enforcement of additional Exxon Valdez oil spill damages under "reopener for unknown injury" provision.	Pending respective Resources Committees
SJR 15 by Stoltze HJR 14 by Hughes SCR 4 by Stoltze HCR 4 by Hughes	Calls for a convention of the states to propose a "countermand" amendment to the Constitution of the US, which allows the states to nullify and repeal federal statutes, executive orders, and judicial and regulatory decisions.	SJR 15 pending Senate Rules SCR 4 pending Senate Finance HJR 14 pending House Rules HCR 4 pending House Finance
SB 1 by Micciche HB 238 by Talerico	Proposes a comprehensive, statewide ban on smoking in work places and public places.	Pending Senate Finance Referred to House HSS, Judiciary and Finance
SB 13 by Wielechowski	Prohibits the state and municipalities from using assets to assist in warrantless searches of electronic data.	Pending Senate C&RA

Continued on page 8

SB 22 by Giessel	Reduces the state share from 8% to 5.5% to collect municipal motor vehicle registration taxes.	Pending Senate Finance
SB 36 by Giessel	Authorizes electronic publication of certain municipal notices.	Pending Senate State Affairs
SB 45 by Giessel	Allows parks and recreation service areas to include lots partially within these areas.	Pending Senate C&RA
SB 62 by Judiciary	Establishes the framework for a commercial marijuana industry in Alaska, which includes taxation. Similar to HB 133.	Pending Senate State Affairs
SB 74 by Kelly	Redesigns the current Alaska Medicaid program to allow for reform and cost containment. Managed care, payment redesign, telemedicine, and privatization studies will all be explored.	Heard and held Senate Finance on 2/25; scheduled on 2/29, 3/3 and 3/4
SB 75 by Stevens	Allows for federally recognized tribal governments to receive contributions from the permanent fund dividend through the application process.	Pending Senate Finance
SB 87 by Meyer	Adds language for the exemption or deferral of payment of municipal taxes on deteriorated "residential" property.	Pending Senate C&RA
SB 88 by Egan HB 280 by Kito	Provides a new benefit tier in the PERS and TRS systems with an option to select a defined benefit plan, versus continuing with the current defined contribution plan.	SB 88 pending Senate C&RA HB 280 pending House State Affairs
SB 93 by McGuire	Establishes a means of online voter registration and clarifies when and where absentee ballot voting stations will be open.	Pending Senate State Affairs
SB 115 by Senate Judiciary	Replaces the Alaska Public Offices Commission with a Public Integrity Commission of Alaska.	Pending Senate State Affairs
SJR 19 by McGuire HJR 29 by Keller	Requests the U.S. Congress to call a convention of the states to set a limit on the number of terms a person may be elected as a member of Congress.	SJR 19 heard and held Senate Judiciary on 2/24 HJR 29 pending House JUD
SB 183 by Wielechowski	Establishes that a municipality may prorate the real property exemption for seniors or a widow or widower of a senior or disabled veteran.	Referred to Senate C&RA and Finance

Education Measures

HCR 8 by Gara	Designates Sept. 1-7, 2015 as Quality Pre-K through High School Week	Pending House Education
HJR 11 by Gara SJR 6 - Wielechowski	Urges Congress to enact measures to prohibit outside, unlimited independent campaign expenditures.	Pending respective State Affairs Committees
HB 2 by Lynn	Exempts students from overtime who are working an unpaid practicum as a postsecondary student.	Pending House L&C
HB 30 by Keller	Requires completion of American constitutionalism curriculum by all districts.	Pending House Finance
HB 36 by Kawasaki, Gara and 7 others	Requires prekindergarten programs in school districts and establishment of a statewide early childhood education plan.	Pending House Education
HB 63 by Gara and Ortiz	Provides a reduction in interest on postsecondary education loans for residents.	Pending House Education
SSHB 66 by Millett SB 202 by Senate Judiciary	Changed to provide medical insurance coverage under PERS for the surviving spouse and dependent children of a deceased peace officer or firefighter. Teachers removed from both bills.	SSHB 66 pending House L&C SB 202 referred to Senate L&C and Finance
HB 80 by Gattis	Repeals requirement for secondary students to take college and career readiness assessments.	Pending Senate Education
HB 82 by Foster	Permits retroactive, supplemental funding for Internet services at certain rural school districts.	Pending House Finance
HB 85 by Reinbold	Makes secondary requirement to take college & career readiness assessments voluntary; restricts collection, storage and handling of student data.	Pending House Finance
HB 89 by Keller	Adds requirement for secondary students to pass a civics exam to gain a diploma.	Pending House EDU
HB 90 by Millett SB 83 by McGuire	Allows firefighters, peace officers, DPS personnel and support staff to participate in hybrid defined benefit/defined contribution retirement plan.	HB 90 pending House L&C SB 83 pending Senate State Affairs

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HB 97 by Colver	Removes requirement to file a FAFSA under the Alaska performance scholarship program.	Pending House EDU
HB 98 by Colver	Amends existing law to allow any teacher to opt out of jury duty during the school term.	Pending House EDU
HB 102 by House EDU SSSB 103 by Giessel	Requires school districts to provide funding to residential psychiatric treatment centers for educational services. New Senate version requires school boards to enter such agreements.	Heard & held House EDU 2/1 SSSB 103 referred Senate EDU & Judiciary
HB 107 by Gattis	Amends membership of UA Board of Regents of to broaden geographic representation.	Pending Senate Education Scheduled 3/1
HB 113 by Josephson	Provides PERS credit & state defined contribution deposits for peace officer or firefighter on workers' comp caused by an on-the-job injury.	Pending House L&C
HB 156 by Keller	Amends law to rely less on federal funding, increase local control and require a new accountability system for public schools.	Pending House Education
HB 157 by Kreiss-Tompkins SB 84 by Olson	Establishes new compliance requirements, standards-based assessments, and teacher certification for language immersion charter schools.	HB 157 heard & held House EDU on 2/1 and 2/8 SB 84 pending Senate EDU SB 84 scheduled 3/3
HB 176 by House FIN	Repeals state employee salary schedule increases by 2%.	Returned to Senate in June 2015, rescinded passage and returned Senate RLS
HB 198 by Gara	Proposes to inflation proof the Base Student Allocation (BSA) with an increase of \$149 for FY 2016. Also proposes additional BSA funding or one-time grant money.	Pending House EDU
HB 203 by Foster	Adds new education tax credit for contributions to a nonprofit for vocational or higher education.	Pending House EDU
HB 204 by Josephson	Extends the school term from 180 days to 190 days.	Pending House EDU
HB 211 by Kawasaki	Proposes a retirement incentive program (RIP) for both TRS and PERS members of the defined benefit plan.	Pending House State Affairs

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HB 232 by Colver	Prohibits use of AMP test by DEED, requiring use of MAP student assessments or a substantially similar system.	Pending House Education
HB 261/SB 146 by governor	Proposes using a Percent of Market Value (POMV) approach for the Public School Trust Fund established under AS 37.14.110.	HB 261 pending House EDU SB 146 pending Senate State Affairs
HB 264 by Wilson	Requires repayment of Alaska performance scholarships and education grants if the post-secondary program is not completed within 6 years from receipt of funds.	Heard & held House Education on 2/8
HB 265 by Wilson	Terminates the Alaska technical and vocational education program and increases STEP funding.	Pending House L&C
HB 285 by Josephson	Requires school districts, private schools and postsecondary institutions to protect privacy of students' social media accounts.	Pending House Education
HB 298 by Tilton	Eliminates limits in state laws governing layoff plans for tenured teachers.	Referred House Education
HB 302 by Tarr	Clarifies existing state law regarding allowable grounds to expel or suspend a student.	Referred to House Education and Judiciary
HB 335 by Foster	Raises the age for compulsory attendance from 16 to 18, and reduces the minimum age from 7 to 6.	Referred to House Education
HB 356 by Vazquez	Clarifies that the 70% minimum instructional requirement for spending by school districts must be on "direct classroom instruction".	Referred to House EDU & FIN
HB 357 by Vazquez	Clarifies existing law relating to appointment and removal of members of the Board of Education & Early Development applies to "voting" members.	Referred to House EDU & FIN
HB 361 by LeDoux	Establishes a required K through 3 rd grade reading program in all schools or districts. Specifies mandatory student retention in grade one.	Referred to House EDU & FIN
HB 368 by Hughes	Establishes a new retirement incentive program for vested members of a defined benefit program under both TRS and PERS. Limits reemployment unless paid hourly and no further retirement benefits accrue.	Referred to House STA, L&C and FIN

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SCR 1 by Stevens	Creates an 11-member legislative task force on civics education.	Heard and held House EDU on 2/3
SJR 2 by MacKinnon	Proposes a constitutional amendment to permit bonding for postsecondary student loans.	Pending House EDU
SB 3 by Stevens	Addresses collection, storage and handling of student data by school districts.	Pending Senate Education
SB 44 by Giessel	Amends Public Employment Relations Act to permit employees using the religious exemption to direct the required charitable contribution.	Pending Senate JUD
SB 61 by Stevens HB 52 by Herron	Establishes a museum construction matching grant program in Commerce.	SB 61 pending Senate L&C HB 52 pending House FIN
SB 79 by Dunleavy HB 172 by Gattis	Allows a reemployed teacher who retired under a DB plan to continue their retirement benefits.	SB 79 pending Senate C&RA HB 172 pending House L&C
SB 80 by Dunleavy	Increases legislative oversight of DEED's acceptance of federal funds. Requires DEED to review standards and assessments every 5 years.	Pending Senate Education
SB 89 by Dunleavy HB 192 by Keller	Expands a parent's authority to object and withdraw their child from school activities, classes, tests, surveys and programs	SB 89 passed 11-7 in Senate, 3 rd rd 2/26, reconsidered HB 192 pending House EDU
SB 116 by Stevens	Establishes a new secondary school civics exam as a graduation requirement.	Pending Senate Education
SB 191 by Dunleavy HB 352 by Gattis	Expands on provision proposed under SB 89 to prohibit abortion service providers from working in schools. Imposes penalties on teachers who violate this provision.	SB 191 referred to Senate EDU & JUD; scheduled 3/1 HB 352 referred to House EDU & L&C
SB 200 by Costello	Requires school districts to provide physical activity for students in kindergarten through grade eight.	Referred to Senate EDU & FIN



Fishery & Resource Issues

HJR 20 by Neuman	Urges the US Congress to enact legislation to clarify and recognize an individual state's authority to manage its own fish and wildlife.	Returned to House Rules on 2/3
HJR 23 by Tuck	Urges the US Congress to finalize an agreement with the Russian Federation to address illegal, unreported, and unregulated crab fishing.	Pending House Fisheries
HJR 28 by Tarr	Opposes the US FDA approval of genetically engineered salmon and urges Congress to require labeling with the words "Genetically Modified."	Passed House Fisheries 2/5 Pending House L&C
HB 41 by Tilton and Munoz	Creates a new sport fishing services licensing and regulatory program.	Pending Senate FIN
HB 53 by Kreiss-Tompkins	Restricts the use of pesticides and broadcast chemicals near certain fish habitat, water and state lands.	Pending House Transportation
HB 103 by Wilson	Eliminates authority for the Boards of Fisheries and of Game to adopt, amend or repeal a regulation unless recommended by other entities or individuals first.	Pending House Fisheries
HB 108 by Wilson	Prohibits a state agency from adopting, administering, or enforcing a regulation, or construing state statutes, to exceed the corresponding law or standards as set by the Environmental Protection Agency (EPA).	Pending House State Affairs
HB 112 by Stutes	Eliminates the Alaska Commercial Fisheries Entry Commission (CFEC), and transfers its duties to a new division within ADF&G. Governor transferred certain administrative functions by an Administrative Order.	Pending House Resources
HB 119 by Josephson	Amends recently passed initiative regarding large-scale mining in the Bristol Bay Fisheries Reserve by clarifying the meaning of "fisheries" and the terms "permits and authorizations".	Pending House Resources
HB 128 by Edgmon	Establishes August 10 th as Alaska Wild Salmon Day.	Pending Senate State Affairs

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HB 134 by Ortiz	Keeps language determining that a salmon seine vessel may not be longer than 58 feet in overall length. Strikes all other exceptions from statute.	Pending House Fisheries
HB 137 by Talerico	Increases all fees for hunting, sport fishing, and trapping licenses and tags. Increases the age for a permanent ID card from age 60 to 65.	Pending Senate Resources Scheduled Senate Resources on 2/29
HB 150 by Josephson	Adds criteria for Board of Game appointments to ensure at least one member is predominately a non-consumptive user of game resources.	Pending House Resources
HB 152 by Josephson	Deletes language from the big game tags section related to nonresidents and aliens, which in effect requires those classes to have wolf tags.	Pending House Resources
HB 177 by Keller	Directs the Dept. of Fish & Game to produce a king salmon stamp and tag design that would also be appropriate for limited edition prints.	Pending House Resources
HB 179 by Kreiss-Tomkins	Allows for the donation of fish, game, and other traditional foods to various food service programs if properly processed.	Pending House Resources
HB 220 by Talerico	Establishes a fisheries enhancement permit to allow a person to remove fish from state water and place fertilized eggs or hatched fish in the same or other state water.	Pending House Fisheries
HB 241 by Millett	Establishes a nonresident surcharge for commercial fishing permits based on individuals not eligible to receive a PFD.	Pending House Fisheries
HB 254 by Stutes	Extends the termination date of the Big Game Commercial Services Board to June 20, 2019.	Pending House Resources
HB 258 by Tarr	Prohibits the sale of a genetically modified fish or fish product and defines both of the terms.	Pending House Fisheries
HB 266 by Wilson	Modifies the Board of Game's authority to adopt, amend, or repeal certain regulations and provides for expanded notice of such a proposal.	Pending House Resources

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HB 267 by Wilson	Exempts certain mining activities and processes from state water standards that establish a more stringent water quality requirement than federal law.	Pending House Resources
HB 283/SB 163 by governor	Water of the state may not be designated an outstanding national resource water except by an act of the state legislature.	HB 283 pending House Fisheries SB 163 heard and held in Senate Resources on 2/15
HB 286/SB 164 by governor	Increases sport fishing, hunting, trapping, and commercial fishing violation penalties and restitution amounts for certain offenses.	HB 286 pending House RES SB 164 heard & held Senate RES 2/22; scheduled on 3/4
HB 291 by Drummond	Repeals the authority of the commissioner of the Dept. of Fish & Game to permit residents of the Yukon, Canada, to receive fishing licenses and king salmon tags.	Pending House Fisheries
HB 300/SB 172 by governor	Authorizes the Board of Fish to consider the need of projects to harvest and sell shellfish that are not needed for brood stock. Establishes a new chapter in law concerning shellfish hatcheries.	HB 300 pending House Fisheries SB 172 scheduled Senate Resources on 3/4
HB 306 by Josephson	Prohibits trapping within 200 feet of certain public facilities, areas and trails. Also provides for penalties and civil remedies for violations.	Pending House Resources
HB 327 by Talerico	Establishes state lands sale program for those individuals eligible to receive a PFD.	Referred to House Resources and Finance
HB 358 by Neuman	Creates a new fisheries bycatch tax of 1% on value of any bycatch by commercial fishermen.	Referred to House Fisheries and Finance
HB 366 by Kreiss-Tompkins	Establishes regional community permit banks for certain commercial fishing permits. Also determines entry permit ownership, fees and exemptions.	Referred to House Fisheries, L&C and Finance

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SB 42 by Stoltze HB 110 by Neuman	Establishes a priority for personal use fishing for a fishery that is restricted to achieve a management goal. Provides subsistence exception.	SB 42 pending Senate RES HB 110 pending House Fisheries
SB 48 by Stedman	Reduces the fee for a nonresident hunting or fishing license, and a big game tag for a qualifying former state resident.	Pending Senate Resources
SB 68 by Giessel	Addresses how Board of Game can handle emergency closures for antlerless moose.	Pending Senate Resources
SB 181 by Giessel	Amends the definition of navigable water under the Alaska Land Act by expanding uses for commercial navigation.	Referred to Senate Resources
SB 185 by Coghill	Requires the Board of Game to solicit proposals to amend regulations annually. The department is required to review the proposals and provide notice to any pertinent advisory committees.	Referred to Senate Resources and Finance
SB 198 by Dunleavy	Creates a new Alaska fisheries royalty tax of 12.5% on all seafood caught commercially in Alaska.	Referred to Senate Resources and Finance

Energy Matters

HB 58 by Kreiss-Tompkins	Makes federally recognized tribes eligible for a loan from the Alaska energy efficiency revolving loan program.	Pending House Finance
HB 78 by Wilson	Proposes the "Alaska Competitive Energy Act of 2015" to increase competitive and nondiscriminatory procurement of electrical energy. Gives investigative authority to the Regulatory Commission of Alaska (RCA) on these matters.	Pending House Energy
HB 118/SB 56 by governor	Authorizes municipalities to establish programs to impose assessments for energy improvements.	HB 118 pending House Finance SB 56 pending Senate Finance
HB 138 by Talerico	Mandates development of state emission standards that comply with the federal Clean Air Act.	Pending House Resources
HB 169 by House L&C	Directs the Regulatory Commission of Alaska (RCA) to provide a report to the Legislature about electrical transmissions in certain areas.	Pending House L&C
HB 187 by H. Energy SB 105 by McGuire	Creates the Railbelt Electrical Transmission Authority and establishes the parameters for membership and their powers and duties.	HB 187 pending House Energy SB 105 pending Senate Energy
HB 363 by Vazquez SB 193 by McGuire	Extends the exemption from regulations by the Regulatory Commission of Alaska for certain plants generating renewable energy until 2025.	Referred to respective Energy and L&C committees
SJR 4 by Giessel HJR 8 by Talerico	Urges the federal government to allow states to regulate access to affordable and reliable electrical generation.	SJR 4 pending Senate Energy HJR 8 pending House Rules
SB 196 by Hoffman	Creates a PCE dividend from the excess earnings needed to fund PCE, placing 60% of the dividend into the general fund, 30% into the renewable energy grant fund, and 10% back into the PCE endowment fund.	Referred to Senate Finance

E. 9. Reports Clerk

**Lake and Peninsula Borough
Regular Assembly Meeting
March 15, 2016**



Lake and Peninsula Borough

P.O. Box 495

King Salmon, Alaska 99613

Telephone: (907) 246-3421

Fax: (907) 246-6602



Date: March 8, 2016
To: Mayor and Assembly
From: Kate Conley, Borough Clerk
Re: Clerk's Report

Here is a short list of items I have been working on:

- APOC Financial Disclosures – These reports are due March 15th, the day of our meeting. Please complete them online or bring a paper copy with you. There is a DAILY fine for non-compliance.
- Website – Please visit the new website www.lakeandpen.com. There are still kinks and we are working to resolve little problems, but it is 90% there. Please give me honest feedback – if you find something is not successful or have advice for improvements, please share with me.
- April Meeting – The April meeting will be in Newhalen at the AA meet. We have been assigned to attend April 13th by the AA meet coordinators. This meeting should not be an overnight, but that may be an exception for the attendees from the south. I have been working with Michelle to come up with a plan for our time with the students. We hope to make it as positive and productive as possible. The goal is to help students learn to be successful talking to and working with adults, and for the Assembly to learn from and listen to the students.
- CDC Position – This position has been posted and while I have discussed the position with a lot of people, I have one application. If you know anyone who would be a good candidate for the position, please pass along the job description which I have attached to this report.
- Travel – I have had a lot of questions lately about travel and our policies, so I will have a short memo to hand out at the Assembly meeting.
- Revenue Sharing – Letters will go out this month, as they do each year, for State revenue sharing. I have to report to the State by June 1, 2016 so the paperwork from the villages will be due May 15th.

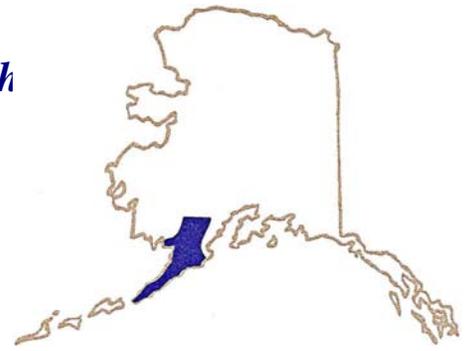


Lake and Peninsula Borough

*P.O. Box 495
King Salmon, Alaska 99613*

Telephone: (907) 246-3421

Fax: (907) 246-6602



COMMUNITY DEVELOPMENT COORDINATOR

NATURE OF WORK IN CLASS:

Staff position for the Lake and Peninsula Borough, providing professional, technical, and administrative expertise to the Borough Assembly, Planning Commission, and Borough Manager. Requires planning experience with plats, subdivisions, and permitting. GIS mapping skills a plus. Coordination with and between Federal and State granting agencies. Regular communication with Borough communities, cities, and tribal governments for grant administration/opportunities, capital project development and prioritization for both the State capital projects and grants through the Borough's Capital Project Fund.

ILLUSTRATIVE EXAMPLES OF WORK:

- Act as Platting Officer for the Borough for approval of all Plat reviews
- Review Development Permits and make recommendations to the Planning Commission for approval
- Manages planning/mapping & development projects
- Write RFPs and review responses for Borough capital projects
- Review and coordination in Borough capital improvements and road projects with DOT
- Responsible for the Borough Comprehensive Plan
- Review and propose change as necessary to Borough Code
- Assist communities with grant applications
- Manages the Borough National Flood Insurance Program (NFIP)
- Coordinate between communities and the State of Alaska DHS+EM during emergencies
- Write press releases and news articles as needed.

JOB REQUIREMENTS:

- Bachelor's degree in social sciences, business administration, planning or communication. Prefer at least two years of increasingly responsible planning or community development work history or equivalent additional schooling.



Lake and Peninsula Borough



- Good listening and communication skills, as well as good interpersonal skills, and the capacity to work in a multicultural setting
- Thorough knowledge of Alaska Title 29 and other applicable state law
- Knowledge of emergency management procedures
- Analytic skills that can be effectively communicated both in oral and written communication.
- Ability to work as a member of a small team of professionals.
- Must be creative and flexible.
- Knowledge of personal computers, MS Office software (Word, Excel, Access, Power Point), State of Alaska mapping databases. Familiarity with geographical information systems (GIS) a plus.

This is an exempt professional position. Salary range, \$50,000-80,000 DOE. Borough benefit package applies.

TO APPLY

Applicant should provide resume with cover letter, writing sample, and three references including names, addresses and phone numbers and submit it to:

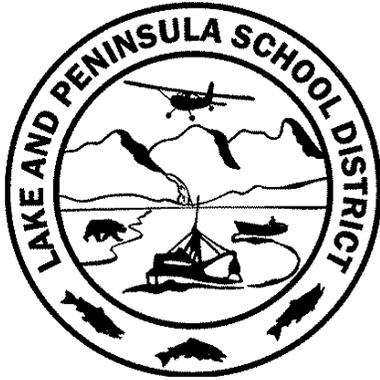
Borough Clerk
Lake and Peninsula Borough
PO Box 495
King Salmon, Alaska 99613

Or email to kateconley@lakeandpen.com; or fax to 907-246-6602.

Applications will be received until position is filled. General Borough information can be found at www.lakeandpen.com. Further information may be obtained by calling 907-246-3421. The Lake and Peninsula Borough is a drug-free, Equal Opportunity Employer.

E. 10. Reports Superintendent

Lake and Peninsula Borough
Regular Assembly Meeting
March 15, 2016



THE
LAKE AND PENINSULA
SCHOOL DISTRICT
101 Jensen Drive
P.O. Box 498
King Salmon, Alaska 99613
Phone (907) 246-4280 / Fax (907) 246-4473



Date: March 4, 2016
To: Lake and Peninsula Assembly Members
From: Ty Mase
Re: Superintendent's Report – March 2016

It is that time of year again (budget), to predict winter weather, fish prices, student transiency, school closures, unfunded mandates and legislative cuts. In the end, we hope to have a number that will sustain our programs, staff and dwindling reserve fund. From current knowledge, including guesses or predictions, our revenues will decrease somewhat and we will be into our reserve fund \$175,132. Already, we are looking at staff reductions that may help this number a bit and keep us in the game. However, if the Legislature comes at education with a vengeance, we could be looking at significant cuts.

FY 2017 Initial Budget

Estimated Revenues

Borough Appropriation	\$1,347,423
Local Revenue	\$428,133
State Foundation	\$9,169,986
State Broadband Support	\$194,225
TRS On Behalf of	\$622,766
PERS On Behalf of	\$75,151
Federal Sources	\$2,643,836
Fund Balance	\$175,132
Total	\$14,656,652 (FY16 \$14,824,716)

Estimated Expenditures

Certified Salaries	\$3,786,330	27.13%
Non-Certified Salaries	\$1,996,156	14.30%
Employee Benefits (+ Worker's Comp)□	\$2,936,844	21.04%
Professional/Technical Services	\$243,500	1.74%
Travel	\$816,00	5.80%
Utilities and Telecommunications	\$3,024,215	21.70%
Purchased Services	\$205,900	1.48%
Supplies & Materials	\$548,290	3.93%
Other Expenses	\$1,500	0.01%
Transfer to other funds	\$400,000	2.87%
Total	\$13,958,735	100%
Include PERS and TRS Payments	\$14,656,652	

Community Letter on Budget

Greetings Lake and Pen Parents and Community Members,

With May swiftly approaching, the district has become consumed with the budget process. Unfortunately with each passing year, balancing our budget continues to become more difficult as we begin to see our savings dwindling away. Thankfully, however, we have the Lake and Peninsula Borough behind us.

This time last year, we were looking at an approximate deficit in the range of \$700,000. Drastic cuts to people and programs could have been a direct result. With this information at hand, our Borough strengthened support and increased its local contribution by \$600,000 a year. With the depleting cost of fish and Borough's revenues, this action was no small feat. Without this increased support, our Board would have been forced to look at reducing staff and cutting programs, such as preschool, hot lunch and student activities. Our district is very fortunate to have an understanding Borough to help maintain these important programs (many do not).

Once again, we are struggling to balance our budget. As we all know, the cost of doing business in our region continues to become more expensive. A little known fact is that over 85% of our budget is spent on personnel and facilities (utilities alone is budgeted at over 3 million next year). We will do everything we can to become more efficient, while at the same time, offering the very best educational experience to our students.

Attached is a list of the many cost savings measures that the district has taken over the last several years; and there are undoubtedly more to come. We encourage community input on possible efficiencies and cost savings measures. Our Board is focused on doing everything possible to protect our classrooms, in addition to keeping students in LPSD.

Sincerely,

Ty Mase, Superintendent

COST SAVINGS MEASURES

- ✓ Recovery heat agreements with power utilities reduces fuel usage
- ✓ Tazimina hydro plant excess power agreement \$0.12 power for electric boilers reduces fuel usage and keeps the cost of power low (2 schools)
- ✓ Energy efficiency upgrades at all sites
- ✓ Nonrefundable pet deposits implemented
- ✓ Reduction in Electricity use
- ✓ Significantly cut back on summer maintenance and cleaning
- ✓ Close / turn off buildings for the months of June and July (saves \$50,000+)
- ✓ Maintenance budget cut
- ✓ No unauthorized summer use of school vehicles.
- ✓ Discontinued elevator maintenance
- ✓ Copy machine maint. – reduce and use multifunction printers
- ✓ Reduction of staff – classified, certified and administrative
- ✓ Secretarial hours have been adjusted to match district policy. While secretarial hours have been cut, individuals have been offered hours in other areas.
- ✓ Classified hours in general have been reviewed and adjusted.
- ✓ Cut back on preschool hours
- ✓ Subs – trying to sub locally
- ✓ All OT approved by Supt.
- ✓ Principals have taken on the extra duty of kitchen inspections. This will save the district in excess of 10,000 in travel and per diem costs.
- ✓ Cut reading coach positions
- ✓ Reduced night gym hours
- ✓ Curriculum moved from administration to a teaching position
- ✓ Full time SPED Director replaced with contractual position (70 days)
- ✓ Shared Federal Programs Position w/ Bristol Bay
- ✓ Increased collaboration with Bristol Bay (job, cost and resource sharing)
- ✓ An effort to go “Paperless” district-wide
- ✓ District Pen - Our last quote for District Pen printing was \$18 a copy. Future Pen’s will be posted to the web in a PDF format.
- ✓ Garbage Service at the DO discontinued
- ✓ Travel position cut at DO
- ✓ DO custodial combined with Shipping and Receiving position
- ✓ School to Life / Anchorage House cut
- ✓ Excel Summer Camp cut
- ✓ District-wide leadership to counselors
- ✓ Volleyball Jamborees cut to 1
- ✓ Graduations – limited travel this past year by district reps
- ✓ Cut funding for Graduation Speakers
- ✓ NYO students now need to meet qualifying distances to go to State
- ✓ Discontinued funding for Becharof Science Camp
- ✓ Clubs program cut – limited to 2 clubs per site
- ✓ Library monies eliminated
- ✓ Admin supply budget cut
- ✓ Site budgets drastically cut

- ✓ All travel has been scrutinized, limited and then put out to bid
- ✓ CTE use of bid process has saved approximately \$10,000 a phase
- ✓ Cultural Grant program cut
- ✓ LPSD logo wear cut
- ✓ New curriculum purchases have been reduced significantly. Online resources utilized.
- ✓ Janitorial site budgets cut
- ✓ Underutilized online resources / programs cut
- ✓ Reduced Superintendent travel
- ✓ For profit agencies that rent our extra teacher housing, they will be charged the federal per diem rate for housing and not our district-subsidized rate.
- ✓ Out of State professional development cut (unless grant funded)
- ✓ Professional development has been delivered by using Blackboard Collaborate (online delivery)
- ✓ August Inservice Discontinued (unless grant funded)
- ✓ Inservices moved into BBBHS – sleeping on air mats cut housing costs
- ✓ Migrating to High Deductible Health Care Savings Plan
- ✓ Bus service at some villages discontinued

G. 1.
New Business
Ordinance 16-01

25 Year Lease
NWA Outfitters LLC

Hearing & Decision

Lake and Peninsula Borough
Regular Assembly Meeting
March 15, 2016



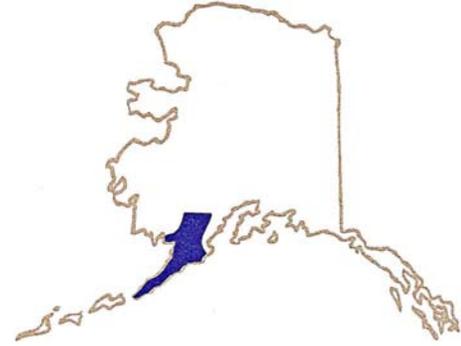
Lake and Peninsula Borough

P.O. Box 495

King Salmon, Alaska 99613

Telephone: (907) 246-3421

Fax: (907) 246-6602



PLEASE POST

PUBLIC HEARING NOTICE

ORDINANCE NO. 16-01

AN ORDINANCE AUTHORIZING A TRANSFER AND TWENTY FIVE YEAR LEASE OF REAL PROPERTY CONTAINING 5 ACRES MORE OR LESS TO NWA OUTFITTERS, LLC FOR THE OPERATION OF A COMMERCIAL HUNTING AND FISHING OPERATION.

The Lake and Peninsula Borough Assembly will hold a public hearing to solicit comments on the above referenced ordinance on **Tuesday, March 15, 2016 at 11:00 am** in the meeting room at Lake and Peninsula School District, 101 Jensen Rd, King Salmon AK 99613. Interested members of the public are encouraged to attend. To participate you may submit written comments up to 24 hours prior to the hearing, or attend in person or call **1-866-339-5580 and enter the meeting number *2288317*** (star, two, two, eight, eight, three, one, seven, star) during the hearing. Copies of the proposed ordinance can be viewed at local village and city council offices, or at the Lake and Peninsula Borough offices in King Salmon, Alaska. For information contact Kate Conley at 907-246-3421 or 1-800-764-3421.

Note: Due to telephone service inconsistency inherent to rural Alaska, the Borough meeting may not always be available in all locations or audible.

**LAKE AND PENINSULA BOROUGH
ORDINANCE 16-01**

AN ORDINANCE AUTHORIZING A TRANSFER AND TWENTY FIVE YEAR LEASE OF REAL PROPERTY CONTAINING 5 ACRES MORE OR LESS TO NWA OUTFITTERS, LLC FOR THE OPERATION OF A COMMERCIAL HUNTING AND FISHING OPERATION.

WHEREAS, the Lake and Peninsula Borough owns a 5 acre parcel of land located at SW ¼ & SE ¼, Section: 33, Township: 04, Range: 38 West, Seward Meridian, GPS Coordinates: 60 degrees 23' 33 17 N 155 degrees 53' 36 12 W (Elevation: 1199) Alaska ("the Property"); and

WHEREAS, NWA Outfitters, LLC has been operating a commercial hunting and guiding operation at this site; and

WHEREAS, Representatives of Lake and Peninsula Borough have inspected the property and observed that NWA Outfitters, LLC has demonstrated extemporary care and stewardship of this land; and

WHEREAS, NWA Outfitters, LLC has submitted a completed lease application and is ready to fulfill all terms set forth by Borough Code 6.80.260; and

THEREFORE BE IT ENACTED by the Assembly of the Lake and Peninsula Borough that:

Section 1. Classification.

This is a Non-Code Ordinance.

Section 2. General Provisions.

The Assembly finds that issuing a 25-year lease located at SW ¼ & SE ¼, Section: 33, Township: 04, Range: 38 West, Seward Meridian, GPS Coordinates: 60 degrees 23' 33 17 N 155 degrees 53' 36 12 W (Elevation: 1199) Alaska, containing 5 acres, more or less, to NWA Outfitters, LLC is in the best interest of the Borough. A copy of the completed lease application is attached to this Ordinance as Exhibit "A." The Assembly hereby approves the issuance of a 25-year lease to NWA Outfitters, LLC for the operation of a commercial hunting and guiding for a 25-year term.

Section 3. Rental Rate.

The Assembly determines that it is not cost efficient or practical to obtain an appraisal under Borough Ord. 6.80.140 to determine the fair rental value of the Property. By the best estimate the Borough can obtain, the approximate fair rental value of the Property is \$2730.00 per year. Based upon the Borough's experience, the cost of obtaining an appraisal of the property would be significantly greater than the annual rent. Therefore the foregoing rental rate was determined by examining lease rates charged by the Borough for similar commercial activities on similar properties inside the Borough.

Section 4. Authorization.

The Lake and Peninsula Borough Assembly authorizes the Borough Manager to sign a lease and all other documents deemed necessary to finalize a lease in accordance with Chapter 6.80 of Lake and Peninsula Borough Code.

Section 5. Effective Date.

This ordinance shall become effective upon enactment by the Borough Assembly.

ENACTED by a duly constituted quorum of the Lake and Peninsula Borough Assembly this 15th day of March, 2016.

IT WITNESS THERETO:

ATTEST:

Glen Alsworth Sr., Mayor

Kate Conley, Borough Clerk

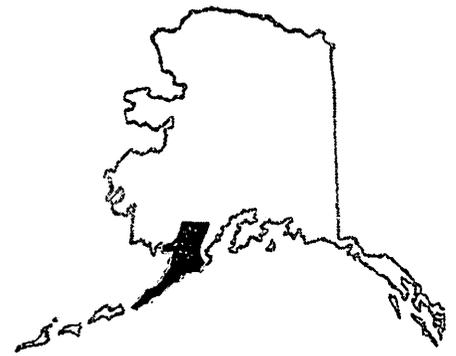
Introduced: February 16, 2016
Public Hearing: March 15, 2016
Enacted:
Ayes:
Nays:
Not Voting:



Lake and Peninsula Borough

*P.O. Box 495
King Salmon, Alaska 99613*

*Telephone: (907) 246-3421
Fax: (907) 246-6602*



MEMO

February 12, 2016

To: Mayor Alsworth
Assembly Members
Nathan Hill, Borough Manager
Susan Edwards, Finance Officer

From: Nikki Reed, Assistant Finance Officer

RE: NWA Outfitters, LLC

Mr. Dan Ellsworth and Mr. John Coleman are the owners of NWA Outfitters, LLC and would like to ask the assembly to consider renewing a land lease for 25 years. They have had a Land Lease with the Lake and Peninsula Borough for the past five years and have paid on time every year during their lease term. NWA Outfitters, LLC have been excellent stewards of the land that they occupy and is in good standing with Lake and Peninsula Borough.

Staff recommends the Assembly approves land lease for NWA Outfitters, LLC for the duration of 25 years and review every 5 years for a lease rate adjustment.

LAKE AND PENINSULA BOROUGH

AN ORDINANCE AUTHORIZING A TRANSFER AND TWENTY FIVE YEAR LEASE OF REAL PROPERTY CONTAINING 5 ACRES MORE OR LESS TO NWA OUTFITTERS, LLC FOR THE OPERATION OF A COMMERCIAL HUNTING AND FISHING OPERATION.

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Section 4. Authorization.

The Lake and Peninsula Borough Assembly authorizes the Borough Manager to sign a lease and all other documents deemed necessary to finalize a lease in accordance with Chapter 6.80 of Lake and Peninsula Borough Code.

Section 5. Effective Date.

This ordinance shall become effective upon enactment by the Borough Assembly.

ENACTED by a duly constituted quorum of the Lake and Peninsula Borough Assembly this 12th day of February, 2016.

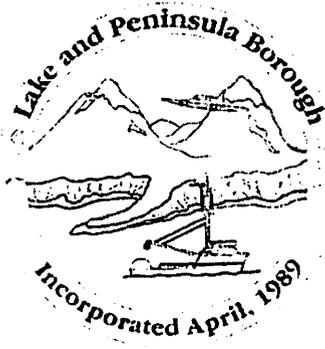
IT WITNESS THERETO:

ATTEST:

Glen Alsworth Sr., Mayor

Kate Conley, Borough Clerk

Introduced:
Public Hearing:
Enacted:
Ayes:
Nays:
Not Voting:



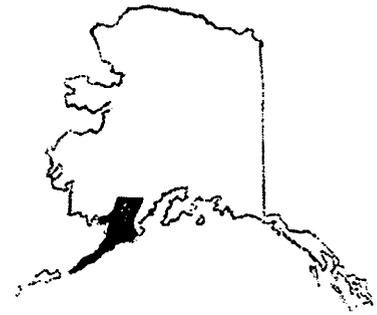
Lake and Peninsula Borough

P.O. Box 495

King Salmon, Alaska 99613

Telephone: (907) 246-3421

Fax: (907) 246-6602



APPLICATION FOR A LEASE

Applicant

Name:	Dan Ellsworth/John Coleman		
Company Name:	NWA Outfitters, LLC		
Address:	P.O. Box 1293		
	Twin Falls, ID 83303-1293		
Telephone:	(208) 735-0411 (John)	Cell:	(801) 592-4771 (Dan)
Email:	john@cpacoleman.com		
Web Site:	N/A		

New Lease Renewal

Has the applicant ever registered either as a business or guide in the LPB?

LPB Registration #: 6003

Land Location

Seward Meridian: SW 1/4 and SE 1/4

Section	Township	Range
33	04	38W
GPS Coordinates:	60 degrees 23' 33 17 N 155 degrees 53' 36 12 W (Elevation: 1199)	

A right to encumber is / is not requested.

Purpose of Lease

Commercial hunting and fishing operation.
Operating on Mulchatna River on Maribou Landing

Structures on Leased Property

Structure Name	Length	Width
Log cabins (2)	16'	22'
Log cabin	10'	16'
Sauna	10'	18'
Tent cabin	16'	20'
Tent cabin	15'	20'
Assorted structures (4)	various	various



Lake and Peninsula Borough

Schedule of Fees and Rents

per LPB Resolution 06-07

Application Fees	Temporary Use	New Lease	Renewal
Conservational / Recreational	\$10	\$50	\$10
Commercial	\$50	\$150	\$50
Government	\$100	\$200	\$50
Institutional	\$100	\$100	\$50
Light Industrial / Resource Management	\$150	\$200	\$100
Residential/Settlement	\$50	\$150	\$100
Utility/Transportation	\$100	\$200	\$50
Waste Handling	\$200	\$250	\$150

Land Use Fee / Lease	Temporary Use	Annual	5-Year
Lease price is for the first acre. Additional acreage lease: \$300/each acre or part thereof.			
Conservational / Recreational	\$50	\$200	\$1000
Commercial	\$100	\$1000	\$1000
Government	\$100	\$200	\$50
Institutional	\$100	\$100	\$50
Light Industrial / Resource Management	\$150	\$200	\$100
Residential/Settlement	\$50	\$150	\$100
Utility/Transportation	\$100	\$200	\$50
Waste Handling	\$200	\$250	\$150

The Manager will propose a new fee schedule to the Assembly every five years, based on experience with administration and inflation.

Heavy Industrial Use and Mineral Extraction

The Assembly will consider permits, fees and leases on a case by case basis.

Lease Terms and Conditions

Per LPB Code 6.80.260, General Conditions

Term.

New Lease: Five Years

Renewal: Up to 25 years, with rent amount reviewed every five years. Longer lease terms are at the discretion of the Assembly.

Amount of Guarantee: Applicants are required to obtain a performance guarantee in either cash/bond equal to one annual payment



Lake and Peninsula Borough



Inspections: Representatives and personnel of the Lake and Peninsula Borough and other interested state agencies may inspect the leased area at any time. Non-compliance determinations will subject the site to re-inspection. Lessee will be assessed the actual expenses incurred by the Borough for re-inspection. A non-compliance determination occurs when a lessee is found to be in violation of the lease and has not remedied that violation, or if there is a reported violation that is substantiated by a site visit.

Modification of Agreements. The Borough reserves the right to modify any lease or permit whenever required to meet emerging environmental circumstances. The lessee will be advised before any such modifications or additions are finalized. Any correspondence on this lease or permit may be directed to the Lake and Peninsula Borough Manager, PO Box 495, King Salmon, AK 99613, telephone (907) 246-2341.

Land use is regulated under chapter 6.80 of the Lake and Peninsula Borough Code and any other provision of the borough ordinances as they are now or as they may be amended. General Conditions from 6.80.260

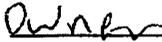
Process

Upon receipt of the completed application and application fee, the application will go before the Borough Assembly for review and approval by ordinance. Once approved by the Assembly, the applicant will be mailed a lease to sign. When signed and returned with first years rent payment, bond or cash guarantee, and proof of insurance, the Borough will sign the lease to be in full and binding effect. Lessee will receive from the Borough a copy of the application, signed lease, and ordinance for their records.

I have read and understand all of the foregoing and attached stipulations. By signing this lease application, I agree to the terms and conditions of this lease when issued except price.



Signature of Applicant or
Authorized Representative



Title

1/25/16
Application Date

Application fee enclosed: \$ N/A



Lake and Peninsula Borough



Insurance

Insurance is required for any commercial use of borough land. Upon approval, and thereafter on each anniversary date for the term of the lease, the Applicant will provide the Borough proof of insurance coverage at a minimum of:

General Commercial Liability	Each Occurrence:	\$300,000
	Damage to Premises:	\$50,000
	Medical Expenses (any one Person)	\$5,000
	Personal and Advance Injury	\$300,000

Indemnification

Applicant shall defend, indemnify and hold harmless the Lake and Peninsula Borough, its employees and agents from and against any and all suits, claims, actions, losses, costs, penalties and damages of whatever kind of nature including all attorney fees and litigation costs, arising out of, in connection with or incidental to any act or omission by Applicant, its employees, agents, guests, contractors, subcontractors or licensees unless the sole proximate cause of the injury or damage is the negligence or willful misconduct of the Borough or anyone acting on the Borough's behalf. Within 15 days Applicant shall accept any such cause or action or proceeding upon tender by the Borough. This indemnification shall survive the expiration or termination of this lease or permit.

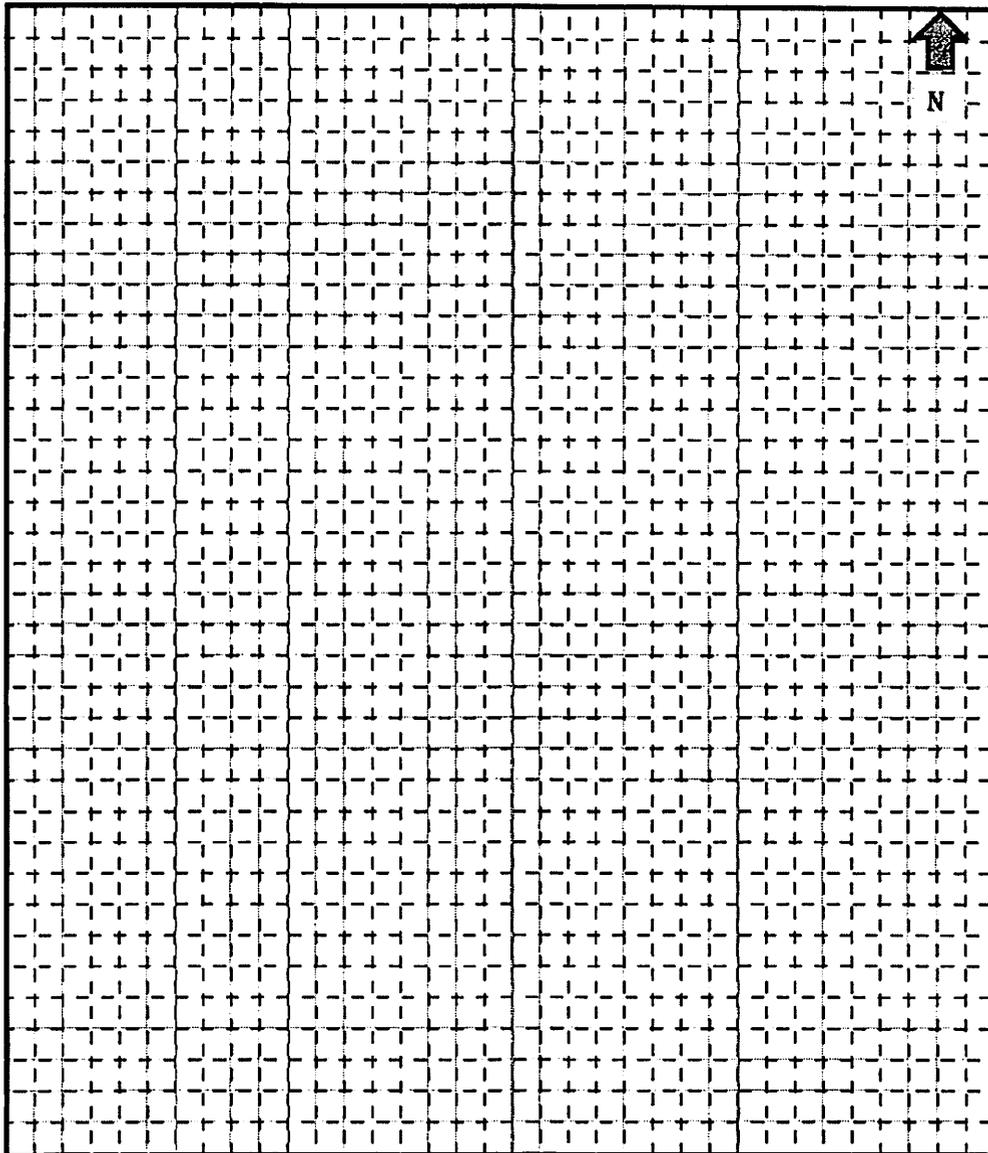
Acceptance of Conditions. Applicant, by signing this application accepts full knowledge of the ordinances of the Lakes and Peninsula Borough and agrees to abide thereby, including amendments thereto, in the administration of the interest conveyed to applicant by the borough under this application. All conveyances or grants of interest are made under the ordinances of the Lakes and Peninsula Borough and in the event of a conflict between this application and any conveyance made hereunder and the ordinances of the Lakes and Peninsula Borough, the ordinances govern. Applicant also acknowledges that any lease is subject to state and federal regulation and restrictions, and agrees to keep itself informed as to the nature of those laws, regulations and restrictions, and to abide in all ways with those laws, regulations and restrictions.

Stewardship. The lessee is obligated to be a steward for this region by maintaining the pristine environment and by **keeping written notation of complaints** from concerned parties visiting the region and by forwarding such complaints to the borough. The lessee shall not impede access to traditional trails or waterways and shall not obstruct any landing strip, except when it is deemed unsafe by the lessee, or closed for regular maintenance. The ability of all users to use or access state, borough or other public land or waters adjacent to or surrounding the leased premises must not be restricted in any manner. However, the lessee may restrict access to the leased property and grounds directly around the buildings site for security of buildings, resources, equipment, supplies and for the privacy of clients. The borough may give notice of particulars of sanitation, etc., which bind the applicant. The applicant is allowed to bury up to 10 gallons of pulverized glass and incinerator ash on site yearly, provided the vegetation above the pit is restored to the original condition.



Lake and Peninsula Borough

(See attachment)



Scale: 1 inch = ____ feet

Instructions:

Draw all lines and structures to scale

Draw in the property lines with dimensions

Draw in all existing and planned structures with dimensions

Draw in existing/planned roads, trails, foot paths on property

Draw in all water bodies in proximity and/or indicate approximate distance from property line

Write in the scale at the bottom of the drawing

Is the land within 100' of an anadromous (salmon spawning) stream? Yes No

SCHEDULE OF PERSONAL PROPERTY

NWA Outfitters LLC current known assets as of 10-2-11 as per Earl Sutherland 4-25-12

STRUCTURES

(Including 16 Guest Bunks plus Bedding, Kitchen, Lounge & Cabin Furniture)

- 2 Log Cabins 14' X 16' with 4' X 14' Covered Porches
- 1 ½ Log, ½ Wood Frame Cabin 12' X 14'
- 2 Hansen Weatherports on Plywood Floors 15' X 20' with Metal Doors
- 2 Hansen Weatherport on Plywood Floors 8' X 12' with Metal Doors
- 1 Pump House 4' X 4' w/Well & Water Pump System
- 1 Sauna Washroom and Shower House
- 1 6' X 12' w/Bosch On Demand Propane Water Heater
- 1 Insulated Hanson Weatherport 16' X 20' on Plywood Floor
- 1 All Weather CoverIt Tent 12' X 20' (Storage and Laundry Room)
- 1 All Weather CoverIt Tent 12' X 20' Crew Tent
- 1 All Weather CoverIt Tent 12' X 20' Crew Tent Disassembled
- 1 Generator Shed 8' X 8'
- 1 Wood Shed 8' X 16'
- 4 Wall Tents 14' X 16' on Wooden Frames
- 1 Wall Tent 14' X 20' with Portable Aluminum Frame Disassembled
- 3 Outhouses

TARP & POLE STRUCTURES:

- 1 Workshop 8' X 12'
- 1 Dry Shed 12' X 12'
- 1 Gear Shed 18' X 20'

FUEL CONTAINMENT:

- Fuel Shed 12' x 30' Tarp & Pole Structure w/Containment for 1,000 Gallons
- 1 w/Grounded
- 1 Fueling System
- 2 12 Volt Electric Fuel Pumps with 150' of Fuel Hose
- 1 500 Gallon Fuel Tank
- Many Fuel Containers from 5 Gallon to 50 Gallon, Maybe 50 60 Containers
- 12 Running Cans for Outboard Motors 6 gallon units
- 15 100# Propane Tanks, 4 60# Tanks, 2 40# Tanks, 12 20# Tanks, 6 5# Tanks

BRIDGES, TRAILS & AIRSTRIP:

- 1100' Gravel Air Strip
- 2 Wood Bridges
- Many Graveled Trails & Community Areas

APPLICATION FOR A LEASE

1. Upon approval by the borough, as indicated below by an authorized signature, this application becomes a lease or land use permit upon all terms indicated herein and as regulated under chapter 6.80 or any other provision of the borough ordinances as they are now or as they may be amended. (See attached General Conditions from 6.80.260.) When approved, the applicant becomes the lessee under this application.

2. All applications shall be accompanied by the appropriate, scheduled application fee

3. Applicant name: _____ NWA Outfitters, LLC _____

4. Applicant Address: _____ P.O. Box 1293, Twin Falls, ID 83303 _____

5. Mailing address if different: _____ Same _____

6. Contact person: _____ Dan Ellsworth _____

7. Business phone: ___(208) 735-0411_____ 8. Message phone: ___(801)592-4771_____

9. Email address: _____ John@cpacoleman.com _____

10. Requested land Location: SW ¼ and SE ¼ Section: 33, Township: 04, Range: 38W, Seward Meridian, as more particularly described on the Site Utilization Plan or Development Plan, filed herewith and made a part hereof.

The only planned development in the near future is an upgrade to the septic system, which has been designed and engineered. The project is on hold, until the economy picks up and the need is created for the upgrade to the existing system which is adequate for the lodge's current needs. . A right to encumber is not requested.

11. Does the applicant currently have a lease on the requested land location? Yes
If yes, has the applicant made on-time payments for at least five consecutive years? Yes

12. Has the applicant ever registered either as a business or guide in the LPB? Yes
If yes, please provide the company name or guide name and years NWA Outfitters, LLC, 2010 to 2016

In preparing your plan, consult Borough Ordinance 6.80, Borough Lands and Resources, 9.05 Borough Coastal Management Ordinance, and 9.07 Development Permit Ordinance.

13. The purpose of this conveyance is more particularly described as: (please give dimension and number of structures on the site)

The Purpose of this conveyance is a 25 year lease on 5 acres to operate a commercial hunting and fishing operation more particularly described as: Maribou Landing on the Mulchatna River. See attached for inventory of Structures.

14. The suggested value of the interest requested to be conveyed is: \$25,000 (Note: this value is not binding on the borough but is for estimation purposes only.) Attach to this application, if available, any data justifying the estimated fair market value of the property sought to be leased. Applicant acknowledges that rental rates for Borough property must be the fair rental value of the property and that the Assembly reserves the right to

review and adjust the rental rate at intervals the Assembly determines to be appropriate in the ordinance authorizing any lease under this Application.

15. Term. This lease applied for is a period of 25 years beginning January 1, 2016 and ending January 1, 2041 unless sooner terminated. The fair market value for this lease has been determined to be \$2730.00 per year. This lease rate shall be adjusted on the anniversary date of the lease every five years after the initial five year term.

16. Insurance and Indemnification. Insurance is required for this type of application. The Applicant will obtain insurance with the following agent: Patterson Insurance Company of Anchorage, Alaska, who can verify limits of the following kinds:

General Commercial Liability	Each Occurrence:	\$300,000
	Damage to Premises:	\$50,000
	Medical Expenses (any one Person)	\$5,000
	Personal and Advance Injury	\$300,000

Annual review of types and limits of insurance may be requested by the borough. Applicant assumes all responsibility, risk and liability for all activities of the applicant, its employees, agents, guests, contractors, subcontractors or licensees directly or indirectly conducted in conjunction with this lease or permit, including environmental and hazardous substance risks and liabilities, whether occurring during or after the term of this lease. Applicant shall defend, indemnify and hold harmless the Lake and Peninsula Borough, its employees and agents from and against any and all suits, claims, actions, losses, costs, penalties and damages of whatever kind of nature including all attorney fees and litigation costs, arising out of, in connection with or incidental to any act or omission by Applicant, its employees, agents, guests, contractors, subcontractors or licensees unless the sole proximate cause of the injury or damage is the negligence or willful misconduct of the Borough or anyone acting on the Borough's behalf. Within 15 days Applicant shall accept any such cause or action or proceeding upon tender by the Borough. This indemnification shall survive the expiration or termination of this lease or permit.

17. Amount of Guarantee: Applicants are required to obtain a performance guarantee in either cash/bond equal to one annual payment. The guarantee is by **N/A Deposit carried over from Previous Lease.**

18. Acceptance of Conditions. Applicant, by signing this application accepts full knowledge of the ordinances of the Lakes and Peninsula Borough and agrees to abide thereby, including amendments thereto, in the administration of the interest conveyed to applicant by the borough under this application. All conveyances or grants of interest are made under the ordinances of the Lakes and Peninsula Borough and in the event of a conflict between this application and any conveyance made hereunder and the ordinances of the Lakes and Peninsula Borough, the ordinances govern. Applicant should be aware of the checklist of the borough and use it to assist applicant in making out its application. Applicant also acknowledges that any lease is subject to state and federal regulation and restrictions, and agrees to keep itself informed as to the nature of those laws, regulations and restrictions, and to abide in all ways with those laws, regulations and restrictions.

19. Stewardship. The lessee is obligated to be a steward for this region by maintaining the pristine environment and by **keeping written notation of complaints** from concerned parties visiting the region and by forwarding such complaints to the borough. The lessee shall not impede access to traditional trails or waterways and shall not obstruct the landing strip, except when it is deemed unsafe by the lessee, or closed for regular maintenance. The ability of all users to use or access state, borough or other public land or waters adjacent to or surrounding the leased premises must not be restricted in any manner. However, the lessee may restrict access to the leased property and grounds directly around the campsite for security of buildings, resources, equipment, supplies and for the privacy of clients. The borough may give notice of particulars of

sanitation, etc., which bind the applicant. The applicant is allowed to bury up to 10 gallons of pulverized glass and incinerator ash on site yearly, provided the vegetation above the pit is restored to the original condition.

20. Reporting. A lessee shall provide the borough annually at the end of a season and at the close of the term

- (a) **Photographs.** A series of during and after-use aerial view or ground level photographs confirming compliance with site development and restoration guidelines, and
- (b) **A written report disclosing:**

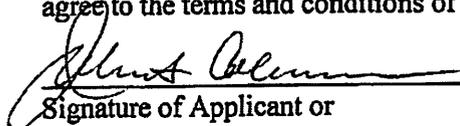
- Date any camp was opened in the spring or established;
- Date the camp was closed for the winter or dismantled;
- Approximate number of clients served;
- Average number of days a client was served;
- Verification of restoration of damaged vegetation or disturbed soil; and dates of any hydrocarbon or hazardous substance spills and the dates such spills were reported to the Borough and DEC.

Failure to submit a satisfactory report and/or required photographs subjects the site to a field inspection requirement for which the lessee may be assessed, at the Borough Manager's discretion, the actual cost incurred by the Borough. If the lessee does not use the site in a given year, a written letter attesting to non-usage will satisfy (a) and (b).

21. Inspections: Representatives and personnel of the Lake and Peninsula Borough and other interested state agencies may inspect the leased area at any time. Non-compliance determinations will subject the site to re-inspection. Lessee will be assessed the actual expenses incurred by the Borough for re-inspection. A non-compliance determination occurs when a lessee is found to be in violation of the lease and has not remedied that violation, or if there is a reported violation that is substantiated by a site visit.

22. Modification of Agreements. The Borough reserves the right to modify any lease or permit whenever required to meet emerging environmental circumstances. The lessee will be advised before any such modifications or additions are finalized. Any correspondence on this lease or permit may be directed to the Lake and Peninsula Borough Manager, PO Box 495, King Salmon, AK 99613, telephone (907) 246-2341.

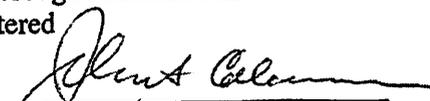
I have read and understand all of the foregoing and attached stipulations. By signing this lease application, I agree to the terms and conditions of this lease when issued except price.

 Signature of Applicant or Authorized Representative	 Title	<u>1-25-16</u> Application Date
---	--	------------------------------------

Applicant's Acceptance. (To be completed after the borough has completed its authorization checklist.)

Applicant agrees to the value and/or rental (see below)

Applicant has reviewed the borough authorization check sheet and agrees to all prices, terms, modifications and special conditions therein entered


Signature of applicant

Do not write below this line: For Borough use only

BOROUGH AUTHORIZATION CHECKLIST

(Initial gh.) Application Fee received in the amount of N/A.

(Initial gh.) Use checked and Ok'd against borough land use classification.

(Initial gh.) Site Utilization Plan and Development Plan approved or waived.

(Initial gh.) Any additional technical information requested received

(Initial gh.) Encumbrance permission granted or not granted.

(Initial NA.) Notice of proposed disposition posted/complete.

(Initial NA.) Hearing held (if required).

(Initial gh.) Value of land determined. Value: \$25,000 Rental: \$2730.00

Method of evaluation: FMV

(Initial gh.) Term as finally determined by borough: \$2730.00 per year for a term of 25 years

(Initial gh.) Performance guarantee cash or bond in amount of \$N/A received or guaranteed by broker.

(Initial gh.) Liability insurance in amount of \$See attached approved or guaranteed by broker.

(Initial gh.) Borough attorney consulted or waived.

(Initial NA.) Section 20 application for modification allowed as follows: _____

(Initial ____.) Special Provisions: N/A

(Initial gh.) Applicant checked for delinquent debt to borough.

(Initial NA.) Recording, platting or other fees collected or provided for.

Document No.: 2016-1

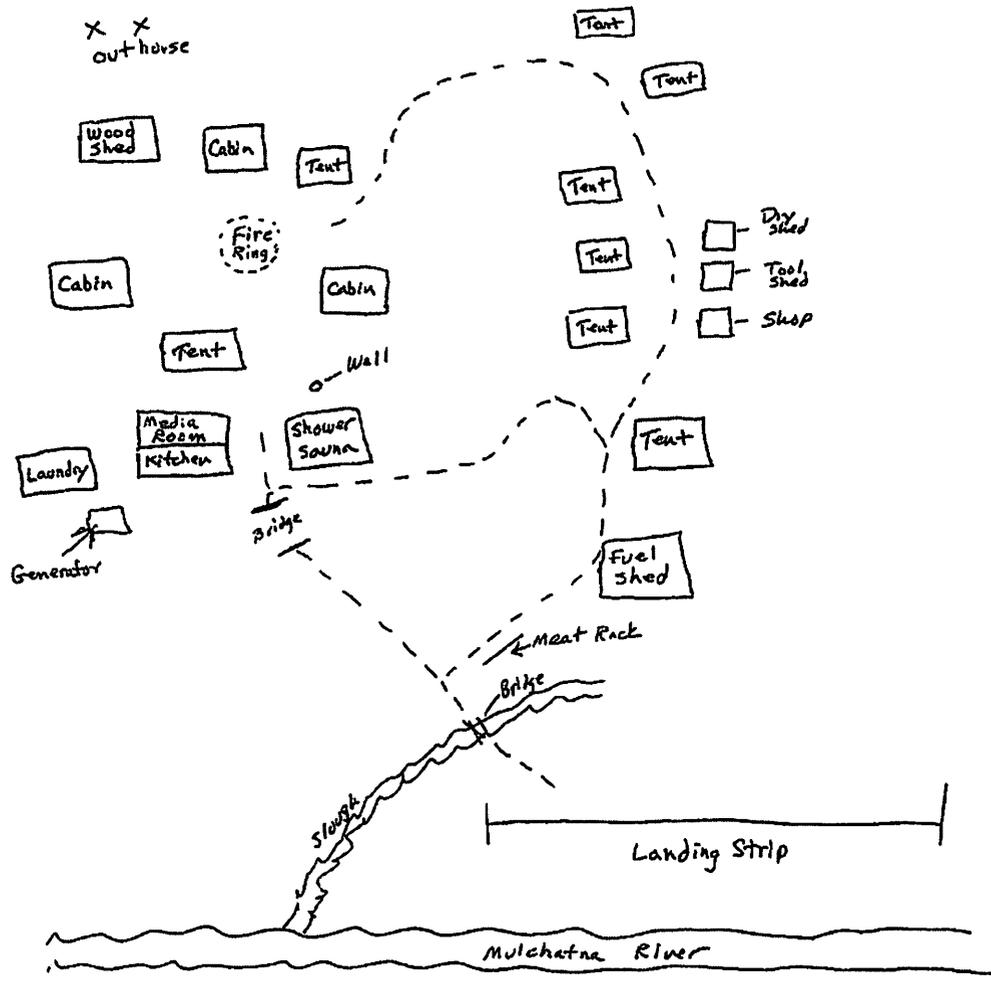
Classification of land: N/A

Approved this 2 day of FEBRUARY, 2016

[Signature]
Signature of Borough Official

FINANCE OFFICER
Title

2/2/16
Date





CERTIFICATE OF LIABILITY INSURANCE

NWAOU-1

OP ID: PV

DATE (MM/DD/YYYY)

01/12/2016

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER NP Dodge Insurance Agency, Inc 12002 Pacific St. Omaha, NE 68154-3507 Richard D. Cooper	CONTACT NAME: PHONE (A/C No, Ext): _____ FAX (A/C, No): _____ E-MAIL ADDRESS: _____	
	INSURER(S) AFFORDING COVERAGE	
INSURED NWA Outfitters c/o Coleman & Company, Chhdt PO Box 1293 Twin Falls, ID 83303	INSURER A: Philadelphia Ins. Companies	
	INSURER B:	
	INSURER C:	
	INSURER D:	
	INSURER E:	
	INSURER F:	

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSD WAVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:		PHPK1428272	02/03/2016	02/03/2017	EACH OCCURRENCE	\$ 500,000
						DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 100,000
						MED EXP (Any one person)	\$ 5,000
						PERSONAL & ADV INJURY	\$ 500,000
						GENERAL AGGREGATE	\$ 1,000,000
						PRDUCTS - COM/OP AGG	\$ 1,000,000
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS					COMBINED SINGLE LIMIT (Ea accident)	\$
						BODILY INJURY (Per person)	\$
						BODILY INJURY (Per accident)	\$
						PROPERTY DAMAGE (Per accident)	\$
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$					EACH OCCURRENCE	\$
						AGGREGATE	\$
							\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/EMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	<input type="checkbox"/> Y <input type="checkbox"/> N N/A				PER STATUTE	OTH-ER
						E.L. EACH ACCIDENT	\$
						E.L. DISEASE - EA EMPLOYEE	\$
						E.L. DISEASE - POLICY LIMIT	\$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

It is understood and agreed that the certificate holder is named as Additional Insured but only with respect to its liability arising out of the activities of Named Insured.

CERTIFICATE HOLDER

Lake and Peninsula Borough
 Jordan Keeler, Community
 Development Coordinator
 101 Jensen Drive
 King Salmon, AK 99613

RECEIVED
 JAN 19 2016
 BY: _____

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Richard D. Cooper

G. 2.
New Business
Ordinance 16-02

5 Year Lease
F & J Hoff

Hearing & Decision

Lake and Peninsula Borough
Regular Assembly Meeting
March 15, 2016



Lake and Peninsula Borough

P.O. Box 495

King Salmon, Alaska 99613

Telephone: (907) 246-3421

Fax: (907) 246-6602



PLEASE POST

PUBLIC HEARING NOTICE

ORDINANCE NO. 16-02

AN ORDINANCE AUTHORIZING A TRANSFER AND FIVE YEAR LEASE OF REAL PROPERTY CONTAINING 2.0 ACRES MORE OR LESS TO FRANK HOFF AND JUSTIN HOFF FOR THE OPERATION OF A COMMERCIAL SET NET OPERATION.

The Lake and Peninsula Borough Assembly will hold a public hearing to solicit comments on the above referenced ordinance on **Tuesday, March 15, 2016 at 11:00 am** in the meeting room at Lake and Peninsula School District, 101 Jensen Rd, King Salmon AK 99613. Interested members of the public are encouraged to attend. To participate you may submit written comments up to 24 hours prior to the hearing, or attend in person or call **1-866-339-5580 and enter the meeting number *2288317*** (star, two, two, eight, eight, three, one, seven, star) during the hearing. Copies of the proposed ordinance can be viewed at local village and city council offices, or at the Lake and Peninsula Borough offices in King Salmon, Alaska. For information contact Kate Conley at 907-246-3421 or 1-800-764-3421.

Note: Due to telephone service inconsistency inherent to rural Alaska, the Borough meeting may not always be available in all locations or audible.

**LAKE AND PENINSULA BOROUGH
ORDINANCE 16-02**

AN ORDINANCE AUTHORIZING A TRANSFER AND FIVE YEAR LEASE OF REAL PROPERTY CONTAINING 2.0 ACRES MORE OR LESS TO FRANK HOFF AND JUSTIN HOFF FOR THE OPERATION OF A COMMERCIAL SET NET OPERATION.

WHEREAS, the Lake and Peninsula Borough owns a 2.00 acre parcel of land located at North Coordinates: 58-14-59-40, West Coordinates: 50, Township 22 South, Range 50 West, Section 19, Seward Meridian, Alaska ("the Property"); and

WHEREAS, Frank Hoff and Justin Hoff has been operating a commercial set net operation at this site; and

WHEREAS, Representatives of Lake and Peninsula Borough have inspected the property and observed that Frank Hoff and Justin Hoff has demonstrated extemporaneous care and stewardship of this land; and

WHEREAS, Frank Hoff and Justin Hoff has submitted a completed lease application and is ready to fulfill all terms set forth by Borough Code 6.80.260; and

THEREFORE BE IT ENACTED by the Assembly of the Lake and Peninsula Borough that:

Section 1. Classification.

This is a Non-Code Ordinance.

Section 2. General Provisions.

The Assembly finds that issuing a 5-year lease located at North Coordinates: 58-14-59-40, West Coordinates: 50, Township 22 South, Range 50 West, Section 19, Seward Meridian, Alaska, containing 2.0 acres, more or less, to Frank Hoff and Justin Hoff is in the best interest of the Borough. A copy of the completed lease application is attached to this Ordinance as Exhibit "A." The Assembly hereby approves the issuance of a 5-year lease to Frank Hoff and Justin Hoff for the operation of a set net site for a 5-year term.

Section 3. Rental Rate.

The Assembly determines that it is not cost efficient or practical to obtain an appraisal under Borough Ord. 6.80.140 to determine the fair rental value of the Property. By the best estimate the Borough can obtain, the approximate fair rental value of the Property is \$500 per year. Based upon the Borough's experience, the cost of obtaining an appraisal of the property would be significantly greater than the annual rent. Therefore the foregoing rental rate was determined by examining lease rates charged by the Borough for similar commercial activities on similar properties inside the Borough.

Section 4. Authorization.

The Lake and Peninsula Borough Assembly authorizes the Borough Manager to sign a lease and all other documents deemed necessary to finalize a lease in accordance with Chapter 6.80 of Lake and Peninsula Borough Code.

Section 5. Effective Date.

This ordinance shall become effective upon enactment by the Borough Assembly.

ENACTED by a duly constituted quorum of the Lake and Peninsula Borough Assembly this 15 day of March 2016.

IT WITNESS THERETO:

ATTEST:

Glen Alsworth Sr., Mayor

Kate Conley, Borough Clerk

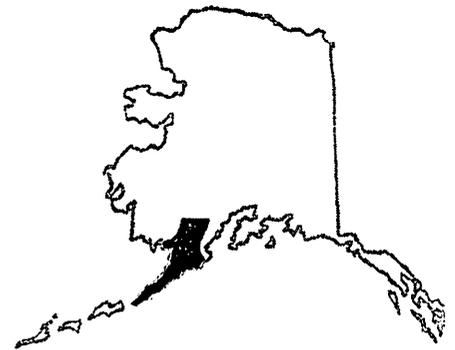
Introduced: February 16, 2016
Public Hearing: March 15, 2016
Enacted:
Ayes:
Nays:
Not Voting:



Lake and Peninsula Borough

P.O. Box 495
King Salmon, Alaska 99613

Telephone: (907) 246-3421
Fax: (907) 246-6602



MEMO

February 16, 2016

To: Mayor Alsworth
Assembly Members
Nathan Hill, Borough Manager
Susan Edwards, Finance Officer

From: Nikki Reed, Assistant Finance Officer

Mr. Frank Hoff and Justin Hoff would like to ask the Assembly to consider expanding their land lease to 2 acres for 5 years. Mr. Dan Currey's has moved off the land which is located next to Mr. Frank and Justin Hoff's Land Lease. Mr. Frank Hoff and Justin Hoff would like to take over the land to include it with their current land lease. They have had a current land lease with the Lake and Peninsula Borough for 1 year and has paid on time. They have been excellent stewards of the land that they occupy and is in good standing with The Lake and Peninsula Borough.

Staff recommends the Assembly approves land lease for Mr. Frank Hoff and Justin Hoff for the duration of five years and review every 5 years for a lease rate adjustment.

RE: Expanding Land Lease to 2 acres

APPLICATION FOR A LEASE

1. Upon approval by the borough, as indicated below by an authorized signature, this application becomes a lease or land use permit upon all terms indicated herein and as regulated under chapter 6.80 or any other provision of the borough ordinances as they are now or as they may be amended. (See attached General Conditions from 6.80.260.) When approved, the applicant becomes the lessee under this application.

2. All applications shall be accompanied by the appropriate, scheduled application fee

3. Applicant name: _____ Frank & Justin Hoff _____

4. Applicant Address: _____ 21930 453rd Ave, Arlington, SD 57212 _____

5. Mailing address if different: _____ Same _____

6. Contact person: _____ Frank Hoff _____

7. Business phone: _____ 605-482-8192 _____ 8. Message phone: _____ 605-270-2306 _____

9. Email address: _____ rh@alliancecom.net _____

10. Requested land Location: GPS Coordinates 58-14-59-40, Section: 19, Township: 22 South Range: 50W, Seward Meridian, as more particularly described on the land lease use for set net site and made a part hereof. A right to encumber is not requested.

11. Does the applicant currently have a lease on the requested land location? no
If yes, has the applicant made on-time payments for at least five consecutive years? Mr. Justin Hoff has a lot beside his current location and would ask to expand his land lease.

12. Has the applicant ever registered either as a business or guide in the LPB? no
If yes, please provide the company name or guide name and years.

In preparing your plan, consult Borough Ordinance 6.80, Borough Lands and Resources, 9.05 Borough Coastal Management Ordinance, and 9.07 Development Permit Ordinance.

13. The purpose of this conveyance is more particularly described as: (please give dimension and number of structures on the site)

The Purpose of this conveyance is a 5 year lease on 2 acres to operate a Set Net site more particularly described as: Egegik, Alaska Set net Site. See attached for inventory of Structures.

14. The suggested value of the interest requested to be conveyed is: \$10,000 (Note: this value is not binding on the borough but is for estimation purposes only.) Attach to this application, if available, any data justifying the estimated fair market value of the property sought to be leased. Applicant acknowledges that rental rates for Borough property must be the fair rental value of the property and that the Assembly reserves the right to review and adjust the rental rate at intervals the Assembly determines to be appropriate in the ordinance authorizing any lease under this Application.

15. Term. This lease applied for is a period of 5 years beginning January 1, 2016 and ending January 1, 2021 unless sooner terminated. The fair market value for this lease has been determined to be \$500.00 per year. This lease rate shall be adjusted on the anniversary date of the lease every five years after the initial five year term.

16. Insurance and Indemnification. Insurance is required for this type of application. The Applicant will obtain insurance with the following agent: Patterson Insurance Company of Anchorage, Alaska, who can verify limits of the following kinds:

General Commercial Liability	Each Occurrence:	\$300,000
	Damage to Premises:	\$50,000
	Medical Expenses (any one Person)	\$5,000
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Annual review of types and limits of insurance may be requested by the borough. Applicant assumes all responsibility, risk and liability for all activities of the applicant, its employees, agents, guests, contractors, subcontractors or licensees directly or indirectly conducted in conjunction with this lease or permit, including environmental and hazardous substance risks and liabilities, whether occurring during or after the term of this lease. Applicant shall defend, indemnify and hold harmless the Lake and Peninsula Borough, its employees and agents from and against any and all suits, claims, actions, losses, costs, penalties and damages of whatever kind of nature including all attorney fees and litigation costs, arising out of, in connection with or incidental to any act or omission by Applicant, its employees, agents, guests, contractors, subcontractors or licensees unless the sole proximate cause of the injury or damage is the negligence or willful misconduct of the Borough or anyone acting on the Borough's behalf. Within 15 days Applicant shall accept any such cause or action or proceeding upon tender by the Borough. This indemnification shall survive the expiration or termination of this lease or permit.

17. Amount of Guarantee: Applicants are required to obtain a performance guarantee in either cash/bond equal to one annual payment. The guarantee is by _____.

18. Acceptance of Conditions. Applicant, by signing this application accepts full knowledge of the ordinances of the Lakes and Peninsula Borough and agrees to abide thereby, including amendments thereto, in the administration of the interest conveyed to applicant by the borough under this application. All conveyances or grants of interest are made under the ordinances of the Lakes and Peninsula Borough and in the event of a conflict between this application and any conveyance made hereunder and the ordinances of the Lakes and Peninsula Borough, the ordinances govern. Applicant should be aware of the checklist of the borough and use it to assist applicant in making out its application. Applicant also acknowledges that any lease is subject to state and federal regulation and restrictions, and agrees to keep itself informed as to the nature of those laws, regulations and restrictions, and to abide in all ways with those laws, regulations and restrictions.

19. Stewardship. The lessee is obligated to be a steward for this region by maintaining the pristine environment and by **keeping written notation of complaints** from concerned parties visiting the region and by forwarding such complaints to the borough. The lessee shall not impede access to traditional trails or waterways and shall not obstruct the landing strip, except when it is deemed unsafe by the lessee, or closed for regular maintenance. The ability of all users to use or access state, borough or other public land or waters adjacent to or surrounding the leased premises must not be restricted in any manner. However, the lessee may restrict access to the leased property and grounds directly around the campsite for security of buildings, resources, equipment, supplies and for the privacy of clients. The borough may give notice of particulars of sanitation, etc., which bind the applicant. The applicant is allowed to bury up to 10 gallons of pulverized glass and incinerator ash on site yearly, provided the vegetation above the pit is restored to the original condition.

20. Reporting. A lessee shall provide the borough annually at the end of a season and at the close of the term

(a) **Photographs.** A series of during and after-use aerial view or ground level photographs confirming compliance with site development and restoration guidelines, and

(b) **A written report disclosing:**

- Date any camp was opened in the spring or established;
- Date the camp was closed for the winter or dismantled;
- Approximate number of clients served;
- Average number of days a client was served;
- Verification of restoration of damaged vegetation or disturbed soil; and dates of any hydrocarbon or hazardous substance spills and the dates such spills were reported to the Borough and DEC.

Failure to submit a satisfactory report and/or required photographs subjects the site to a field inspection requirement for which the lessee may be assessed, at the Borough Manager's discretion, the actual cost incurred by the Borough. If the lessee does not use the site in a given year, a written letter attesting to non-usage will satisfy (a) and (b).

21. Inspections: Representatives and personnel of the Lake and Peninsula Borough and other interested state agencies may inspect the leased area at any time. Non-compliance determinations will subject the site to re-inspection. Lessee will be assessed the actual expenses incurred by the Borough for re-inspection. A non-compliance determination occurs when a lessee is found to be in violation of the lease and has not remedied that violation, or if there is a reported violation that is substantiated by a site visit.

22. Modification of Agreements. The Borough reserves the right to modify any lease or permit whenever required to meet emerging environmental circumstances. The lessee will be advised before any such modifications or additions are finalized. Any correspondence on this lease or permit may be directed to the Lake and Peninsula Borough Manager, PO Box 495, King Salmon, AK 99613, telephone (907) 246-2341.

I have read and understand all of the foregoing and attached stipulations. By signing this lease application, I agree to the terms and conditions of this lease when issued except price.

Frank Hoff
Signature of Applicant or
Authorized Representative

Title

2-8-16
Application Date

Applicant's Acceptance. (To be completed after the borough has completed its authorization checklist.)

- Applicant agrees to the value and/or rental (see below)
- Applicant has reviewed the borough authorization check sheet and agrees to all prices, terms, modifications and special conditions therein entered

Signature of applicant

Do not write below this line: For Borough use only

BOROUGH AUTHORIZATION CHECKLIST

(Initial ____.) Application Fee received in the amount of N/A.

(Initial ____.) Use checked and Ok'd against borough land use classification.

(Initial ____.) Site Utilization Plan and Development Plan approved or waived.

(Initial ____.) Any additional technical information requested received

(Initial ____.) Encumbrance permission granted or not granted.

(Initial ____.) Notice of proposed disposition posted/complete.

(Initial ____.) Hearing held (if required).

(Initial ____.) Value of land determined. Value: \$10,000 Rental: \$500.00

Method of evaluation: _____

(Initial ____.) Term as finally determined by borough: \$500.00 per year for a term of 5 years

(Initial ____.) Performance guarantee cash or bond in amount of \$500.00 received or guaranteed by broker.

(Initial ____.) Liability insurance in amount of \$_____ approved or guaranteed by broker.

(Initial ____.) Borough attorney consulted or waived.

(Initial ____.) Section 20 application for modification allowed as follows: _____

(Initial ____.) Special Provisions: N/A

(Initial ____.) Applicant checked for delinquent debt to borough.

(Initial ____.) Recording, platting or other fees collected or provided for.

Document No.: 2016-1

Classification of land: Commercial Land Use

Approved this ____ day of _____, 20__

Signature of Borough Official

Title

Date



Lake and Peninsula Borough

P.O. Box 495
King Salmon, Alaska 99613

Telephone: (907) 246-3421

Fax: (907) 246-6602



APPLICATION FOR A LEASE

Applicant

Name:	Justin Hoff		
Company Name:			
Address:	21930 453 rd Ave		
	Arlington SD. 57212		
Telephone:	605-482-8192	Cell:	605-270-2306
Email:	jh@alliance.com.net		
Web Site:			

New Lease Renewal additional Land Lease

Has the applicant ever registered either as a business or guide in the LPB?

LPB Registration #: _____

Land Location

Seward Meridian:

Section	Township	Range
19	22S	S0W
GPS Coordinates:	58-14-59-40	

A right to encumber is / is not requested.

Purpose of Lease

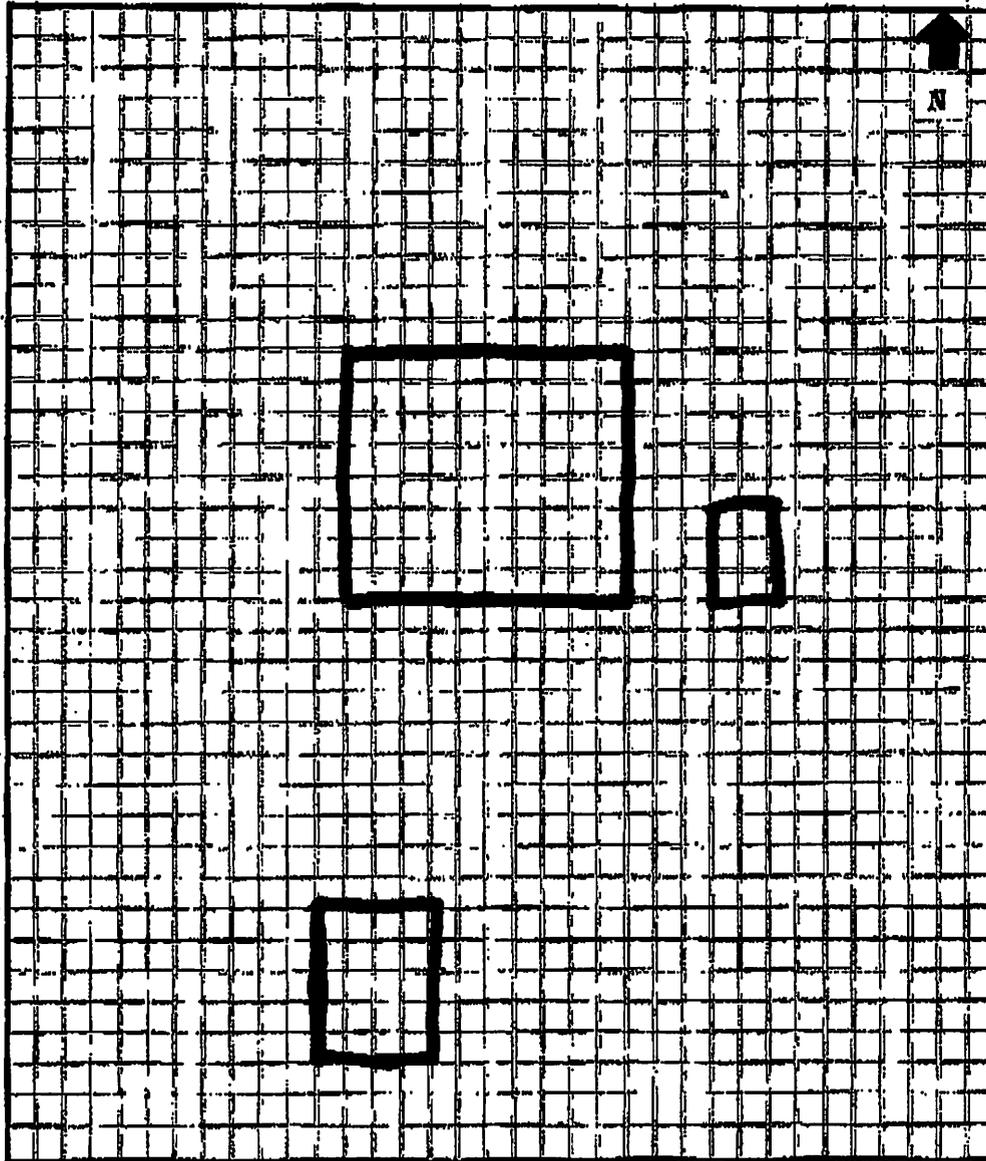
Setnet site

Structures on Leased Property

Structure Name	Length	Width
Cabin	?	?



Lake and Peninsula Borough



Scale: 1 inch = _____ feet

Instructions:

- Draw all lines and structures to scale
- Draw in the property lines with dimensions
- Draw in all existing and planned structures with dimensions
- Draw in existing/planned roads, trails, foot paths on property
- Draw in all water bodies in proximity and/or indicate approximate distance from property line
- Write in the scale at the bottom of the drawing

Is the land within 100' of an anadromous (salmon spawning) stream? Yes No

Chignik Bay • Chignik Lagoon • Chignik Lake • Egegik • Igigig • Ikroavik • Ivanof Bay • Koxnanok • Lovelock • Newhalen
• Nondaton • Pedro Bay • Perryville • Pilot Point • Pope Vannoy • Port Alsworth • Port Heiden • Ugashik



Lake and Peninsula Borough



Land use is regulated under chapter 6.80 of the Lake and Peninsula Borough Code and any other provision of the borough ordinances as they are now or as they may be amended. General Conditions from 6.80.260

Process

Upon receipt of the completed application and application fee, the application will go before the Borough Assembly for review and approval by ordinance. Once approved by the Assembly, the applicant will be mailed a lease to sign. When signed and returned with first years rent payment, bond or cash guarantee, and proof of insurance, the Borough will sign the lease to be in full and binding effect. Lessee will receive from the Borough a copy of the application, signed lease, and ordinance for their records.

I have read and understand all of the foregoing and attached stipulations. By signing this lease application, I agree to the terms and conditions of this lease when issued except price.

Freddie Hoff
Signature of Applicant or
Authorized Representative

Title

2-5-16
Application Date

Application fee enclosed: \$ _____

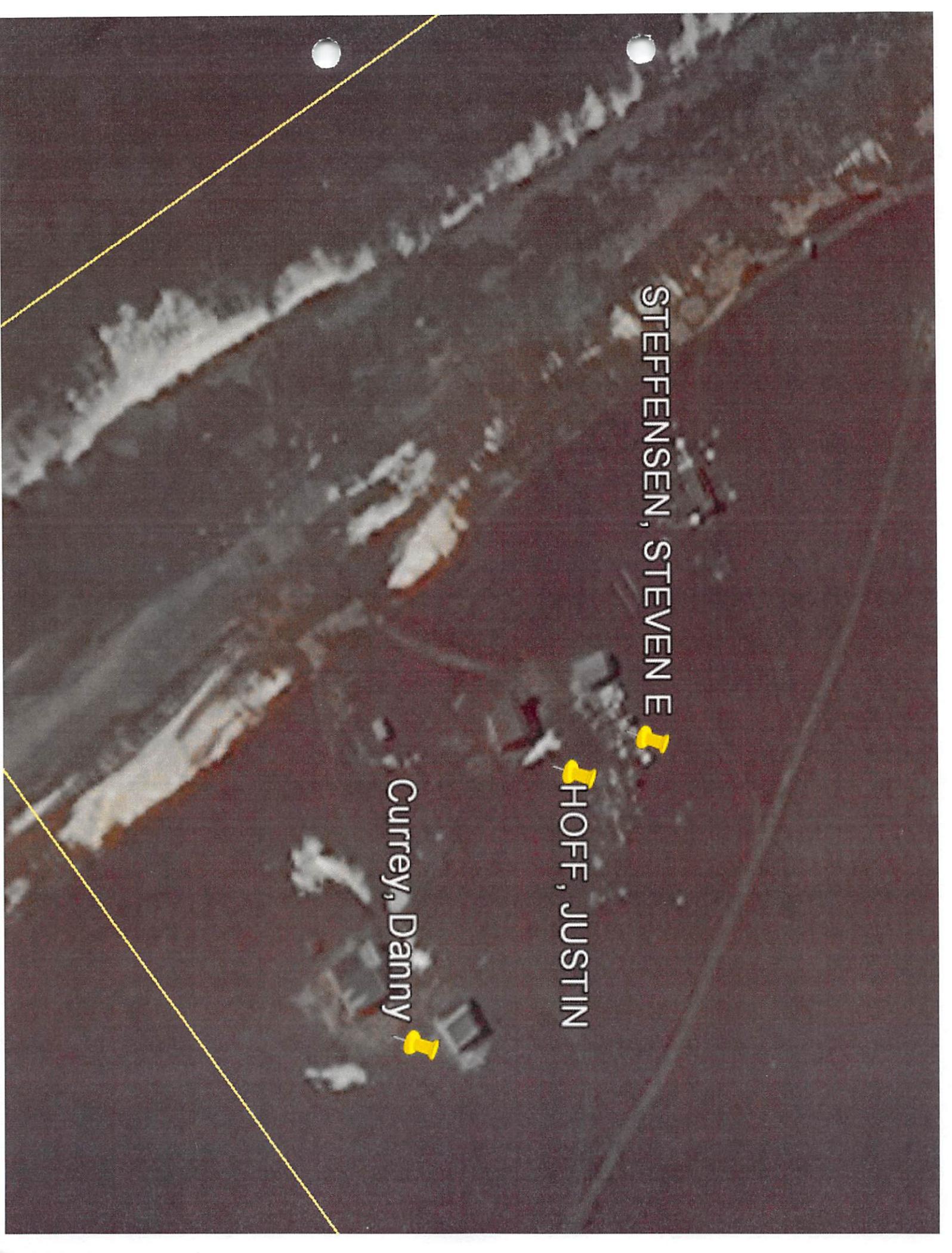
STEFFENSEN, STEVEN E



HOFF, JUSTIN



Currey, Danny



**G. 3.
New Business
Ordinance 16-03
Budget Amendments**

Introduction

**Lake and Peninsula Borough
Regular Assembly Meeting
March 15, 2016**

**LAKE AND PENINSULA BOROUGH
ORDINANCE NO. 16-03**

AN ORDINANCE AMENDING THE AMENDED LAKE AND PENINSULA BOROUGH OPERATING BUDGET FOR THE FISCAL YEAR BEGINNING JULY 1, 2015 AND ENDING JUNE 30, 2016 (FY-16).

BE IT ENACTED by the Assembly of the Lake and Peninsula Borough that:

Section 1. Classification.

This is a Non-Code Ordinance.

Section 2. General Provisions.

The Lake and Peninsula Borough is authorized to receive revenues, make expenditures, and make changes to the same for the period beginning July 1, 2015 and ending June 30, 2016, in accordance with the "Amended Fiscal Year 2016 Operating Budget."

Section 3. Authorization and Appropriation.

The following appropriations are amendments and are hereby adopted and authorized for the period beginning July 1, 2015 and ending June 30, 2016, and are the operating budget for that period:

- Board of Fish budget needs to be increased to account for the Board of Fish meeting expenses that were approved by the Assembly by motion on October 19, 2015.
Acct #: **10.43110.481-486** Amount: **\$25,000.00**
- An appropriation for the Capital Project Fund needs to be made by the Assembly. Per Borough Code 6.72 and Resolution 09-02, the Lake and Peninsula Borough makes available funds for each community to assist in the design, construction, renovation and acquisition of capital projects and facilities. Historically the Assembly has approved \$5000 per community, but may appropriate any dollar amount.
Acct #: **10.49800.554** Amount: **\$80,000.00**

Total additional amount to add to the FY15-16 budget: **\$105,000.00**

Section 4. Purpose

The purpose of this ordinance is to amend the FY16 budget.

Section 5. Effective Date.

This ordinance shall become effective upon enactment by the Borough Assembly.

ENACTED by a duly constituted quorum of the Lake and Peninsula Borough Assembly this 13th day of April, 2016.

IT WITNESS THERETO:

ATTEST:

Glen Alsworth Sr., Mayor

Kate Conley, Borough Clerk

Introduced: March 15, 2016
Public Hearing: April 13, 2016
Enacted:
Ayes:
Nays:
Not Voting:
Absent:

G. 4.
New Business
Resolution 16-06
Support of Improving
Access to Fisheries

Lake and Peninsula Borough
Regular Assembly Meeting
March 15, 2016

**LAKE AND PENINSULA BOROUGH
RESOLUTION 16-06**

**A RESOLUTION SUPPORTING LEGISLATION IMPROVING
ALASKANS' ACCESS TO ALASKA FISHERIES**

WHEREAS, limited entry commercial fisheries are the economic backbone of all of Alaska's coastal communities, from Southeast to Southwest;

WHEREAS, the "graying of the fleet" — the increasing average age of Alaska's fishermen — is endangering the ability to pass on experience, knowledge, resources, culture, and value of fisheries to younger generations of Alaskans;

WHEREAS, the out-migration of Alaska fishing permits to nonresidents who do not live or invest in our coastal communities deprives those communities of economic activity;

WHEREAS, the lack of economic opportunity in Alaskan communities from the loss of local fishing permits contributes to extreme levels of unemployment, lack of local tax base, and high rates of alcohol and drug abuse and other social ills;

WHEREAS, the legislation to improve Alaskans' access to Alaska fisheries has been collaboratively worked on for the previous 16 months with stakeholders from across Alaska;

NOW, THEREFORE BE IT RESOLVED that the Lake and Peninsula Borough supports the policies proposed by HB 366, which aims to improve Alaskans' access and opportunity in Alaska fisheries in order to stem the loss of Alaska fishing permits from coastal communities, provide young Alaskans better means of economic opportunity, and reinvigorate the cultural and economic vitality of fishing communities across Alaska.

PASSED AND APPROVED by a duly constituted quorum of the Lake and Peninsula Borough Assembly on this 15th day of March 2016.

Glen Alsworth, Sr., Mayor

Kate Conley, Borough Clerk

HOUSE BILL NO. 366

IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-NINTH LEGISLATURE - SECOND SESSION

BY REPRESENTATIVE KREISS-TOMKINS

Introduced: 2/24/16

Referred: House Special Committee on Fisheries, Labor and Commerce, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to commercial fishing entry permits; establishing regional community**
2 **permit banks and regions for certain commercial fishing permits; relating to**
3 **commercial fishing entry permits and regions leased and controlled by a regional**
4 **community permit bank; relating to the duties of the Commercial Fisheries Entry**
5 **Commission and the Department of Commerce, Community, and Economic**
6 **Development; and providing for an effective date."**

7 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

8 *** Section 1.** The uncodified law of the State of Alaska is amended by adding a new section
9 to read:

10 **LEGISLATIVE FINDINGS.** The legislature finds that

11 (1) the state has an ownership and stewardship interest in the fish that
12 originate in Alaska waters and return to spawn;

13 (2) art. VIII, sec. 15, Constitution of the State of Alaska, authorizes the state to

1 limit entry into a fishery for the purpose of preventing economic distress among fishermen
2 and those dependent on them for a livelihood;

3 (3) because many of Alaska's coastal communities are isolated, have limited
4 infrastructure, and have a high cost of living and business, they are economically dependent
5 on their regional fisheries;

6 (4) access to commercial fishing contributes to the traditional cultural values
7 of Alaska communities because those communities with access to commercial fisheries are
8 better able to participate in subsistence and sport fisheries;

9 (5) the number of Alaska limited entry commercial fishing permits held by
10 residents local to a given fishery has declined substantially since the implementation of
11 limited entry in 1975;

12 (6) the decline in the number of commercial fishing permits in Alaska's
13 coastal communities has led to economic distress among fishermen, their families, and their
14 communities; and

15 (7) the state has a compelling interest in promoting the economic self-
16 sustainability of its communities and ensuring their continued economic health and vitality.

17 * **Sec. 2.** AS 16.05.253(b) is amended to read:

18 (b) In this section,

19 **(1)** "fishing site" means fishing site as defined by the Board of
20 Fisheries and includes any structure used for providing shelter in support of the
21 operation of the net gear or other stationary fishing gear;

22 **(2)** "**person who holds a limited entry permit**" and "**permit**
23 **holder**" include a lessee of a limited entry permit under AS 16.44.

24 * **Sec. 3.** AS 16.05.480(a) is amended to read:

25 (a) A person engaged in commercial fishing shall obtain a commercial fishing
26 license and shall retain the license in possession and readily available for inspection
27 during fishing operations. An entry permit or interim-use permit entitles the holder, **or**
28 **the lessee of the permit under AS 16.44,** to participate as a gear operator in the
29 fishery for which the permit is issued and to participate as a crewmember in any
30 fishery. A crewmember fishing license is not transferable and entitles the holder to
31 participate as a crewmember in any fishery.

1 * **Sec. 4.** AS 16.05.480(g) is amended to read:

2 (g) A resident engaged in commercial fishing who is 11 years of age or older
3 and who does not hold **or lease** an entry permit or an interim-use permit shall, except
4 as provided in (i) of this section, pay a fee of \$60 for an annual crewmember fishing
5 license. A resident engaged in commercial fishing who is less than 11 years of age and
6 who does not hold **or lease** an entry permit or an interim-use permit shall pay an
7 annual fee of \$5.

8 * **Sec. 5.** AS 16.05.480(i) is amended to read:

9 (i) Notwithstanding (g) and (h) of this section, a resident or nonresident
10 engaged in commercial fishing who does not hold **or lease** an entry permit or an
11 interim-use permit may obtain one seven-day crewmember fishing license under this
12 subsection annually. A person who obtains a seven-day license is not eligible for
13 another seven-day license in the same license year; however, if a person who obtains a
14 seven-day license pays the full fee for an annual crewmember fishing license under (g)
15 or (h) of this section during the same license year, the person is entitled to receive a
16 refund of the fee for the seven-day license. The department shall adopt regulations
17 establishing a refund procedure. During the period for which the seven-day license is
18 valid, a person who holds a seven-day license may not engage in fishing with a rod
19 and reel while present on a commercial fishing vessel. The fee for a seven-day license
20 is \$30.

21 * **Sec. 6.** AS 16.05.480(j) is amended to read:

22 (j) In this section, "commercial fishing license" includes an entry permit and
23 an interim-use permit issued under AS 16.43, **an entry permit leased from a**
24 **regional community permit bank under AS 16.44,** and a crewmember fishing
25 license.

26 * **Sec. 7.** AS 16.05.675(a) is amended to read:

27 (a) A person who does not hold **or lease** a limited entry permit or interim-use
28 permit issued under AS 16.43 or a fish transporter permit issued under AS 16.05.671
29 may not deliver or land fish in the state unless the person

30 (1) holds a valid federal permit to operate commercial fishing gear in
31 the fishery conservation zone; and

1 (2) has been issued a landing permit by the Alaska Commercial
2 Fisheries Entry Commission.

3 * **Sec. 8.** AS 16.05.680(a) is amended to read:

4 (a) It is unlawful for a person, or an agent or representative of the person,

5 (1) to employ, in the harvesting, transporting, or purchasing of fish, a
6 fisherman who neither is licensed under AS 16.05.480 nor is the holder **or lessee** of a
7 permit issued under AS 16.43;

8 (2) to purchase fish from a person who is not

9 (A) the holder **or lessee** of a limited entry, interim-use, or
10 landing permit issued under AS 16.43;

11 (B) a fish transporter who is selling the fish as the agent of the
12 holder **or lessee** of a limited entry, interim-use, or landing permit issued under
13 AS 16.43; or

14 (C) exempt under AS 16.05.660; or

15 (3) to purchase fish from an association other than one to which a
16 permit has been issued under AS 16.05.662.

17 * **Sec. 9.** AS 16.05.710 is amended by adding a new subsection to read:

18 (e) If proceedings to suspend commercial fishing privileges or licenses under
19 this section are pending against a person, a regional community permit bank
20 established under AS 16.44.010 may not lease the person a permit.

21 * **Sec. 10.** AS 16.10.265(f) is amended to read:

22 (f) In this section,

23 **(1) "hold an entry permit" includes leasing an entry permit under**

24 **AS 16.44;**

25 **(2)** "individual" means a natural person.

26 * **Sec. 11.** AS 16.10.455(g) is amended by adding a new paragraph to read:

27 (5) "entry permit holder" includes a lessee of an entry permit under
28 AS 16.44.

29 * **Sec. 12.** AS 16.10.560 is amended by adding a new paragraph to read:

30 (3) "persons who hold entry permits" and "persons holding entry
31 permits" include lessees of entry permits under AS 16.44.

1 * **Sec. 13.** AS 16.43.140(a) is amended to read:

2 (a) A person may not operate gear in the commercial taking of fishery
3 resources without a valid entry permit or a valid interim-use permit issued by the
4 commission. **For purposes of this section, a person leasing an entry permit under**
5 **AS 16.44 is the holder of that permit.**

6 * **Sec. 14.** AS 16.43.150(a) is amended to read:

7 (a) Except as may be otherwise provided under AS 16.43.270(d), an entry
8 permit authorizes the permittee, **or a person leasing the permit under AS 16.44,** to
9 operate a unit of gear within a specified fishery.

10 * **Sec. 15.** AS 16.43.150(g) is amended to read:

11 (g) Except as provided in AS 16.10.333 - 16.10.338, **AS 16.44,** AS 44.81.215,
12 44.81.225, and 44.81.231 - 44.81.250, an entry permit may not be

13 (1) pledged, mortgaged, leased, or encumbered in any way;

14 (2) transferred with any retained right of repossession or foreclosure,
15 or on any condition requiring a subsequent transfer; or

16 (3) attached, distrained, or sold on execution of judgment or under any
17 other process or order of any court, except as provided in AS 16.43.170(g) and (h).

18 * **Sec. 16.** AS 16.43.150(h) is amended to read:

19 (h) Unless an entry permit holder has expressed a contrary intent in a will that
20 is probated, the commission shall, upon the death of the permit holder, transfer the
21 permanent permit by right of survivorship directly to the surviving spouse or, if no
22 spouse survives, to a natural person **or a regional community permit bank**
23 **established under AS 16.44.010** designated by the permit holder on a form provided
24 by the commission. If no spouse survives and if the person **or regional community**
25 **permit bank** designated on the form, if any, does not survive **or continue to exist,** the
26 permit passes as part of the permit holder's estate. A designation under this subsection
27 must be acknowledged before a person authorized to administer an oath under
28 AS 09.63.010 or must be witnessed by two persons who are qualified under
29 AS 13.12.505 to witness the will of the permit holder. Except as provided in
30 AS 16.10.333 - 16.10.337, AS 44.81.215, and 44.81.231 - 44.81.250, the permit is
31 exempt from the claims of creditors of the estate.

1 * **Sec. 17.** AS 16.43.150 is amended by adding a new subsection to read:

2 (j) Subsections (h) and (i) of this section do not apply to a person leasing an
3 entry permit from a regional community permit bank under AS 16.44.

4 * **Sec. 18.** AS 16.43.160(d) is amended to read:

5 (d) The holder of a permit whose household income, assets, and financial
6 resources fall within the eligibility standards for the food stamp program under 7
7 U.S.C. 2011 - 2025, as amended, is subject to an annual base fee for the issuance or
8 renewal of an entry permit or an interim-use permit that is equal to 50 percent of the
9 annual base fee that the permit holder would otherwise pay under (c) of this section. In
10 addition to the reduced annual base fee under this subsection, a nonresident who
11 qualifies for a reduced fee under this subsection shall pay the annual nonresident
12 surcharge established under (c) of this section. **This subsection does not apply to a**
13 **person leasing an entry permit under AS 16.44.**

14 * **Sec. 19.** AS 16.43.170(a) is amended to read:

15 (a) Except as provided in AS 16.10.333 - 16.10.338, **AS 16.44**, and [IN]
16 AS 44.81.231 - 44.81.250, entry permits and interim-use permits are transferable only
17 through the commission as provided in this section and AS 16.43.180 and under
18 regulations adopted by the commission. An involuntary transfer of an entry permit in a
19 manner inconsistent with the statutes of this state and the regulations of the
20 commission is void.

21 * **Sec. 20.** AS 16.43.330(a) is amended to read:

22 (a) When the number of outstanding entry permits for a fishery is less than the
23 optimum number established under AS 16.43.290, the commission shall issue new
24 entry permits to applicants who are presently able to engage actively in the fishery **or,**
25 **subject to AS 16.44.060(a), to regional community permit banks established**
26 **under AS 16.44.010** until the optimum number is reached.

27 * **Sec. 21.** AS 16.43.855 is amended by adding a new subsection to read:

28 (e) If points are assessed against a lessee of a permit under AS 16.44, a notice
29 of the assessment of points under (a) of this section shall also be provided to the
30 regional community permit bank that is the legal owner of the permit.

31 * **Sec. 22.** AS 16.43.860(b) is amended to read:

1 (b) A permit holder whose privilege of obtaining a commercial fishing permit
2 for a salmon fishery is suspended under AS 16.43.850 - 16.43.895 may not

3 (1) engage in the salmon fishery under a crewmember license; [OR]

4 (2) lease an entry permit for the salmon fishery under AS 16.44; or

5 (3) lease or rent the permit holder's interest in a boat to another person
6 if the boat would be used in the salmon fishery for which the permit holder's fishing
7 privileges are suspended.

8 * **Sec. 23.** AS 16.43.895(4) is amended to read:

9 (4) "permit holder" includes a lessee of a commercial fishing permit
10 under AS 16.44, the holder of a commercial fishing permit as the result of an
11 emergency transfer, an applicant for a commercial fishing permit if the applicant's
12 commercial fishing permit was suspended under AS 16.43.850 - 16.43.895, and a
13 person whose privilege of obtaining a commercial fishing permit for a fishery is
14 suspended under AS 16.43.850 - 16.43.895.

15 * **Sec. 24.** AS 16.43.990(7) is amended to read:

16 (7) "person" means a natural person or a regional community permit
17 bank established under AS 16.44.010 [; "PERSON" DOES NOT INCLUDE A
18 CORPORATION, COMPANY, PARTNERSHIP, FIRM, ASSOCIATION,
19 ORGANIZATION, JOINT VENTURE, TRUST, SOCIETY, OR OTHER LEGAL
20 ENTITY OTHER THAN A NATURAL PERSON];

21 * **Sec. 25.** AS 16 is amended by adding a new chapter to read:

22 **Chapter 44. Regional Community Permit Banks.**

23 **Sec. 16.44.010. Establishment of regional community permit bank.** (a) The
24 department shall establish a regional community permit bank for a region established
25 under (b) of this section if

26 (1) at least two-thirds of the municipalities within the permit bank
27 region, acting jointly, petition the department to establish a permit bank for the region;
28 and

29 (2) the department finds that establishing a permit bank in that region
30 would serve the purposes of

31 (A) preventing economic distress among fishermen and those

1 persons and communities dependent on fishermen;

2 (B) improving access to the state's fisheries for residents by
3 creating opportunities for those residents whose lack of alternative income
4 sources makes it difficult to acquire the assets and credit history necessary to
5 enter a state fishery;

6 (C) empowering communities to achieve economic self-
7 sufficiency and alleviate the economic and social ills, including high levels of
8 unemployment, loss of local businesses, and diminution of the communities'
9 tax base, that result from the loss of access to commercial, subsistence, and
10 recreational fisheries; and

11 (D) enabling entry into the state's commercial fisheries by
12 residents to mitigate the harm caused by the lack of economic opportunities in
13 some fishing communities that has resulted in a loss of economic and cultural
14 vitality.

15 (b) The department, in consultation with the Department of Fish and Game,
16 shall establish permit bank regions. The department may modify or change the
17 boundaries, or merge or subdivide the regions, if, in the judgment of the department,
18 doing so will increase the social and economic cohesiveness of permit bank regions.

19 (c) Each permit bank is a public corporation and instrumentality of the state
20 within the Department of Commerce, Community, and Economic Development. The
21 exercise by a permit bank of the powers conferred under this chapter is considered to
22 be for a public purpose. For administrative purposes, the permit banks are in the
23 department, but each permit bank has a separate and independent legal existence from
24 the state and shall be governed by a board established under AS 16.44.020.

25 (d) The department may conduct an annual audit of a permit bank established
26 under this section. The department may also conduct supplementary audits as it
27 considers necessary. The results of an audit under this subsection is a public record
28 under AS 40.25.110.

29 (e) The department may dissolve a permit bank if the permit bank becomes
30 insolvent. However, nothing in this subsection precludes the department from
31 establishing another permit bank in that region under (a) of this section. The

1 department shall adopt regulations to implement this subsection.

2 **Sec. 16.44.020. Regional community permit bank board; meetings;**
 3 **location.** (a) Each permit bank shall be governed by a board of directors, composed of
 4 members appointed under (b) of this section.

5 (b) Each municipality wholly or partially located within the permit bank
 6 region established by the department under AS 16.44.010(b) may appoint one person
 7 to serve as a member of the permit bank board. Subject to AS 16.44.050(a)(2), a single
 8 entity or village council in each unincorporated community wholly or partially within
 9 a permit bank region selected by the board may also appoint one person to serve as a
 10 member of the permit bank board. A person appointed under this section must be a
 11 resident of the municipality or unincorporated community from which the person was
 12 appointed.

13 (c) Except as provided under AS 16.44.050(a)(2), a member of the board of a
 14 permit bank shall serve for a term of three years. A member shall hold office for the
 15 term of the appointment and until a successor has been appointed and qualified. A
 16 member is eligible for reappointment. A vacancy on a board occurring other than by
 17 expiration of term shall be filled in the same manner as the original appointment but
 18 for the unexpired term only. Terms must be staggered so that one-third, or as close to
 19 one-third as practicable, of the terms expire each year.

20 (d) A majority of the members of a board constitutes a quorum for the
 21 transaction of business and the exercise of the powers and duties of the board except
 22 as provided under AS 16.44.050(a)(2) for

23 (1) certain board actions relating to the board's membership; and

24 (2) submitting a petition to the commissioner under AS 16.44.060(e).

25 (e) A member of a board may not lease an entry permit from the permit bank.

26 (f) The members of a board shall annually elect from among themselves a
 27 chair and vice-chair and other board officers as may be provided in the bylaws of the
 28 permit bank. The members of the board may elect to create an executive governance
 29 committee and provide that committee some of the board's powers under this chapter.

30 (g) The board of each permit bank may hire a manager who is qualified to
 31 assist the board in carrying out the provisions of this chapter. If a manager is hired, the

1 manager shall receive reasonable compensation. A manager may not lease an entry
2 permit from the permit bank.

3 (h) A permit bank may share administrative resources, including
4 administrative staff, with other permit banks established under this chapter if the
5 sharing arrangement is approved by the board of each participating permit bank. A
6 permit bank may also share administrative resources and administrative staff with a
7 regional association qualified under AS 16.10.380(a), an Alaska Native village or
8 village regional corporation established under 43 U.S.C. 1606 (Alaska Native Claims
9 Settlement Act), a regional development organization as defined in AS 44.33.896, or
10 another entity created for a purpose related to commercial fishing or service in the
11 permit bank region.

12 (i) Unless a permit bank is sharing administrative resources with one or more
13 other permit banks under (h) of this section, a permit bank shall be administratively
14 located in the municipality in its region with the greatest number of active entry
15 permits per capita on January 1, 2016.

16 **Sec. 16.44.030. Administrative expenses, compensation, and fees due the**
17 **department.** (a) A member of a permit bank board may be provided reasonable
18 compensation. However, the compensation may not exceed the median rate of
19 compensation provided to the elected members of the municipal governments within
20 the permit bank region.

21 (b) The administrative expenses of a permit bank must be reasonable and
22 minimized in order to enhance the ability of the permit bank to acquire limited entry
23 permits and to return maximum benefit to the persons and region served by the permit
24 bank.

25 (c) The department may adopt regulations relating to the administrative
26 expenses of, and compensation provided by, a permit bank.

27 (d) The commissioner shall assess permit bank fees for the department's actual
28 expenses necessarily incurred by the department in connection with its duties under
29 this chapter relating to the permit bank.

30 **Sec. 16.44.040. Exemption from taxation.** (a) Except for fees levied under
31 AS 16.43.160, the real and personal property of a permit bank organized under this

1 chapter and its assets, income, and receipts are declared to be devoted to an essential
 2 public and governmental function and purpose, and the property, assets, income,
 3 receipts, and other interests of the permit bank are exempt from taxes and special
 4 assessments of the state or a political subdivision of the state, including municipalities,
 5 school districts, public utility districts, and other governmental units.

6 (b) Nothing in this section relieves a person leasing an entry permit from a
 7 permit bank from applicable fees, taxes, or assessments.

8 **Sec. 16.44.050. Powers and duties of regional community permit banks.** (a)

9 In addition to all powers necessary to carry out the purposes of this chapter, a permit
 10 bank may

11 (1) adopt, amend, and repeal bylaws for its organization, management
 12 of its internal affairs, and the conduct of its business consistent with the provisions of
 13 this chapter;

14 (2) if a two-thirds majority of the full membership of the board
 15 appointed from the municipalities in the region affirmatively vote to approve the
 16 action, expand or reduce the membership of the permit bank's board of directors by
 17 allowing or prohibiting individuals from unincorporated communities in the region to
 18 serve as directors under AS 16.44.020(b);

19 (3) borrow funds for the acquisition of entry permits;

20 (4) subject to the limitations of this chapter, acquire, lease, or sell entry
 21 permits for fisheries within the permit bank region;

22 (5) accept gifts or grants from a federal agency or an agency or
 23 instrumentality of the state, a municipality, a private organization, or another source,
 24 including the transfer of an entry permit for a regional fishery or a gift or grant for the
 25 acquisition of a specific entry permit or entry permit within a specific fishery located
 26 in the permit bank region;

27 (6) subject to AS 16.44.070, lease entry permits to individuals
 28 qualified under AS 16.44.080 on conditions that the board considers appropriate that
 29 may include terms that allow a lessee to purchase a lease or permit and terminate a
 30 lease upon default of a lessee; and

31 (7) after a permit bank acquires the maximum number of entry permits

1 allowed under AS 16.44.060(a), use revenue and other funds to support programs and
2 projects that benefit commercial fishermen within the permit bank region.

3 (b) A permit bank shall

4 (1) lease entry permits by competitive bid under (c) of this section to
5 individuals qualified under AS 16.44.080;

6 (2) establish criteria for leasing entry permits acquired by the permit
7 bank that maintain the solvency and financial strength of the permit bank;

8 (3) subject to legislative appropriation, to the greatest extent
9 practicable, invest revenue from the lease of limited entry permits in the purchase of
10 further entry permits up to the limits provided under AS 16.44.060(a); and

11 (4) prepare and submit a comprehensive annual report to the
12 department that includes

13 (A) a summary of the permit bank's revenue, assets,
14 expenditures, operations, and actions under this section during the preceding
15 year;

16 (B) the compensation of the manager, if any, and the directors
17 of the permit bank; and

18 (C) the lease terms, including lease costs for entry permits held
19 by the permit bank.

20 (c) In leasing permits by competitive bid under (b)(1) of this section, a permit
21 bank shall award the leases after considering factors that include the

22 (1) purposes for which the department established the permit bank
23 under AS 16.44.010(a);

24 (2) degree of economic hardship posed to the applicant and the
25 applicant's community by not being able to gain entry into the fishery for which the
26 leased permit is for;

27 (3) availability of alternative occupations and sources of income in the
28 community of an applicant; and

29 (4) historical dependence of an applicant, the applicant's family, and
30 the applicant's community on a particular fishery.

31 **Sec. 16.44.055. Permit ownership; leases; sales; proceeds.** An entry permit

1 acquired by a permit bank under this chapter is the property of the department;
2 however the permit bank may lease or sell a permit, subject to the approval of the
3 commissioner. Leasing fees and proceeds from the sale of permits, subject to
4 legislative appropriation, and less any fees due the department under AS 16.44.030(d),
5 shall be used to pay for a permit bank's operations and to finance the purchase of
6 additional permits. A permit bank may retain from the proceeds of its actions the funds
7 that the commissioner determines to be necessary and reasonable to the permit bank's
8 purposes under AS 16.44.010.

9 **Sec. 16.44.060. Acquisition and possession of entry permits by regional**
10 **community permit bank.** (a) A permit bank may not acquire an entry permit for a
11 fishery that is not in the permit bank's region. A permit bank may not hold more than
12 four percent of the entry permits issued for a fishery in the permit bank region,
13 rounded up to the nearest whole number. If there are 50 or fewer permits issued for a
14 fishery in the permit bank region, not more than two entry permits for that fishery may
15 be held by the permit bank.

16 (b) Except as provided in (d) of this section, after a permit bank has acquired
17 10 entry permits, the permit bank may not acquire further permits unless the additional
18 permits make the portfolio of entry permits held by the permit bank a better
19 representation of the permits issued for all fisheries in the permit bank region.
20 However, this subsection does not prohibit a permit bank from acquiring an additional
21 permit, if the acquisition of any single permit would make the portfolio of entry
22 permits held by the permit bank less representative of the permits issued for the
23 fisheries in the permit bank region.

24 (c) Subject to (d) of this section, the department shall ensure that a portfolio of
25 entry permits held by a permit bank complies with the requirements of this section.
26 The department may prevent a permit bank from acquiring further entry permits if the
27 department finds that a portfolio of entry permits does not meet the requirements of
28 this section.

29 (d) Notwithstanding (b) of this section, a permit bank that holds 10 entry
30 permits in its portfolio may acquire further permits that do not make the portfolio of
31 entry permits held by the permit bank a better representation of all the permits issued

1 in the permit bank region if

2 (1) a two-thirds majority of the full membership of the board approve,
3 and the board submits, a petition to the commissioner requesting that the requirements
4 of (b) of this section be waived for the purchase of an entry permit or permits by the
5 permit bank; and

6 (2) the commissioner finds that issuing a waiver will assist the permit
7 bank in achieving the purposes provided under AS 16.44.010(a).

8 **Sec. 16.44.070. Lease terms for entry permits held by a regional**
9 **community permit bank.** (a) Subject to (b) of this section, a permit bank shall
10 establish lease terms for entry permits held by the permit bank in a manner that is
11 consistent with the purposes provided by AS 16.44.010(a).

12 (b) A lease term for an entry permit held by a permit bank may not exceed six
13 years, and an individual may not lease an entry permit or permits for the same fishery
14 for a cumulative period of more than six years, regardless of whether the lease years
15 are consecutive.

16 (c) An entry permit held by a permit bank may not be subleased by the lessee.

17 (d) Subject to AS 16.43.170 and 16.43.180, the department shall adopt
18 regulations providing for the temporary emergency transfer of a leased entry permit to
19 another individual, if that individual is also qualified under AS 16.44.080, when
20 illness, disability, death, required military or government service, or other unavoidable
21 hardship prevents the lessee from participating in the fishery. Unless the department
22 finds good cause for different standards, regulations adopted by the department under
23 this subsection shall be consistent with the standards adopted by the commission under
24 AS 16.43.180 for emergency transfers.

25 (e) Subject to (a) of this section, AS 16.43.170(a), and the approval of the
26 commissioner, a permit bank may include terms in a lease that provide the lessee an
27 option to purchase the leased permit.

28 **Sec. 16.44.080. Qualified lessees.** (a) A permit bank may lease an entry permit
29 only to an individual who is a resident of the state. An applicant for the lease of an
30 entry permit from a permit bank under this chapter shall maintain a domicile in the
31 state and may not have received residency or a benefit based on residency from

1 another state.

2 (b) A permit bank may not lease a permit to an individual who already holds a
3 limited entry or interim-use permit for the same fishery as the leased permit.

4 (c) When a person no longer maintains a domicile in the state, the person is no
5 longer eligible to lease an entry permit, and a permit bank may terminate a lease held
6 by the person.

7 (d) If proceedings are pending to suspend an individual's commercial fishing
8 privileges, the individual is not eligible to lease an entry permit under this chapter.

9 (e) In this section, "domicile" means the true and permanent home of an
10 individual from which the individual has no present intention of moving and to which
11 the individual intends to return whenever the individual is away.

12 **Sec. 16.44.099. Definitions.** In this chapter,

13 (1) "board" means the board of a regional community permit bank;

14 (2) "commission" means the Alaska Commercial Fisheries Entry
15 Commission;

16 (3) "commissioner" means the commissioner of commerce community,
17 and economic development;

18 (4) "department" means the Department of Commerce, Community,
19 and Economic Development unless specifically provided otherwise;

20 (5) "entry permit" means a commercial fishing entry permit issued
21 under AS 16.43;

22 (6) "fishery" has the meaning given in AS 16.05.940;

23 (7) "permit bank" means a regional community permit bank
24 established under AS 16.44.010.

25 * **Sec. 26.** AS 39.25.110(11) is amended to read:

26 (11) the officers and employees of the following boards, commissions,
27 and authorities:

28 (A) [REPEALED]

29 (B) Alaska Permanent Fund Corporation;

30 (C) Alaska Industrial Development and Export Authority;

31 (D) Alaska Commercial Fisheries Entry Commission;

1 (E) Alaska Commission on Postsecondary Education;

2 (F) Alaska Aerospace Corporation;

3 (G) [REPEALED]

4 (H) Alaska Gasline Development Corporation and subsidiaries
5 of the Alaska Gasline Development Corporation;

6 **(I) a regional community permit bank established under**
7 **AS 16.44.010;**

8 * **Sec. 27.** AS 39.50.200(b) is amended by adding a new paragraph to read:

9 (65) the board of directors of a regional community permit bank
10 (AS 16.44.010).

11 * **Sec. 28.** AS 43.76.015(f) is amended to read:

12 (f) In this section, "eligible interim-use permit and entry permit holder" means
13 an individual who, 90 days before the date ballots must be postmarked to be counted
14 in an election under this section, is listed in the records of the Alaska Commercial
15 Fisheries Entry Commission as the legal owner **or, under AS 16.44, the lessee** of an
16 interim-use permit or an entry permit **that** [WHICH] authorizes the individual to fish
17 commercially in an administrative area established by the Alaska Commercial
18 Fisheries Entry Commission under AS 16.43.200, which is included, in whole or in
19 part, in the region in which the election is held.

20 * **Sec. 29.** AS 43.76.020 is amended by adding a new subsection to read:

21 (c) In this section, "eligible interim-use permit and entry permit holder" has
22 the meaning given in AS 43.76.015.

23 * **Sec. 30.** AS 43.76.040 is amended to read:

24 **Sec. 43.76.040. Definitions [DEFINITION].** In AS 43.76.001 - 43.76.040,
25 unless the context otherwise requires,

26 **(1)** "buyer" means a person who acquires possession of salmon from
27 the person who caught the salmon regardless of whether there is an actual sale of the
28 salmon but excluding a transfer to a person engaged solely in interstate transportation
29 of goods for hire;

30 **(2)** "**person holding a limited entry permit**" means an individual
31 **who is the legal owner or, under AS 16.44, the lessee of a commercial fishing**

1 **entry permit issued by the Alaska Commercial Fisheries Entry Commission**
 2 **under AS 16.43.**

3 * **Sec. 31.** AS 43.76.230(g) is amended to read:

4 (g) In this section, "eligible interim-use permit and entry permit holder" means
 5 an individual who, 90 days before the date ballots must be postmarked to be counted
 6 in an election under this section, is listed in the records of the Alaska Commercial
 7 Fisheries Entry Commission as the legal holder **or, under AS 16.44, the lessee** of an
 8 interim-use permit for salmon fishing gear or an entry permit for salmon fishing gear
 9 that authorizes the individual to fish commercially in the salmon fishery for which the
 10 salmon fishery assessment is to be approved, amended, or terminated.

11 * **Sec. 32.** AS 43.76.280 is amended by adding a new paragraph to read:

12 (8) "eligible permit holders" means individuals who are listed in the
 13 records of the Alaska Commercial Fisheries Entry Commission as the legal owners or,
 14 under AS 16.44, the lessees of entry permits for salmon fishing gear.

15 * **Sec. 33.** AS 43.76.300 is amended to read:

16 **Sec. 43.76.300. Permit buy-back assessment.** A person holding **or, under**
 17 **AS 16.44, leasing** a limited entry permit or interim-use permit under AS 16.43 for a
 18 fishery subject to a permit buy-back assessment established by the Alaska Commercial
 19 Fisheries Entry Commission under AS 16.43.310 shall pay the permit buy-back
 20 assessment at the rate established by the commission on the value, as defined in
 21 AS 43.75.290, of fish that the person removes from the state or transfers to a buyer in
 22 the state under the authority conferred by the limited entry permit or interim-use
 23 permit. The buyer shall collect the permit buy-back assessment at the time the fish is
 24 acquired by the buyer.

25 * **Sec. 34.** AS 43.76.370(i) is amended to read:

26 (i) In this section, "eligible interim-use permit and entry permit holder" means
 27 an individual who, 90 days before the date ballots must be postmarked to be counted
 28 in an election under this section, is listed in the records of the Alaska Commercial
 29 Fisheries Entry Commission as the legal owner **or, under AS 16.44, the lessee** of an
 30 interim-use permit or an entry permit that authorizes the individual to operate
 31 commercial fishing gear in the fishery that is or will be subject to the seafood

1 development tax that is the subject of the election.

2 * **Sec. 35.** AS 43.76.375 is amended by adding a new subsection to read:

3 (c) In this section, "eligible interim-use permit and entry permit holders"
4 means individuals who are listed in the records of the Alaska Commercial Fisheries
5 Entry Commission as the legal owners or, under AS 16.44, the lessees of interim-use
6 permits or entry permits that authorize the individuals to operate commercial fishing
7 gear in a fishery that is or will be subject to the seafood development tax that is the
8 subject of an election under this section.

9 * **Sec. 36.** AS 43.76.399 is amended by adding a new paragraph to read:

10 (5) "person holding a limited entry permit" means an individual who is
11 the legal owner or, under AS 16.44, the lessee of a commercial fishing entry permit
12 issued by the Alaska Commercial Fisheries Entry Commission under AS 16.43.

13 * **Sec. 37.** AS 44.33.020 is amended by adding a new paragraph to read:

14 (46) carry out its functions and duties under AS 16.44;

15 * **Sec. 38.** The uncodified law of the State of Alaska is amended by adding a new section to
16 read:

17 INITIAL DIRECTORS OF REGIONAL COMMUNITY PERMIT BANKS. (a)
18 Subject to AS 16.44.020(c), added by sec. 25 of this Act, the term of office of each initial
19 director of a regional community permit bank shall be determined by lot.

20 (b) Notwithstanding AS 16.44.050(a)(2), added by sec. 25 of this Act, the initial
21 directors of a regional community permit bank may include persons appointed by the entities
22 or village councils in each unincorporated community in the community permit bank region
23 established by the Department of Commerce, Community, and Economic Development under
24 AS 16.44.010(b), added by sec. 25 of this Act, if the municipalities in that region request in a
25 petition submitted under AS 16.44.010(a), added by sec. 25 of this Act, that the membership
26 of the board of directors for the regional community permit bank in that region include
27 persons appointed by the entities and village councils selected by the region's municipalities
28 to represent the unincorporated communities in the region.

29 * **Sec. 39.** The uncodified law of the State of Alaska is amended by adding a new section to
30 read:

31 ESTABLISHMENT AND NAMING OF PERMIT BANK REGIONS. When initially

1 establishing the boundaries of community permit bank regions under AS 16.44.010(b), added
2 by sec. 25 of this Act, the Department of Commerce, Community, and Economic
3 Development shall, in consultation with the Department of Fish and Game, divide the land
4 area of the state into separate permit bank regions using, to the extent practical, the boundaries
5 of the commercial fishing administrative areas established by the Alaska Commercial
6 Fisheries Entry Commission under AS 16.43.200, as those boundaries are described in
7 regulation on the effective date of this Act. In establishing the boundaries, the Department of
8 Commerce, Community, and Economic Development shall, to the extent practicable,

- 9 (1) clearly delineate which communities are in each region; and
10 (2) ensure that a community is not split between regions.

11 * **Sec. 40.** This Act takes effect January 1, 2017.

**G. 5.
New Business
Resolution 16-07
Support of Extending
Termination date of AREAP**

**Lake and Peninsula Borough
Regular Assembly Meeting
March 15, 2016**