



Lake and Peninsula Borough

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

*Telephone: (907) 246-3421
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PLEASE POST

REGULAR ASSEMBLY MEETING

Monday, October 24, 2016 5:30 p.m.*

NOTICE AND AGENDA

Notice is hereby given that the Lake and Peninsula Borough Assembly will hold its regular meeting on Monday, October 24, 2016 at 5:30 p.m.* in the meeting room of the Lake and Peninsula School District at 101 Jensen Rd, King Salmon AK 99613

*note the time is subject to change. The meeting will not begin before the posted time, but it is possible the meeting may begin after the posted time due to travel, weather and/or scheduling inconsistencies.

This is a public meeting and the public is invited and welcome to participate. This meeting may be accessed by teleconference. The teleconference number is 1-866-339-5580. Enter pass code *2288317*. Any questions, please contact Borough Clerk, Kate Conley at 907-246-3421 or 1-800-764-3421 or

kateconley@lakeandpen.com.

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

A. CALL TO ORDER

B. ROLL CALL

C. APPROVAL OF AGENDA

D. APPROVAL OF MINUTES

1. September 13, 2016

E. MANAGER'S & STAFF REPORTS

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

F. CONSENT AGENDA

1. Resolution 16-13 Declaring Surplus Property

G. NEW BUSINESS

1. Ordinance 16-13 Amending the FY16-17 Budget to Appropriate CIP Fund Monies
2. Chignik Dock Completion and the Future
3. Letter of Recommendation to Board of Fish re: BB Fin Fish Meeting Location
4. Chignik Lagoon Flooding

H. UNFINISHED BUSINESS - none

I. TIME AND PLACE OF NEXT MEETING

Regular Meeting, November 15 & 16, 2016, Anchorage AK

J. CITIZEN'S COMMENTS

K. ASSEMBLY COMMENTS

L. MAYOR'S COMMENTS

M. ADJOURNMENT

N. INFORMATION

D. 1.
Minutes
Sept 13, 2016

**Lake and Peninsula Borough
Regular Assembly Meeting
Monday, October 24, 2016**

**LAKE AND PENINSULA BOROUGH
REGULAR ASSEMBLY MEETING
TUESDAY, SEPTEMBER 13, 2016 9:00 AM**

Assembly: Mayor Glen Alsworth
Randy Alvarez- absent, excused
Scott Anderson
Myra Olsen
Alvin Pedersen
Michelle Pope-Ravenmoon
Christina Salmon
Severin Shangin-Lind – Student Representative

Staff: Nathan Hill, Borough Manager

Guests: Tim Welch, Lake and Peninsula School District, Student Advisor
Bryce Edgmon, Alaska State Legislative Representative
Bill Hill, Bristol Bay Borough School District, Superintendent
Pat Manning, Lake and Peninsula School District

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, September 13, 2016 at 9:00 am from the meeting room of the Lake and Peninsula School District in King Salmon AK. The meeting was available via teleconference.

B. ROLL CALL

A quorum was established with Mayor Glen R. Alsworth, Sr. and Assembly members Scott Anderson, Myra Olsen, Alvin Pedersen, Michelle Pope-Ravenmoon and Christina Salmon present. Assembly member Randy Alvarez was absent, excused.

C. APPROVAL OF AGENDA

Manager Nathan Hill requested to add agenda item G. Energy Group Grant Opportunity. Motion was made by Assembly member Anderson to approve the agenda with the addition of item G. Energy Group Grant Opportunity. Motion was seconded by Assembly member Salmon. Motion passed unanimously by voice vote.

D. APPROVAL OF MINUTES

1. August 23, 2016 - Motion was made by Assembly member Pedersen to approve the minutes of the August 23, 2016 Assembly meeting. Motion was seconded by Assembly member Anderson. No corrections were noted. Motion passed unanimously by voice vote.

E. MANAGER'S & STAFF REPORTS

1. **Introduction of Guests** – The Mayor asked everyone to introduce themselves.

2. **Manager's Report**

Nathan Hill explained that he and three others visited southern villages. He said a highlight was to visit with the people. The visitors were impressed with the communities and their ideas. It was a successful trip. There was some concern, when he was visiting Chignik Bay that the dock may be behind schedule. To date, they are half done with the sheet pile and hope to get all the in-water work done by November. The Mayor said he spoke with a pile driver employee and he said the biggest weather challenge is wind. Assembly member Anderson said he wished Mr. Hill had come to see his recycling center. Assembly member Ravenmoon said she has had questions about

the CIP Fund and if it is still available. Mr. Hill said that it is still available. It has been approved, but not appropriated. Assembly member Anderson asked about the grant funding for the energy audits. Mr. Hill said that Gavin Dixon from ANTHC said he would be calling the villages to inquire as to interest. There was a discussion of water system efficiencies and testing.

3. Consultant's Report

The Mayor discussed the report of completed projects. He said he has a list of items that he would like included in the project report. Every community has benefit from Borough funding.

4. Community Development Coordinator's Report

No discussion

5. Planning Commission Minutes

The Mayor noted a correction to the minutes, page 4, 100 feet not a thousand feet.

6. Fisheries Report

The Mayor said the good news is that there were a lot of fish and the price was a little better. The additional funds, are countered by the State's change in bond reimbursement. There were four buyers in Chignik this year. We will see the fish tax come in November.

7. Finance Report

The Mayor pointed out that the bed tax is up about 50% and the guide tax revenue is up about 75%. He noted that the bear hunt is closed this year, and only moose will be this fall, but the fishing lodges are doing well and will help overall. He said the scrap cleanup is going well. There was a discussion of the bond payments and the additional funds the Borough will be required to pay. Mr. Hill added that the final audit will be presented at this meeting.

8. Lobbyist Report

There may be an operating budget presented before the general election with a 15%-20% reduction in all departments.

9. Clerk's Report

The ballots have already been received by some Assembly members. The Mayor said that this year the Borough meeting will be late to allow more time for the ballots to be received through the mail. The meeting will be October 25th. Assembly member Anderson said that he would appreciate the meeting be October 24th. The Mayor said that he hopes that the meeting could be the evening of October 24th. Assembly member Salmon said she will be on her honeymoon and will be missing the meeting.

10. Superintendent's Report

This week the school will be having a science week and CTE classes. Pat Manning said the school year has begun well. There is a lot of new staff and some positive changes. There will be some discus and shotput and javelin training during the cross country meet. Assembly member Olsen asked if Atlatl is included in the events. Mr. Manning said that was not included, but that would be good to institute. She asked if the rifle shooting is still ongoing. Mr. Manning said that it is set up and there is effort to keep interest in the shooting.

11. Student Representative Report

Severin Shangin explained that he is newly elected to student government and is also part of the SOS meet this week at Bristol Bay School. Instructors from UAA and UAF

are in town this week to teach classes. Middle and High School LPSD students will be participating in a cross country meet and a beach clean-up service project is scheduled for this week. Local student elections have begun. Assembly member Anderson asked where the beach clean-up will be. Mr. Tim Welch said that exact location is still being finalize. Assembly member Anderson requested photos.

Discussion – Bryce Edgmon, State Representative, was asked to address the Assembly. Mr. Edgmon gave a handout and discussed the State fiscal situation. Alaska is at a turning point, and turning away from reliance on oil production. The State is currently bleeding their savings accounts. Will be having the Commissioner of Finance visit the villages to explain the financial situation and address the earnings from the permanent fund and the permanent fund dividend. Has worked with Senator Hoffman to protect programs for the district, such as revenue sharing, bond reimbursement, PCE and school funding. The first page of the hand out is a summary of all the reserve funds in the States accounts. He discussed the constitutional reserve fund with \$3.2 billion. That is the State's primary savings account. At the end of the year it was \$6.8 billion. The Permanent Fund Earnings Reserve is at \$9.1 billion, which the legislature can use however they see fit, but has never done. The \$9.1 also pays the dividend. The fund is a constitutional creation, but the dividend is a statutory creation from Governor Hammond. He pointed out the PCE endowment, which was created to prevent having PCE on the budget annually. In the future it is likely the legislature will want to utilize the 1 billion in the PCE endowment to fund the State. The Dept of Education, and primarily K-12 is the largest expense for the State at \$1.2 billion. The second largest expense is health, which includes Medicaid at \$1.07 billion. The third highest expense is debt for retirement and school bonds at \$348 million. University of Alaska was reduced by 14% last year and is the fourth largest expense of the state at \$325 million. Department of Corrections costs are soaring and a major prison facility is likely to be needed and currently cost \$266 million. There is still a good part of the legislature that believe we can cut our way to a sustainable budget. Can't cut the school budget much without violating law. The state is now 740,000 versus 300,000 in 86. The state is a different place with a lot more services and things going on. The current revenue from oil tax is \$1.2 billion and the spending is \$4.3 billion. The difference is \$3.1 billion. How will the gap be bridged? The Governor proposed a three prong approach: 1) continue to cut expenses, and 2) increase taxes outside of the oil industry, and 3) use permanent fund earnings. The message is that the State finances is being redefined and will be a large issue. Only state in the country without property or income tax. It is everyone's choice how this fiscal crisis will be resolved.

Assembly member Olsen said that a personal income tax, she believes, is the best option. She asked Representative Edgmon if he supports an income tax. Rep Edgmon said that he knew this crisis was coming. The reality is that income tax needs to be implemented and non-residents who are passing through need to pay taxes on the money they earn her. The Governor proposed a 6% tax last year. That would have raised about \$200 million, of which \$40 million would have come from non-residents. The Governor will probably support a sales tax. Rep Edgmon said he will push for an exception for rural communities with current sales taxes.

The Mayor said that within Lake and Peninsula Borough, with a 6% income tax, enough funds would be generated to pay for the State's portion of LPSD. Also, when the dividend is captured, the State is taxing only Alaskans. The non-residents who are making money from Alaska's resources and leaving nothing but infrastructure problems, pay nothing. All the cost comes from Alaskans. It is irresponsible to not capture the revenue being flushed out by non-residents. The Borough only taxes those who make money. There is no property tax or sales tax. If you make money here, then money should be left here, but elders who do not make

money should not be taxed. A sales tax in a small community will create a lot of administrative costs. An income tax is less administrative cost. Can't cut or save our way to prosperity, have to work to get there. Need to tax those tapping our natural resources.

Rep Edgmon said that in the end, the Governor's plan was adopted this year. The public is coming to the realization that some action will have to take place to resolve the current crisis. It is a big issue and wanted to provide a realistic picture to the Assembly.

Assembly member Anderson asked if there is a threat to increased student enrollment. Rep Edgmon said he does not believe there will be another threat. The proposal to raise the minimum enrollment to 25 would impact 58 schools throughout the state. The state has the constitutional responsibility to provide children a quality education. If not done in the community, it has to be done somewhere else. It would have saved \$6 million – which is a drop in the bucket in the overall budget and it would have opened the door to constitutional lawsuits. There will still be people who don't understand small schools and what it means to the community. The threat is a by-product of downsizing government. A sustainable budget is the best resolution.

The Mayor said he would like to see a chart representing which departments cover their administrative costs with the revenue from permits and fees. Rep Edgmon said that all hunting and fishing fees were increased last year that brought in \$9 million from residents and non-residents and \$40 million additional from the federal government. The state fees are also going to be increased with the intention of making them revenue neutral. Fish and Game is focusing on the dollars that trickle out. UAA needs to bring up tuition costs and consolidate to bring down expenses. The Department of Education options are only to increase the local contribution. There was some discussion last year about shifting retirement costs to the local municipalities. That will reduce the retirement obligations from the state to the local entities. The Mayor said that shifting is not a responsible option. Revenue has to be increased.

Recess at 10:20 am
Reconvene at 10:30 am

F. CONSENT AGENDA – none

G. NEW BUSINESS

1. Ordinance 16-10 re: 1 year Lease to Creager – Hearing & Decision –

Motion was made by Assembly member Anderson to open the public hearing for Ordinance 16-10 “An Ordinance Authorizing a Transfer and Five Year Lease of Real Property Containing 1.0 Acres More or Less to Stewart G. Creager for the Operation of a Commercial Set Net Operation.” Motion was seconded by Assembly member Olsen. The public hearing was declared open at 10:42 am. The Mayor called for comments. He asked the Manager if all was in order. He said all was. There was no further discussion. Motion was made by Assembly member Olsen to close the public hearing. Motion was seconded by Assembly member Pedersen. The public hearing was closed at 10:45 am.

Motion was made by Assembly member Olsen to adopt Ordinance 16-10 “An Ordinance Authorizing a Transfer and Five Year Lease of Real Property Containing 1.0 Acres More or Less to Stewart G. Creager for the Operation of a Commercial Set Net Operation.” 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 unanimously by voice vote.

2. Ordinance 16-11 re: 10 year Lease to GCI – Hearing & Decision –

Motion was made by Assembly member Olsen to open the public hearing for Ordinance 16-11 “An Ordinance Authorizing a Transfer and Ten Year Lease of Real Property Containing 484 sq. /ft. More or Less to GCI Communication Corp for the Placement of an On Premise Earth Station at the Nondalton Clinic. Motion was seconded by Assembly member Salmon. The public hearing was declared open at 10:46 am. The Mayor called for discussion. There was no discussion. Motion was made by Assembly member Anderson to close the public hearing. Motion was seconded by Assembly member Salmon. The public hearing was closed at 10:47 am.

Motion was made by Assembly member Pedersen to adopt for Ordinance 16-11 “An Ordinance Authorizing a Transfer and Ten Year Lease of Real Property Containing 484 sq. /ft. More or Less to GCI Communication Corp for the Placement of an On Premise Earth Station at the Nondalton Clinic. 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 unanimously by voice vote.

3. Ordinance 16-12 re: 5 year Lease to E&E Foods – Hearing & Decision

Motion was made by Assembly member Anderson to open the public hearing for Ordinance 16-12 “An Ordinance Authorizing a Transfer and Five Year Lease of Real Property Containing 1.5 Acres More or Less to E&E Foods, Inc. for the Operation of a Commercial Operation.” Motion was seconded by Assembly member Salmon. The public hearing was declared open at 10:48 am. The Mayor called for discussion. There was no discussion. Motion was made by Assembly member Anderson to close the public hearing. Motion was seconded by Assembly member Salmon. The public hearing was closed at 10:49 am.

Motion was made by Assembly member Olsen to adopt Ordinance 16-12 “An Ordinance Authorizing a Transfer and Five Year Lease of Real Property Containing 1.5 Acres More or Less to E&E Foods, Inc. for the Operation of a Commercial Operation.” Motion was seconded by Assembly member Pedersen. The Mayor called for conflict of interest. None was declared. The Mayor called for discussion. There was none. Motion passed unanimously by voice vote.

4. FY 14-15 Audit

Motion was made by Assembly member Olsen to accept the FY14-15 Audit as presented. Motion was seconded by Assembly member Ravenmoon. The Mayor stated that nothing had changed from the audit handed out last month. The Mayor noted that everyone has a conflict because of per diem and stipend. Motion passed by roll call vote. With Assembly members Salmon, Ravenmoon, Alsworth, Olsen, Pedersen and Anderson voting yes. There were no votes opposed. Assembly member Alvarez was absent, excused.

5. Energy Group Grant Opportunity

Mr. Hill said that this grant opportunity may need some funding from the Borough. The grant is for \$250,000, of which some entity needs to commit 10%. In-kind and costs for consultants could be a portion of the match. It is a federal grant from the Office of Energy, but has to come from a tribe. The idea is to begin an energy group. Every community rely on outside management for PCE calculations, mechanics or linemen. This group can serve utilities that serve tribes. Mr. Hill says he wants to manage the grant, but it has to come from a tribe, and would like that tribe to be Igiugig. He asked the Assembly’s authorization to move forward with this grant. Assembly member Olsen asked about the utility in Egegik which is owned by the City, and if the grant can benefit non-tribe owned utilities. Mr. Hill said there is a lot of

redundant effort and there is enough work that needs to be done that if there was a group within the Borough, consolidating the efforts could save money for all the utilities. The Mayor asked if this is a Borough position and who will pay for the position after the grant runs out. Mr. Hill said it has to be something that sustains itself. Assembly member Olsen says that it is confusing to be creating an entity without these questions answered first. Mr. Hill said that it is an organizing effort to save money by reducing redundancy. The Mayor said, the utilities are already paying for services, but if that same money went to managing this work efficiently, it could save the utilities. Mr. Hill said that he is not sure if this will be a new position hired by the Borough, but he said he would hope so. He said that a lot of the groups that are currently receiving help from AEA or Marsh Creek, and those services are likely to go away. This will fill that need. Assembly member Olsen asked what the function of the Borough would be. Mr. Hill said the Borough would be managing the grant, as well as a financial obligation. Assembly member Olsen noted that this is a top-down action and she is concerned about village support. Mayor Alsworth said that is why the next step needs to be to solicit support from the villages. To ask them if they would like to participate in this opportunity. Mr. Hill said that the grant is due on November 3, 2016 so he will give an update at the next meeting. Assembly member Ravenmoon said she likes the idea, but there needs to be some creativity and need to be careful with federal tribal money and municipalities. She said she likes the idea. No Action was taken.

H. UNFINISHED BUSINESS – none

I. TIME AND PLACE OF NEXT MEETING

Regular Meeting, October 25, 2016 – The Mayor noted that the evening of October 24th would be preferred. Assembly member Salmon asked to be excused from the meeting.

J. CITIZEN'S COMMENTS

Bill Hill – Thanked the Assembly for their cooperation to work with the BBBSD to do good things for the kids. Good to see kids from all over the region together to work and play. It is a really good thing to do and appreciate the support from the Assembly. It is a great thing for the kids. He said when he was a kid growing up in Bristol Bay there was not a lot of opportunity to meet with kids beyond the district or down the chain or across the bay. One day these kids will be sitting in the seats of leadership and they will know one another and will be doing good things for our region. These connections they make now will help with their relationships in the future.

K. ASSEMBLY COMMENTS

Myra Olsen – Assembly member Olsen congratulated Assembly member Salmon on her upcoming marriage.

L. MAYOR'S COMMENTS

Thought to ponder: If the Republican nominee wins, all shredded cheese will be banned from stores. You will only be able to buy cheese in bricks because he is going to make America Grate.

M. ADJOURNMENT

Motion was made by Assembly member Salmon to adjourn the Regular Assembly meeting of the Lake and Peninsula Borough. Motion was seconded by Assembly member Ravenmoon. Motion passed unanimously by voice vote. The meeting was adjourned at 11:03 am

N. INFORMATION

None

E. 2.

Reports

Manager's

**Lake and Peninsula Borough
Regular Assembly Meeting
Monday, October 24, 2016**

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

October 2016

Fall is about over and there is still much happening in the manager department. On a daily basis I have been in touch with a combination of staff, consultants, and assembly. I have been working with staff on grants and projects and other. Other matters concerning ongoing projects and issues have me touching basis with borough residents, engineers and as well as our legal team.

Projects I have focused on have been Kokhanok Wind, Chignik multi-community dock. The Kokhanok Wind was not awarded the ICDGB grant application that was turned in mid-June. Connie Fredenberg has been assisting in this matter and we have come up with some promising potential alternatives. I will be meeting with a group in Kokhanok on Monday morning prior to our meeting to determine the viability of getting the project running at a low penetration level with the funding currently available to us. I will have more to report next week.

Chignik multi-community dock progress has improved by leaps and bounds. We were a couple of weeks behind schedule the last time we talked and only about half of the sheet pile was in. Last week the final sheet pile was driven which completed the open cell structure on the originally scheduled target date. Now there is back fill work to be completed as well as a final course of material to top the working space of the structure. The bumper structure and mooring dolphin have yet to be completed, but it is possible that the dock will be complete within the calendar year.

Igiugig Bulk Fuel Repair Project is at least 80% complete and they are awaiting a larger diesel pile driver to drive piling to final depth in the spring of 2017.

Iliamna Dock is awaiting final survey also in the spring of 2017 once the water is lower and we have better access to the entire ramp and surrounding area at which time we will finalize lease work with the State of Alaska.

CHIGNIK DOCK UPDATE: Will pass out a copy at the meeting.



E. 3.
Reports
Consultant's

No report this month

Lake and Peninsula Borough
Regular Assembly Meeting
Monday, October 24, 2016

To: Glen Alsworth, Mayor Assembly members

Nathan Hill, Manager

From: Lamar Cotten

Re: Monthly Report-September/October 2016

Below is a summary of my work for these two months.

1. Chignik Dock. Worked with Nathan and have met a series times with PND and others on dock matters. Project schedule details are covered elsewhere in the packet by Mark and Nathan. Completed dock future options paper.
2. CIP matters. I continue to work with Kate and Nathan on past and future CIP projects as background data for planning purpose and for future grants. In particular, Nathan and I are working an information template on LPB village energy systems.
3. Legislative Contact. I've communicated on more than one occasion with Bryce Edgmon on LPB matters.
3. I generally communicated on a daily basis with some combination of the manager, staff, the mayor, engineering firms, state agencies, lobbyist and legal team on a variety of issues.

E. 4. Reports CDC's

**Lake and Peninsula Borough
Regular Assembly Meeting
Monday, October 24, 2016**



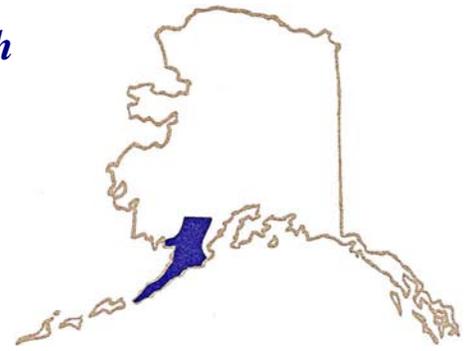
Lake and Peninsula Borough

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Date: October 13, 2016
To: Mayor and Assembly
From: Kate Conley, Borough Clerk
Re: CDC Report

I have only been back from vacation for a week, but this is what is happening in the CDC department:

- Major Plat – “Tanalian Shores #4 Subdivision is set for public hearing in Port Alsworth on November 14th at noon. I hope to take at least one, maybe two Planning Commissioners with me to the hearing.
- Plats – Nathan and I have a plat to sign for Newhalen Road Improvements, which was approved by the Planning Commission in 2013. We also have another old one for a lot in Nondalton which was approved in 2014 but was never signed and recorded.
- Project Report – You all should have received a draft copy of this last meeting. I have a long list of additional topics to add to the report which I intend to tackle in the coming months. I plan to give you an updated report in November.
- Comprehensive Plan – The Foraker Group and LPB staff have been working on a plan to visit all 16 communities and create strategic plans that will be the basis for a new comprehensive plan. Staff will be meeting with them next week to move this forward.
- Capital Lists & CAPSIS – I sent out letters to villages requesting their priority list resolutions and CAPSIS information before I left for vacation, and I have followed up with a reminder. The lists are due November 15th. I have only heard back from one entity and I will be making phone calls in the coming month.
- Development Permits – No new permits have been received.

E. 5.
Reports
PC Minutes

No meeting last month

**Lake and Peninsula Borough
Regular Assembly Meeting
Monday, October 24, 2016**

E. 6.

Reports

Fisheries

**Lake and Peninsula Borough
Regular Assembly Meeting
Monday, October 24, 2016**

Fishery Advisor Report

Lake and Peninsula Borough | October, 2016

Bristol Bay update

On September 9 the ADF&G released an updated, but still preliminary, summary of the 2016 Bristol Bay Salmon Season. The report can be found at:

<http://www.adfg.alaska.gov/static-f/applications/dcfnewsrelease/741340987.pdf>

It shows the 2016 season as 2nd out of the last 20 years for numbers of sockeye and first in value. This does not include any post season price adjustments. At the time of this writing there is little hard economic data to show where the market is going but the State should be releasing useful data soon. Generally, market forces are net positive. The salmon aquaculture industry is struggling with supply issues and prices are high. Aquaculture seems, in the short term anyway, stuck between a rock and a hard place with political pressure to use less fish meal in their feed but that is producing less omega 3 oils in their fish. Currency exchange rates are negative for Alaska salmon. Russian production and the Russian embargo are negative. The canned market is poor with a bleak long term outlook but the proportion of the pack that is canned is declining. A greater proportion of the Bristol Bay pack was sold as fresh. Evidence suggests that prior to last year that processors were probably paying relatively high prices which set the stage for a highly negative over reaction last year – leaving room to move up now.

Table 1.–Average price, weight, harvest, and value of salmon harvest in Bristol Bay, 2016.

Species	Price/lb	Weight (lb)	Number of Fish	Total Weight	Value
Sockeye	\$0.76	5.4	37,330,419	201,584,263	\$153,204,040
Chinook	\$0.67	12.6	29,545	372,267	\$249,419
Chum	\$0.32	6.0	1,042,345	6,254,070	\$2,001,302
Pink	\$0.15	4.0	751,756	3,007,024	\$451,054
Coho	\$0.49	5.8	91,387	530,045	\$259,722
Totals			39,245,452	211,747,669	\$156,165,537

Table 4.–2016 preliminary commercial sockeye salmon harvests and 20-year averages by district.

District	20 Year Average Sockeye Harvest	2016 Sockeye Harvest
Naknek-Kvichak	7,367,267	13,460,265
Egegik	6,625,483	8,479,961
Ugashik	2,504,515	6,765,569
Nushagak	5,813,327	8,013,145
Togiak	530,008	611,480
Totals	22,747,955	37,330,419

Because Ugashik and Egegik lie within the Borough boundaries it is interesting to note that 41% of the total Bristol Bay sockeye harvest (in numbers of sockeye) was taken from these two districts. This compares well with the twenty-year average of 40% despite the fact that the Naknek/Kvichak came in

83% above its twenty-year average and the Nushagak came in 38% above. Egegik was above its twenty-year average by 28% and Ugashik broke all records and was above its twenty-year average by 70%.

If you assume that the average weights between districts is the same (and it is close enough for reasonable discussion) you can use the information in these ADF&G tables to estimate that the value of the sockeye salmon harvested in Egegik and Ugashik sum to approximately \$62.5M. Note that every dime of post season adjustment will add about \$8M to this fishery value.

Chignik Salmon Update

Ocean Beauty paid \$1.25/Lb for Chignik Sockeye for sockeye harvested before August and \$1.05 for sockeye harvest after July 31. Trident has now matched that. The updated estimated total Chignik salmon fishery value is \$10.5M.

Non-Salmon Fishery Values

Roughly 95% of total fishery value from Borough fisheries are from salmon fisheries but non-salmon fisheries still contribute non-trivial amounts and in any case it is good to keep in mind the total picture of all commercial fishing opportunities within Borough waters. Information on some of these fisheries are less available than for salmon and for the smallest fisheries where there are less than three participants confidentiality laws make the information unavailable to the public. Sometimes one can devise a way to ask for the data that can give the public some idea what is going on and an example of that would be aggregating three years together to get an average.

State Water Pacific Cod

The best information for non-salmon fisheries is from Chignik State water cod where fishery values for 2015 and 2016 are estimated at \$2.8M and \$2.4M respectively. Although the 2016 pot season closed on April 16 the 2016 Chignik cod season is not really over. After August 15 the "B Season" opened and the amounts that were not harvested during the "A Season" are rolled over to be fished by either pot or jig. Almost none of the Chignik State water jig quota of 951,251 pounds of pacific cod was harvested and when the small amount of unfished pot cod is added the total is a tad over 1 million pounds that was rolled over into the B season. There has not been a single landing of Chignik State Water cod since the B season opened presumably because the cod are disaggregated and harder to catch later in the year. However, to get the total value of the pacific cod fisheries within Borough waters one needs to add the fish caught during the federal season in the parallel fishery (see the next section).

Federal "Parallel" Season Pacific Cod

From January 1 to February 1 the federal cod season was prosecuted and some of that harvest took place within the Borough waters of the Gulf of Alaska (i.e. Chignik). In both 2015 and 2016 those Borough fisheries had a value of approximately \$300,000.

Halibut

The estimated value of the Halibut fishery taken only within the Gulf of Alaska waters of the Borough in 2015 is \$2.4M and for 2016 to date it is approximately \$1.8M. The Chignik area is entirely within halibut

area 3B which has a total allowable catch (TAC) of 2,710,000 pounds. In the past the proportion of 3B halibut harvested within Borough waters was 3% to 5% but this year it is more like 1%. Through the 22nd of September 309 deliveries of 3B halibut were made for a September 22 total of 2,364,000 pounds of halibut so that 13% of the TAC remains to be harvested.

Tanner Crab

There has been no Chignik Tanner crab fishery in the last few years and there is little expectation of a fishery in the near term. It is also possible that State budget challenges could limit crab surveys which ADF&G needs to understand stock status. If there was a fishery a reasonable guess as to a total fishery value might be in the \$1.5M to \$2M range. The Chignik Tanner Crab area includes both state and federal waters so that only part of the harvest occurs within Borough waters and the proportion will vary from season to season.

Additional small fisheries which are low effort and harder to track because confidentiality typically blocks public access to the information include:

Dungeness Crab

To comply with confidentiality constraints the public is allowed to see that the average pounds of Dungeness crab harvested in the Chignik management area during 2012, 2014, and 2015 (note that there was zero harvest in 2013) was 53,442 pounds. The price for Dungeness crab in 2016 in Sand Point is reported to be about \$3.00/Lb so if that average poundage is harvested in 2016 the value would be about \$160,000. There has been one landing during the 2016 season which is still ongoing.

Pollock

Restrictions to protect Steller Sea Lions limit where Pelagic Trawling for Pollock is allowed in the Chignik area but there is still some effort, often confidential, producing annual fishery values in the \$90,000 - \$140,000 range for 2015 and 2016.

Sea Cucumber dive fishery

The Chignik Sea Cucumber dive fishery often goes unfished but there has been one landing in 2016. The Guideline Harvest Level (GHL) is 15,000 pounds with roughly half of that remaining available for harvest. The product is weighed on a dressed (eviscerated) basis and is worth about \$3.75/Lb to the fisherman. The 2016 value of this fishery so far is very roughly estimated to be \$30,000.

Black Rockfish

The Chignik area has a GHL of 100,000 pounds of Black Rockfish with no more than 45,000 from any single district. This fishery sometimes has no activity at all and there has been one landing so far in 2016 for a small fraction of the GHL. Black Rockfish is worth about \$0.38 to \$0.45 per pound delivered in Kodiak.

Other?

My research for non-salmon fisheries has turned up zero for the Bristol Bay waters of the Borough – ADF&G did not find even one fish ticket going back at least 20 years. If anyone has information contrary to this, please let me know.

Total Value of Borough Non-Salmon Fisheries

Looking at the last 2 years, the value of Non-Salmon Borough fisheries is roughly \$5M annually.

Chignik Pink Disaster

Governor Walker has requested that the Chignik Pink salmon fishery be declared a federal fishery disaster as part of a larger disaster request for the Pink salmon fisheries of Kodiak, Chignik, Prince William Sound, and Lower Cook Inlet Pink salmon fisheries. Representative Louise Stutes (Kodiak, Cordova, Seldovia, Yakutat) spearheaded the push for the pink disaster declaration and is quoted in the National Fishermen Magazine as saying "“This is not going to be a blanket money grab for anybody who fished pinks. If you’re in the disaster area and the large portion of your income was based on pink salmon, then I believe you will be eligible.”"

All non-sockeye species summed together make on average roughly 15% of the total value of Chignik salmon and I doubt that any Chignik fishermen could be said to have a "large proportion" of their salmon income from pink salmon so one might wonder why Chignik was included.

From the Governor’s request the following is found regarding Chignik: "While sockeye salmon are the most important salmon species for commercial fishermen in this area, pink salmon can provide significant economic benefit for permit holders and processors. The Department of Fish and Game does not complete pre-season forecasts for pink salmon in the Chignik Management Area. As of September 12, the 2016 pink salmon commercial harvest was approximately 140,000 fish, which is 19 percent of the five-year average harvest for even-year pink salmon (750,000 fish). The preliminary value of the 2016 pink salmon harvest in this area is \$110,000, compared to the five-year average value of \$740,000. There were no directed pink salmon fisheries in this management area in 2016, and the pink salmon taken were during fisheries directed at sockeye salmon. Preliminary pink salmon escapement estimates for this area are poor, and roughly 50 percent of the escapement goal."

Deputy Secretary of Commerce, Fred Parady, is the lead for the State on this issue. I will track the process and keep the Borough and Chignik fishermen informed.

North Pacific Fishery Management Council – Meeting of October 3-11.

Halibut issues were a major focus of the October meeting of the North Pacific Fishery Management Council (Council) with nearly all of the agenda items impacting Halibut fishermen directly or indirectly. Halibut provides fishing opportunities for resident fishermen and also Borough tax revenue for halibut harvested within the Chignik management area. For communities that are eligible under federal rules to form Community Quota Entities (CQE’s) there is also an opportunity for the communities of Perryville, Chignik Lagoon, Chignik Bay, Chignik Lake, and Ivanof Bay to purchase Halibut and Sablefish quota shares for use by their resident fishermen. The high price of quota has generally put this out of reach for CQE eligible communities and it would take substantial grant funds to make a CQE business plan viable.

A summary of some of the actions taken by the Council during its October meeting:

Abundance Based PSC Management

For all except directed halibut fishermen, halibut are a Prohibited Species Catch (PSC) under federal fishing regulations. “Bycatch” is the term more commonly used by most of us but in Council jargon it is “PSC”. It is widely known that the fishable abundance of halibut has been dramatically declining for

years. For example, in halibut area 3B, which includes Chignik, the Catch Limit has declined 84% from its peak in 2002. But the big problem is that when halibut abundance declines, halibut PSC becomes a larger proportion of total halibut removals and that shifts the burden of conservation more and more toward the halibut fishermen as the catch limits go down and they bycatch doesn't (or doesn't go down as much). And until just recently the Council has resisted lowering PSC limits on groundfish fleets such as the bottom trawlers that unavoidably "use" halibut PSC as they target other flatfish such as yellowfin sole. Last year the halibut fishermen of Saint Paul came to Council with the dire news that unless something was done that their fishery would be entirely shut down with calamitous economic and social consequences. That spurred action but what happens to the halibut in the Bering Sea (and Bristol Bay) affects all Alaskan's who use the halibut resource because the halibut tend to migrate from the Bering sea all down the coast.

At the October Council meeting the Council reviewed a discussion paper on adjusting halibut PSC based on the abundance of halibut. You would think that it would be a no-brainer that everyone should share in the burden of conservation but it will be a long political battle to get a resolution to this issue.

The Council took appropriate action to direct a working group to take the next steps for continued development of the science and the policy alternatives.

The Observer Annual Deployment Plan (ADP) and Electronic Monitoring (EM)

All halibut vessels over 40 feet in length are subject to being selected to carry an observer which poses a significant burden on most small halibut vessels. Each year the Council approves an Annual Deployment Plan which lays out the strategy for which fleets will get what percentage of observer coverage and many of the specifics of how the observer program will be run. The EM program is designed to replace human on board observers with camera's and other electronic equipment such as GPS. The technology and policy alternatives of the EM program is reaching a point of maturity such that it is ready to be officially integrated into the Observer Program. Because of logistical challenges it will likely be many years before Borough fishermen can reasonably participate in the program but EM is definitely coming in the future. The Council's motion was that the Environmental Assessment (EA) that analyzed how EM would be integrated into the Observer Program was ready to be released for public review.

20 Year Review of the Halibut/Sablefish IFQ Program Review

The Council is required by law to periodically review all Limited Access Privilege Programs (LAPPs) and that includes the Halibut and Sablefish IFQ program. The Council accepted the Halibut and Sablefish IFQ Program review as complete and final with a few additions that were recommended by the Science and Statistical Committee (SSC). However, having done that they also decided to explore the possibility of taking action on some of the issues raised by the review and by public comment.

At the risk of providing too much detail I give you here the complete Council motion:

The Council directs the IFQ Implementation Committee to evaluate the following issues and provide recommendations to the Council on potential future revisions to the IFQ program:

- Sweep-ups of small blocked QS units;
- Use of the medical lease provision;
- Definition of "immediate family member" under the beneficiary lease provision;
- Impacts of quota share loss on Alaska's rural communities and further explore geographic distribution of quota ownership. Additionally, define rural communities by several population sizes (such

as 1,500, 2,500 and 7,500) to better understand how population dynamics have resulted in different outcomes for rural community IFQ participation. This could also include examining the impacts on Alaska communities by region.

- Geographic distribution of new entrant quota ownership;
- Use of hired masters in the IFQ fisheries; and
- The IFQ committee should bring forward to the Council any further concerns that they find in the document.

In addition, NMFS intends to undertake revisions to IFQ Program regulations to update administrative appeals and initial quota share issuance regulations.

Calendar of Fish:

- Oct 18-20. BOF Work Session. Soldotna Regional Sport Complex
- Nov 1-4. Center for Salmon and Society Workshop: Long-term Challenges to Alaska's Salmon and Salmon-Dependent Communities, Anchorage
- Nov 17-19. Pacific Marine Expo (aka Fish Expo), Seattle
- Nov 29-30. IPHC Interim Meeting, Seattle
- Nov 30-Dec 1. Ocean Acidification Workshop, Anchorage
- Dec 6-14. NPFMC, Anchorage. (More Halibut issues – Should sport fishermen be able to create an organization to buy halibut and hold IFQ to supplement their charter halibut harvests in years of low abundance? Note that this wouldn't apply to area 3B but could still have a spill-over effect.)
- Dec 27. Comment deadline for BOF Kodiak Finfish
- **Jan 10-13. BOF Kodiak Finfish, Kodiak (Note: Chignik fishermen have submitted proposals to change the Cape Igvak Management plan where 15% of Chignik bound sockeye are harvested. Chignik Fishermen will be participating at this meeting which will be held in Kodiak.)**
- Jan 23-27. IPHC Annual Meeting, Victoria
- Jan 23-27. Alaska Marines Science Symposium, Anchorage
- Jan 28-Feb 7. NPFMC, Seattle

E. 7.

Reports

Finance

**Lake and Peninsula Borough
Regular Assembly Meeting
Monday, October 24, 2016**

October 2016 Finance Report

10/11/16

To: Mayor Alsworth
Assembly Members
Nathan Hill, Manager

Current Year

Fish Tax:

Since processors won't begin reporting for the 2016 third quarter until the end of this month, we won't have any current fiscal year fish tax collections data until the November meeting.

Bed Tax and Guide Tax

Tax remittances for both bed guide taxes compared to last year to date:

	<u>YTD 10/11/16</u>	<u>YTD 10/11/15</u>	<u>Variance</u>
Bed Tax	\$75,162	\$94,648	\$(19,486)
Guide Tax	\$16,021	\$11,024	\$4,997

Decreases are a reflection of last year collections of past due and unpaid tax.

What we have been hearing from our guides, is that they are anticipating a busy Fall season and brighter outlook for the coming year. This is in line with a recent report from the State Dept. of Labor and Workforce Development forecast:

Tourism, population growth will boost leisure and hospitality

The leisure and hospitality sector is projected to add 3,711 jobs from 2014 to 2024, a growth rate of 10.8 percent, mostly through increases in the number of tourists as well as overall population growth.

- Traveler accommodations are projected to grow by 8 percent (almost 600 jobs).
- Restaurants are projected to grow by 14 percent (2,406 jobs). Although job losses in high-wage industries could put a damper on restaurant growth, there are no signs of that yet in the data and we don't expect it would counteract growth from the increases in population and tourists.
- The "other" amusement and recreation industry is projected to add 375 jobs, or 14 percent. In Alaska, these are mostly tourist-oriented guide services.

We have been hearing consistently from guides, especially the smaller operators about two issues:

1. They would like the Borough to change the reporting schedule from a quarterly to an annual reporting schedule.
2. Many feel that the \$750.00 maximum annual tax for guides gives an unfair advantage to larger operators, in that the more a guide makes, the cost of the tax as a proportion of revenue is smaller, essentially, after 250 taxable days, all subsequent revenue is tax free.

On the issue of annual reporting, while we do sympathize, the administrative costs for both the guide and the borough would be much higher and there would be the greater chance of reporting error on the part of the guides. It is difficult enough to for some guides to keep track of their business on a quarterly basis. For the borough, we would have to have submitted all hunt reports and fish logs to verify what was being reported. Until we can effect a change of State statute, that would be totally voluntary on the part of the guide. It would be one thing if we, like other Borough's taxed on the basis of a percentage of revenue basis, but it would increase our workload tremendously to crosscheck days reported on the tax form to days reported to AKDF&G and the National Park Service for 300+ guides for an entire year.

The issue of keeping track of and counting all the guests and days in the field also leads into the issue of the \$750.00 maximum tax. Many of the larger operations are paying the maximum because it is cheaper than filing each quarter, both because it lowers their administrative costs and they have more than 250 guide use days. The argument of the maximum of \$750.00 is unfair to smaller guides is a valid one, however I would argue to drop the maximum tax not so much as a matter of fairness, but that the Borough is forgoing a significant amounts of revenue.

CIAP Scrap Clean-up Project

Nikki Reed
Assistant Finance Officer/ Project Manager

I have been following up with communities to make sure we will be able to meet our deadline. Chignik Lake, Chignik Lagoon, and Kokhanok are the only ones left to finish up.

Chignik Lake is working on the cleanup of the land fill and staging sites. Chignik Lake finished loading the barge on 9/30/16 and now waiting for the invoices from recycling facilities.

Chignik Lagoon had some issues with the over whelming amount of scrap and have decide to bury in the new Dump site. Chignik Lagoon has been working together weather permitting and working around tides. Chignik Lagoon goal is to be completed by September 30, 2016.

Kokhanok has started on gathering scrap, and has purchased equipment to assist in loading the plane and supplies for preparing pallets to ship. Kokhanok has a goal to complete by September 30, 2016.

Pedro Bay, Chignik Bay, Igiugig, Iliamna, Levelock, Nondalton, Newhalen, Pilot Point, Port Alsworth, and Ugashik have completed. I am impressed with all the hard work that has been done in the villages and collaborating together to help nearby villages to finish up. A lot of team effort working with nearby villages and they all have done an amazing job on clean up in their villages!

10 GENERAL FUND

Account Object	Description	----- Current Year -----				%
		Current Month	Current YTD	Budget	Variance	
Revenue						
30011	RAW FISH SALES AND USE TAX	368,028.56	420,470.28	1,045,000.00	-624,529.72	40
30012	BED TAX	34,854.20	87,212.61	150,000.00	-62,787.39	58
30019	PENALTIES & INTEREST		430.00	5,000.00	-4,570.00	9
30030	LICENSES AND PERMITS		200.00	5,000.00	-4,800.00	4
30031	PROFESSIONAL GUIDES	11,159.60	22,058.02	150,000.00	-127,941.98	15
						39
	Total Revenue	414,042.36	530,370.91	1,355,000.00	-824,629.09	39
	Net Income from Operations	414,042.36	530,370.91			
	Net Income	414,042.36	530,370.91			

10 GENERAL FUND

Account	Description	----- Current Year -----				%
		Current Month	Current YTD	Budget	Variance	
Revenue						
30000	REVENUES	415,542.36	631,058.57	1,818,500.00	-1,187,441.43	35
30100	REVENUE FROM STATE		403.38	890,985.00	-890,581.62	
	Total Revenue	415,542.36	631,461.95	2,709,485.00	-2,078,023.05	23
Expenses						
41100	ASSEMBLY	32,469.31	56,984.14	195,612.00	138,627.86	29
41300	PLANNING COMMISSION		1,938.94	27,515.00	25,576.06	7
41400	ADMINISTRATION	72,240.22	280,029.35	884,255.00	604,225.65	32
41500	ELECTIONS	295.41	1,593.40	9,450.00	7,856.60	17
	Total Expenses	105,004.94	340,545.83	1,116,832.00	776,286.17	30
	Net Income from Operations	310,537.42	290,916.12			
Other Revenue						
30200	OTHER SOURCES		-2,008,219.46	915,558.00	-2,923,777.46	219
	Total Other Revenue	0.00	-2,008,219.46	915,558.00	-2,923,777.46	219
Other Expenses						
42200	ILIAMNA DOCK REHAB		202.30		-202.30	
43100	FISHERIES ADVISOR	4,500.00	13,500.00	54,000.00	40,500.00	25
44500	LEASE - KSVC			5,000.00	5,000.00	
46000	MANAGERS CONTINGENCY			10,000.00	10,000.00	
49200	STATE REVENUE SHARING			87,688.00	87,688.00	
49400	BOROUGH REVENUE SHARING			175,000.00	175,000.00	
49500	SHARED FISHERIES BUSINESS TAX			26,500.00	26,500.00	
49800	OTHER FINANCING USES		-2,005,339.96	2,150,023.00	4,155,362.96	93
	Total Other Expenses	4,500.00	-1,991,637.66	2,508,211.00	4,499,848.66	79
	Net Income	306,037.42	274,334.32			

10 GENERAL FUND

Assets

Current Assets

CASH	(997.00)
WELLS FARGO CHECKING		840,224.21
WELLS FARGO TRUST		1,056,514.13
TIME VALUE INVESTMENTS		1,427,287.88
TD AMERI TRADE		1,534,270.90
SCOTTRADE		0.77
ACCOUNTS RECEIVABLE	(62,428.36)
RAW FISH TAX RECEIVABLE		281,887.25
BED TAX RECEIVABLE		63,357.48
PREPAIDS		3,105.33

Total Current Assets ----- **5,143,222.59**

Total Assets ----- **5,143,222.59**

Liabilities and Equity

Current Liabilities

ACCOUNTS PAYABLE	(20,000.00)
DEPOSITS PAYABLE		21,400.00
PAYROLL ACCRUALS & LIABILITIES		19,224.50
PERS		2,502.39
SBS		473.00
FEDERAL WITHHOLDING		1,891.61
MEDICARE CONTRIBUTION		201.93
ACCRUED ANNUAL LEAVE		19,719.20
FICA CONTRIBUTION	(219.32)

Total Current Liabilities ----- **45,193.31**

Total Liabilities ----- **45,193.31**

Equity

FUND BALANCE - UNASSIGNED		4,823,694.96
CURRENT YEAR INCOME/(LOSS)		274,334.32

Total Equity ----- **5,098,029.28**

Total Liabilities & Equity ----- **5,143,222.59**

E. 8. Reports Lobbyist's

**Lake and Peninsula Borough
Regular Assembly Meeting
Monday, October 24, 2016**

Hickey & Associates
Planning * Management * Lobbying

Telephone (907) 723-8574
Fax (907) 789-9090

211 Fourth Street; Suite 110; Juneau, AK 99801
E-mail mshickey@gci.net

Memorandum

To: Mayor Glen Alsworth, Borough Assembly
Manager Nathan Hill

From: Mark Hickey, Borough Lobbyist

Date: October 14, 2016

Subject: Lobbyist Report

This memorandum provides a brief update since my last report.

Chignik Dock Project: Construction of the new ferry dock in Chignik is moving along at an accelerated pace. Below is an image from early October. All of the sheetpile has been installed. Backfilling of the cells should be completed shortly. **Project completion is now expected this season unless new issues arise.**



AMHS Summer 2017 Schedule: The draft AMHS schedule for summer 2017 is out for public comment. This schedule covers the months from May to September. **A total of 10 Chain trips are proposed, with the first one departing Homer in mid May and the last one departing out the Chain in mid September. This is a slight improvement over the 2016 season, but is dependent on no further budget cuts by the legislature.**

Please let me know if there are any questions.

E. 9.

Reports

Clerk's

**Lake and Peninsula Borough
Regular Assembly Meeting
Monday, October 24, 2016**



Lake and Peninsula Borough

P.O. Box 495

King Salmon, Alaska 99613

Telephone: (907) 246-3421

Fax: (907) 246-6602



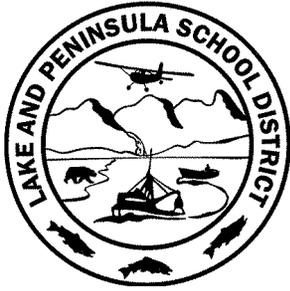
Date: October 14, 2016
To: Mayor and Assembly
From: Kate Conley, Borough Clerk
Re: Clerks Report

Seeing as I have only been at work one week since the last meeting, here is what I am working on:

- Elections – Election day has gone and we will be canvassing the ballots on Monday the 24th. We will have a special meeting via teleconference on November 4th to certify the election results. Meanwhile, I will be preparing some changes to the election code and will present those to the Assembly next month after the attorneys review them.
- Upcoming Meetings – Again, this is not a large agenda this month. The Canvass Committee will take the majority of the time. As I stated above, we will have a telephone meeting on November 4th (10 days after the Canvass Committee meeting) and then our regular November meeting will be in Anchorage on November 15th and 16th. We will be staying at the Clarion Suites Downtown (1110 West 8th Ave). Our meetings are scheduled for the evenings only. I don't have the times hammered out or when we will have Planning and when we will have Assembly, but for now I am projecting the following schedule:
 - Monday, November 14 – Arrive from villages, reception at Captain Cook from 6p to 8p
 - Tuesday, November 15 – Day free, meetings 5 to 8 pm
 - Wednesday, November 16 – Day free, meetings 5 to 8 pm
 - Thursday, November 17 – Return to villages
- Community Development – please see the CDC report for what is new in this department.
- Website – You will see the home page “slider” that we have used for upcoming events now has some good news stories.
- Conferencing System – I hope to have a new conferencing system to try out for the meeting on the 24th. We have not committed to this system, if it does not perform well we will return it.

E. 10. Reports Superintendent's

**Lake and Peninsula Borough
Regular Assembly Meeting
Monday, October 24, 2016**



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



Date: October 13, 2016
To: Lake and Peninsula Borough Assembly
From: Ty Mase
Re: Superintendent's Report – October 2016

I. STUDENT NUMBERS FOR SEPTEMBER 2016

Student Numbers as of: 10-06-2016

PreSchool numbers are still coming in.

Skye Weedman (Nondalton) graduated on September 1.

	P3	P4	KG	1	2	3	4	5	6	7	8	9	10	11	12	13	14	K-SS Total	PK-SS Total
BAY		1	1	2	2	3	2	2		1	1			1				15	16
IGI			2	2	2	1		2	2	2		1	1	2	1			18	18
KHK	4	4	3	4	8		2	1	3	3		1	4	2				31	39
LAG	2	2			1		3			3	1			2				10	14
LAK		2	2	2			1	1	1	3	3	1		2	2			18	20
LEV	1		2	3	1	4	1	5	1	2		1	2	2				24	25
LHS																		0	0
NEW	5	8	4	9	1	6	3	5	6	2	4	1	5	6	5	1		58	71
NON	1	3		3	3		3	3	5	1	1	3	2		1		1	26	30
PIP	3				2	1	1	3	2		1	2						12	15
PTA	3	3		4	2	4	4	4	5	5	6	8	4	8	5			59	65
PTH		2		2	1	3	1	2	2	1		2						14	16
PVL		3		2		3	2	2		3	3			2				17	20
LPSD	19	28	14	33	23	25	23	30	27	26	20	20	18	27	14	1	1	302	349

II. SOS

X-Country Regionals, Becharof Science Camp, a CTE Session, UAA and Fish and Wildlife teaching exciting courses, 100+ students, Middle School participation, and a Fall Dance... Who's brilliant idea was this? Ed Lester once again pulled off the unthinkable and added yet another exciting opportunity to our student's school year!





III. IMPORTANT DATES TO REMEMBER – FALL/WINTER 2016

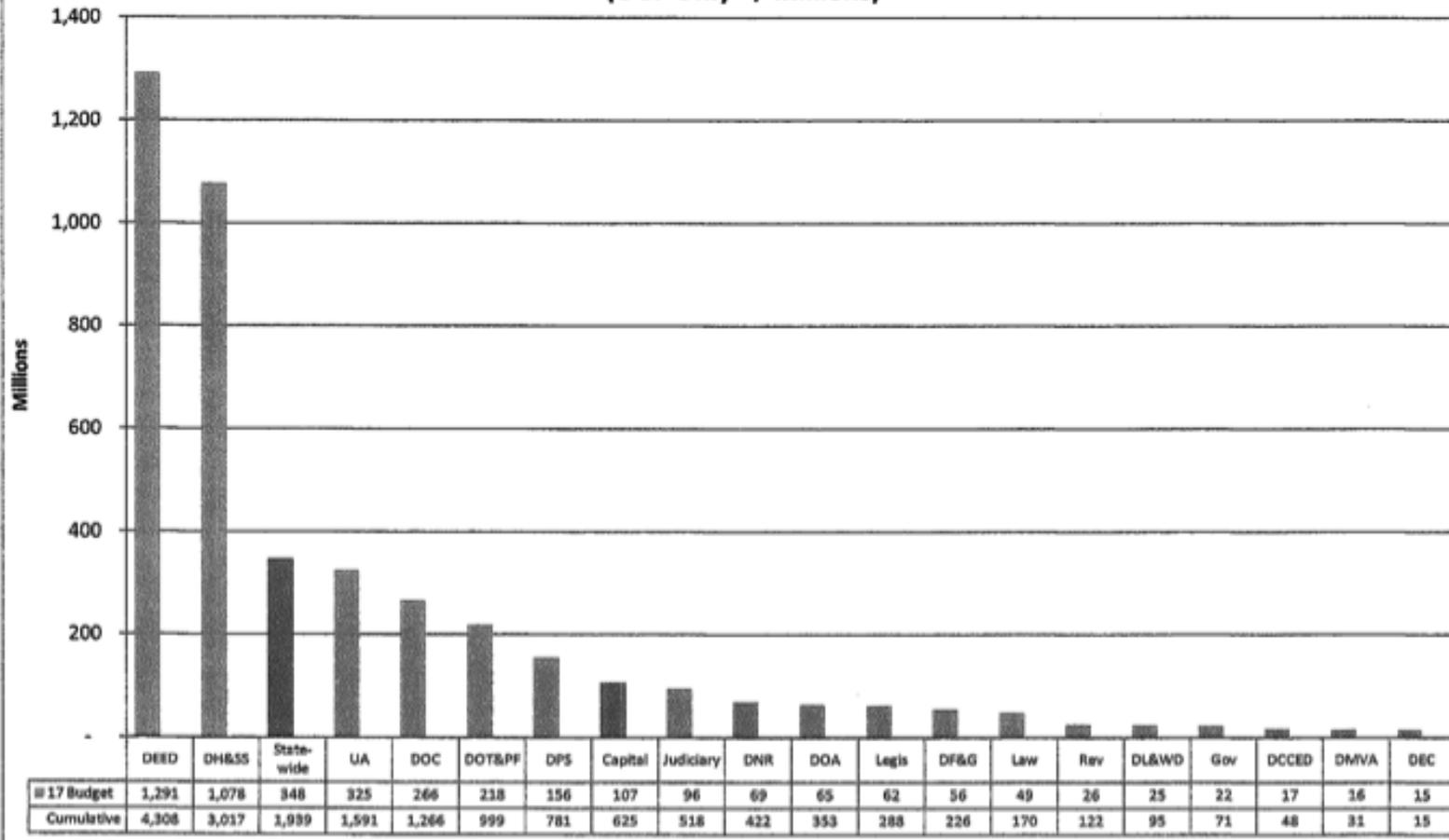
- October 19-22 LPSD/BBBSD Joint Inservice in Naknek
- October 20-22 AFN
- October 28 Student Count Ends
- November 10 Board Meet (Teleconference)
- November 13-19 CTE
- December 7 Board Meeting in Anchorage

IV. CLOSING WORDS

I hate to say this but I predict a challenging year. Our first quarter has already started off a bit bumpy and I feel that with financial constraints and the up-coming legislative session, we will have more challenges this year. Not every year can run as smoothly as some in the past... As we face these challenges it will be with an outstanding board, a tenured administration and an excellent staff. Our policies and consistent procedures that have led us in the past, will lead us through whatever difficulties that come our way. With this said, it is also going to be a great year as we do have everything in place to deal with rocky times. Our team will not take the focus off the students and great things will happen educationally in and out of our classrooms – this I promise.

On the following page is a graph shared by Randy Hoffbeck, Commissioner – Department of Revenue, during a recent budget meeting. The intent is to show the magnitude of the cost of education in Alaska, and the very real possibility of future cuts.

FY17 Budget
Agency Operating Budget, Statewide Items and Capital Budget
 (Formula & Non-Formula)
 (UGF Only--\$ millions)



Legislative Finance Division

E. 11.

Reports

Student Rep's

**Lake and Peninsula Borough
Regular Assembly Meeting
Monday, October 24, 2016**

F. 1.

Consent Agenda

Resolution 16-13

Declaring Surplus

Lake and Peninsula Borough
Regular Assembly Meeting
Monday, October 24, 2016

**LAKE AND PENINSULA BOROUGH
RESOLUTION 16-13**

**A RESOLUTION DECLARING CERTAIN PROPERTY TO BE SURPLUS AND
DIRECTING THE BOROUGH MANAGER TO DISPOSE OF THE SURPLUS PROPERTY**

WHEREAS, Lake and Peninsula Borough owns certain property as described in Exhibit A, attached hereto, and

WHEREAS, the property has become obsolete over time and has been replaced.

NOW THEREFORE BE IT RESOLVED, that the Assembly of Lake and Peninsula Borough declares the items described in Exhibit A attached hereto, with a total value of less than \$1000, to be surplus property to be disposed of.

BE IT FURTHER RESOLVED, that the Borough Manager is hereby authorized to dispose of the surplus property as described in Exhibit A in a manner most beneficial to the Borough and its citizens.

PASSED AND APPROVED by a duly constituted quorum of the Lake and Peninsula Borough Assembly this 24th day of October, 2016.

IN WITNESS THERETO:

Glen Alsworth Sr., Mayor

ATTEST:

Kate Conley, Borough Clerk

EXHIBIT A
To Resolution 16-13
Surplus Property

- 2 book cases – oak finish with 5 shelves
- 1 book case – cherry finish with 2 shelves
- 1 book case – oak finish with 2 shelves
- 1 table – oak finish, 5 foot long with rounded end
- 1 metal cabinet - brown with two drawers and a door

G. 1.
New Business
Ordinance 16-13
Appropriating Capital
Fund Money
Introduction

Lake and Peninsula Borough
Regular Assembly Meeting
Monday, October 24, 2016

**LAKE AND PENINSULA BOROUGH
ORDINANCE NO. 16-13**

AN ORDINANCE AMENDING THE AMENDED LAKE AND PENINSULA BOROUGH OPERATING BUDGET FOR THE FISCAL YEAR BEGINNING JULY 1, 2016 AND ENDING JUNE 30, 2017 (FY-17) TO APPROPRIATE CAPITAL IMPROVEMENT FUND MONIES.

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, 2016 and ending June 30, 2017, in accordance with the "Fiscal Year 2017 Operating Budget."

Section 3. Authorization and Appropriation.

The following appropriations are amendments and are hereby adopted and authorized for the period beginning July 1, 2016 and ending June 30, 2017, and are the operating budget for that period:

- 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 FY16-17 budget: **\$80,000.00**

Section 4. Purpose

The purpose of this ordinance is to amend the FY17 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 15th day of November, 2016.

IT WITNESS THERETO:

ATTEST:

Glen Alsworth Sr., Mayor

Kate Conley, Borough Clerk

Introduced: October 24, 2016
Public Hearing:
Enacted:
Ayes:
Nays:
Not Voting:
Absent:

G. 2.
New Business
Chignik Dock
Completion & Future

**Lake and Peninsula Borough
Regular Assembly Meeting
Monday, October 24, 2016**

To: Nathan Hill, Borough Manager
From: Lamar Cotten
Date: 10.16.2016
Re: Future Chignik Dock Use Options.

Background Summary Points.

1. Efforts to design and construct the dock started well over 20 years ago;
2. The City of Chignik (City) owns approximately 3-4 acres of land at the dock site;
3. 15 +-years ago, \$1 million LPB bond and city in-direct and cash contributions were used to partially complete an outer layer of armor stone face of the dock area;
4. The City obtain funds to finish final engineering design;
5. In 2012-13 required fill material was excavated from the boat harbor basin and placed adjacent to the dock area;
6. In 2014-2015, LPB and SoA agreed upon a financial package and obtained final permits as well as met other federal requirements;
7. Pacific Pile, Inc. was chosen to construct dock. Project is scheduled for late 2016 completion;
8. Dock is owned by SoA during construction. Upon successful construction completion LPB will assume title to the dock;
9. Per the LPB/City MOA, *LPB is willing to cause the City to serve as the manager and administrator of the New Dock, including but not limited to performing maintenance and administering a sinking fund for the repair and maintenance of the New Dock (Source: LPB/City MOA);* and
10. LPB and City will work together on the finer points of their agreement, particularly the maintenance responsibilities.

Expected and Possible Future Uses.

1. The Alaska Marine Highway vessels expects to visit Chignik 10 times in 2017. The dock was designed to accommodate such vessels in adverse weather. The state vessels have priority use for the dock;
2. Over the years the LPB/City have informally discussed possible use options for the dock and adjacent lands. They range from vessel storage, van storage, fuel and of course fish processing for the salmon and possibly crab and cod;
3. There is presently no onshore operating processor in Chignik. Trident Seafoods presently processes salmon on floaters anchored adjacent to its property. Secondly, cash buyers from Kodiak (Ocean Beauty, International Seafoods) and occasionally others purchase fish in the summer; and
4. The use of the dock to access the adjacent city lands would require borough approval. Consequently, any use at the dock area will require the LPB/City to work as a team.

Possible Next Steps.

1. Do nothing except allow local storage and use by the Marine Highway vessels;
2. City lease some or all of its property for van storage and equipment. Again, the borough permission would be required to use its dock for such activities; and
3. Investigate further the leasing of the dock and adjacent lands for an onshore processor.

What would #3 entail?

1. With professional assistance, (1) create a draft Request for Qualifications (RfQ) and for only a select number of interested parties create a draft Request for Proposals (RfP) or (2) only simply create a draft RFP for any interested parties;
2. What topics would need to be address would range from how to determine which proposal best meets the community and borough's objectives, timing, amount of needed lands, other users on City lands, locations of facilities, ability to accommodate state usage needs, permits, financial ability to construct and operate a facility, insurance and no doubt many more; and
3. LPB/City could decline any proposal. It could start over again. It could simply wait for another time.

So, what is the first step in we decide to move ahead on #3?

1. Be Realistic.
2. Get the ball rolling. Met with local leaders about the issues. Hire someone to provide professional assistance in developing the RfQ and RfP.
3. Review and have assembly sign off on final approach and rfq/rfp.



ANCHORAGE BAY

DOCK FACE
EL = +20'

CONSTRUCTION LIMITS
(APPROXIMATE)

SURFACE COURSE EXTENTS
NO SURFACE COURSE

No stock pile
material will remain
after completion of
the cell backfill

NOTE:
ONSITE STOCKPILE TOE OF SLOPE IS APPROXIMATE AS SHOWN. ACTUAL TOE OF SLOPE MAY BE DIFFERENT DEPENDING ON THE VOLUME OF MATERIALS USED FOR BULKHEAD FILL. CONTRACTOR SHALL COORDINATE FINISH GRADING OF THIS AREA WITH ENGINEER.

PND Engineers, Inc. is not responsible for safety programs, methods or procedures of operation, or the construction of the design shown on these drawings. Where specifications are general or not called out, the specifications shall conform to standards of industry. Drawings are for use on this project only and are not intended for reuse without written approval from PND. Drawings are also not to be used in any manner that would constitute a detriment directly or indirectly to PND.



1506 West 36th Avenue
Anchorage, Alaska 99503
Phone: 907.561.1011
Fax: 907.563.4220
www.pndengineers.com



CHIGNIK PUBLIC DOCK

SITE PLAN AND GRADING

REV	DATE	REVISION
1	12/03/15	REVISION

DATE: 12/03/15

DESIGNED BY:	CC	DATE:	12/03/15
CHECKED BY:	DST	PROJECT NO.:	October 24, 2016
			SHEET NO. 6 OF 31

J:\2015\151048 Chignik Public Dock\Drawings\06_07 - Site Plan & Grading.dwg, 06_12/23/2015 2:52:53 PM, James, 1:2

G. 3.
New Business
Letter of
Recommendation to
Board of Fish

Lake and Peninsula Borough
Regular Assembly Meeting
Monday, October 24, 2016



Lake and Peninsula Borough

P.O. Box 495

King Salmon, Alaska 99613

Telephone: (907) 246-3421

Fax: (907) 246-6602



Date: October 17, 2016
To: Mayor and Assembly
From: Kate Conley, Borough Clerk
Re: Letter of Recommendation to the Board of Fish re: Meeting Location

Mr. Gary Cline, BBEDC Regional Fisheries Director, phoned me on Monday and requested this item be included on the agenda. He explained that the Board of Fish (BOF) meeting to address the Bristol Bay Fin Fishery was in Naknek in 2012 and in Dillingham in 2006. All other meetings for this fishery have been held in Anchorage. Both BBNA and BBEDC have submitted letters to the BOF (see attached) to request the 2018 meeting be held in Dillingham.

While the date for comments is past, BBEDC staff will be able to add our letter to theirs.

Bristol Bay Economic Development Corporation

P.O. Box 1464 • Dillingham, Alaska 99576 • (907) 842-4370 • Fax (907) 842-4336 • 1-800-478-4370



September 30, 2016

Alaska Board of Fisheries
Alaska Department of Fish & Game
P.O. Box 115526
Juneau, AK 99811-5526

RE: Alaska Board of Fisheries meeting location and dates for the 2018/2019 Bristol Bay Finfish cycle.

John Jensen, Vice-Chairman	Alan Cain
Sue Jeffrey	Israel Payton
Reed Morisky	Robert Ruffner
Orville Huntington	

Dear Alaska Board of Fisheries,

The Bristol Bay Economic Development Corporation recommends that the next Bristol Bay Finfish meeting be held in Dillingham (last time it was held in Bristol Bay it was in King Salmon) with the proposed backup dates from December 12-18, 2018.

The last Bristol Bay Finfish meeting took place in Anchorage, which made it extremely difficult for residential stakeholders to attend. The local knowledge and perspectives on the Bristol Bay fisheries are invaluable and deserve an equitable opportunity to participate. There has not been a Board of Fisheries meeting in Dillingham since 2006. It is imperative to have the voice of local commercial and subsistence fishers when regulatory decisions are made that will directly impact their livelihoods.

The City of Dillingham has adequate lodging, internet, dining facilities, ground transportation, and other necessities required to host an informative meeting. Most importantly, the community validates a strong relationship to the topic of discussion, economic and cultural importance to location, and economic impact of stakeholder travel. All of these meet the listed items from the Criteria of Consideration on Reviewing Meeting Locations.

In addition, we recommend the proposed backup dates of December 12 -18, 2018 because it will not overlap with the North Pacific Fisheries Management Council meeting. Please deeply consider the benefits from conducting the meeting within Bristol Bay. It will allow the new Board of Fisheries members to get a firsthand experience to see this remarkable landscape, including fishing districts and boundaries, and a chance to associate with the residents of Bristol Bay. Thank you for your time and due diligence to ensure that our fisheries remain vibrant and sustainable.

Sincerely,

A handwritten signature in black ink, appearing to read 'Gary Cline', is written over a faint, larger signature.

Gary Cline
Regional Fisheries Director, BBEDC

Table 1. 2015/2016 Meeting Cycle Proposals/Day

Year	Location	Days	Props / Day	Dept Reports	Time Dept Reports (hrs)	Start/End	Average Time per Report (min)	Testifiers (Public/AC/RAC)	Total Testifiers	Time for Testimony (hrs)	Start/End	Average Time Per Testifier (min)	# of Record Copies	RCs / Day	
Bristol Bay Meeting Statistics															
2015	Anchorage	7	73	10.4	2	0.75	Day 1 @ 10:19am / Day 1 @ 11am	22.5	95/7	102	9	Day 1 @ 11am / Day 2 @ 2:30pm	5.3	160	22.8
2012	Naknek	9	89	9.9	8	6	Day 1 @ 1:04pm / Day 2 @ 11am	45	65/3	68	9.5	Day 2 @ 11am / Day 3 @ 12pm	8.4	148	16.4
2009	Anchorage	8	48	6.0	4	2	Day 1 @ 9:24am / Day 1 @ 11:34am	30	97/4	101	13	Day 1 @ 1pm / Day 2 @ 5:45pm	7.7	157	19.6
2006	Dillingham	9	116	12.9	5	2.5	Day 1 @ 4:36pm / Day 2 @ 10:26am	30	141/5	146	17	Day 2 @ 11:08am / Day 4 @ 12pm	7.0	203	22.6
2003	Anchorage	8	71	8.9	4	2	Day 1 @ 9:26am / Day 1 @ 11:38am	30	32/5	37	8	Day 1 @ 1:48pm / Day 2 @ 11:48am	13.0	76	9.5
Avg.		8.4	79.4	9.4	4.6	2.7		31.5		90.8	11.3		8.3	148.8	19.7

G. 4.
New Business
Packers Creek
Flooding

Lake and Peninsula Borough
Regular Assembly Meeting
Monday, October 24, 2016



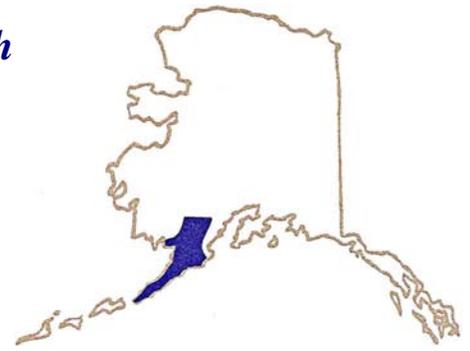
Lake and Peninsula Borough

P.O. Box 495

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Telephone: (907) 246-3421

Fax: (907) 246-6602



Date: October 17, 2016
To: Mayor and Assembly
From: Kate Conley, Borough Clerk
Re: Chignik Lagoon – Packers Creek

I received the memo from the village council at 3:30 pm on Monday. I have called Emergency Management and spoke with them. They have referred me to Natural Resource Conservation Service (NRCS) because this agency has a program that may be able to help. I have left messages with NRCS.

This is new and on-going situation and I will update the Assembly at the meeting.

**Chignik Lagoon Village Council
PO Box 57
Chignik Lagoon, AK 99565
(907) 840-2281**

**Lake and Peninsula Borough
PO Box 495
King Salmon, AK 99613**

Dear Mr. Mayor:

As you know, many of the communities in the Lake and Peninsula Borough were hit hard with recent storm systems. Chignik Lagoon is among those communities.

Beginning near the hydro power plant, Packer's Creek has broken through areas along the creek causing the creek to divert and widen out closer to the village. There are areas where the creek bank is severely undermined and at this time ten residential homes, three public services buildings (the clinic, the school, and the diesel power plant), and two businesses (ACS and GCI) are at great risk of being flooded and/or washed out should we inevitably experience more fall storms.

At this time, the village is unable to run hydro-electric power due to the rock and debris at the dam. We will be on diesel power until the water level recedes and we are able to send a clean-up team to clear the rock and debris.

Chignik Lagoon is currently seeking support and funding to repair and improve the Packer's Creek water flow and bank erosion to prevent further wash out with the coming storms. We are looking to the Lake and Peninsula Borough for assistance, advice, and resources in our endeavor to save our investments.

Sincerely,



**Nancy Anderson, Secretary
Chignik Lagoon Village Council**

PACKERS CREEK FLOODING



Day 1



Day 2