



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

Wednesday, April 13, 2016 1:00 p.m.*

NOTICE AND AGENDA

Notice is hereby given that the Lake and Peninsula Borough Assembly will hold its regular meeting on Wednesday, April 13, 2016 at 1:00 p.m.* in the library at Newhalen School 900 School Rd, Newhalen AK 99606

*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. WORKSHOP – FY2017 BUDGET

E. APPROVAL OF MINUTES

1. March 15, 2016

F. 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

G. CONSENT AGENDA

H. NEW BUSINESS

1. Ordinance 16-03: FY2016 Budget Amendment – *Hearing & Decision*
2. Ordinance 16-04: FY 2016 Budget Amendment – *Introduction*
3. Ordinance 16-05: FY 2017 Budget – *Introduction*
4. Professional Contracts

I. UNFINISHED BUSINESS - none

J. TIME AND PLACE OF NEXT MEETING

Regular Meeting, May 2016 – Date to be determined

K. CITIZEN'S COMMENTS

L. ASSEMBLY COMMENTS

M. MAYOR'S COMMENTS

N. EXECUTIVE SESSION – per Borough Code 2.08.050 (D. 2)

O. ADJOURNMENT

P. INFORMATION



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PLEASE POST

LAKE AND PENINSULA BOROUGH ASSEMBLY NOTICE OF QUORUM

April 13, 2016 in Newhalen, Alaska

Notice is hereby given that more than a quorum of the Lake and Peninsula Borough Assembly may be present at the Athletics and Academics Meet (AA Meet) at Newhalen School on Wednesday April 13, 2016 in Newhalen AK. No decisions will be made at the event.

For further information please contact Kate Conley, Borough Clerk at 907-246-3421.



Lake and Peninsula Borough Assembly & Staff

Will be Visiting Newhalen

Wednesday, April 13, 2016

Please join us for an informal meeting at the School Library at 6:30 pm. Everyone is encouraged and welcome to join in.

For additional information or questions please contact Kate Conley, Borough Clerk kateconley@lakeandpen.com or 907-246-3421

D. 1. Workshop FY2017 Budget

*This will be handed
out at the meeting*

Lake and Peninsula Borough
Regular Assembly Meeting
April 13, 2016

E. 1. Minutes March 15, 2016

Lake and Peninsula Borough
Regular Assembly Meeting
April 13, 2016

**LAKE AND PENINSULA BOROUGH
REGULAR ASSEMBLY MEETING
Tuesday, March 15, 2016 11:00 a.m.**

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: Bob Loeffler, Consultant to the Borough
Ty Mase, Superintendent, LPSD
Verna Kolyaha, Pedro Bay AK
George Jacko, Pedro Bay AK
John Coleman, NWA Outfitters, via teleconference
Mark Wright, NWA Outfitters, via teleconference
Chuck McCallum, Fisheries Advisor, via teleconference

A. CALL TO ORDER

The regular meeting of the Lake and Peninsula Borough Assembly was called to order by Mayor Glen R. Alsworth, Sr. on Tuesday March 15, 2016 at 11:00 a.m. in King Salmon AK.

B. ROLL CALL

A quorum was established with Mayor Glen R. Alsworth, Sr. and Assembly members Randy Alvarez, Alvin Pedersen, Michelle Pope-Ravenmoon, and Christina Salmon were present. Assembly members Scott Anderson and Myra Olsen joined the meeting at 1:17 pm due to travel delays.

C. APPROVAL OF AGENDA –

Motion was made by Assembly member Pedersen and seconded by Assembly member Salmon to approve the agenda of March 13, 2016 as presented. The Mayor asked that the budget workshop be suspended until Assembly members Olsen and Anderson arrive. Motion passed unanimously by voice vote.

D. WORKSHOP – Borough Budget FY17

Nathan Hill, Borough Manager began by explaining that the School District and Borough have been working with Bob Loeffler to better understand the budget and come up with short term and long term plans. Bob Loeffler said he spent last Thursday with Superintendent Ty Mase and Business Manager, Laura Hylton. He said he is still working to understand the numbers they gave him and was not prepared to give an analysis. He said that one question he has been asked he is prepared to address, which is what closing a school does to the school district's budget. He said he did a prototype of an imaginary school and passed out an informational sheet. It can cost about \$250K to close a school. There is more revenue lost than saved by not spending for building, students and teachers. Even though there are no longer expenses for the site, there are still existing expenses such as the district offices, that now much be spread over more students. If the District knows they won't be opening a school in the spring then they don't hire teachers, but if you have to close the school in the fall, then the district has to pay the salary for the entire year. The Mayor asked how much is lost each year after the first year a school is closed? Mr. Loeffler said that is difficult to answer due to the nature of school funding. Mr. Mase said that the intent

to enroll forms are due April 1st. There was a discussion of cost to educate students in remote locales versus cities and their performance on standardized tests.

Susan Edwards, Borough Finance Officer passed out the latest version of the draft budget. She said the biggest point about revenue is “what is the state going to do?” Revenue Sharing is 20% of budget and there is a good chance it is going away in the next three years. The Borough will receive about \$400,000 this coming year, then \$200,000 next year. She explained that the Borough will have to make do with less and do less for the next 3 to 5 years. The Mayor said that the Borough has been very faithful to pass money through to the villages. Ms. Edwards said that this budget is pretty bare bones. There is projected to be about 8% less expenses this coming year, than this year. While additional expenses are likely to arise, like the BOF meetings, there are also cost cuts like having more teleconference meetings. Mr. Hill said that the message for the Assembly is that the administration is approaching the point where everything that can be cut has been cut. In the coming months we will be defining the gap and proposing the short term solution. Mayor asked if the savings for not filling the CDC position was included in this version of the draft budget. Ms. Edwards said the position is not included and the associated savings is accounted for in this draft. Mayor Alsworth asked for a menu of expenses that are mandatory and those that are discretionary. He said there are decisions that are already made and we can’t change that will continue to cost money. The budget is short \$1million in revenue. Mr. Hill asked the Assembly if they wanted more information, or if they wanted the information presented in a different way. He said he wants to be able to present the facts and for the Assembly to know the information. His goal is for the Assembly to be informed and able to better communicate with the Staff and have a good understanding of how the budget works. The Mayor asked about the 20% of fish tax that, by code, is to be put into the general fund. He asked to see a projection of the budget and the accounts over the next five years. Assembly member Alvarez asked to see the whole school district budget. Mayor Alsworth said he would like to see the percentage of pass thru funds. Assembly member Alvarez asked if it would save money to have two airplanes pick up people for meetings. He asked staff to consider putting out two bids for travel.

E. APPROVAL OF MINUTES

Motion was made by Assembly member Pedersen and seconded by Assembly member Salmon to approve the January 26, 2016 and the February 15, 2016 minutes. The Mayor called for errors. None were noted. Motion passed unanimously by voice vote.

F. MANAGER’S & STAFF REPORTS

- 1. Introduction of Guests** – The mayor asked the clerk to introduce those on the teleconference. on line: Mark Wright with NWA, Verna Kolyaha in Pedro Bay, John Coleman with NWA, Chuck McCallum
- 2. Manager’s Report** – Nathan Hill said he had no additions from the written report presented in the packet. He explained that the Chignik Dock construction contract has been awarded, but no construction schedule is available yet. There will be a pre-construction meeting later in March and a schedule will be available at the next meeting. Mr. Hill told the Assembly he will be travelling to Juneau on the 23rd of March and asked if the Assembly has any questions or concerns for him to address with legislators. While in Juneau he will also be meeting with DOT on the Chignik dock project. The Mayor said he has chosen to write a letter to legislators rather than visit and spend money the Borough doesn’t have to request money the legislature doesn’t have to give. Mr. Hill told the Assembly that the CDC position was posted, but without secure revenue and state and borough in flux, he suggested it may be best for the Borough to hold off on hiring at this time. He explained that the responsibilities have been divvied up to staff and all will be handled for now. He added that not filling the position may save money for now. He asked the Assembly for questions and comments. It was noted that this is 20% of staff. The Mayor said the cost savings may be helpful until a revenue projection is set. When the budget is in balance the Assembly can reconsider. Mr. Hill said that if assistance is needed with grant writing, the needs can be farmed out to local people. He added that the borough

doesn't have the ability to do a lot of planning because of budget constraints. Assembly and Planning Commission meetings are mostly going to be teleconferences in the future. He explained that the administration will be adapting and flowing to save as much money as possible.

The Mayor asked about photos of the Iliamna dock area included in the packet. Mr. Hill explained that the contractor did not remove all the "T" beams from the water and wherever there is a buoy in the photo, there is a piece of metal sticking up from the lake bed. He said that there are letters around the town of Iliamna and Newhalen explaining the dangers.

3. Consultant's Report

Mr. Loeffler discussed the exploration in the Chignik area by Millrock. They drilled on possible sites last year and they did not find anything. They do not have any plans to drill more test holes this summer. Millrock will make a deposit, as contracted, to the BBNA scholarship fund, but no actual work will be done. Mr. Loeffler said he would put this into a written report to be given to the village councils in the Chignik area and to Perryville.

4. Community Development Coordinator's Report

Kate Conley reported that there are no permits to be considered. The CAPSIS and CIP list was completed by Ranya while she was employed with the Borough. Ms. Edwards said that a report on the Scrap haul-out project is included in the finance report. Ms. Edwards said that the CIAP grant which funds the scrap haul-out project is due in December and she projected the project to be at 80% to 90% complete by June.

5. Planning Commission Minutes

No discussion

6. Fishery Report

Chuck McCallum said he has been contacted by some fishermen concerned about a bill in the legislature. HB198 is calling for 12.5% royalty of fish. Mr. McCallum said that is an outrageous tax and not possible. He has been advised that the bill won't proceed through the process. Mayor Alsworth asked about the legislation to create a regional permit bank. Mr. McCallum said this legislation would create the ability for a region to have a permit bank to hold salmon permits for the residents of the region. Assembly member Alvarez said, as he understood that limited entry permits cannot be owned by a corporation. They can only be held by a person. Mr. McCallum said that one of the features of the current law is that banks and IRS cannot hold them so they cannot be repossessed. The new legislation will need to be carefully crafted to allow permits to be held by residents or regional banks, not banking entities. This legislation has a potential for helping rural communities recover from the impact of the current fishing permit system. He said it is probably impossible for this bill to get passed this legislative session, due to its complexity and late start, but he will follow it closely. He added that many villages and cities have already signed resolutions, but he said he recommends the Borough to wait to take action. Assembly member Alvarez asked, if there is a permit bank, who will have the say in how they are distributed? Mr. McCallum said he discussed this with the author of the bill. The original plan was to issue the permits by region, but changed the bill so they could be issued to more than one community if it is good for those represented.

Mr. McCallum said that Bruce Barrett was very helpful during the Board of Fish meeting and helped the representatives from Lake and Peninsula Borough. Assembly member Olsen agreed

and suggested thanking Mr. Barrett. Motion was made by Assembly member Olsen to give Bruce Barrett a \$1000 honorarium for his work at the Board of Fish meeting. Motion was seconded by Assembly member Pedersen. The Mayor asked Ms. Edwards where in the budget these funds would come from. Ms. Edwards said she can take the \$1000 from the fisheries budget. Motion passed unanimously by voice vote.

7. Finance Report

Ms. Susan Edwards, Finance Officer, said that not much has changed since last meeting. The ramifications of the poor fishing season are that the lease payments are slow in being paid. Meanwhile, the staff is doing everything possible to not spend money, but revenue is slow coming in. Assembly member Alvarez noted that fish tax is currently at approximately \$1 million for the fiscal year, thus far. Ms. Edwards said that the historical median is \$1 million for fish tax revenue, and added that the year to date collection is since July 1, so there may be additional revenue received in June, it just depends on if the fish are early or late. Assembly member Alvarez ask abbot the line item "raw fish tax receivable" which is listed at \$393,000, is calculated. Ms. Edwards said that that is probably State revenue sharing. The Mayor asked why the line item "bed tax" shows a minus number. Ms. Edwards said that the \$10,500 listed is one twelfth of the total and is entered as an accounting number, though bed tax is not received in an even manner.

8. Lobbyist's Report

Mark Hickey, Borough Lobbyist, submitted two written reports. There was discussion that the legislature would only be working on budget related items until the budget is passed, and then they can address other issues. The current price of a barrel of oil is \$36.45.

The meeting was recessed at 12:00 pm for lunch.
The meeting was reconvened at 12:45 pm.

9. Clerk's Report

Borough Clerk, Kate Conley reminded the Assembly to get their APOC Financial Disclosure statements completed and filed. Assembly member Ravenmoon said it is a privilege to serve on the Assembly and she enjoys attending events such as the recent ribbon cutting ceremony in Newhalen. She was told she could not attend because it was too expensive to fly in a pick her up from Pope Vannoy. Assembly member Ravenmoon said she knows it is expensive to pick her up. She would like to figure out a democratic way for determining who attends special events, rather than choosing the least expensive or the most convenient. Mr. Hill suggested developing a systematic approach for how to send people to special events. Assembly member Alvarez said there was a small contingent who attended the ribbon cutting in Newhalen. Mr. Hill said that events happen regionally and there was a discussion on how to choose which Assembly members attend special events. There was a discussion of how Assembly member Ravenmoon travels from Pope Vannoy to meetings.

10. School Superintendent's Report

Ty Mase passed out a document explaining that the school board requested that the Assembly receive a list of cuts and a letter explaining them. He said that LPSD is fortunate to be in a Borough. In the last several years the district has cut back on a lot of things. The recent legislative cuts will be especially hard on REAAs and those school districts not in a Borough. Legislation will be coming out soon to reform PERS and TERS and that may cost the district more. He said that he realizes the Borough put themselves in deficit for the school budget last year and he wants people to know that. The district has cut some personnel thru attrition. The average turn-over rate is 18% and this year there will be a large group of teachers leaving the district. The district did not have tutors this year, and in the past they were able to have the tutors prepared to accept open positions, but this year the district will have to recruit. They have 15 openings this year, and seven have already been filled.

The administration is struggling with whether to staff Chignik Bay as it may not meet minimum enroll. Pilot Point is also in danger of not opening. The district is watching the budget very closely as decisions are made. Overall, the student enrollment has been fairly stable at 300. Assembly member Ravenmoon asked if, in the next five years, the district foresees an increase or a decrease. Mr. Mase said that the trend is less relevant than whether students are happy. There will be a breaking point where parents want something more and better for their children, or things will just be too expensive. It is getting harder each year to live in the villages. He said he can only hope that if the district maintains a good education, they will maintain population in the villages. He added that there are a lot of little ones who will be entering school and that is encouraging. Mr. Mase said that Ed and Cal Cox from Nondalton are retiring this year after ten years with the district and he encouraged everyone to wish them well if they see them in the coming months.

11. Student Representative Report

No students were present.

G. CONSENT AGENDA – none

H. NEW BUSINESS

1. Ordinance 16-01: 25 year Land Lease for NWA Outfitters, LLC – Public Hearing & Decision

Assembly member Olsen made a motion to open the public hearing for Ordinance 16-01: A 25 Year Land Lease to NWA Outfitters, LLC. Motion was seconded by Assembly member Pedersen. Motion passed unanimously by voice vote. The public hearing was declared open at 1:07 pm. The Mayor asked if the ordinance had been properly posted. The Clerk reported it had been posted as per code and no comments had been received prior to the meeting either in writing or via the telephone. The Mayor called for comments. Ms. Edwards said that the staff recommends approval. There were no further comments. Motion was made by Assembly member Alvarez to close the public hearing. Motion was seconded by Assembly member Ravenmoon. Motion passed unanimously by voice vote. The public hearing was closed at 1:09 pm

Motion was made by Assembly member Ravenmoon to adopt Ordinance 16-01: A 25 Year Land Lease to NWA Outfitters, LLC. Motion was seconded by Assembly member Salmon. The Mayor called for conflict of interest. The Mayor declared he works for this company and asked to be excused from voting. Consensus of the Assembly was to allow Mayor Alsworth to abstain from voting. Assembly member Ravenmoon chaired the meeting. She called for discussion. There was none. Motion passed with four ayes (Alvarez, Pedersen, Ravenmoon, Salmon), two absent (Anderson, Olsen) and one abstention (Alsworth). The Mayor reclaimed the chair.

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

Assembly member Salmon made a motion to open the public hearing for Ordinance 16-02: A 5 year Lease to F & J Hoff. Motion was seconded by Assembly member Pedersen. The public hearing was declared open at 1:15 pm. The Mayor asked if the ordinance had been properly posted. The Clerk reported it had been posted as per code and no comments had been received prior to the meeting either in writing or via the telephone. The Mayor called for comments. Ms. Edwards said that the staff recommends approval. There were no further comments. Motion was made by Assembly member Ravenmoon to close the public hearing. Motion was seconded by Assembly member Salmon. Motion passed unanimously by voice vote. The public hearing was closed at 1:16 pm

Assembly members Anderson and Olsen joined the meeting at 1:17 pm.

Motion was made by Assembly member Pederson to adopt Ordinance 16-02: A 5 Year Land Lease to F & J Hoff. Motion was seconded by Assembly member Ravenmoon. The Mayor called for conflict of interest. None was declared. The Mayor called for discussion. There was none. Motion passed with seven ayes (Alsworth, Alvarez, Anderson, Olsen, Pedersen, Ravenmoon, Salmon)

3. Ordinance 16-03: FY2016 Budget Amendment - Introduction

Motion was made by Assembly member Ravenmoon to introduce Ordinance 16-03: FY2016 Budget Amendment and set a public hearing. Motion was seconded by Assembly member Salmon. The Mayor called for discussion. There was none. Motion passed unanimously by voice vote.

4. Resolution 16-06 re: Support of Legislation Improving Alaskan's Access to Fisheries

Mayor Alsworth said that, per the discussion earlier during the Fishery Advisor report, Chuck McCallum does not recommend passage of this resolution at this time. No action was taken.

5. Resolution 16-07 re: Support of Extending the Termination date of the ARDOR

Motion was made by Assembly member Pedersen to adopt Resolution 16-07. Motion was seconded by Assembly member Salmon. The Mayor explained that this resolution is asking the legislature to approve a five year extension to the statutes that allowed for the creation of SWAMC. There was no further discussion. Motion passed unanimously by voice vote.

6. Appointment to the SWAMC Board

Motion was made by Assembly member Salmon to appoint Assembly member Myra Olsen to the SWAMC board. Motion was seconded by Assembly member Pedersen. Assembly member Olsen agreed to accept the position. Motion passed unanimously by voice vote.

I. UNFINISHED BUSINESS - none

J. TIME AND PLACE OF NEXT MEETING Regular Meeting, April 13, 2016 – Newhalen (AA Meet with the students)

Ms. Conley explained that the next meeting would be in Newhalen at the AA Meet with the students and should be only one day for the members in the north, but members from the south may have to spend the night in King Salmon. There was some discussion of logistics.

K. CITIZEN'S COMMENTS - none

L. ASSEMBLY COMMENTS

Randy Alvarez – said a reporter from the Associated Press has called and wants to discuss the dead birds he saw while flying to and from the ribbon cutting event in Newhalen in February. Assembly member Anderson said there were a lot of dead birds in Port Heiden as well. The Mayor said there were a lot of Murres dead along Lake Iliamna. Assembly member Pederson said there is an algae toxin that has been killing the fish. There are clouds of the algae in the water and when the fish swim through the algae their gills get clogged. There was some speculation that the birds died of starvation.

M. MAYOR'S COMMENTS

The Mayor said he attended a meeting in Cordova about creating a borough. He explained that the Lake and Peninsula Borough formed to maintain the local decision for the school district. Cordova wants to form to catch Donolin money. LPB has been able to help the villages because the Borough was formed around an idea and ideals, not around money.

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

Motion was made by Assembly member Salmon to recess the Assembly meeting to go into executive session as per Borough Code 2.08.050 (B). Motion was seconded by Assembly member Anderson.

Meeting was recessed at 2:30 pm
Meeting was reconvened at 2:50 pm

Motion was made by Assembly member Olsen to extend Nathan Hill's contract for three years with a 2% raise. Motion was seconded by Assembly member Anderson. There was no discussion. Motion passed unanimously by voice vote.

O. ADJOURNMENT

The meeting was adjourned by unanimous consent at 2:52 pm.

Glen R. Alsworth, Sr., Mayor

Kate Conley, Borough Clerk

_____ Date

DRAFT

F. 2. Reports Manager's

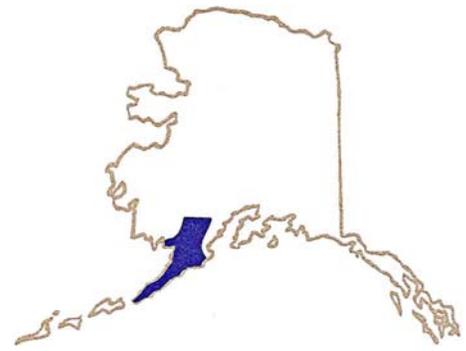
Lake and Peninsula Borough
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To: Mayor Alsworth,
Assembly Members
From: Nathan Hill, Manager
Re: April Report

April 4, 2016

April Report

This is our second to last scheduled meeting until fishing season rolls in so needless to say things have been especially busy. I have been in regular contact with staff, consultants, assembly, planning commissioners and contractors about various topics involving the Borough and our communities. I have also spent a little time in Juneau during session with our lobbyist.

The project that has consumed a considerable amount of time for me in the last month is the new Chignik dock facility. In Juneau Mark and I met with DOT and discussed the project details, however there is yet to be a construction schedule. The state folks said they would keep us informed as things progress.

Another item discussed was another potential funding opportunity from Federal Highways for the Chignik area. We are also tracking this closely as it could mean more infrastructure development for that area.

While in Juneau, I also got a few minutes with Bryce Edgmon and Lyman Hoffman whom were both realistic about the cuts that they are having to help make. Mark and I also met with Fish and Game to discuss some of the developing bills that could possibly affect us.

Another item discussed was another potential funding opportunity from Federal Highways for the Chignik area. We are also tracking this closely as it could mean more infrastructure development for that area.

I have also been in discussions with a group of folks representing the Chigniks and Perryville regarding the dock and its future plan for use. I have requested from the group that we narrow down an action committee or smaller group of folks representing the four communities directly affected by the facility to continue discussion regarding the dock. So far the brainstorm had not been narrowed down in great detail and we are at the beginning of the dialogue. The goal is to get the best feedback possible so that the Borough owned facility lends optimal services to its residents.

Currently I am preparing for a trip to Fairbanks to present on behalf of the Borough for Alaska Energy Authority so I have been meeting with them on this as well as a variety of energy topics in the Borough. I will be heading north about a week after our monthly meeting.

The discussion about our budget continues among staff and consultants. The school district is of course a big part of this. Ty has been contributing a considerable amount of time with us to aid in the decisions that have to be made for the short and long term sustainability in our fiscal future.

It will be good to see you all in Newhalen soon. Safe travels!

F. 3. Reports Consultant's

Lake and Peninsula Borough
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April 13, 2016

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

Re: Monthly Report-March 2016

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

1. Chignik-multi-community public dock. Nathan and I communicated with PND and City of Chignik officials on future dock operational matters and local fish tax matters. Met with Aloyis and Nathan on a specific use of the dock. Nathan will give an overview of the matter to the assembly in executive session.
2. Worked with Nathan, Bob and Glen on long term budget matters.
3. 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.

MEMORANDUM

March 30, 2016



Phone: 250-4621

E-mail: bobl@jadenorth.com

To: Lake and Peninsula Borough Assembly

From: Bob Loeffler

Subject: Chignik-area Mineral Exploration

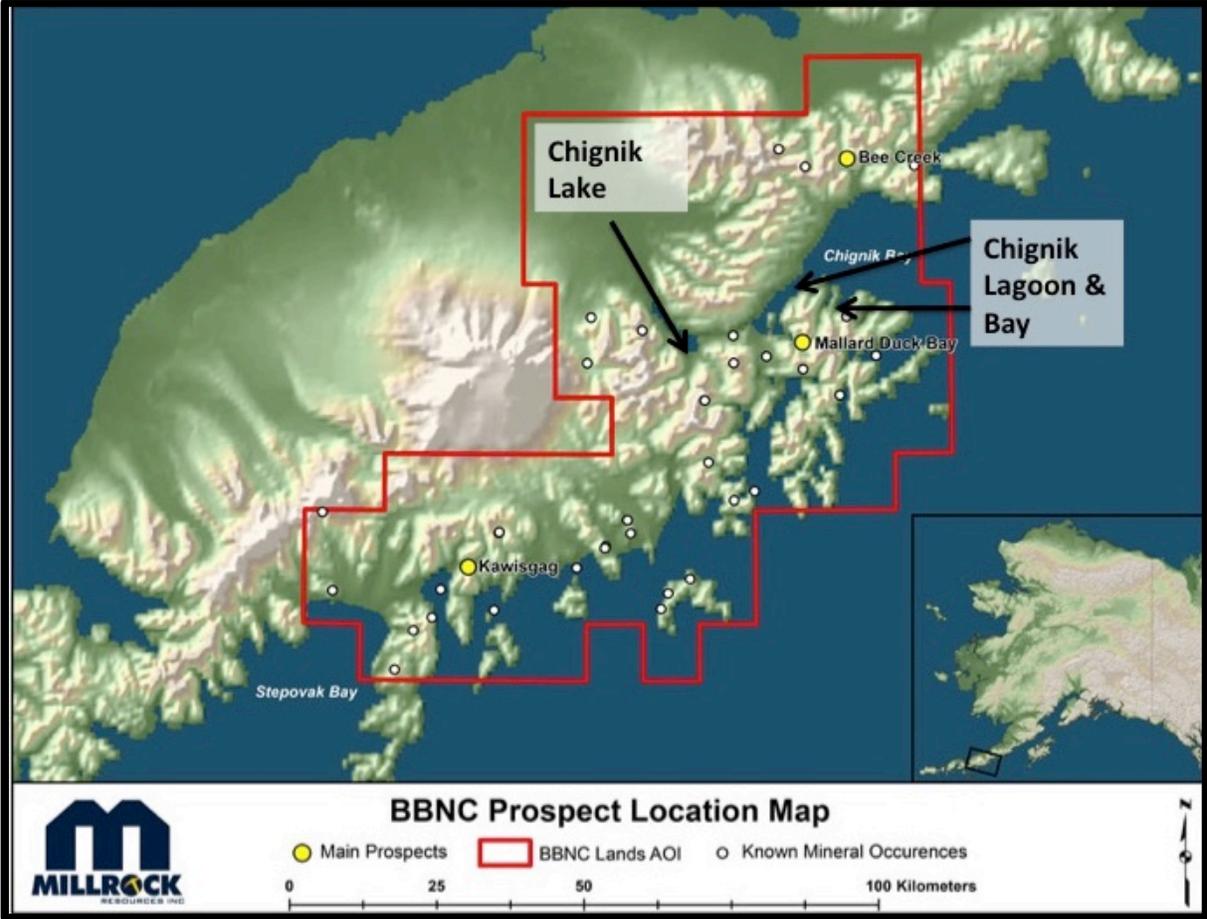
Summary: No work this summer; future unclear. Last summer, Millrock Resources, Inc. drilled a total of eight exploration holes on two prospects in the Chignik Region. The drilling did not find high copper or gold concentrations and no further exploration is expected for those two prospects. There is a third prospect within Millrock's exploration agreement with BBNC. Millrock is looking for a funding source to explore that prospect. No indication whether it will find one, but there is no funding to explore the prospect this summer. Millrock is hopeful that it can find potential funding partners to examine the Kawisgag prospect near Ivanoff Bay, but indicates that copper prices are strongly depressed, mining company exploration budgets are tight, and most companies are not taking on new projects.

History. In May 2013, Millrock signed an agreement with BBNC to explore for minerals near the Chignik Villages. The area contained three copper-gold exploration targets. The agreement required Millrock to annually spend a certain amount on exploration and pay BBNC. By 2019, these amount are to total \$5 million on exploration and \$725,000 to BBNC. Millrock must also make an annual \$10,000 contribution to the BBNC's Scholarship Foundation.

- In 2013, Millrock was to spend \$200,000. Millrock completed surface exploration and mapping (i.e., geologists exploring outcrops, etc.). It did not spend all of the \$200,000, but BBNC waived the remaining annual amount.
- In 2014, Millrock, made an agreement with First Quantum Ltd. to fund the exploration in return for an option to purchase part of Millrock's rights with BBNC. It spent approximately \$600,000 to complete geophysical work, mapping, and to gather soil and sediment samples. Housing and other services were based out of one of the villages.
- In 2015, the companies drilled 8 exploration holes on two of the three prospects in the BBNC agreement: Dry Creek and Mallard Duck Bay. Reclamation at the sites is complete. Two Bristol Bay residents were employed directly by Millrock at the drilling sites, and others provided services at the bunkhouse in Chignik Bay or through providing jet fuel to the helicopters in Chignik Lagoon. The drilling did not return results with copper or gold concentrations high enough to justify further exploration. The program cost approximately \$1.9 million and thus Millrock has substantially exceeded its minimum funding requirements for this stage of the agreement.

The Future? First Quantum, Ltd. has ended its participation in the project. BBNC has waived the required payment for 2016, though Millrock will make its required \$10,000 scholarship fund contribution. It is unlikely that any exploration work of significance in the region will occur unless and until Millrock finds a partner.

Agreement area – BBNC & Millrock Resources, Inc.



F. 4. Reports CDC's

Lake and Peninsula Borough
Regular Assembly Meeting
April 13, 2016



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P.O. Box 495

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Date: April 4, 2016
To: Mayor and Assembly
From: Kate Conley, Borough Clerk
Re: CDC Report

While I am not the Community Development Coordinator, I have done some of the tasks previously assigned to the CDC, so here is a quick summary:

- **Permits**
 - Development Permit - I received one this month, but it was incomplete and returned to the requestor. I anticipate it will be complete later this month and I will notice a Planning Commission meeting to review the permit via teleconference at that time.
 - Preliminary Plat – I received one this month for a minor plat in Port Alsworth. Minor Plats can be reviewed by staff and approved by the manager. It was conditionally approved.

- **Strategic Planning – Port Heiden –**

I visited Port Heiden for a couple days (which turned into a week) while they held strategic planning and strategic doing meetings. The “Retreat” on Monday was facilitated by Foraker Group and included nonprofit sustainability model, board roles and responsibilities, core purpose, values and mission statements and long term strategic goals. Unfortunately, I missed this first session, but it had good reviews from those that attended.

The second day the facilitator was Melissa Houston from the University of Alaska Center for Economic Development who asked the attendees to prioritize the top five goals and then each goal was broken down into steps and responsibilities were assigned. It should be noted that Port Heiden had, prior to either of these meetings, worked extensively on a five year strategic plan.

I attended these meetings to see if the process was applicable to other villages. My impression was that the first day was valuable and intangible. They worked on ideas and understandings. The strategic planning and strategic doing sessions were tangible and the group came away with plans to implement and tasks to accomplish. Together the meetings were good tools.

**F. 5.
Reports
PC Minutes
none**

**Lake and Peninsula Borough
Regular Assembly Meeting
April 13, 2016**

F. 6. Reports Fisheries

*This will be handed
out at the meeting*

Lake and Peninsula Borough
Regular Assembly Meeting
April 13, 2016

F. 7. Reports Finance Report

Lake and Peninsula Borough
Regular Assembly Meeting
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Lake and Peninsula Borough

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April 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.

Budget has been discussed in workshop and I would be glad to address any residual questions.

Like everyone else, we are anticipating and gearing up for the summer season, getting all the lodges and guides registered for the year, and watching for new operators doing business within the borough. We continue to have inquiries and interest in set net lease sites. We are planning a trip to an area of borough land above Egegik to meet some of the lease holders, identify some of the sites we've not been able to contact, settle a question of area of use.

CIAP Scrap Haul Out Grant Progress Report

I have been working diligently to follow up with communities to make sure we will be able to meet our deadline. I am currently awaiting on addendum from Igiugig to expand their scope of work for scrap removal. I am working with Kokhanok on a contract to begin scrap removal, Jeremy is currently putting together an inventory and budget report for review. Chignik Lake and Chignik Lagoon have teamed up and are currently working together on searching for barge service to remove scrap, they are also working with Don Bumpus comparing prices. Pilot Point has started moving Scrap to their landfill. They should be completed by end of April. Ugashik has employed a team to finish up scrap removal, they will be barging to Pilot Point to be buried in their landfill. They should be completed by end of May. Reimbursement requests have been processed and addendums have been approved that have been coming in from communities. I am pleased that communities are excited about the project and have been able to do such amazing job.

Nikki Reed
Assistant Finance Officer/ Project Manager

10 GENERAL FUND

Assets

Current Assets

CASH	777,721.82	
WELLS FARGO CHECKING	2,018,440.81	
WELLS FARGO TRUST	1,054,225.59	
TIME VALUE INVESTMENTS	1,468,908.57	
TD AMERITRADE	1,329,600.82	
SCOTTRADE	0.77	
ACCOUNTS RECEIVABLE	28,327.12	
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		7,005,743.79

Total Assets		7,005,743.79

Liabilities and Equity

Current Liabilities

ACCOUNTS PAYABLE-CONVERSION	29,177.05	
ACCOUNTS PAYABLE	(50,622.50)	
DEPOSITS PAYABLE	19,400.00	
SBS	(471.55)	
FEDERAL WITHHOLDING	10.12	
MEDICARE CONTRIBUTION	(21.50)	
ACCRUED ANNUAL LEAVE	38,131.77	
FICA CONTRIBUTION	(219.32)	

Total Current Liabilities		35,384.07

Total Liabilities 35,384.07

Equity

FUND BALANCE - UNASSIGNED	5,952,836.67	
CONVERSION BALANCING ACCOUNT	1,427,080.95	
CURRENT YEAR INCOME/(LOSS)	(409,557.90)	

Total Equity		6,970,359.72

Total Liabilities & Equity 7,005,743.79

10 GENERAL FUND

		----- Current Year -----				
Account	Object Description	Current Month	Current YTD	Budget	Variance	%
Revenue						
30000	REVENUES		-149.00		-149.00	
30011	RAW FISH SALES AND USE TAX		1,028,375.37	1,500,000.00	-471,624.63	69
30012	BED TAX	81.23	108,108.35	155,000.00	-46,891.65	70
30019	PENALTIES & INTEREST	40.00	40.00		40.00	
30030	LICENSES AND PERMITS	500.00	5,000.00	5,000.00		100
30031	PROFESSIONAL GUIDES	-2,235.00	158,829.09	32,000.00	126,829.09	496
30032	DEVELOPMENT PERMITS	100.00	500.00	1,500.00	-1,000.00	33
30033	LAND USE PERMITS			1,500.00	-1,500.00	
30039	PENALTIES & INTEREST	-533.75	2,316.62		2,316.62	
30041	TEACHER HOUSING RENTS		327,216.00	327,216.00		100
30044	LAND LEASE	2,000.00	62,758.63	30,000.00	32,758.63	209
30071	INTEREST		86,937.22	45,000.00	41,937.22	193
30072	MARKET GAIN/LOSS		-186,343.45	80,000.00	-266,343.45	-233
30090	OTHER LOCAL REVENUES	-275.00	1,225.00	1,000.00	225.00	123
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	29,642.94	29,642.94	29,352.43	290.51	101
30116	SOA SHARED FISH TAX		352,015.68	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	29,320.42	2,662,097.45	3,695,388.43	-1,033,290.98	72
Expenses						
41100	ASSEMBLY					
351	INSURANCE - LIFE AND HEALTH	5,519.49	62,866.95	80,000.00	17,133.05	79
354	MEDI CARE CONTRIBUTION	10.15	120.35	175.00	54.65	69
355	PERS RETIREMENT CONTRIBUTION	44.00	572.00	1,200.00	628.00	48
356	SBS CONTRIBUTION	42.91	508.79	750.00	241.21	68
435	COMMUNICATIONS - TELECOM	48.77	991.24	1,350.00	358.76	73
441	RENTALS			500.00	500.00	
470	FOOD	240.00	4,006.09	8,500.00	4,493.91	47
481	TRANSPORTATION	806.26	25,316.04	40,000.00	14,683.96	63
482	REGISTRATION/TUITION			500.00	500.00	
484	STIPENDS	700.00	8,300.00	13,000.00	4,700.00	64
485	PER DIEM	700.00	10,600.00	17,000.00	6,400.00	62
486	LODGING		5,395.69	13,500.00	8,104.31	40
491	DUES AND FEES		50.00	100.00	50.00	50
	Total Account	8,111.58	118,727.15	176,575.00	57,847.85	67
41300	PLANNING COMMISSION					
354	MEDI CARE CONTRIBUTION		47.85	125.00	77.15	38
356	SBS CONTRIBUTION		202.29	375.00	172.71	54
435	COMMUNICATIONS - TELECOM		180.45		-180.45	

10 GENERAL FUND

		----- Current Year -----					
Account	Object	Description	Current Month	Current YTD	Budget	Variance	%
	470	FOOD		863.93	3,200.00	2,336.07	27
	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	26,659.27	239,228.61	320,178.00	80,949.39	75
	351	INSURANCE - LIFE AND HEALTH	5,846.62	51,068.12	47,400.00	-3,668.12	108
	354	MEDICARE CONTRIBUTION	386.57	3,489.43	4,643.00	1,153.57	75
	355	PERS RETIREMENT CONTRIBUTION	4,087.44	35,925.48	70,500.00	34,574.52	51
	356	SBS CONTRIBUTION	1,634.22	14,571.95	19,627.00	5,055.05	74
	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	10.41	2,625.41	2,500.00	-125.41	105
	412	AUDITING AND ACCOUNTING		15,963.43	35,000.00	19,036.57	46
	414	LEGAL SERVICES	1,200.00	18,165.61	125,000.00	106,834.39	15
	415	ADVERTISING			500.00	500.00	
	419	LOBBYIST		27,499.98	55,000.00	27,500.02	50
	420	TECHNICAL SUPPORT		6,977.30	15,210.00	8,232.70	46
	422	CONSULTANTS	23,597.50	54,507.50	59,000.00	4,492.50	92
	424	DEVELOPMENT CONSULTANT	-21,937.50				
	425	MAPPING	2,038.31	3,884.84	30,000.00	26,115.16	13
	431	ELECTRICITY	236.97	3,472.78	8,000.00	4,527.22	43
	433	WATER AND SEWAGE		330.00	350.00	20.00	94
	435	COMMUNICATIONS - TELECOM	576.48	563.21	12,640.00	12,076.79	4
	436	COMMUNICATIONS - INTERNET SERVICES	936.00	9,786.40		-9,786.40	
	440	OTHER PURCHASED SERVICES			2,500.00	2,500.00	
	441	RENTALS		912.00	2,500.00	1,588.00	36
	443	OFFICE EQUIPMENT		676.99	2,500.00	1,823.01	27
	444	SITE REPAIR AND MAINTENANCE		1,364.98	5,500.00	4,135.02	25
	445	INSURANCE AND BOND PREMIUMS		17,423.00	18,500.00	1,077.00	94
	451	OFFICE SUPPLIES	321.69	2,821.48	9,000.00	6,178.52	31
	452	COMPUTER HARDWARE/SOFTWARE		9,313.48	25,200.00	15,886.52	37
	453	OFFICE RENTAL	277.00	277.00		-277.00	
	455	POSTAGE		3,083.90	6,500.00	3,416.10	47
	465	VEHICLE EXPENSE		892.75	2,500.00	1,607.25	36
	470	FOOD		528.57	2,000.00	1,471.43	26
	481	TRANSPORTATION	1,309.72	20,129.21	40,370.00	20,240.79	50
	482	REGISTRATION/TUITION	795.00	795.00	1,500.00	705.00	53
	485	PER DIEM	400.00	2,500.00	4,500.00	2,000.00	56
	486	LODGING	669.17	4,333.90	7,170.00	2,836.10	60
	491	DUES AND FEES	370.00	3,481.01	4,500.00	1,018.99	77
	496	BANK FEES/CHARGES		2,358.05	2,800.00	441.95	84
	499	MISCELLANEOUS EXPENSES	349.00	349.00	1,000.00	651.00	35
		Total Account	49,763.87	549,485.87	980,088.00	430,602.13	56
41500		ELECTIONS					
	415	ADVERTISING		348.62	500.00	151.38	70

10 GENERAL FUND

		----- Current Year -----					
Account	Object	Description	Current Month	Current YTD	Budget	Variance	%
	451	OFFICE SUPPLIES		771.72	7,500.00	6,728.28	10
	452	COMPUTER HARDWARE/SOFTWARE			6,400.00	6,400.00	
	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	57,875.45	694,340.30	1,205,713.00	511,372.70	58
		Net Income from Operations	-28,555.03	1,967,757.15			
Other Revenue							
	30250	TRANSFERS FROM GENERA FUND			2,925,843.00	-2,925,843.00	
		Total Other Revenue	0.00	0.00	2,925,843.00	-2,925,843.00	
Other Expenses							
42000		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	2,291.67	38,958.39	38,958.39		100
	351	INSURANCE - LIFE AND HEALTH	424.74	8,088.15	8,088.15		100
	354	MEDI CARE CONTRIBUTION	33.23	564.91	564.91		100
	355	PERS RETIREMENT CONTRIBUTION	504.17	8,570.89	8,570.89		100
	356	SBS CONTRIBUTION	140.48	2,388.16	2,388.16		100
	455	POSTAGE		20.58	20.58		100
	481	TRANSPORTATION		3,938.13	3,938.13		100
	482	REGISTRATION/TUITION		1,073.97	1,073.97		100
	485	PER DIEM		2,500.00	2,500.00		100
	486	LODGING		1,387.12	1,387.12		100
	491	DUES AND FEES		595.00	595.00		100
		Total Account	3,394.29	68,085.30	68,085.30		100
42200		ILIAMNA DOCK REHAB					
	414	LEGAL SERVICES		1,247.50	1,247.50		100
	416	ENGINEERING AND ARCHITECT		5,249.17	20,750.00	15,500.83	25
	458	CONSTRUCTION SERVICES		320,563.60	491,668.00	171,104.40	65
		Total Account		327,060.27	513,665.50	186,605.23	64
43100		FISHERIES ADVISOR					
	413	ADVISORY/CONSULTANT	4,500.00	31,500.00	45,000.00	13,500.00	70

10 GENERAL FUND

			----- Current Year -----				
Account	Object	Description	Current Month	Current YTD	Budget	Variance	%
	420	TECHNICAL SUPPORT		4,525.00		-4,525.00	
	481	TRANSPORTATION		1,827.50	1,000.00	-827.50	183
	486	LODGING			600.00	600.00	
		Total Account	4,500.00	37,852.50	46,600.00	8,747.50	81
43110		BOARD OF FISH					
	440	OTHER PURCHASED SERVICES		160.00	160.00		100
	441	RENTALS	1,758.00	2,178.00	2,178.00		100
	451	OFFICE SUPPLIES	101.21	164.17	164.17		100
	481	TRANSPORTATION	539.00	1,567.00	6,133.76	4,566.76	26
	484	STIPENDS	1,000.00	1,000.00	1,000.00		100
	485	PER DIEM	140.37	5,565.37	5,565.37		100
	486	LODGING	7,047.98	9,798.70	9,798.70		100
		Total Account	10,586.56	20,433.24	25,000.00	4,566.76	82
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 - KSVC					
	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	
	558	TRANSFER TO CHIGNIK DOCK			2,021,000.00	2,021,000.00	
	559	TRANSFER TO WIND ENERGY			17,750.00	17,750.00	
	590	TRANSFER TO COMPONENT UNIT	673,711.50	1,347,423.00	1,347,423.00		100
		Total Account	673,711.50	1,501,423.00	4,240,453.00	2,739,030.00	35
		Total Other Expenses	692,192.35	2,377,315.05	5,410,287.80	3,032,972.75	44

LAKE AND PENINSULA BOROUGH
Income Statement
For the Accounting Period: 3 / 16

10 GENERAL FUND

Account	Object	Description	----- Current Year -----				
			Current Month	Current YTD	Budget	Variance	%
		Net Income	-720,747.38	-409,557.90			

F. 8. Reports Lobbyist Report

Lake and Peninsula Borough
Regular Assembly Meeting
April 13, 2016

LEGISLATIVE REPORT #16-05

By Mark Hickey, Hickey & Associates – March 27, 2016

Operating Budget Conference Committee Resting Comfortably Before Final Push!



While Senate Finance leaders recently stated no interest in “getting into the tax business”, Governor Walker responded by telling the legislature he will call them back into a special session unless they pass a broad-based tax this year. Hearings are scheduled this week in the House on Walker’s marine fuel tax, mining tax and income tax proposals.

The state’s spring revenue forecast shows Alaska’s expected deficit for FY 2016 has grown by \$300 million,

resulting in a projected deficit of \$4.1 billion. The forecast also expects an increase in oil production by 17,500 barrels per day for this year.

While details about the new bill to restructure revenue sharing are unknown, my sources expect it will reduce funding for the program by 50%. This change would equate to a program of \$30 million. Most base amounts for each municipality will likely be preserved, except for boroughs with minimal unincorporated community population.

SPECIAL ORDERS

Revenue Sharing

Members of the Senate Finance Committee have been working behind the scenes to write a bill to restructure the Revenue Sharing Program. A hearing on this bill is scheduled on Tuesday, March 29 at 1 PM.

PERS/TRS Program Changes

Majority members on both sides have also been working behind the scenes on a bill to restructure the PERS and TRS programs, including an increase in the required local match rates. These bills are also scheduled for hearing on Tuesday, March 29 at 1 PM.

Oil Tax Credit Reform

House Resources completed its rewrite of the governor’s oil tax credit bill. The state estimates that it will save about \$45 million per year, versus the \$500 million in net savings estimated under Walker’s proposal. The bill now goes to House Finance.

Permanent Fund Plans

Most of the action to restructure the Alaska Permanent Fund has moved to Senate Finance. A modified version of *SB 114* recently moved out of Senate State Affairs. It keeps the 2016 PFD at about \$2,000.

Today marks the 69th day of the Second Regular Session of the 29th Alaska State Legislature.

Other Happenings!

The Superior Court recently ruled against the legislative lawsuit to overturn Governor Walker’s decision to expand Medicaid under the Affordable Care Act. House Finance continues to hold hearings on *SB 74*, the Medicaid Reform bill. It passed the full Senate earlier this month. The bill is estimated to save \$31.4 million in FY 2017, and over \$100 million per year by FY 2022.

Both the governor and legislators applauded the 8-0 decision by the U.S. Supreme Court in its decision in the *Sturgeon vs. Frost* case. Alaska resident John Sturgeon succeeded in his challenge against the National Park Service’s ban of hovercraft use on all navigable waters. The decision is viewed by many as a win in favor of protecting state rights provided for in the Alaska National Interest Lands Conservation Act.

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 <w3.legis.state.ak.us>.

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.	Pending House Judiciary
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

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 pending House Finance SB 128 scheduled Senate Finance on 3/30 and 3/31
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 pending House L&C SB 131 pending Senate L&C
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 CS exempts commercial fishermen from marine fuel increase.	HB 249 scheduled House Finance on 3/31 SB 132 pending Senate Finance
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 scheduled House Finance on 3/31 SB 134 pending Senate L&C
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 pending House Fisheries SB 135 pending 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 House L&C SB 136 pending 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 scheduled House Resources 3/28 and 3/30 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.	Scheduled House Finance on 3/31
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.	Pending 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.	Passed Senate State Affairs Pending Senate Judiciary
SSSB 114 by McGuire HB 303 by Millett	Restructures the Permanent Fund, including an annual transfer of 5% of the 5-year average POMV earnings to the general fund. Sets a floor of \$1,000 on future dividend payments in 2017.	SB 114 scheduled Senate Finance on 3/30 and 3/31 HB 303 pending House Finance
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 pending Senate L&C HB 304 pending House L&C
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.	Pending Senate Resources

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 Finance
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 House State Affairs Other two bills pending in respective State Affairs Cmtes.

Continued on page 5

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.	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 Senate on 2/24; awaiting concurrence by House Likely going to conference
HB 77 by Thompson	Proposes disability training for village public safety officers and other public safety officers.	Moved from House Finance on 3/24; referred to Rules
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.	Passed House on 3/16; referred to Senate L&C
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.	Moved from House C&RA on 3/24; referred to House Finance
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 Finance 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). Adds \$35 million to Revenue Sharing Fund.	Awaiting appointment of conference committee
HB 275 - Drummond SB 159 by D. Olson	Establishing the second Monday of October of each year as Indigenous Peoples Day.	HB 275 moved from House STA on 3/22; referred to Rules SB 159 pending Senate STA

Continued on page 7

HB 292 by Kito	Allows municipalities to contribute to the designated Alaska Marine Highway system fund within the general fund.	Scheduled House Transportation on 3/31
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 moved from House STA on 3/22; referred to L&C SB 177 pending Senate STA
HB 313 by House L&C	Limits Little Davis Bacon to a public construction contract that exceeds \$75,000.	Heard and held House L&C on 3/16
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.	Moved from House L&C on 3/21; referred to Finance
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.	Pending House HSS
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.	Moved from House L&C on 3/23; referred to 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.	Heard and held House C&RA on 3/24
HB 346 by Guttenberg	Creates the Broadband Development Corporation and establishes the Alaska Broadband Task Force.	Pending House L&C
HB 370 by House C&RA	Allows a municipality to exempt all or some types of economic development property from taxation for a designated period of time.	Heard and held House C&RA on 3/24; scheduled public testimony on 3/29
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 328 by Talerico	Proposes a comprehensive, statewide ban on smoking in work places and public places.	SB 1 moved from Senate Finance on 3/21; referred to Rules HB 328 heard and held House HSS on 3/22 and 3/24
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 House Finance on 3/21, 3/22, 3/23, and 3/24; scheduled on 3/28, 3/29 with public testimony, and 3/30
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 heard and held Senate C&RA on 3/24 HB 280 moved from House STA on 3/24; referred to L&C
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 pending Senate Rules HJR 29 scheduled House JUD on 4/1 with public testimony
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.	Pending Senate C&RA

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 by 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 pending Senate L&C
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 Education
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.	HB 102 moved from House EDU on 3/18; scheduled Finance on 4/2 SSSB 103 scheduled Senate Judiciary on 3/30
HB 107 by Gattis	Amends membership of UA Board of Regents of to broaden geographic representation.	Pending Senate Rules
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.	Moved from House Education on 3/23; referred to Finance
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 pending House EDU SB 84 pending Senate EDU
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.	Pending House Education
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.	Heard and held House Education on 3/23; scheduled on 3/28
HB 302 by Tarr	Clarifies existing state law regarding allowable grounds to expel or suspend a student.	Pending House Education
HB 335 by Foster	Raises the age for compulsory attendance from 16 to 18, and reduces the minimum age from 7 to 6.	Pending House Education
HB 356 by Vazquez	Clarifies that the 70% minimum instructional requirement for spending by school districts must be on "direct classroom instruction".	Pending House Education
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.	Scheduled House Education on 3/28
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.	Pending House Education
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.	Scheduled House STA on 3/29

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SCR 1 by Stevens	Creates an 11-member legislative task force on civics education.	Moved from House EDU on 3/16; referred to Finance
SJR 2 by MacKinnon	Proposes a constitutional amendment to permit bonding for postsecondary student loans.	Heard and held House EDU on 3/23; Scheduled on 3/30
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 Judiciary
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 Finance
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 moved from House EDU on 3/23; referred to HSS 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 moved from Senate EDU on 3/15; referred to Judiciary HB 352 pending House EDU
SB 200 by Costello	Requires school districts to provide physical activity for students in kindergarten through grade eight.	Heard and held Senate EDU on 3/22; scheduled EDU on 3/31 with public testimony

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."	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.	Scheduled Senate State Affairs on 3/29 with public testimony

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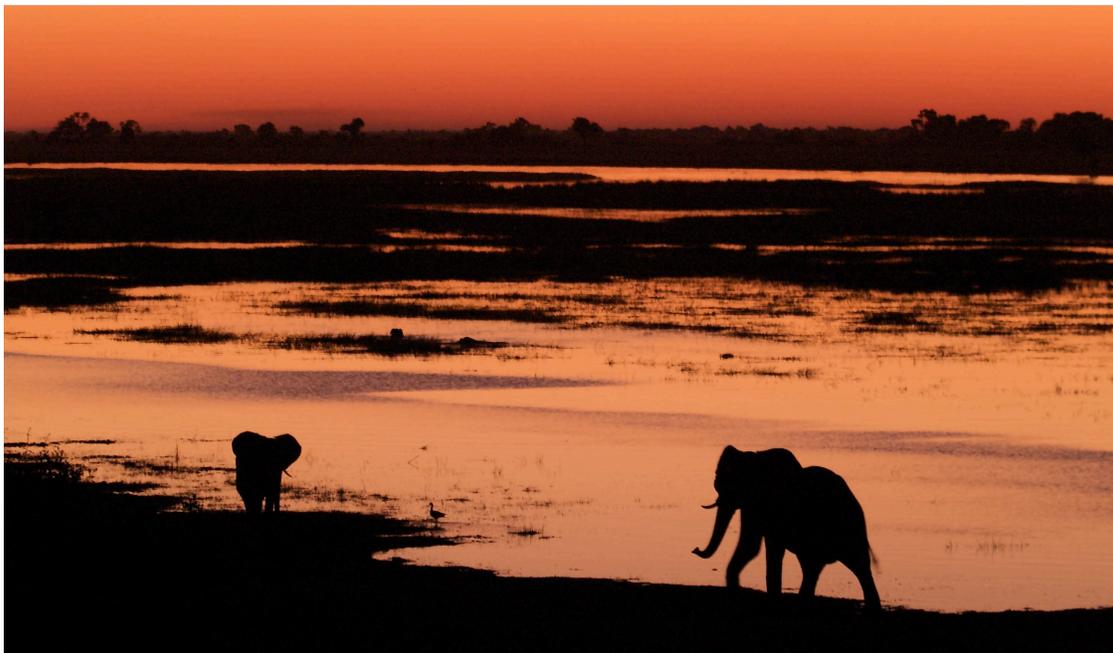
HB 134 by Ortiz	Keeps language determining that a salmon seine vessel may not be longer than 58 feet in overall length. Strikes all other exceptions from statute.	Pending House Fisheries
HB 137 by Talerico	Increases all fees for hunting, sport fishing, and trapping licenses and tags. Increases the age for a permanent ID card from age 60 to 65.	Heard and held Senate Resources on 3/23; scheduled on 3/28
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.	Heard and held House Resources on 3/23
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.	Heard and held House Fisheries on 3/17; scheduled on 3/29 with public testimony
HB 254 by Stutes	Extends the termination date of the Big Game Commercial Services Board to June 20, 2019.	Moved from House Resources on 3/23; referred to Finance
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 heard and held House Fisheries on 3/15 SB 163 heard and held Senate Resources on 3/14 and 3/16
HB 286/SB 164 by governor	Increases sport fishing, hunting, trapping, and commercial fishing violation penalties and restitution amounts for certain offenses.	HB 286 heard and held House Resources on 3/21; scheduled 3/30 SB 164 pending Senate Judiciary
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 moved from House Fisheries on 3/24; referred to Finance SB 172 moved from Senate Resources on 3/16; referred to Finance
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.	Pending House Resources
HB 358 by Neuman	Creates a new fisheries bycatch tax of 1% on value of any bycatch by commercial fishermen.	Pending House Fisheries
HB 366 by Kreiss-Tompkins	Establishes regional community permit banks for certain commercial fishing permits. Also determines entry permit ownership, fees and exemptions.	Heard and held House Fisheries on 3/17

Continued on page 16

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.	Pending 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.	Pending Senate Resources
SB 198 by Dunleavy	Creates a new Alaska fisheries royalty tax of 12.5% on all seafood caught commercially in Alaska.	Pending Senate Resources



Sunset on the South Luangwa, Zambia

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 heard and held Senate Finance on 3/14
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.	HB 363 pending House Energy SB 193 heard and held Senate Energy on 3/15; scheduled 3/31
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.	Heard and held Senate Finance on 3/16

F. 9. Reports Clerks Report

Lake and Peninsula Borough
Regular Assembly Meeting
April 13, 2016



Lake and Peninsula Borough

P.O. Box 495

King Salmon, Alaska 99613

Telephone: (907) 246-3421

Fax: (907) 246-6602



Date: April 4, 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:

- April Meeting – This meeting will be at the AA Meet. I have attached a summary of the meet as well as a summary of the Borough activities.
- Student Government - We will be meeting with the students in the morning and start with a simple ice-breaker then dividing into groups to discuss economic development. I encourage you to let the students do the talking and draw them into critical thinking scenarios. Help them to think thru the steps and challenges.
- May Meeting – As we consider the May meeting, there are two questions:
 - Should we meet in person? As it is our last meeting before the two month break, staff recommends an in-person meeting.
 - When should we meet? May meeting is often scheduled early due to fishing season. In addition, staff has trainings that would make an earlier meeting convenient.

We can discuss this further during the meeting.

- Revenue Sharing – Letters have been held up by some internal questions. They will be going out prior to the meeting.
- Elections – Can you believe it is time to start this already? I will begin to prepare the notices later this month, to be printed in May.

Schedule for Assembly and Staff

Wednesday April 13		
10:00	Arrive in Iliamna and transport to Newhalen	
10:30-12:00	Borough & SG meeting	Library
12:00-1:00	Lunch (Cleanup)	Gym
1:00-5:00	Assembly meeting	Library
5:00-6:00	Dinner	Gym
6:30 - end	Community Meeting	Library
approx 8:00	Depart Iliamna	Gym

AA Meet – Assembly & Student Government

Working as a small group:

1. Come up with a business idea for a village
2. Answer the following questions about the business:
 - a. Who is your customer?
 - i. Do you need to transport to your customer? If so, how will you do this?
 - b. Do you need employees?
 - i. What kinds of skills do your employees need?
 - ii. What kinds of traits do you want in employees?
 - iii. Can you train fellow villagers, or will you need to hire services or people from outside?
 - iv. If this is a small business with only an owner, what kind of skills and traits will the owner need?
 - c. Do you need supplies or resources for your business?
 - i. Do you need to purchase from outside and transport?
 - d. List ways this business could help the village and list ways this business could hurt the village.
3. Be prepared to share your answers with the larger group

DRAFT

Academic/Athletic Meet

2016

3/25/2016

Monday, April 11		Responsible	Location
1:00-4:00	Welcome Activities (NYO Demos)	Ron/SG	Gym
4:00-5:00	Welcome and Student Gov. Reports	Ron/SG	Gym
5:00-6:00	Dinner (Cleanup)	KOK	Gym
6:00-6:10	Welcome	Ed L/SG	Gym
6:10-6:30	Science Fair Project Introduction	Bill C	Gym
6:30-7:30	Science Fair	Bill C	Gym
7:30-10:00	NYO	Ron R	Gym
10:00-10:30	Prepare for Bed		
10:30	Lights Out		
Tuesday, April 12			
7:45-8:30	Breakfast (Cleanup)	NON	Gym
8:30-9:00	Student Gov	Ron/SG	Gym
9:00-10:30			
Session 1	various	various	
10:30-12:00			
Session 2	various	various	
12:00-1:00	Lunch (Cleanup)	NEW	Gym
1:00-2:30			
Session 3	various	various	
2:30-4:00			
Session 4	various	various	
4:00-5:00	Student Gov	Ron/SG	Gym
5:00-6:00	Dinner	LAK	Gym
6:00-9:30	NYO (Qualify) All teachers scorekeeping	Ron R	Gym
9:30-10:00	Prepare for Bed		
10:30	Lights Out		
Wednesday April 13			
7:45-8:30	Breakfast (Cleanup)	PIP/PVL	Gym
8:30-9:00	Student Gov	Ron/SG	Gym
9:00-10:30			
Session 5	various	various	
	Budget Blocks (Student Government Only)	Bob w/LPB	Teen Ctr
10:30-12:00			
Session 6	various	various	
	Borough & SG meeting	Kate Conly	Teen Ctr
	Budget Blocks	Bob w/LPB	Gym 2
Newhalen 4-6	Rockets with Mrs Janti	Michael Muelle	Mrs. Janti
12:00-1:00	Lunch (Cleanup)	LEV/PTA	Gym
1:00-2:30			

Session 7	various	various	
Newhalen K-3	Rockets with K-3	Michael Muelle	Mrs. Anelon
2:30-4:00			
Session 8	various	various	
4:00-5:00	Student Gov	Ron/SG	Gym
5:00-6:00	Dinner	PTH	Gym
6:00-6:20	Public Speaking Winners	Jenifer	Gym
6:20-7:00	Student Leadership	Kasie	Gym
7:00-8:20	Student Activity Reports	Ed L	Gym
	Juneau Closeup	Levi	Gym
	DC Closeup	Jordan	Gym
	AFN	Ed L	Gym
	NYO	Ron R	Gym
8:20-10:00	Talent Show		Gym
10:00-10:30	Prepare for Bed		
10:30	Lights Out		
Thursday, April 14			
7:45-8:30	Breakfast (Cleanup)	IGI/EGE	Gym
8:00-10:00	MS Departs		
8:30-9:00	Student Gov (Speeches)	Ron/SG	Gym
8:30-11:30			
Teacher Only	Teacher Professional Development (Robots)	Joseph Kenney	Mrs Anelons
Newhalen K-8	HotWheels Speedometry	Michael Muelle	Mrs. Janti
9:00-12:00	Career Fair	Ed	Classrooms
12:00-1:00	Lunch (Cleanup)	BAY/LAG	Gym
12:30-3:30	Newhalen School Sessions		
Newhalen K-3	Losing My Marbles (with select Students)	Signe Stanton	Mrs. Anelon
Newhalen 4-8	Barf Bones	Toni Turelove	Mrs. Janti
1:00-1:15	Student Gov (Voting)	Ron/SG	Gym
1:30-4:30	Student Choice		
	Prom Prep (SG & SL only) 2:00-5:00	Ron/SG	Gym
	DMV Written Tes & Safetyt 2:00	Troopers	Confrence
	Cover Letters/Resume 1:30-2:45	Casey Sissof	Dereks
	Ilead Applications 2:45-5:00	Ed L	Dereks
	Gear up to Go to the Moon	Michael Muelle	Wrestling
	Art	UAF Students	Kates
	Hydro Tour (Limit 12)	INNEC	
	Orienteering/Geo Caching	Library	
4:30-5:15	Dress for Dinner and Prom		
5:15-6:15	Dinner	Newhalen JR. H	Gym
6:15-7:15	National Honor Society	Ed L	Gym
7:15-7:45	Trophies/Awards	Ed L	
7:45-11:30	Prom	Ron/SG	Gym
11:30-11:50	Prom Cleanup	Ron/SG	Gym
11:50-12:00	Prepare for Bed		
12:00	Lights Out		
Friday, April 15			
7:30-8:30	Breakfast (Cleanup)		Gym
8:30-9:30	Student Gov Meeting	Ron/SG	Gym
9:00-10:00	Clean up School		
10:00-2:00	Departures/ Games		

F. 10 Reports Superintendent

*This will be handed
out at the meeting*

Lake and Peninsula Borough
Regular Assembly Meeting
April 13, 2016

F. 11. Reports Student Rep Report

Lake and Peninsula Borough
Regular Assembly Meeting
April 13, 2016

H. 1. New Business Ordinance 16-03

Budget Amendment
re: appropriations for BOF & Capital Fund

Hearing & Decision

Lake and Peninsula Borough
Regular Assembly Meeting
April 13, 2016



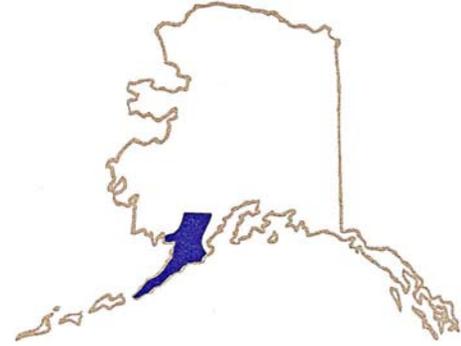
Lake and Peninsula Borough

P.O. Box 495

King Salmon, Alaska 99613

Telephone: (907) 246-3421

Fax: (907) 246-6602



PLEASE POST

PUBLIC HEARING NOTICE

ORDINANCE NO. 16-03

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).

The Lake and Peninsula Borough Assembly will hold a public hearing to solicit comments on the above referenced ordinance on **Wednesday, April 13, 2016 at 1:00 pm** in the library at Newhalen School 900 School Rd, Newhalen AK 99606. 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 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:

H. 2. New Business Ordinance 16-04

Budget Amendment
re: appropriations for end of the year

Introduction

Lake and Peninsula Borough
Regular Assembly Meeting
April 13, 2016

**LAKE AND PENINSULA BOROUGH
ORDINANCE NO. 16-04**

AN ORDINANCE AMENDING THE 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 "FY16 BUDGET REVISION" attached hereto as "Exhibit A" incorporated herein by reference.

Section 3. Authorization and Appropriation.

The appropriations set forth in section 4 and detailed in Exhibit A of this ordinance 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.

Section 4. Purpose

The purpose of this ordinance is to amend the FY12 budget from \$6,490,566 to \$6,490,566.00. This change properly reflects the annual appropriations as detailed in Exhibit A

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 May, 2016.

IT WITNESS THERETO:

ATTEST:

Glen Alsworth Sr., Mayor

Kate Conley, Borough Clerk

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



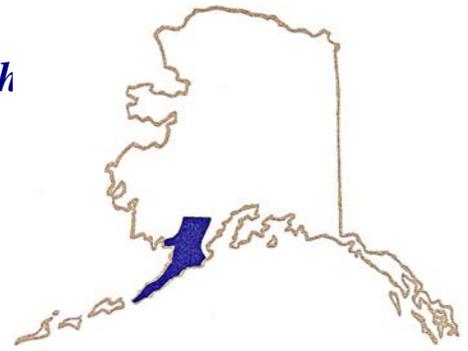
Lake and Peninsula Borough

P.O. Box 495

King Salmon, Alaska 99613

Telephone: (907) 246-3421

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FY-16 BUDGET REVISION

The following revisions to the FY 2016 Operating budget are submitted for the Assembly's consideration. The revisions take into account Assembly appropriations for expenses since the adoption of the budget, actual expenses amounts and revised and refined estimates of revenues and expenses for the balance of the fiscal year. Over all, reductions to expense are in the amount of \$37,104, however reduced fish tax revenue required and additional use of \$660,311 of General Fund Reserves.

<u>REVENUE</u>	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Variance</u>
RAW FISH TAX	\$ 1,500,000	\$ 1,045,472	\$ (454,528)
BED TAX	155,000	155,000	-
PENALTIES & INTEREST	-	1,500	
LICENSES AND PERMITS	5,000	5,000	-
PROFESSIONAL GUIDES	32,000	165,000	133,000
TEACHER HOUSING RENTS	330,000	327,225	(2,775)
LAND LEASE	30,000	68,000	38,000
INTEREST	45,000	87,000	42,000
PYMT IN LIEU OF DEVELOPMENT	100,000	100,000	-
STATE REVENUE SHARING	582,690	563,390	(19,300)
STATE FISHERIES BUSINESS TAX	29,352	29,643	291
SOA SHARED FISH TAX	520,000	352,015	(167,985)
ELECTRIC AND TELEPHONE COOP	2,000	1,225	(775)
OTHER DIRECT FEDERAL	283,130	283,130	-
TRANSFERS FROM GENERAL FUND	2,794,894	3,455,205	660,311
TOTAL REVENUE	<u>\$ 6,490,566</u>	<u>\$ 6,453,462</u>	<u>\$ (37,104)</u>

Revenue is down from budgeted amount due to lower fish tax collections. Fish prices falling from \$1+ per pound in the last two years to half or less than half that price last year was the driving factor. Other tax collections and increases in the number of land leases have mitigated the shortfall in the fish tax collections.

**Lake and Peninsula Borough**

<u>EXPENSE</u>	Original Budget	Revised Budget	Variance
ASSEMBLY	\$ 176,575	\$ 157,975	\$ (18,600)
PLANNING COMMISSION	33,200	32,975	(225)
ADMINISTRATION	993,087	781,362	(211,725)
ELECTIONS	15,850	1,795	(14,055)
ECONOMIC DEVELOPMENT	115,684	92,100	(23,584)
CDC - PLANNER	102,567	68,083	(34,484)
ILIAMNA DOCK REHAB	370,750	493,699	122,949
FISHERIES ADVISOR	46,600	50,125	3,525
BOARD OF FISH	-	25,000	25,000
DONATIONS	25,000	-	(25,000)
LEASE EXPENSE	5,000	5,000	-
MANAGERS CONTINGENCY	10,000	10,000	-
OTHER FINANCING AND USES	4,596,253	4,735,347	139,094
TOTAL EXPENSE	\$ 6,490,566	\$ 6,453,462	\$ (37,104)

Reductions in travel, shorter Assembly meeting durations, and reduction in staff were the biggest drivers in lower expense. The contract for the Iliamna dock rehabilitation project was larger by \$123,000 than anticipated and additional appropriations by the Assembly of \$25,000 and \$80,000 for Board of Fish meeting and contributions to the Capital Project Fund respectively, were increases beyond the original budget. Line item detail follows.

*Lake and Peninsula Borough***Budget Detail**

ASSEMBLY	Original	Revised	Variance
INSURANCE - LIFE AND HEALTH	80,000.00	\$ 84,000	4,000
MEDICARE CONTRIBUTION	175	175	-
PERS RETIREMENT CONTRIBUTION	1200	700	(500)
SBS CONTRIBUTION	750	650	(100)
COMMUNICATIONS	1,350	1,350	-
RENTALS	500	-	(500)
FOOD	8,500	7,500	(1,000)
TRANSPORTATION	40,000	35,000	(5,000)
REGISTRATION/TUITION	500	-	(500)
STIPENDS	13,000	10,000	(3,000)
PER DIEM	17,000	13,000	(4,000)
LODGING	13,500	5,500	(8,000)
DUES AND FEES	100	100	-
	\$ 176,575	\$ 157,975	\$ (18,600)
<u>PLANNING COMMISSION</u>			
MEDICARE CONTRIBUTION	\$ 125	\$ 100	(25)
SBS CONTRIBUTION	375	325	(50)
FOOD	3,200	900	(2,300)
TRANSPORTATION	9,500	18,750	9,250
STIPENDS	5,500	4,000	(1,500)
PER DIEM	7,000	4,200	(2,800)
LODGING	7,500	4,700	(2,800)
	\$ 33,200	\$ 32,975	\$ (225)



Lake and Peninsula Borough



ADMINISTRATION			
SALARIES - FULL TIME STAFF	\$ 320,178	\$ 320,178	-
INSURANCE - LIFE AND HEALTH	47,400	72,000	24,600
MEDICARE CONTRIBUTION	4,643	4,643	-
PERS RETIREMENT CONTRIBUTION	70,500	5,500	(65,000)
SBS CONTRIBUTION	19,627	19,627	-
PERS SALARY FLOOR CONTRIBUTION	36,000	36,000	-
OTHER EMPLOYEE BENEFITS	2,500	2,500	-
AUDITING AND ACCOUNTING	35,000	35,000	-
LEGAL SERVICES	125,000	30,000	(95,000)
ADVERTISING	500	500	-
LOBBYIST	55,000	55,000	-
TECHNICAL SUPPORT	15,210	15,210	-
CONSULTANTS	72,000	66,500	(5,500)
MAPPING	30,000	5,000	(25,000)
ELECTRICITY	8,000	4,650	(3,350)
WATER AND SEWAGE	350	330	(20)
COMMUNICATIONS / TELECOM	12,640	13,000	360
COMMUNICATIONS / INTERNET SVCS	-	6,500	6,500
OTHER PURCHASED SERVICES	2,500	-	(2,500)
RENTALS	2,500	1,000	(1,500)
OFFICE EQUIPMENT	2,500	750	(1,750)
SITE REPAIR AND MAINTENANCE	5,500	1,500	(4,000)
INSURANCE AND BOND PREMIUMS	18,500	17,500	(1,000)
OFFICE SUPPLIES	9,000	3,000	(6,000)
COMPUTER HARDWARE/SOFTWARE	25,200	14,000	(11,200)
OFFICE RENTAL	-	1,200	1,200
POSTAGE	6,500	4,200	(2,300)
VEHICLE EXPENSE	2,500	1,000	(1,500)
FOOD	2,000	650	(1,350)
TRANSPORTATION	40,370	25,500	(14,870)
REGISTRATION/TUITION	1,500	795	(705)
PER DIEM	4,500	3,500	(1,000)
LODGING	7,170	5,750	(1,420)
DUES AND FEES	4,500	3,750	(750)
BANK FEES/CHARGES	2,800	4,380	1,580
MISCELLANEOUS EXPENSES	1,000	750	(250)
	\$ 993,087	\$ 781,362	\$ (211,725)



Lake and Peninsula Borough



ELECTIONS			
ADVERTISING	\$ 500	\$ 350	(150)
OFFICE SUPPLIES	7,500	775	(6,725)
COMPUTER HARDWARE/SOFTWARE	6,400	-	(6,400)
POSTAGE	1,200	670	(530)
FOOD	250	-	(250)
	\$ 15,850	\$ 1,795	\$ (14,055)
ECONOMIC DEVELOPMENT			
BOROUGH MATCH	115684	\$ 92,100	(23,584)
IMPROVEMENTS OTHER THAN BUILDINGS		-	-
	\$ 115,684	\$ 92,100	\$ (23,584)
PLANNER			
SALARIES - FULL TIME STAFF	\$ 54,546	\$ 38,960	(15,586)
INSURANCE - LIFE AND HEALTH	8,445	8,088	(357)
MEDICARE	1,582	565	(1,017)
PERS RETIREMENT CONTRIBUTION	12,000	8,571	(3,429)
SBS CONTRIBUTION	3,344	2,389	(955)
MAPPING	2,500	-	(2,500)
COMPUTER HARDWARE/SOFTWARE	5,500	-	(5,500)
TRANSPORTATION	5,000	3,950	(1,050)
REGISTRATION/TUITION	1,500	1,075	(425)
PER DIEM	3,100	2,500	(600)
LODGING	4,300	1,390	(2,910)
DUES AND FEES	500	595	95
MISCELLANEOUS EXPENSES	250	-	(250)
	\$ 102,567	\$ 68,083	\$ (34,484)
ILIAMNA DOCK REHAB			
ENGINEERING AND ARCHITECT	20750	\$ 12,000	(8,750)
IMPROVEMENTS OTHER THAN BUILDINGS	350000	481,699	131,699
	\$ 370,750	\$ 493,699	\$ 122,949
FISHERIES ADVISOR			
ADVISORY/CONSULTANT	\$ 45,000	\$ 45,000	-
TECHNICAL SUPPORT	-	4,525	4,525
TRANSPORTATION	1,000	-	(1,000)
LODGING	600	600	-
	\$ 46,600	\$ 50,125	\$ 3,525



Lake and Peninsula Borough



BOARD OF FISH			
OTHER PURCHASED SERVICES		\$ 160	160
RENTALS		2,178	2,178
OFFICE SUPPLIES		164	164
TRANSPORTATION		6134	6,134
STIPENDS		1000	1,000
PER DIEM		5565	5,565
LODGING		9,799	9,799
	\$ -	\$ 25,000	\$ 25,000
DONATIONS			
SA VAC DONATION	\$ 25,000		(25,000)
VISITORS CENTER LEASE	5,000	5,000	-
	\$ 30,000	\$ 5,000	\$ (25,000)
MANAGERS CONTINGENCY	10,000	10,000	-
OTHER FINANCING AND USES			
STATE REVENUE SHARING	180,800	\$ 180,800	-
BOROUGH REVENUE SHARING	175,000	175,000	-
TRANSFER TO CAPITAL PROJECTS FUND	-	80,000	80,000
TRANSFER CHIGNIK DOCK FUND	2,021,000	2,021,000	-
TRANSFER TO DEBT SERVICE	550,280	550,280	-
TRANSFER TO PERMANENT	150,000	209,094	59,094
TRANSFER TO WIND ENERGY	17,750	17,750	-
TRANSFER TO COMPONENT	1,347,423	1,347,423	-
TRANSFER TO VO-TECH/PRESCHOOL	154,000	154,000	-
	\$ 4,596,253	\$ 4,735,347	\$ 139,094

H. 3.
New Business
Ordinance 16-05
FY2017 Budget

Introduction

Lake and Peninsula Borough
Regular Assembly Meeting
April 13, 2016

**LAKE AND PENINSULA BOROUGH
ORDINANCE NO. 16-05**

AN ORDINANCE ADOPTING THE LAKE AND PENINSULA BOROUGH OPERATING BUDGET FOR THE FISCAL YEAR BEGINNING JULY 1, 2016 AND ENDING JUNE 30, 2017 (FY-17).

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 in cash balances for the period beginning July 1, 2016 and ending June 30, 2017, in accordance with the "FY 17 BUDGET" in the amount of \$3,616,138.00 attached hereto as "Exhibit A" and incorporated herein by reference.

Section 3. Authorization and Appropriation.

The appropriations set forth in "Exhibit A" are adopted and authorized for the period beginning July 1, 2016 and ending June 30, 2017, and are the operating budget for that period.

The Manager is authorized to over expend or transfer funds between line items within functions or departments as needed provided that said transfers do not exceed 25% of the approved budget for that function or department. The manager is further authorized to exceed approved function or department budgets by up to 10% or a maximum of \$10,000 to address unanticipated circumstances. In no case shall the manager expend more funds in a given fiscal year than the amount authorized for the overall Operating Budget unless approved by the Assembly. New expenditures for activities not authorized herein, transfers between functions or departments which exceed the above authorization, transfers between the General Fund and other funds, or any other modifications to the approved budget must be done by ordinance and the normal budget amendment process.

Section 4. 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^h day of May, 2016.

IT WITNESS THERETO:

ATTEST:

Glen Alsworth Sr., Mayor

Kate Conley, Borough Clerk

Introduced: April 13, 2016

Public Hearing:

Enacted:

Ayes:

Nays:

Not Voting:

Absent:



Lake and Peninsula Borough

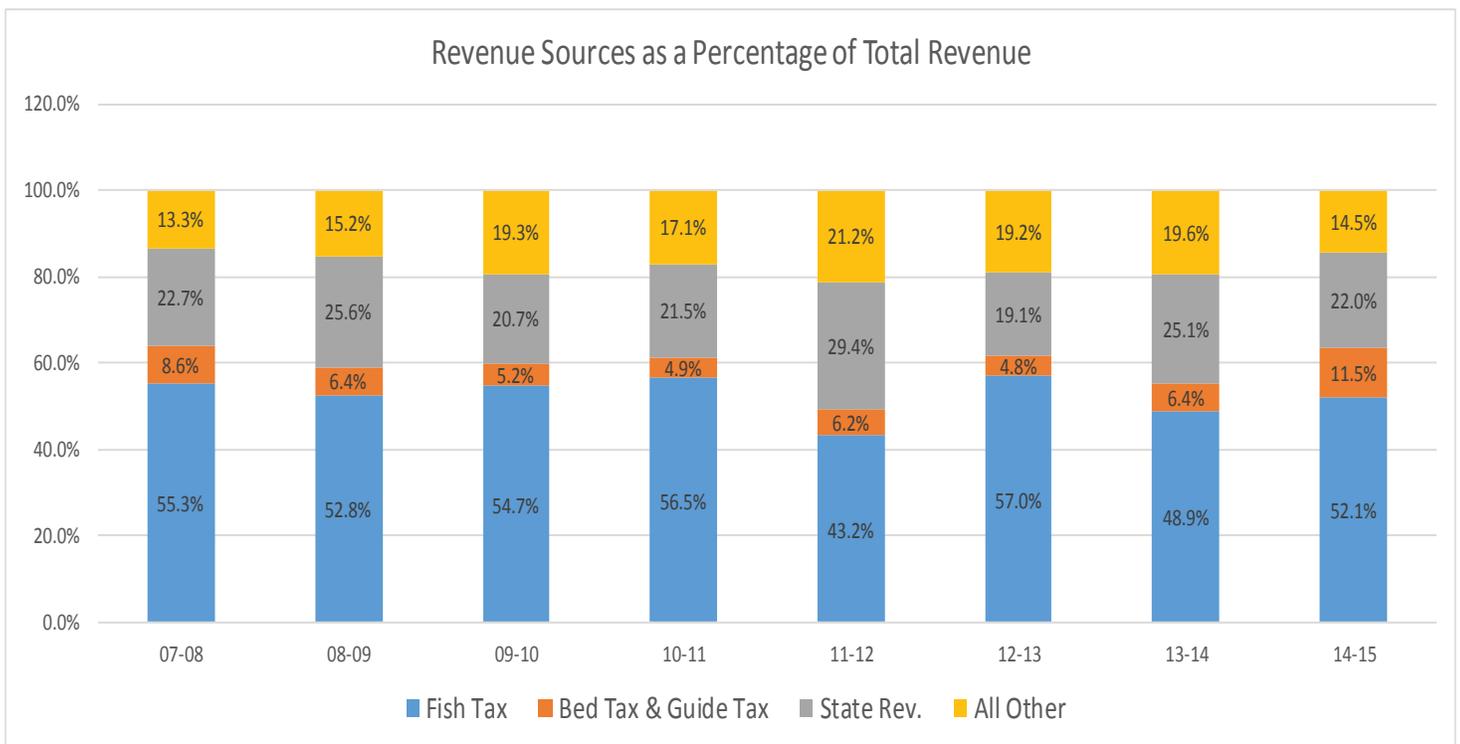


FY 17 BUDGET

The budget for the coming year faces a continuation of the fiscal challenges of a predicted second year of poor fish prices, further cut to the State’s revenue sharing, as well as the continuing possible changes to State school funding. As the Legislature hasn’t completed the State budget, State sources of revenue as well as possible increases in the request for school funding in the following budget are subject to revision.

Revenue Sources

- Community Revenue Sharing Community revenue sharing from the state has averaged 23% of the borough’s yearly revenue. The State established this fund in 2008, and each year



on June 30, one-third of the amount available in the fund is withdrawn and distributed the following fiscal year with payments beginning in July. If the fund balance falls below \$60 million, no payments may be made from the fund. Each fiscal year, the legislature may appropriate to the community revenue sharing fund money received by the state during the previous calendar year. The amount may not exceed \$60 million or the amount that when



Lake and Peninsula Borough



added to the fund equals \$180 million. However, this does not prevent the legislature from appropriating additional money for community revenue sharing payments. For example, the legislature appropriated an additional \$20 million in FY12 and an additional \$25 million in FY13 to help offset the rising cost of energy.

The State Community Revenue Sharing is currently in play in the Legislature, with the leading bill cutting revenue sharing by half this year and phasing it out completely by 2019. Current estimate by the State Department of Community and Economic Development for the borough's share is \$272,882, a decrease of \$290,505 down from 2016,

- Bed and Guide Tax Bed tax and Professional guide tax collections have increased as a percentage of total revenue from an average 6% to 11.5%, a significant increase but not sufficient in and of itself to make up shortfalls in other revenue streams. Additionally, because of how these taxes are structured, we cannot expect continued incremental growth in this tax revenue. I estimate that the maximum combined possible collection to average out to \$300k - \$325k annually.
- Fish Tax This is always the wild card when estimating revenue. While tourism can be estimated with in a statistical range, subject to the general economy of the lower 48, the salmon market is influenced by world economic factors. Demand for salmon in Asia, the size of the run, the additional world supply of salmon catches in foreign fisheries, the strength of the dollar, and so on. The conservative approach in budgeting for this revenue stream is to use the historical median.
- Other Revenues This is composed of Federal and other payments in lieu of taxes (PILT), State fisheries business tax sharing, land leasing, teacher housing rents, interest from investments, and other local revenue. A few notes about some of these revenues;
 - PILT Pebble payments have dropped from \$350k per year to \$100k last year, to nothing this year. Unless something completely untoward occurs in mining development, Pebble is no longer a factor as concerns borough revenue or expense.
 - Interest on investments Interest on investments is accounted for as revenue, this is not, per se, cash in the bank. Much of it is bond yield, so for example, we buy a \$100k five year bond with a 2% yield. We would buy the bond for \$82k, and over the life of the bond, would earn the \$18k difference. We don't realize

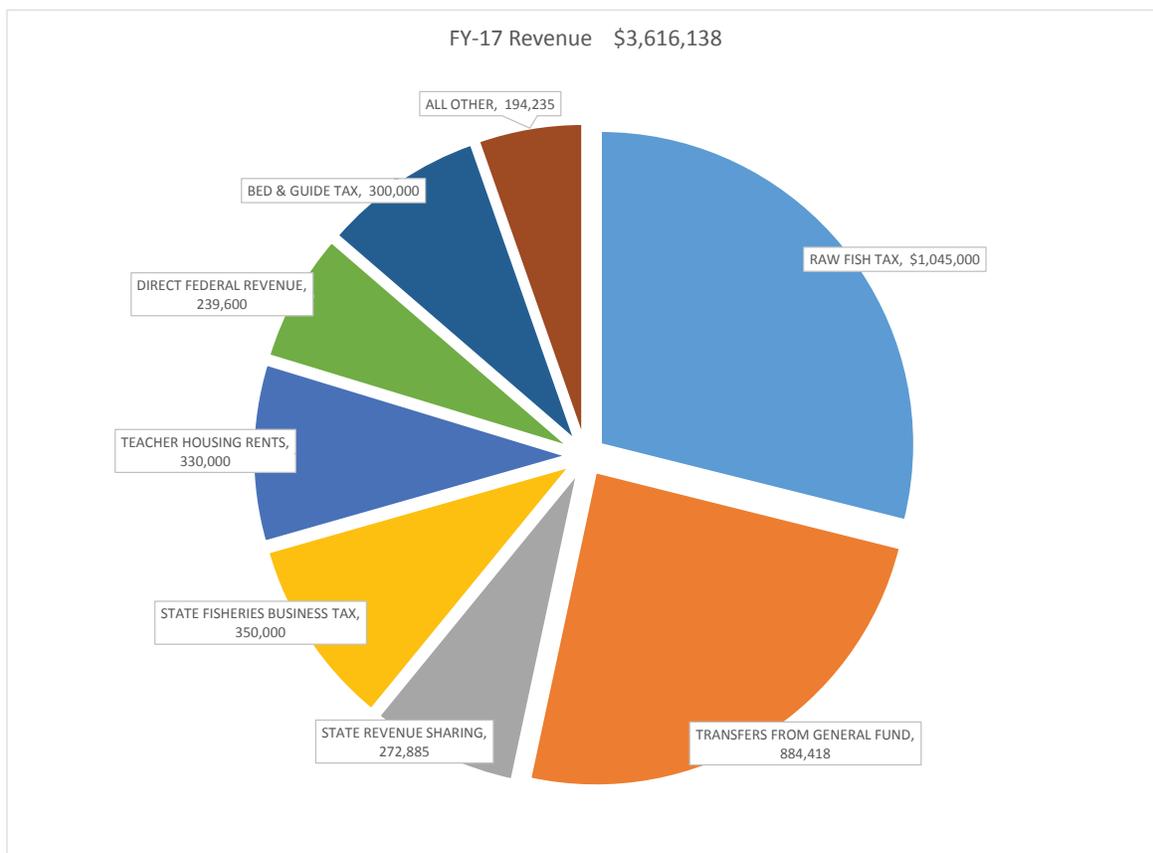


Lake and Peninsula Borough



the earnings until we redeem the bond. Up until recently, the borough hasn't needed to tap our investments and all the earnings have been reinvested.

- Transfers From General Fund** The last piece of the revenue picture is transfers from General Fund. This is the amount we need to take from savings to cover the shortfall between expected revenue and projected expenses. Like all most all the numbers in a budget for a future period, it is a “best guess”. If fish taxes are more than anticipated the transfer amount could go down, if there is an unanticipated expense, it could go up. What is certain is that we will need to draw on savings this year and barring any radical change to the economy, most likely to draw down on savings in future years as well.



Savings and Fund Balances

As was said above, the borough is fortunate to have saved for this rainy day and have substantial resources. That said, those resources are finite. Without a budget surplus, we are drawing down on our investments, lowering the earnings in our portfolio, and not reinvesting and taking advantage of higher yielding investments as the economy strengthens. Current balances are:

*Lake and Peninsula Borough*

General Fund	\$ 3,852,735
Permanent Fund	7,061,548
School Endowment fund	6,587,573
Total Reserve Funds	\$ 17,501,856

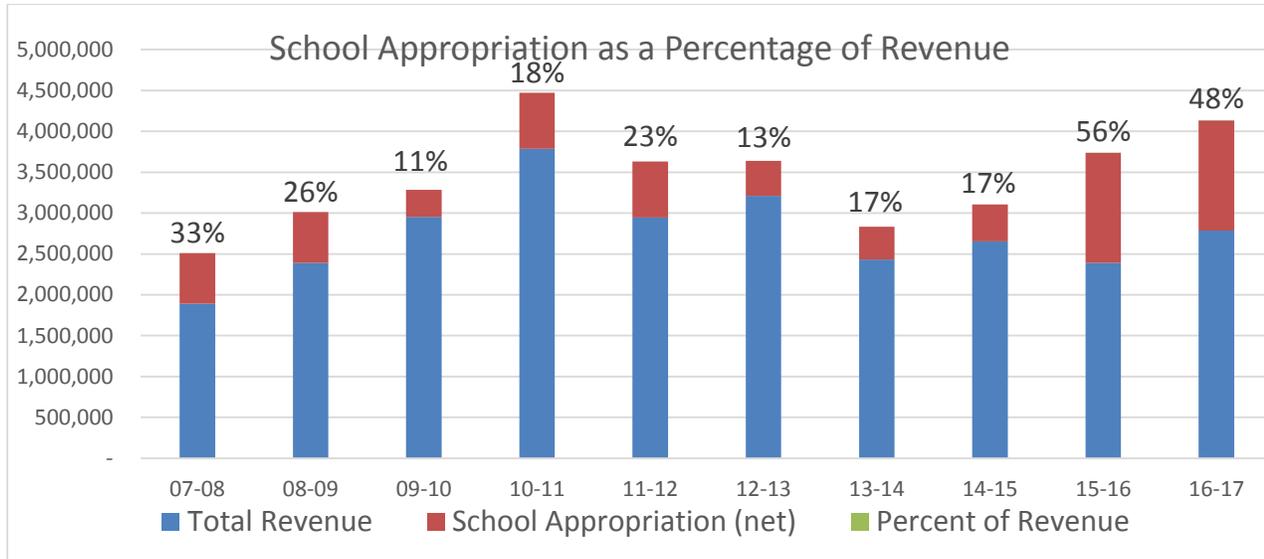
The amount of savings allow the borough time to formulate in a thoughtful way how it wants to address uncertainties in revenues. One must, however, guard against complacency. The budgetary crisis that the state is experiencing is going to be with us for at least a decade and as we have seen, cuts to State support for schools and municipalities has a significant effect on borough finances. The FY-17 budget estimates a further \$884 thousand draw down of the fund balance.

Outflows The budget expense consist of both obligated expenses and discretionary expenses. Of the obligated expenses, there are those that are set in their amount and timing such as debt service, and those for whom the amount of expense at the discretion of the Assembly, such as the appropriation for school support. The Assembly has complete discretionary control over appropriations and transfers to other funds such as the Capital Project Fund appropriation and Borough Revenue Sharing. Operating expenses are both obligatory and discretionary in that there is always going to be some expense in operational expense, the decision as to which are and are not priorities are up to Management and the Assembly. On the whole, the borough runs a pretty bare bones operation.

- **School Appropriation.** The single largest outflow of borough funds goes to support the school district. What has changed in the last year from prior budgets, and is expected to continue, is the proportion that outflow of funds is to total revenue. With cuts in State school support, the borough has stepped up its contribution in recognition of maintaining the ongoing progress and success in student achievement.



Lake and Peninsula Borough

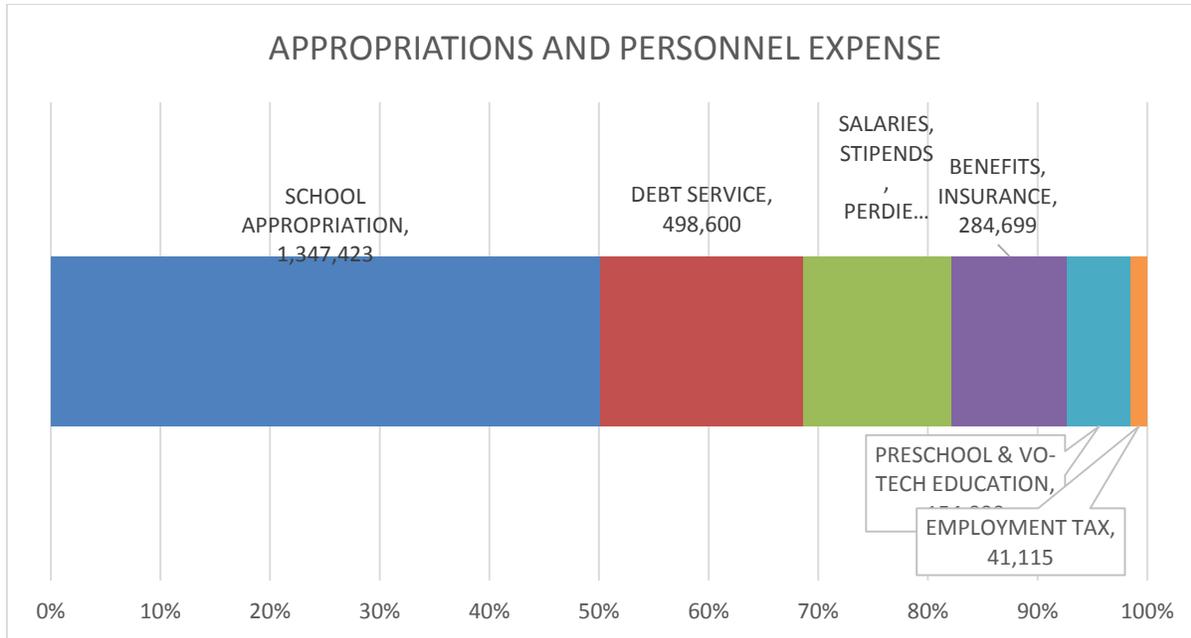


The effect of State budget cuts to educational support has meant that the proportion of the borough’s income spent on education by 165%. This being an election year, the consensus is that the Legislature won’t make further cuts to educational spending, but as one of the largest components of the State budget, it is going to be a likely target each legislative session for the foreseeable future.

- **Debt Service** This outflow of ~\$490,000 is going to be a set cost each year until 2032. Debt payments was 21% of FY-15 revenue and will be of similar proportion for FY-16 and FY-17.
 - **Operational Expense** Operational expenses of \$1,330,804 include debt payments, staff salaries, elected officials stipends and per diem, employment taxes and benefits, and appropriations for direct school support and school fund contributions.



Lake and Peninsula Borough



- Outflows of \$937,911 are comprised of contractual expenses, legal fees, appropriations that are at the discretion of the Assembly, petty expenses, and contingency funds, expenses, and transfers.

- Contractual expenses – this is expense includes consultants, contracted technical support and technology service and borough insurance. These are a combination of known and “per use costs.” These contracts are at the pleasure of the Manager and may be modified or terminated. These items comprise 17 ½ % of the total budget.

PROFESSIONAL SERVICES	74,000
INSURANCE	18,000
LOBBYIST	55,000
CONSULTANTS	69,000
	<hr/>
	216,000

With the resolution of litigation surrounding Pebble, legal expenses are significantly reduced from prior years:

FY-14	FY-15	FY- 16 YTD
<hr/>	<hr/>	<hr/>
\$ 114,819	\$ 83,635	\$ 18,166

- Travel is a significant and necessary expense but is dependent upon the schedule of the Assembly and Planning Commission, and necessary staff travel. Significant changes have been made to control this expense. This budget line is 3.7% of total budgeted expense.

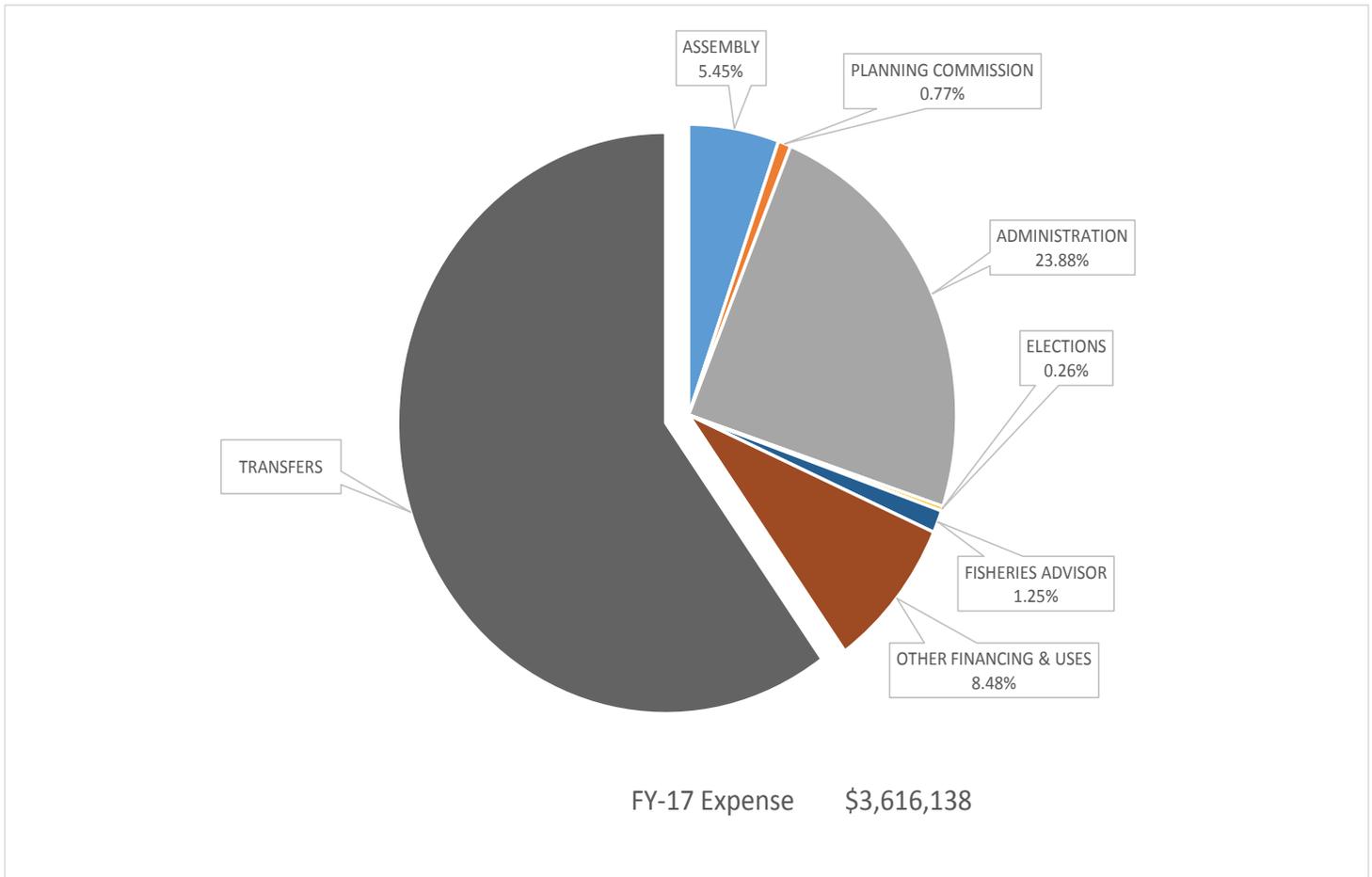


Lake and Peninsula Borough



TRANSPORTATION	113,000
LODGING	21,250
	<hr/>
	134,250

- o Contingency funds are budgetary place holders for expenses that may or may not occur, the manager’s contingency or donations, for example.
- o Petty expense are all per use costs; postage, utilities, office supplies, food for meetings, dues, registrations, and fees.



*Lake and Peninsula Borough*SUMMARY BUDGET FY-17

RAW FISH TAX	\$ 1,045,000
TRANSFERS FROM GENERAL FUND	884,418
STATE REVENUE SHARING	272,885
STATE FISHERIES BUSINESS TAX	350,000
TEACHER HOUSING RENTS	330,000
DIRECT FEDERAL REVENUE	239,600
BED & GUIDE TAX	300,000
ALL OTHER	194,235
	<hr/>
	\$ 3,616,138

EXPENSE

ASSEMBLY	\$ 195,612
PLANNING COMMISSION	27,515
ADMINISTRATION	884,350
ELECTIONS	9,450
COMMUNITY/ECONOMIC DEVELOPMENT PLANNER	-
FISHERIES ADVISOR	45,000
OTHER FINANCING & USES	304,188
TRANSFERS	2,150,023
	<hr/>
	<u>\$ 3,616,138</u>

Total Revenue from all sources	\$ 2,731,720
Total budgeted expense	3,616,138
Net Increase/(Decrease) in Fund Value	\$ (884,418)

*Lake and Peninsula Borough*

BUDGET DETAIL

REVENUE

RAW FISH TAX	\$ 1,045,000
BED TAX	150,000
PENALTIES & INTEREST	5,000
LICENSES AND PERMITS	5,000
PROFESSIONAL GUIDES	150,000
DEVELOPMENT PERMITS	1,500
LAND USE PERMITS	1,000
TEACHER HOUSING RENTS	330,000
LAND LEASE	50,000
INTEREST	40,000
MARKET GAIN/LOSS	40,000
OTHER LOCAL REVENUES	1,000
STATE REVENUE SHARING	272,885
STATE FISHERIES BUSINESS TAX	350,000
SOA SHARED FISH TAX	26,000
ELECTRIC AND TELEPHONE COOP	2,500
DIRECT FEDERAL REVENUE	239,600
OTHER FEDERAL	22,235
TRANSFERS FROM GENERAL FUND	884,418
	<u>\$ 3,616,138</u>

*Lake and Peninsula Borough*

BUDGET DETAIL

EXPENSE

ASSEMBLY	
INSURANCE - LIFE AND HEALTH	\$ 94,153
MEDICARE CONTRIBUTION	165
PERS RETIREMENT CONTRIBUTION	770
SBS CONTRIBUTION	674
COMMUNICATIONS	1,500
RENTALS	500
FOOD	8,500
TRANSPORTATION	55,000
REGISTRATION/TUITION	500
STIPENDS	11,000
PER DIEM	14,000
LODGING	8,750
DUES AND FEES	100
TOTAL - ASSEMBLY	195,612
PLANNING COMMISSION	
MEDICARE CONTRIBUTION	62
SBS CONTRIBUTION	253
FOOD	3,200
TRANSPORTATION	13,000
STIPENDS	3,500
PER DIEM	3,500
LODGING	4,000
TOTAL - PLANNING COMMISSION	27,515

*Lake and Peninsula Borough*

BUDGET DETAIL

EXPENSE

ADMINISTRATION	
SALARIES - FULL TIME STAFF	327,627
INSURANCE - LIFE AND HEALTH	70,456
MEDICARE CONTRIBUTION	4,751
PERS RETIREMENT CONTRIBUTION	80,269
SBS CONTRIBUTION	20,084
PERS SALARY FLOOR CONTRIBUTION	44,000
OTHER EMPLOYEE BENEFITS	2,500
AUDITING AND ACCOUNTING	24,000
LEGAL SERVICES	50,000
ADVERTISING	500
LOBBYIST	55,000
TECHNICAL SUPPORT	15,250
CONSULTANTS	24,000
MAPPING	2,500
ELECTRICITY	8,690
WATER AND SEWAGE	350
COMMUNICATIONS	6,552
INTERNET SERVICES	27,450
RENTALS	5,472
OFFICE EQUIPMENT	1,500
SITE REPAIR AND MAINTENANCE	1,500
INSURANCE AND BOND PREMIUMS	18,000
OFFICE SUPPLIES	4,500
COMPUTER HARDWARE/SOFTWARE	7,500
OFFICE RENTAL	6,000
POSTAGE	4,500
VEHICLE EXPENSE	2,500
TRANSPORTATION	45,000
REGISTRATION/TUITION	2,000
PER DIEM	3,500
LODGING	8,500
DUES AND FEES	5,700
DONATIONS	-
BANK FEES/CHARGES	4,200
TOTAL - ADMINISTRATION	884,350

*Lake and Peninsula Borough*

BUDGET DETAIL

EXPENSE

ELECTIONS	
ADVERTISING	750
OFFICE SUPPLIES	7,500
POSTAGE	1,200
<hr/>	
TOTAL - ELECTIONS	9,450
FISHERIES ADVISOR	
ADVISORY/CONSULTANT	45,000
OTHER FINANCING & USES	
LEASE - KSVC	5,000
MANAGERS CONTINGENCY	10,000
STATE REVENUE SHARING	87,688
BOROUGH REVENUE SHARING	175,000
SHARED FISHERIES BUSINESS TAX	26,500
<hr/>	
TOTAL - OTHER FINANCING & USES	304,188
TRANSFERS	
TRANSFER TO OTHER FUNDS	100,000
TRANSFER TO DEBT SERVICE	498,600
TRANSFER TO PERMANENT FUND	150,000
TRANSFER TO COMPONENT UNIT	1,347,423
TRANSFER TO VO-TECH PROGRAM	54,000
<hr/>	
TOTAL - TRANSFERS	2,150,023
TOTAL - ALL EXPENSES	<u>\$ 3,616,138</u>

H. 4.
New Business
Professional Contracts

Lake and Peninsula Borough
Regular Assembly Meeting
April 13, 2016



Lake and Peninsula Borough

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

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



Date: April 7, 2015

To: Mayor and Assembly

From: Kate Conley, Borough Clerk

Re: Professional Contracts

There are three contracts for the Assembly to approve via resolutions 16-08, 16-09 and 16-10. These contracts are renewals and were already entered into by the Borough Manager in the interest of expediency.

The Borough code allows for original contracts to be passed by ordinance, and renewals by resolution. I have attached the section of the code concerning professional contracts, for your reference.

A fourth contract, for Chuck McCallum, was not yet ready for Assembly approval, but you can expect to see that contract on the agenda in the near future.

6.24.110 Professional Service Agreements. *(Enacted by Ordinance 11-09, 9/20/2011)*

- A. “Professional Service Agreements” are defined for the purposes of this section as contracts for services by independent contractors for services that are subject to regulation by the State of Alaska. Examples include, but are not limited to, lobbying, engineering, legal and auditing services.
- B. The Assembly, in its discretion, may enter into professional service agreements with or without a competitive process. Where the Assembly elects to enter into a professional service agreement without a competitive process, it shall make specific findings as to the reasons for not using an invitation for bids or request for proposals as a part of the ordinance approving the professional service agreement.
- C. Professional service agreements may have a term of up to three (3) years.
- D. The Assembly may renew a professional service agreement without a competitive process if the Assembly determines by resolution making specific findings that renewal is in the best interests of the Borough. No renewal may be for a term of more than three years.
- E. Professional service agreements entered into under this section are not subject to the limits at §6.24.090.
- F. Every professional service agreement entered into under this section shall provide that the professional service agreement may be terminated by the Borough for convenience at any time, without cause and without penalty. In the event the Borough exercises its rights under this subsection, payment shall be limited to services performed through the date of termination.

**LAKE AND PENINSULA BOROUGH
RESOLUTION 16-08**

**A RESOLUTION APPROVING A PROFESSIONAL SERVICE CONTRACT BETWEEN THE BOROUGH AND
LAMAR COTTEN WITHOUT A COMPETITIVE PROCESS**

WHEREAS, the Lake and Peninsula Borough is authorized by LPB Ord 2.24.090 and 6.24.110 to enter into a professional service agreement with or without a competitive process; and

WHEREAS, the Lake and Peninsula Borough has an existing written agreement with former Borough Manger LAMAR COTTEN to provide consulting services ; and

WHEREAS, the Lake and Peninsula Borough approved an initial contract for with LAMAR COTTEN with Ordinance 14-04 on April 21, 2014; and

WHEREAS, LPB ORD 6.24.110 provides for contracts to be renewed by resolution; and

NOW, THEREFORE, BE IT RESOLVED: that the Borough Assembly of Lake and Peninsula Borough renews the a formal consulting agreement with Lamar Cotten under authority of LPB 6.24.110.

BE IT FURTHER RESOLVED: that the Borough specifically finds that a competitive process to fill the position would be pointless; only LAMAR COTTEN has the skills and experience as former Borough Manger that the Borough seeks to have available.

BE IT FURTHER RESOLVED: that the contract between the Borough and LAMAR COTTEN shall be in substantially the form set out in Exhibit A to this Ordinance.

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

IN WITNESS THERETO:

ATTEST:

Glen Alsworth, Sr. Mayor

Kate Conley, Borough Clerk



The Lake and Peninsula Borough



EMPLOYMENT AGREEMENT FOR CONSULTING SERVICES

Introduction

The Lake and Peninsula Borough (hereinafter "the Borough") and Lamar Cotten (hereinafter "the contractor") have reached an agreement whereby the contractor will provide consulting services to the Borough on municipal issues on a time and materials basis. This employment agreement states the terms, conditions, compensation, and scope of work agreed to by both parties.

Term of Agreement

This agreement secures the services of the contractor as a municipal consultant for the period beginning January 1, 2016 and ending June 30, 2016. The contractor's time allocation shall be subject to specific requests by the Borough Manager.

Compensation

The Borough Agrees to pay Contractor at the rate of \$140.00 / hour. Subject to modification by mutual agreement, total compensation for the term of this agreement shall not exceed a monthly amount of \$5,000.00.

It is understood by both parties that this compensation includes all normal and routine phone, fax, copying, mailing, equipment, and other miscellaneous, indirect, and third party costs incurred while conducting Borough related business. Extraordinary phone, fax, copying, or mailing costs may be reimbursed by the Borough upon prior approval by the Manager. It is understood further that travel and per diem will be reimbursed at actual cost and will be contingent upon written or verbal "before the fact" approval from the Manager.

Contractor will invoice the Borough with an itemized invoice of time and effort and reimbursable costs. Copies of paid invoices/receipts for reimbursable expense should be attached

Scope of Work



The Lake and Peninsula Borough



See Appendix A

Amendments

Any changes or modifications to the terms, scope of work, or compensation provisions of this agreement shall be agreed to by both parties. All changes shall be in writing and signed by both the Borough Manager and the Contractor.

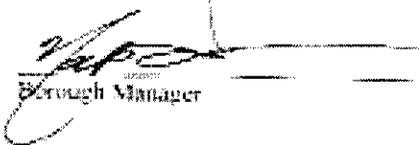
Termination

Either party may terminate this agreement, with or without cause, by providing the other party with a written thirty (30) day notice. Contractor will provide to the borough a final billing for hours and materials with-in 30 days of termination of this agreement. Any billing by the Contractor after the thirty days from the termination of this agreement, will be deemed invalid charges and not be paid.



Contractor

Date: 1-13-15



Borough Manager

Date: 1/13/2015

APPENDIX A

SCOPE OF WORK

The services provided by the Contractor shall, at the direction of the manager include:

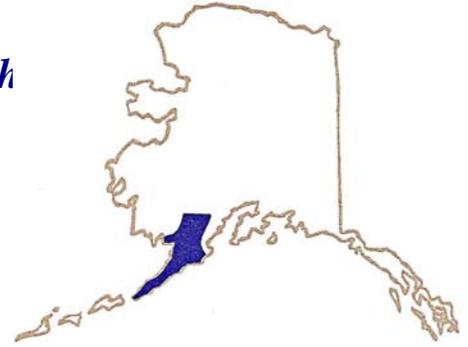
1. Work with various parties on a series of borough capital projects;
2. Work with funding agencies such as AEA, AHFC, Denali Commission, and others, on borough projects; and
3. Assist with borough long term planning on various regional and other related issues.



Lake and Peninsula Borough

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

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



AMENDMENT TO EMPLOYMENT AGREEMENT FOR CONSULTING SERVICES

Introduction

The Lake and Peninsula Borough (“the Borough”) and Lamar Cotten (“Contractor”) entered into an employment agreement on January 13, 2015 for consulting services. This amendment modifies the Termination portion of the contract to align with Lake and Peninsula Borough Municipal Code section 6.24.110 (F)

Termination

Either party may terminate this agreement, with or without cause, by providing the other party ~~with a written thirty (30) day~~ without notice or penalty. Contractor will provide the borough a final billing for hours and materials for services rendered only through the date ~~with in 30 days~~ of termination of this agreement. Any billing by the Contractor after the thirty days from the termination of this agreement, will be deemed invalid charges and not be paid.

Contractor

Date: _____

Borough Manager

Date: _____

**LAKE AND PENINSULA BOROUGH
RESOLUTION 16-09**

**A RESOLUTION APPROVING A PROFESSIONAL SERVICE CONTRACT BETWEEN THE BOROUGH AND
BOB LOEFFLER, JADE NORTH, LLC. WITHOUT A COMPETITIVE PROCESS**

WHEREAS, the Lake and Peninsula Borough is authorized by LPB Ord 2.24.090 and 6.24.110 to enter into a professional service agreement with or without a competitive process; and

WHEREAS, the Lake and Peninsula Borough has an existing written agreement with BOB LOEFFLER of JADE NORTH, LLC to provide consulting services ; and

WHEREAS, the Lake and Peninsula Borough approved an initial contract for with BOB LOEFFLER of JADE NORTH, LLC with Ordinance 14-06 on April 21, 2014; and

WHEREAS, LPB ORD 6.24.110 provides for contracts to be renewed by resolution; and

NOW, THEREFORE, BE IT RESOLVED: that the Borough Assembly of Lake and Peninsula Borough renews the formal consulting agreement with BOB LOEFFLER of JADE NORTH, LLC under authority of LPB 6.24.110.

BE IT FURTHER RESOLVED: that the Borough specifically finds that a competitive process to fill the position would be pointless; only BOB LOEFFLER of JADE NORTH, LLC has the skills and experience as he has served in this capacity for many years and the Borough is satisfied with his services and has confidence in his work and work product.

BE IT FURTHER RESOLVED: that the contract between the Borough and BOB LOEFFLER of JADE NORTH, LLC shall be in substantially the form set out in Exhibit A to this Ordinance.

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

IN WITNESS THERETO:

ATTEST:

Glen Alsworth, Sr. Mayor

Kate Conley, Borough Clerk



Consulting Services Agreement

This agreement is effective **April 1, 2016** by and between Jade North, LLC (hereinafter referred to as “the Consultant”), with offices located at 1336 W. 12th Avenue, Anchorage, Alaska 99501 (phone: 907-250-5504) and the following named person or organization (hereinafter referred to as “the Client”).

Lake and Peninsula Borough

Name

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

Address

Ph: 907-246-3421 / Fax: 907-246-6602 / manager@lakeandpen.com

Phone/Fax/email

Section 1, General

The Client does hereby employ the Consultant to perform consulting services related to the activities of Lake and Peninsula Borough in Alaska. Such services include but are not limited to:

- Liaison with resource developers representing Lake and Peninsula Borough interests;
- Communication with state, federal, and mining officials as may be required to maintain best possible communication/information to and from the Borough concerning proposed resource development within the borough and its related infrastructure;
- Assistance with the Borough’s review and response through the planning and permitting process as may be required for significant resource development projects and related appurtenances;
- Assistance, as warranted, with development of taxation policies/revisions;
- Assistance, as warranted, in the development of regional training strategies;
- Assistance, as warranted, for other land, energy planning or related issues, as they may arise and for which assistance is requested;
- Communication with the Borough the Borough Manager and through monthly reports to the Assembly, written, or presented in person, as required;
- Assistance in reviewing resource-related policies and the development of regional long-term strategies to ensure the residents of the Borough benefit to the fullest extent possible from the development of resource development and energy projects in the Borough; and
- Assistance with other duties/topics as they may arise or as the Borough Manager may direct.

Section 2, Term

This agreement is intended to begin effective April 1, 2016 and ends on December 31, 2018 unless extended by both parties. This contract may be terminated by either party without notice or penalty. This agreement does not commit either party to a specific term. In the event the Borough exercises its right to terminate the agreement, payment shall be limited to services performed through the date of termination.

Section 3, Key Consultants, Fees, and Expenses

The Consultant's Key Professionals for purposes of completing the work is Bob Loeffler. However, with prior approval of the Client, the Consultant may hire, supervise and/or pay its own employees or associates to help perform any part(s) of these services. The Consultant shall be compensated according to rates described in Schedule A.

Section 4, Consultant Billing

Consultant will present the Client with monthly invoices that are due within 21 days of receipt by the Client. Unless otherwise directed by the client, the invoice will be delivered by e-mail to manager@lakeandpen.com with a copy to finance@lakeandpen.com. Fees and expenses will be billed in the month following them being incurred by the Consultant.

Section 5, Independent Entity

Consultant is an independent entity. As an independent entity, the Consultant may also perform services for any other organizations or persons in similar or unrelated businesses.

The Consultant may perform these services at any location conducive to their completion, including the Client's office space, the Consultant's home or office space, or any other site(s). The Client is under no obligation to provide workspace to the Consultant; and the Consultant is under no obligation to work in the Client's office.

The Client does not set specific work hours for performance of this Agreement. The Consultant shall devote such time as is necessary, at its discretion, to complete these services. The Consultant shall not be compensated at an overtime rate for hours worked in excess of eight hours per day or forty hours per week, as would be the case if the Consultant were a Client employee.

The Consultant is not an agent, officer or employee of the Client and shall have no right or authority to bind or obligate the Client in any manner or for any purpose.

Neither federal income taxes nor Social Security (FICA) shall be withheld from the Consultant's

compensation by the Client, as would be the case if the Consultant were a Client employee. The Client shall provide the Consultant with a completed Form 1099MISC, if required by the Internal Revenue Service, in January of the year(s) following payment(s) for all or part of these services. The Client shall provide same to the IRS as required by law.

Should this Agreement be terminated by either party for any reason, the Consultant shall not be entitled to apply for or to receive unemployment compensation from the State of Alaska or from any other state as a result of performance of these services.

Section 6, Benefits

The Client will not provide employee benefits of any kind to the Consultant.

Section 7, Consultant Held Harmless

The Client agrees to defend and indemnify the Consultant against liability (including errors and omissions) incurred while acting in official capacity as its Consultant to the maximum extent permitted by law. This agreement shall not apply where a claim arises from the willful misconduct or gross negligence of Consultant.

Section 8, Insurances

The Consultant will maintain, at no cost to the Client, general liability and other insurances as are deemed necessary by the Consultant for operation of Consultant's business. Fees for any additional insurance deemed necessary by the Client will be billed to the Client.

Section 9, Confidentiality

The Consultant agrees to treat with strict confidentiality all private information that may be obtained from the Client during fulfillment of this Agreement.

Section 10, Amendment

This agreement may be amended at any time by mutual written consent.

Section 11, Jade North, LLC. Reference Numbers

Federal Employer Tax Identification Number: 92-0173934

Alaska Business License Number: 415569

Lake and Peninsula Borough, Jade North Job Number: AK06-25-001

Section, 12, Signatures

For the Consultant
Jade North, LLC



Bob Loeffler, Partner

For the Client
Lake and Peninsula Borough

Nathan Hill, Manager

04/07/2016

Date

Date

This is “**SCHEDULE A**” to the
CONSULTING SERVICES AGREEMENT

Between **Jade North, LLC** and the **Lake and Peninsula Borough**

Timing of Services

Effective: April 1, 2016

Key Professionals

For the purpose of this Consulting Services Agreement, the following is the Key Professionals of the Consultant:

Bob Loeffler
Patty Bielawski

With the prior approval of the Client, the Consultant may apply the services of the additional listed Jade North, LLC representatives to completion of the work.

Furthermore, if additional expertise is required for a particular task, with consent of the client, the consultant may recommend the client hire or itself directly hire that expertise and bill the cost to the client in addition to either the hourly or retainer fees due for Jade North, LLC representatives.

Compensation Rates for Services

Compensation is by hourly fees at \$150/hour plus direct expenses. Direct expenses include travel and all associated costs and may include: fees for additional materials or insurance required by clients; copying, courier, delivery, and postage, long distance phone and facsimile charges; and any other costs directly associated with completing the requested work. However, the consultant may not spend or invoice more than \$3,500 in any one month, including hourly fees and direct expenses, without approval of the manager.

Compensation may be converted from an hourly fee to a retainer plus expenses at any time throughout the contract term upon mutual agreement of the Consultant and Client. Individual hourly rates are issued in January of each year and, for 2015, are as stated below:

Bob Loeffler - \$ 150.00 per hour
Patty Bielawski - \$ 150.00 per hour

Hourly rates may be adjusted throughout the year following 60-day notice to clients.

Designated Representatives

The designated representatives of the Contractor and the Client shall be as follows:

For Jade North, LLC: Bob Loeffler, Partner, bobl@jadenorth.com

For the Client:

Name: Nathan Hill, Manager

Company: Lake and Peninsula Borough

Address: P.O. Box 495
King Salmon, Alaska 99613

Ph: 907-246-3421

Fax: 907-246-6602

Email: manager@lakeandpen.com

**LAKE AND PENINSULA BOROUGH
RESOLUTION 16-10**

**A RESOLUTION APPROVING A PROFESSIONAL SERVICE CONTRACT BETWEEN THE BOROUGH AND
MARK S. HICKEY, D.B.A. HICKEY AND ASSOCIATES WITHOUT A COMPETITIVE PROCESS**

WHEREAS, the Lake and Peninsula Borough is authorized by LPB Ord 2.24.090 and 6.24.110 to enter into a professional service agreement with or without a competitive process; and

WHEREAS, the Lake and Peninsula Borough has an existing written agreement with MARK S. HICKEY, D.B.A. HICKEY AND ASSOCIATES to provide lobbying and limited consulting services ; and

WHEREAS, the Lake and Peninsula Borough approved an initial contract for with MARK S. HICKEY, D.B.A. HICKEY AND ASSOCIATES with Ordinance 14-05 on April 21, 2014; and

WHEREAS, LPB ORD 6.24.110 provides for contracts to be renewed by resolution; and

NOW, THEREFORE, BE IT RESOLVED: that the Borough Assembly of Lake and Peninsula Borough renews the formal lobbying and consulting services agreement with MARK S. HICKEY, D.B.A. HICKEY AND ASSOCIATES under authority of LPB 6.24.110.

BE IT FURTHER RESOLVED: that the Borough specifically finds that a competitive process to fill the position would be pointless; only MARK S. HICKEY, D.B.A. HICKEY AND ASSOCIATES has the skills and experience as he has served in this capacity for many years and the Borough is satisfied with his services and has confidence in his work and work product.

BE IT FURTHER RESOLVED: that the contract between the Borough and MARK S. HICKEY, D.B.A. HICKEY AND ASSOCIATES shall be in substantially the form set out in Exhibit A to this Ordinance.

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

IN WITNESS THERETO:

ATTEST:

Glen Alsworth, Sr. Mayor

Kate Conley, Borough Clerk

**EMPLOYMENT AGREEMENT
FOR
LOBBYING AND CONSULTING SERVICES**

Introduction

The Lake and Peninsula Borough (hereinafter "the Borough") and Mark S. Hickey, d.b.a. Hickey and Associates (hereinafter, "the contractor") have reached an agreement whereby the contractor will provide lobbying and limited consulting services to the Borough for one year commencing on July 1, 2015. This Employment Agreement states the terms, conditions, compensation, and scope of work contained in this agreement.

Term of Agreement

This agreement secures the services of the Contractor as a lobbyist and consultant for one year commencing on July 1, 2015 and ending on June 30, 2016. The number of hours spent on Borough projects and the timing of those hours (i.e., before, during, and after the legislative session) shall be at the discretion of the Contractor as he sees necessary to accomplish the goals of the Borough. The Contractor's time allocation shall also be subject to specific requests by the Mayor or Borough Manager. It is understood that the time spent on any particular project or issue will be sufficient to provide a comprehensive and professionally responsive approach and commitment in helping the Borough achieve its particular capital and legislative goals throughout the period of this agreement.

Compensation

Subject to modification by mutual agreement, total compensation for the term of this agreement shall be for the annual amount of \$55,000 dollars. This sum will be paid in six (6) equal payments in the following manner:

Payment #1	September 1, 2015	\$9,166.66
Payment #2	November 1, 2015	\$9,166.66
Payment #3	January 1, 2016	\$9,166.66
Payment #4	March 1, 2016	\$9,166.66
Payment #5	May 1, 2016	\$9,166.66
Payment #6	June 15, 2016	\$9,166.70

It is understood that most routine phone, fax, internet, and other miscellaneous, indirect, and third party costs shall be covered by the compensation package described above. Travel, per diem, and other extraordinary costs associated with Borough related work will be reimbursed at actual cost and will be contingent upon written or verbal "before the fact" approval from the Borough Manager.

Scope of Work

It is understood by both parties that the primary focus of this agreement is to be placed upon lobbying services. Lobbying services provided by the consultant shall include, but not be limited to:

1. Providing standard lobbying services via a "team approach" both during the legislative session and during the interim, as requested by the Borough Manager and/or the Borough Mayor;
2. Assisting the Manager in developing an overall strategy to pursue the Borough's capital and legislative priorities, both during the session and during the interim;
3. Keeping appropriate Borough officials informed on key legislation, regulations, and state government program changes in which the Borough may have an interest;
4. Assisting Borough officials in preparing and/or reviewing Borough requests, letters, and proposals to be submitted to state administrative agencies and the legislature;
5. Meeting and working with legislators, legislative staff, and administration officials in order to represent particular interests of the Borough and to provide information regarding Borough concerns;
6. Meeting periodically with the Mayor, Assembly, and Manager and providing periodic written reports (both scheduled and as requested by the Manager) on the lobbying activities described above.

In addition to lobbying, the contractor will provide limited consulting services related to various aspects of municipal government and specific Borough projects. It is understood that consulting services shall be provided on an "as-needed" basis and the nature and scope of these services will be agreed upon by the Borough Manager and the Contractor. Both parties agree that consulting services of this type shall not take up more than approximately 15 percent of the Contractor's time subject to this agreement. The Borough manager and the contractor may negotiate a

separate contract for consulting services or an amendment to this agreement if more of the Contractor's time is required on any specific project.

Amendments

Any changes or modifications to the terms, scope of work, or compensation provisions of this agreement shall be agreed to by both parties. All changes shall be in writing and signed by both the Borough Manager and the Contractor.

Termination

Either party may terminate this agreement, with or without cause, by providing the other party with a written 30 day notice. If the Borough terminates this agreement and the termination date falls between scheduled payment dates, the Contractor shall be compensated on a pro rated basis.



Mark S. Hickey: _____

Date: June 15, 2015

Borough Manager: _____

Date: _____



Lake and Peninsula Borough

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

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



AMENDMENT TO EMPLOYMENT AGREEMENT FOR CONSULTING SERVICES

Introduction

The Lake and Peninsula Borough (“the Borough”) and Mark S. Hickey, d.b.a. Hickey and Associates (“Contractor”) entered into an employment agreement on June 15, 2015 for consulting services. This amendment modifies the Termination portion of the contract to align with Lake and Peninsula Borough Municipal Code section 6.24.110 (F)

Termination

Either party may terminate this agreement, with or without cause, by providing the other party ~~with a written thirty (30) day~~ without notice or penalty. If the Borough terminates this agreement and the termination date falls between scheduled payment dates, the Contractor shall be compensated ~~on a pro-rated basis~~ only for services performed through the date of termination.

Contractor

Date: _____

Borough Manager

Date: _____