



Alice Ruby, **Mayor**

Council Members

- Tracy Hightower (Seat A) • Chris Maines (Seat B) • Misty Savo (Seat C)
- Curt Armstrong (Seat D) • Andy Anderson (Seat E) • Paul Liedberg (Seat F)

DILLINGHAM CITY COUNCIL

David B. Carlson Council Chambers

Dillingham City Hall, 141 Main Street, Dillingham, AK 99576 (907) 842-5212

WORKSHOP – VISIT LAKE ROAD FIRE STATION	5:30 P.M.	DECEMBER 8, 2016
WORKSHOP – VISIT DOWNTOWN FIRE STATION	6:00 P.M.	DECEMBER 8, 2016
WORKSHOP – QUARTERLY REVIEW OF FINANCIAL STATEMENTS	6:30 P.M.	DECEMBER 8, 2016
REGULAR MEETING	7:00 P.M.	DECEMBER 8, 2016

1. CALL TO ORDER

2. ROLL CALL

3. APPROVAL OF MINUTES

- a. Regular Council Meeting, November 3, 2016 page 5
- b. Special Council Meeting, November 11, 2016page 13
- c. Board of Equalization Hearing, November 11, 2016page 15

4. APPROVAL OF CONSENT AGENDA

APPROVAL OF AGENDA

5. STAFF REPORTS

- a. City Manager and Staff Reports.....page 17
- b. Standing Committee Reportspage 43

6. PUBLIC HEARINGS

- a. Adopt Ordinance No. 2016-12 (SUB-1), An Ordinance of the Dillingham City Council Authorizing City-Owned Properties Fairview Lots 23B and 23C to be Sold to Manuel and Karen Brito page 49

7. CITIZEN’S DISCUSSION (Prior Notice or Agenda Items)

8. ORDINANCES AND RESOLUTIONS

- a. Adopt Ordinance No. 2016-12 (SUB-1), An Ordinance of the Dillingham City Council Authorizing City-Owned Properties Fairview Lots 23B and 23C to be Sold to Manuel and Karen Brito page 49
- b. Adopt Resolution No. 2016-73, A Resolution of the Dillingham City Council Approving Establishing a Time Period for Retaining an Account that has been Written Off Due to Bad page 57
- c. Adopt Resolution No. 2016-74, A Resolution of the Dillingham City Council Authorizing Foreclosure Proceedings on Delinquent Property Taxes for the Years 2010-2015..... page 61
- d. Adopt Resolution No. 2016-75, A Resolution of the Dillingham City Council Accepting the Supplementary Tax Assessment Roll for Late Filed Appeals page 67
- e. Adopt Resolution No. 2016-76, A Resolution of the Dillingham City Council Authorizing the City Manager to Waive the Advertising Requirements and Accept Competitive Quotations to Provide a Blower System for the Sewage Lagoon Aeration System page 73
- f. Adopt Resolution No. 2016-77, A Resolution of the Dillingham City Council Authorizing Applying for a Grant for Fire Dept. Equipment..... page 77

9. UNFINISHED BUSINESS

- a. Council Committee Appointments
- b. Citizen Committee Appointments
 - 1) Planning Commission, 2 Seats Open
 - 2) Senior Advisory Commission, 1 Seat Open
 - 3) Library Advisory Board, 1 Seat Open page 83
 - 4) Territorial School Committee, 2 Seats Open..... page 85
- c. Annexation Update
- d. Interim Task Force Borough Feasibility Study Update page 87

10. NEW BUSINESS

- a. Action Memorandum No. 2016-22, Award a Contract for Design of Lake Road Fire Station Extension page 125
- b. Action Memorandum No. 2016-23, Award a Contract for Design Repairs to the Senior Center to LCG Lantech..... page 129
- c. Action Memorandum No. 2016-24, Award a Contract for ADEC Air Quality Permit page 133

- d. Action Memorandum No. 2016-25, Authorize Administrative Leave for the Christmas and New Year's Holiday.....page 135
- e. Reschedule the January 5 Council Meeting to January 12 at 7 PM Preceded by a Workshop at 6:30 PM on Water and Sewer Projects
- f. Reschedule the January 12 Code Review Committee Meeting to January 10

11. CITIZEN'S DISCUSSION (Open to the Public)

12. COUNCIL COMMENTS

13. MAYOR'S COMMENTS

14. EXECUTIVE SESSION

- a. Legal Matter – Dillingham & Manokotak Annexation Petitions

15. ADJOURNMENT

1. CALL TO ORDER

A regular meeting of the Dillingham City Council was held on Thursday, November 3, 2016, at the Dillingham City Council Chambers, Dillingham, Alaska. Mayor Ruby called the meeting to order at 7:00 p.m.

2. ROLL CALL

Mayor Alice Ruby was present.

Council Members present and establishing a quorum (a quorum being four):

Tracy Hightower	Chris Maines	Misty Savo	Curt Armstrong
Andy Anderson	Paul Liedberg		

Staff in attendance:

Rose Loera	Navin Bissram	Janice Williams	Dan Pasquariello
Jean Barrett			

Guest(s): Attorney Patrick Munson– attended via teleconference
Attorney Brooks Chandler – attended via teleconference

3. APPROVAL OF MINUTES

- a. Regular Council Meeting, October 6, 2016
- b. Special Council Meeting, October 13, 2016

MOTION: Misty Savo moved and Chris Maines seconded the motion to approve the minutes of October 6, and October 13.

VOTE: The motion passed unanimously by voice vote.

4. APPROVAL OF CONSENT AGENDA

Mayor Ruby asked the Council to move Resolution No. 2016-64 and 2016-65 from the consent agenda and take them up as amended versions following the approval of the consent agenda.

- c. Adopt Resolution No. 2016-66, A Resolution of the Dillingham City Council to Offer Thanks and a Commendation to Holly Johnson for Her Service on the Dillingham City Council

MOTION: Paul Liedberg moved and Tracy Hightower seconded the motion to adopt the consent agenda.

VOTE: The motion to adopt the consent agenda passed unanimously by voice vote.

- a. Adopt Resolution No. 2016-64, A Resolution of the Dillingham City Council Amending the Investment Account Signature Authority Forms for City Investment Accounts Due to a Change in Personnel and Council Members

MOTION: Tracy Hightower moved and Paul Liedberg seconded the motion to adopt Resolution No. 2016-64 (AM).

VOTE: The motion to adopt Resolution No. 2016-64 (AM) passed unanimously by voice vote.

- b. Adopt Resolution No. 2016-65, A Resolution of the Dillingham City Council Amending the Bank Signature Cards for Wells Fargo Checking Account Due to a Change in Council Members

MOTION: Paul Liedberg moved and Tracy Hightower seconded the motion to adopt Resolution No. 2016-65 (AM).

VOTE: The motion to adopt Resolution No. 2016-65 (AM) passed unanimously by voice vote.

APPROVAL OF AGENDA

MOTION: Paul Liedberg moved and Chris Maines seconded the motion to approve the agenda as amended with the removal of item 9A, Council Appointments, under Unfinished Business.

VOTE: The motion to approve the agenda as amended passed unanimously by voice vote.

5. STAFF REPORTS

- a. City Manager and Staff Reports

City Manager reported on the following items in addition to her report:

- Fleet mechanic position was filled most recently;
- Support for Trail System (known trail) by Airport: Mike Halko, citizen, was asking for support to lease State lands for a trail system; there would be no cost to the city and community members would maintain it; the application required that it be submitted by a municipality;

Discussion:

- Asked if there was a process to provide an opportunity for the public to weigh in; Manager to follow up with Mike.

Manager report continued:

- Request to amend code to add a fine for Trespassing;

- Alcohol Beverage Control Board hearing on an application to transfer a liquor license was postponed until February;
- Surf & Turf Fund Raiser (food was donated) at Senior Center, Nov. 18, between noon and 2PM;
- Library Hours Changed with advisement from Library Advisory Board to better accommodate the public: Did not replace one library position, decreasing library hours;
- Grandma's House is seeing some savings from working with Senior Center staff and volunteers to prepare lunch and meals to go; a win for both entities.

Mayor Ruby asked if there was no objection would add a task to Code committee to review a fine for trespassing and a timeline for the foreclosure process and then submit timeline to Finance for their review.

b. Standing Committee Reports

Paul Liedberg, Finance & Budget Committee: reported from the minutes of the Finance Committee. In addition Mayor felt the committee would be looking to recommend a Council workshop in the future to review the budget situation.

6. PUBLIC HEARINGS

There were no public hearings.

7. CITIZEN'S DISCUSSION (Prior Notice or Agenda Items)

There was no citizen's discussion.

8. ORDINANCES AND RESOLUTIONS

- a. Introduce Ordinance No. 2016-12, An Ordinance of the Dillingham City Council Authorizing City Owned Properties Fairview Lots 23B and 23C to be Sold to Karen and Manuel Brito

MOTION: Misty Savo moved and Chris Maines seconded the motion to introduce Ordinance No. 2016-12 (SUB-1).

VOTE: The motion to introduce Ordinance No. 2016-12 (SUB-1) passed unanimously by voice vote.

- b. Adopt Resolution No. 2016-67, A Resolution of the Dillingham City Council Authorizing the City Manager to Waive the Competitive Bid Process and Award a Contract to Repair the Damaged Small Lift Station

MOTION: Paul Liedberg moved and Tracy Hightower seconded the motion to adopt Resolution No. 2016-67.

VOTE: The motion to adopt Resolution No. 2016-67 passed unanimously by voice vote.

- c. Adopt Resolution No. 2016-68, A Resolution of the Dillingham City Council Supporting Full Funding (\$18,160,055) for the State of Alaska Municipal Harbor Facility Grant Program in the FY 2018 State Capital Budget

MOTION: Paul Liedberg moved and Tracy Hightower seconded the motion to adopt Resolution No. 2016-68.

VOTE: The motion to adopt Resolution No. 2016-68 passed unanimously by voice vote.

- d. Adopt Resolution No. 2016-69, A Resolution of the Dillingham City Council in Support of the Addition of Port and Harbor Employees to the List of Employees covered by AS 12.55.135

MOTION: Misty Savo moved and Tracy Hightower seconded the motion to adopt Resolution No. 2016-69.

VOTE: The motion to adopt Resolution No. 2016-69 passed unanimously by voice vote.

- e. Adopt Resolution No. 2016-70, A Resolution of the Dillingham City Council Supporting Proposed Changes to Alaska Statutes Chapter 30.30 and 05.25 Improving the Management and Prevention of Derelict Vessels

MOTION: Paul Liedberg moved and Andy Anderson seconded the motion to adopt Resolution No. 2016-70.

VOTE: The motion to adopt Resolution No. 2016-70 passed unanimously by voice vote.

- f. Adopt Resolution No. 2016-71, A Resolution of the Dillingham City Council Supporting the State of Alaska Adopting the Following Fine Print Note to the 2017 National Electrical Code Article 555.3: "FPN: The 30mA requirement can be applied to all feeder circuits or all branch circuits in lieu of the main overcurrent protection device"

MOTION: Paul Liedberg moved and Tracy Hightower seconded the motion to adopt Resolution No. 2016-71.

VOTE: The motion to adopt Resolution No. 2016-71 passed unanimously by voice vote.

9. UNFINISHED BUSINESS

- b. Citizen Committee Appointments
 - 1) Planning Commission, 2 Seats Open
 - 2) Senior Advisory Commission, 1 Seat Open
 - 3) Library Advisory Board, 2 seats Open

MOTION: Misty Savo moved and Chris Maines seconded the motion to concur with the Mayor's recommendation to reappoint Amy Ruby to the Library Advisory Board.

Mayor Ruby disclosed Amy Ruby was her sister, but there was no conflict as she would not benefit financially.

VOTE: The motion to concur passed unanimously by voice vote.

c. Annexation Update

Mayor Ruby reported the Final Report to the Local Boundary Commission had been distributed to the Council members and the hearing would be held later in the month.

d. Interim Task Force Borough Feasibility Study Update

There was no update.

e. Dillingham to Manokotak Road Feasibility Study

Mayor Ruby reported the possible routes provided in the report were identified by Bristol Environmental Services Corp.'s cartographer. BESC would be holding a workshop in the Council Chambers on November 9, and all were invited.

10. NEW BUSINESS

a. Action Memorandum No. 2016-22, Award Contract for Design of Lake Road Fire Station Extension

MOTION: Paul Liedberg moved and Andy Anderson seconded the motion to approve Action Memorandum No. 2016-22.

MOTION: Andy Anderson moved and Paul Liedberg seconded the motion to amend AM No. 2016-22 to change the not-to-exceed amount from \$55,629 to \$57,000.

Discussion:

- Voiced concern with moving ahead on a design, considering the city's financial position, and not knowing if the building would actually be built; and
- Recommended a presentation to better understand the need for an extension, the equipment that would be housed, before giving approval for a design.

VOTE: The motion to amend the not-to-exceed amount from \$55,629 to \$57,000 passed unanimously by voice vote.

MOTION: Paul Liedberg moved and Tracy Hightower seconded the motion to postpone action on AM No. 2016-22 until the December Council meeting or until the Council can be presented with a briefing on the fire department's equipment and housing needs.

VOTE: The motion to postpone AM No. 2016-22 passed unanimously by voice vote.

11. CITIZEN’S DISCUSSION (Open to the Public)

There was no citizen’s discussion.

12. COUNCIL COMMENTS

Paul Liedberg:

- Noted he attended a workshop on erosion issues and was pleased to see the amount of attendance from the community as well as city staff; and
- Thanked staff for all the work they’ve done in the past month.

Misty Savo:

- Reminded all not to forget to vote November 8; and
- Reported on an upcoming scheduled power outage.

13. MAYOR’S COMMENTS

Mayor Ruby:

- Reported the Board of Fish meeting would be held in Dillingham in 2018;
- Noted there were grant funds available for Council members to attend the AML conference; and
- Asked for a moment of silence to recognize those lost since the last meeting.

14. EXECUTIVE SESSION

- a. Legal Matter – Dillingham & Manokotak Annexation Petitions
- b. Finance Matter – Bingman Property Sale Negotiations
- c. Personnel Matter – Manager’s Contract

MOTION: Misty Savo moved and Tracy Hightower seconded the motion to enter into executive session to discuss Legal Matter, Dillingham & Manokotak Annexation Petitions; Finance Matter, Bingman Property Sale Negotiations; and Personnel Matter, Manager’s Contract [7:52 p.m.].

VOTE: The motion to enter into executive session passed unanimously by voice vote.

Mayor Ruby invited Manager Loera, Janice Williams, and City Attorneys Brooks Chandler and Patrick Munson for the first two sessions.

MOTION: Misty Savo moved and Tracy Hightower seconded the motion to exit the executive session [9:22 p.m.].

VOTE: The motion passed unanimously by voice vote.

Mayor Ruby commented a special meeting would be scheduled for November 11 with a couple of agenda items and an executive session on annexation.

15. ADJOURNMENT

Mayor Ruby adjourned the meeting at 9:22 p.m.

Mayor Alice Ruby

[SEAL]

ATTEST:

Janice Williams, City Clerk

Approval Date: _____

DRAFT

1. CALL TO ORDER

A special meeting of the Dillingham City Council was held on Thursday, November 11, 2016, at the Dillingham City Council Chambers, Dillingham, Alaska. Mayor Ruby called the meeting to order at 6:59 p.m.

2. ROLL CALL

Mayor Alice Ruby was present.

Council Members present and establishing a quorum (a quorum being four):

Tracy Hightower	Chris Maines	Misty Savo	Curt Armstrong
Andy Anderson	Paul Liedberg		

Staff in attendance:

Rose Loera	Janice Williams
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Guest(s): Attorney Brooks Chandler – attended via teleconference
Lamar Cotton – attended via teleconference

4. APPROVAL OF AGENDA

MOTION: Chris Maines moved and Tracy Hightower seconded the motion to approve the agenda.

VOTE: The motion to amend the agenda passed unanimously by voice vote.

4. CITIZEN’S DISCUSSION (Prior Notice or Agenda Items)

There was no citizen’s discussion.

5. SPECIAL BUSINESS

- a. Adopt Resolution No. 2016-72, A Resolution of the Dillingham City Council Authorizing the City Manager to Waive the Advertising Requirements to Contract with Tim Pearson d/b/a Pearson Consulting to Assist with City Manager Search

MOTION: Chris Maines moved and Tracy Hightower seconded the motion to adopt Resolution No. 2016-72.

VOTE: The motion to approve Resolution No. 2016-72 passed unanimously by voice vote.

- b. Executive Session – Legal Matter
 - 1) Dillingham and Manokotak Annexation Petitions

MOTION: Chris Maines moved and Paul Liedberg seconded the motion to enter into executive session to discuss Legal Matter, Dillingham & Manokotak Annexation Petitions [7:05 p.m.].

VOTE: The motion to enter into executive session passed unanimously by voice vote.

Mayor Ruby invited Manager Loera, Janice Williams, Atty. Chandler and Lamar Cotten into the executive session.

MOTION: Misty Savo moved and Chris Maines seconded the motion to exit the executive session [8:22 p.m.].

VOTE: The motion passed unanimously by voice vote.

6. CITIZEN’S DISCUSSION (Open to the Public)

There was no citizen’s discussion.

7. COUNCIL COMMENTS

Paul Liedberg:

- Reported efforts were underway to have the downtown tree lit for Christmas.

8. MAYOR’S COMMENTS

There were no comments.

9. ADJOURNMENT

Mayor Ruby adjourned the meeting at 8:23 p.m.

Mayor Alice Ruby

ATTEST: [SEAL]

Janice Williams, City Clerk

Approval Date: _____

1. CALL TO ORDER

A Board of Equalization hearing was held on Wednesday, November 11, 2016, at the Dillingham City Council Chambers, Dillingham, Alaska. Mayor Ruby called the meeting to order at 6:31 p.m.

2. ROLL CALL

Mayor Alice Ruby was present.

Council Members present and establishing a quorum (a quorum being three):

Paul Liedberg

Chris Maines

Andy Anderson

Staff in attendance:

Janice Williams

Guest:

James Canary, Alaska Assessment Services – attended via teleconference

3. APPROVE MINUTES

- a. Minutes of BOE Hearing, November 2, 2016

MOTION: Chris Maines moved and Paul Liedberg seconded the motion to approve the minutes of the BOE Hearing of November 2, 2016.

VOTE: The motion passed unanimously by voice vote.

4. APPROVE AGENDA

MOTION: Chris Maines moved and Andy Anderson seconded motion to approve the agenda as presented.

VOTE: The motion passed unanimously by voice vote.

5. APPEALS FOR CONSIDERATION

Mayor Ruby reviewed the procedural guidelines.

- a. Personal Property

- 1) Settled Appeals

- i. Case No. P-21-16, Dominic Zimmer

She noted assessor James Canary had provided a review of the assessor's exhibits containing the appeal forms and assessor's report.

Jim Canary noted he had reached a written agreement of valuation with the appellants on Case No. P-21-16, to correct a clerical error to remove the appellant's value entered in error for inventory, and decrease the fishing vessel value from \$43,758 to \$40,000.

MOTION: Chris Maines moved and Paul Liedberg seconded the motion to concur with the assessor's determination on the settled appeal on Case No. P-21-16.

VOTE: The motion passed unanimously by voice vote.

6. CITIZEN DISCUSSION (Prior Notice or Agenda Items)

There was no citizen's discussion.

7. MAYOR/COUNCIL COMMENTS

There were no comments.

8. ADJOURNMENT

Mayor Ruby adjourned the meeting at 6:35 p.m.

Mayor Alice Ruby

ATTEST:

[SEAL]

Janice Williams, City Clerk

Approval Date: _____

Mayor
Alice Ruby

Manager
Rose Loera



Dillingham City Council
Tracy Hightower
Chris Maines
Misty Savo
Curt Armstrong
Andy Anderson
Paul Liedberg

MEMORANDUM

Date: December 2, 2016
To: Mayor and City Council
From: Rose Loera, City Manager
Subject: November Monthly Report

Vacancies – Police Officer and Wastewater Operator

Contracts/Agreements Signed – Contracts signed with Tom Mueller for putting the siding on the library and the repair of the Small Lift Station. Library siding just arrived and once it warms up that work will start and he will finish the Small Lift Station.

Grants – Rasmuson grant awarded for \$114,000 for the Senior Center. An award for the design for this project is on the agenda. We continue to work on the grant to BBEDC for the downtown street project.

Request for Proposals (RFPs) – All Tide Dock repair has not been awarded yet because the Dolphins we proposed came in over double what we estimated. The engineer is talking with the company with the lowest base bid for the repairs of the dock to determine if they are willing to come down on their price for them. We had the dolphins and the bull rail as additional work. We will bring forth an action memorandum in January to award to the lowest bidder on the base bid, and, hopefully, by then have a better cost on the dolphins and the entire work.

Out of the Office – December 19 – 30, 2016



NEW HOUSE REPUBLICAN CAUCUS RELEASES ORGANIZATION
Leadership, committee assignments announced

Wednesday, November 30, 2016, Anchorage, Alaska – The new 18-member House Republican Caucus today released its organization, and stands ready to work with the incoming House Majority, Alaska Senate and Governor’s Administration.

The leadership team of the new House Republican Caucus consists of House Minority Leader Charisse Millett, House Minority Whip Mike Chenault, Minority Floor Leader Dan Saddler, and Minority Finance Leader Lance Pruitt.

The Floor Leader will assist the House Republicans with motions and issues that arise during floor sessions, and will coordinate the communications and press for the House Republicans. The Finance Leader will guide the caucus on issues **pertaining to Alaska’s budget and fiscal issues.**

A full committee roster, pending approval by the Committee on Committees, is attached to this release.

Members of the House Republican Caucus include: Representatives Mike Chenault, R-Nikiski; Charisse Millett, R-Anchorage; Lance Pruitt, R-Anchorage; Mark Neuman, R-Big Lake; Lora Reinbold, R-Anchorage; Dan Saddler, R-JBER/Eagle River; Dave Talerico, R-Healy; Steve Thompson, R-Fairbanks; Cathy Tilton, R-Wasilla; Tammie Wilson, R-North Pole; and Representatives-elect Chris Birch, R-Anchorage; David Eastman, R-Wasilla; DeLena Johnson, R-Palmer; Jennifer Johnston, R-Anchorage; Gary Knopp, R-Soldotna; Chuck Kopp, R-Anchorage; George Rauscher, R-Sutton; and, Colleen Sullivan-Leonard, R-Wasilla.

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For more information, contact Press Secretary Jeremiah Campbell at 907-269-0057.

**ALASKA STATE HOUSE REPUBLICANS COMMITTEE ASSIGNMENTS
2017-2018**

MINORITY LEADER: MILLETT	MINORITY WHIP: CHENAULT	MINORITY FINANCE LEADER: PRUITT		
	MINORITY FLOOR LEADER: SADDLER			
STANDING COMMITTEES				
COMMITTEE ON COMMITTEES	RULES	FINANCE	COMMUNITY & REGIONAL AFFAIRS	EDUCATION
MILLETT	CHENAULT	PRUITT	TALERICO	TALERICO
CHENAULT	REINBOLD	THOMPSON	D. JOHNSON	J. JOHNSTON
	EASTMAN	WILSON	RAUSCHER	C. KOPP
		TILTON		
H&SS	JUDICIARY	LABOR & COMMERCE	RESOURCES	STATE AFFAIRS
EASTMAN	EASTMAN	G. KNOPP	TALERICO	G. KNOPP
J. JOHNSTON	C. KOPP	BIRCH	RAUSCHER	BIRCH
SULLIVAN-LEONARD	REINBOLD	SULLIVAN-LEONARD	BIRCH	D. JOHNSON
			D. JOHNSON	

**ALASKA STATE HOUSE REPUBLICANS COMMITTEE ASSIGNMENTS
2017-2018**

	SPECIAL COMMITTEES			
TRANSPORTATION	ECONOMIC DEVELOPMENT, TOURISM & ARCTIC POLICY	ENERGY	FISHERIES	MILITARY & VETERANS AFFAIRS
NEUMAN	NEUMAN	J. JOHNSTON	EASTMAN	SADDLER
C. KOPP	G. KNOPP	D. JOHNSON	NEUMAN	REINBOLD
SULLIVAN-LEONARD	TALERICO	RAUSCHER	CHENAULT	RAUSCHER
JOINT COMMITTEES				
LEGISLATIVE COUNCIL	LEGISLATIVE BUDGET & AUDIT	ETHICS	JOINT ARMED SERVICES	REGULATION REVIEW
MILLETT	J. JOHNSTON	EASTMAN	REINBOLD	NEUMAN
EASTMAN alt.	REINBOLD alt.			

Mayor
Alice Ruby

Manager
Rose Loera



Dillingham City Council
Tracy Hightower
Chris Maines
Misty Savo
Curt Armstrong
Andy Anderson
Paul Liedberg

MEMORANDUM

Date: November 29, 2016
To: Rose Loera, City Manager
From: Janice Williams, City Clerk
Subject: Monthly Staff Report

Board of Equalization - Law Suit Pending with Knik Construction

As noted earlier, the BOE at their August 31, 2016 meeting, heard and ruled on Knik's request to file a late filed appeal based on their claim they did not receive a personal property assessment. The board found that: 1) the City mailed a notice of assessment in accordance with its code, and 2) Knik did not demonstrate a compelling reason or circumstance that was beyond a property owner's control and which would prevent a reasonable person under the same circumstance from filing a timely appeal.

Knik Construction has since appealed the decision of the Board to the Superior Court. The BOE only ruled on whether or not to accept the late filed appeal. This is step one. Had they accepted the appeal, the BOE would then rule on the reason the property owner is requesting a change in the value.

The record on appeal has been received by the court. Knik's brief on appeal is due by December 21. The City's brief is due 30 days later, and Knik then has another 20 days to file a reply brief. Either party can request an oral argument. The judge then has up to six months to issue a decision on the appeal, though it's unlikely to take that long.

STANDING ITEM(S):

Liquor & Marijuana License Renewals/Transfers/New Licenses.

Indicate any licenses due to expire.

Four businesses are up for a renewal by December 31, 2016. To date we have not received any renewals from the Alcohol Beverage Control Board, however the licensees have until December 31 to apply, or risk a stiff penalty if filed after December 31.

Sea Inn
Windmill Grille
Olsen's Liquor Store
The Rack

During the two year period that the license is in effect, state statute allows the local governing body to protest the continued operation of a license during the second year of the biennial license period. This may be done by sending both the Alcohol Beverage and Control Board and the licensee a protest and the reasons for the protest by January 31 of the second year of the license. The procedures for action on a protest of continued operation of a license are the same as the procedures for action on a protest of a renewal application.

Commission/Board Seats Vacant.

Planning Commission (seven community members). There are no letters of interest on file.

- There are two seats open. There are **no** letters of interest on file.

Senior Advisory Commission (seven community members, and one council member)

- There is one seat open. There are **no** letters of interest on file.

Library Advisory Board (seven members, of which one is a rep from the university and one a rep from the Dillingham/Middle School).

- There is one seat open. There are **no** letters of interest on file.

Territorial School Committee

- There are two seats open for a community member to fill each. There is **one** letter of interest on file.

Helpful Tips

Voting

- Four affirmative votes are required for the passage of an ordinance, resolution, or motion.
- The mayor is not a council member and may vote only in the case of a tie.
- The mayor pro tempore shall exercise all the powers of the chair during temporary absences or disabilities of the mayor and may also vote.

City of Dillingham
 Revenues and Expenditures As of
 Unaudited Figures

September 30, 2016

UnAudited

September 30, 2015

	Budget - FY17	MTD	YTD	Percent	YTD	INC/(DEC)
REVENUES:						
<u>General Fund Revenues</u>						
General Sales Tax	\$ 2,700,000	\$ 301,692	\$ 566,590	21%	\$ 563,755	\$ 2,835
Alcohol Sales Tax	300,000	58,736	59,093	20%	40,028	19,065
Transient Lodging Sales Tax	85,000	15,915	19,419	23%	20,668	(1,249)
Gaming Sales Tax	70,000	20,499	2,493	4%	5,803	(3,310)
Total Sales Tax	3,155,000	396,842	647,594		630,254	17,340
Real Property Tax	1,600,000	-	1,702,044	106%	1,685,101	16,943
Personal Property Tax	550,000	-	572,790	104%	604,442	(31,652)
Total Property Taxes	2,150,000	-	2,274,833	106%	2,289,543	(14,710)
Telephone Gross Receipts State Tax	80,000	-	-	0%	-	-
Raw Fish Tax	350,000	-	-	0%	-	-
Shared Fisheries	20,000	-	-	0%	-	-
Revenue Sharing	132,764	-	132,833	100%	201,764	(68,931)
Payment in Lieu of Taxes (PILT)	430,000	-	446,018	104%	408,982	37,036
State Jail Contract	527,000	131,713	131,713	25%	-	131,713
Admin Overhead	383,145	154,982	154,848	40%	-	154,848
PERS on Behalf	127,213	14,191	35,023	28%	89,110	(54,087)
Other Revenues	388,376	26,713	151,591	39%	73,088	78,503
Total	2,438,498	327,598	1,052,026	43%	772,944	279,082
Total General Fund Revenues	\$ 7,743,498	\$ 724,440	\$ 3,974,453	51%	\$ 3,692,741	\$ 281,712
al Special Revenue Funds Revenues & Transfers	\$ 2,612,327	\$ 852,160	\$ 4,826,614	33%	\$ 242,956	
\$ 10,355,825				47%	\$ 3,935,697	
<u>Special Revenue Funds Revenues & Transfers</u>						
Nushagak Fish Tax	-	-	-	-	-	-
Water	182,951	15,472	49,834	27%	58,319	(8,485)
Sewer	329,146	28,017	85,378	26%	48,375	37,003
Landfill	764,029	196,490	230,987	30%	41,148	189,839
Dock	653,900	178,717	277,635	42%	15,272	262,363
Dock Insurance Payment	-	-	-	-	-	-
Boat Harbor	203,317	9,650	68,089	33%	42,435	25,654
Asset Forfeiture Fund	-	-	-	-	-	-
E-911 Service	86,760	6,602	19,139	22%	17,989	1,150
Library Grants	102,543	14,933	28,575	28%	6,913	21,662
Senior Center (Grant)	134,459	1,151	32,181	2.4%	-	32,181
Senior Center (Non-Grant)	155,222	50,234	60,343	39%	12,505	47,838
al Special Revenue Funds Revenues & Transfers	\$ 2,612,327	\$ 501,265	\$ 852,160	33%	\$ 242,956	\$ 609,204
Fisheries Infrastructure	-	-	-	-	-	-
Borough Study Fund	-	-	-	-	-	-
Mary Carlson Estate Permanent Fund Revenue	3,000	-	194	6%	(234)	428
Ambulance Reserve Capital Project Fund Revenue	60,500	-	-	#DIV/0!	-	-
Equipment Replacement Capital Project Fund	-	-	-	#DIV/0!	-	-
School Bond Project	-	-	-	#DIV/0!	1	(1)
Public Safety Planning	-	-	-	#DIV/0!	-	-
Debt Service Fund Revenue	1,176,340	240,670	240,670	20%	-	240,670
Landfill Closure Fund	-	-	-	-	-	-
Total Capital Project Revenues & Transfers	\$ 1,239,840	\$ 240,670	\$ 240,864	19%	\$ (233)	\$ 241,097

Total Revenues & Transfers

\$ 11,595,665 \$ 1,466,374 \$ 5,067,478 44% \$ 3,935,464 \$ 1,132,014

City of Dillingham
Revenues and Expenditures As of September 30, 2016
Unaudited Figures

	September 30, 2016			September 30, 2015	
	Budget - FY17	MTD	YTD	Actual	INC/(DEC)
EXPENDITURES:					
General Fund Expenditures					
City Council	\$ 52,750	\$ 6,610	\$ 16,577	\$ 9,886	\$ 6,691
City Clerk	130,571	8,733	31,433	35,437	(4,004)
Administration	312,893	18,484	65,608	89,945	(24,337)
Finance	604,540	42,848	131,931	176,348	(44,417)
Legal	62,000	181	13,986	8,373	5,613
Insurance	166,000	59,821	68,113	5,000	63,113
Non-Departmental	174,644	9,824	46,824	57,722	(10,898)
Planning	142,870	9,658	27,441	2,878	24,563
Foreclosures	5,000	-	2,709	64,871	(62,163)
Meeting Hall above Fire Station	3,000	244	538	480	58
Public Safety Administration	166,237	9,299	31,366	39,674	(8,308)
Dispatch	469,091	29,953	114,419	123,026	(8,607)
Patrol	815,416	51,859	167,468	180,217	(12,749)
Corrections	616,647	36,773	135,011	155,572	(20,561)
DMV	42,525	2,751	9,771	11,537	(1,766)
Animal Control Officer	93,207	6,436	21,430	29,097	(7,667)
PS IT	-	(1,979)	-	3,429	(3,429)
Fire	232,018	17,053	51,294	41,221	10,073
Public Works Administration	162,023	10,135	37,659	34,325	3,334
Building and Grounds	325,450	17,668	61,417	61,965	(548)
Shop	383,932	17,112	59,793	113,985	(54,192)
Street	461,243	30,183	209,398	139,156	70,242
Library	104,194	3,798	24,111	25,360	(1,249)
City School	1,300,000	325,000	650,000	650,000	-
Transfers to Other Funds	1,134,305	474,145	474,145	-	474,145
Total General Fund Expenditures	\$ 7,960,556	\$ 1,186,570	\$ 2,452,442	\$ 2,059,504	\$ 392,938
Special Revenue Funds Expenditures					
Nushagak Fish Tax	-	-	-	-	-
Water	241,991	16,852	44,483	187,514	(143,031)
Sewer	266,290	143,815	170,362	72,195	98,167
Landfill	764,029	88,461	232,841	188,582	44,259
Dock	691,009	216,765	328,102	116,561	211,541
Dock (ATD Damages)	-	-	-	-	-
Boat Harbor	199,317	23,156	58,275	70,871	(12,596)
Asset Forfeiture Fund	-	-	-	-	-
E-911 Service	49,026	-	-	-	-
Library Grants	102,543	8,177	17,633	33,491	(15,858)
Senior Center (Grant)	134,459	18,152	37,744	37,520	224
Senior Center (Non-Grant)	155,222	20,551	35,432	23,301	12,131
Total Special Revenue Fund Expenditures	\$ 2,603,886	\$ 535,930	\$ 924,871	\$ 730,035	\$ 194,836
	10,564,442	1,722,500	3,377,313	2,789,539	
Fisheries Infrastructure Fund	-	-	-	-	-
Borough Study	-	-	2,343	349	1,994
Mary Carlson Estate Permanent Fund	7,000	839	-	620	(620)
Ambulance Reserve Capital Project Fund	279,000	-	-	52,854	(46,195)
Equipment Replacement Capital Project Fund	70,100	997	6,659	-	-
School Bond Project	-	-	-	-	-

Public Safety Planning	-	-	-	-	-	-	-	-
Debt Service Fund	-	-	-	-	-	-	-	-
Landfill Closure Fund	1,176,340	240,670	\$ 240,670	\$ 240,670	20%	257,295	(16,625)	-
Total Capital Project Funds Expenditures	\$ 1,532,440	\$ 242,506	\$ 249,671	\$ 249,671	16%	\$ 311,118	\$ (61,447)	-
Total All Expenditures	\$ 12,096,882	\$ 1,965,005	\$ 3,626,985	\$ 3,626,985	30%	\$ 3,100,657	\$ 526,328	-
Revenues Over (Under) Expenditures	\$ (501,217)	\$ (498,631)	\$ 1,440,493	\$ 1,440,493		\$ 834,807	\$ 605,686	-

City of Dillingham
 Revenues and Expenditures As of September 30, 2016
 Preliminary Figures - Unaudited

	<u>Fund Bal.</u> <u>6/30/2016</u> <u>UnAudited</u>	<u>FY'16</u> <u>Revenues</u>	<u>FY'16</u> <u>Expenditures</u>	<u>Add or (-)</u> <u>Fund Bal</u>	<u>Fund Bal.</u> <u>9/30/2016</u> <u>Unaudited</u>
General Fund	\$ 3,613,827	\$ 3,974,453	\$ 2,452,442	\$ 1,522,011	\$ 5,135,838
Nushagak Fish Tax	301,838	-	-	-	301,838
Fisheries Infrastructure Fund	67,480	-	-	-	67,480
Borough Study	37,442	-	-	-	37,442
Water & Sewer	127,463	135,212	214,844	(79,633)	47,830
Landfill	3,509	230,987	232,841	(1,854)	1,655
Dock	994,849	277,635	328,102	(50,467)	944,382
Boat Harbor	62,335	68,089	58,275	9,814	72,149
Asset Forfeitures Fund	4,113	-	-	-	4,113
E-911 Service	217,405	19,139	0	19,139	236,544
Library Grants (Books, Erate, etc.)	836	28,575	17,633	10,942	11,778
Senior Center	(7,568)	92,525	73,176	19,348	11,780
Mary Carlson Estate Permanent Fund	385,584	194	2,343	(2,148)	383,436
Ambulance Reserve Capital Project Fund	614,007	-	-	-	614,007
Equipment Replacement Capital Project Fund	151,651	-	6,659	(6,659)	144,992
School Bond Project Capital Project Fund	(2,653)	-	-	-	(2,653)
Public Safety Planning	31,826	-	-	-	31,826
Debt Service	-	240,670	240,670	-	-
Landfill Closure Fund	172,044	-	-	-	172,044
Other	(155,469)	-	-	-	(155,469)
Total	\$ 6,620,518	\$ 5,067,478	\$ 3,626,985	\$ 1,440,493	\$ 8,061,012

Mayor
Alice Ruby

Manager
Rose Loera



Dillingham City Council
Tracy Hightower
Chris Maines
Misty Savo
Curt Armstrong
Andy Anderson
Paul Liedberg

MEMORANDUM

Date: November 29, 2016
To: Rose Loera, City Manager
From: Sonja Marx, Librarian
Subject: November Monthly Report

During the Library Advisory Board meeting, we discussed the recent change in the Library hours. It was unanimously agreed to accommodate the needs of the patrons and revise the hours, again. The School Librarian will be there daily during the week starting at 11 am to meet the needs of the staff & students; however, the Library will not be open to the public until 12 noon on Mondays, Tuesdays, & Thursdays and 3 pm on Fridays. It was advised to stay open until 5 pm on those days for after school students.

Also, the families and volunteers who help with Story Time desired an earlier hour for the children, so we will resume our original time on Wednesdays from 10 am to 6 pm with Story Time starting at 10:30 am. Two outside groups come to facilitate this program: The Child Advocacy Center from BBAHC on the first Wednesday of every month and the Togiak National Wildlife Refuge on the second Wednesday. On Fridays, the Library will be open from 3 to 6 pm with the weekly movie starting at 4 pm. The Library will be open after 5 pm twice a week for those patrons who work until 5 pm during the weekdays so they can come in after they get off work. Our Saturday hours will remain the same. Here is the revised and hopefully final schedule:

Monday, Tuesday, and Thursday	12 noon to 5 pm
Wednesday	10 am to 6 pm (with Story Time starting at 10:30 am)
Friday	3 pm to 6 pm (movie starting at 4 pm)
Saturday	10 am to 2 pm

The DCSD recommended Brittany Hibbard to fill Seat F on the Library Advisory Board as their representative. Please see the attached letter from the school.

Library Stat report for October 24th – November 26th, 2016:

Patron Visits: 2,245 Computer Use: 652 Wireless Use: 300
Story Hour: 43 Other Visits (including students): 269 Museum Use: 27
Movies Shown: 3 AWE Station Use: 22 Volunteer hours logged: 5.5

Next LAB meeting is scheduled for January 17, 2017 at 5:30 pm at the Library
Library will be closed Monday, December 26th for Christmas Day

Our Vision. To have an infrastructure and city workforce that supports a sustainable, diversified and growing economy. We will partner with others to achieve economic development and other common goals that assure a high quality of living, and excellence in education.

Mayor
Alice Ruby

Manager
Rose Loera



Dillingham City Council
Chris Maines
Misty Savo
Curt Armstrong
Andy Anderson
Paul Liedberg
Tracy Hightower

MEMORANDUM

Date: 11-23-16
To: Rose Loera / City manager
From: Jean Barrett / Port Director
Subject: November Monthly report

November was supposed to be a quiet month for me! So much for that.

- We came so very close to closing the dock on time this season. Dean, however, did have to stay into the first week of November waiting on a fuel barge to finish delivering so he could get the billing to the finance department.
- The bid opening for repair on the all tide dock was pushed back until November 17th. We made arrangements to have the bid opening at PN&D in Anchorage. I was able to sit in on the opening along with two of the four contractors and one on the phone. The only one who wasn't present in any way was the company that was the low bidder!

The bids came in about where we expected them to except for the portion that covered the installation of the two dolphin piling, which came in high. PN&D will be talking to the contractor and see if maybe they could come down to where we could afford both of the piling or if we needed to eliminate one of the piling and go with a tire curtain or possibly additional bumper piling around the downriver corner. Waiting to hear from PN&D.

- Over the week of November 14th thru the 18th I was fortunate to be involved with a part of city/state government that I had never had the opportunity to attend. I participated in the Alaska Municipal League Conference as a representative of the Alaska Association of Harbormasters and Port Administrators and of course the City of Dillingham.

The AAHPA has a booth at this conference and I fortunately was able to make time to man it this year. I not only manned the booth where I was able to talk to many people from rural Alaska where I was able to answer questions about setting up harbors and tariffs, but I had the chance to speak to the board and

body of the AML about four resolutions that the AAHPA had asked the AML for support. It was a very good experience for me!

- I have been working on my deposition for the local boundary commission (LBC). I feel very strongly about this subject and hope that my testimony this coming week has a positive impact on the board and helps them find that the money that the City of Dillingham could potentially collect from a raw fish tax would help us with all phases of our infrastructure and capital improvement projects.

That is my view from the Port Department

Jean

Next Port of Dillingham advisory board meeting is scheduled for early February 2017.

Mayor
Alice Ruby

Manager
Rose Loera



Dillingham City Council
Andy Anderson
Curt Armstrong
Tracy Hightower
Paul Leidberg
Chris Maines
Misty Savo

MEMORANDUM

Date: November 29, 2016
To: City Manager Rose Loera
From: Chief Dan Pasquariello
Subject: **Public Safety November 2016 report**

Reporting dates 10-25-16 to 11-28-16

Police:

- ❖ 380 Calls for service
- ❖ 20 Persons arrested
- ❖ 12 Title 47/Protective custody
- ❖ 10 Citations issued
- ❖ 46 Incident report

Approximately 1 out of 10 calls for police service require an incident report to be completed by officers. A partial breakdown of our incident reports is as follows:

Assault/Disorderly Conduct	12
Theft	6
Vehicle accidents	5
Trespass	4
Sexual assault	3
Burglary	3
Criminal mischief	2
Violation release conditions	2
Suicide attempts	2
Drug offense	1
DUI	1
Minor Consuming	1
Vehicle pursuit	1

We, along with AST, were involved in a long vehicle pursuit, in which the driver lead police and troopers to Aleknagik twice. The pursuit ended with collisions with two AST vehicles, and a trooper shooting after the driver tried to run him over with her vehicle. No one was injured in the incident. The three DPD officers, and the dispatcher, involved in the pursuit conducted themselves in professional manner.

In early December all officers will attend a cold water survival training. This training will be at BBNA and is part of the VPSOs regional training.

Corrections:

- ❖ 31 Total Inmates
- ❖ 12 Title 47/Protective custody

We have again started up church services for jail inmates, holding services twice a week. Clergy from several denominations have been participating.

Dispatch:

- ❖ 447 Calls for service
- ❖ 85% Dispatched to Dillingham Police
- ❖ 4% Dispatched to Alaska State Troopers
- ❖ 8% Dispatched to EMS/Fire
- ❖ 3% Dispatched to Animal Control
- ❖ 175 911 calls received

Animal Control:

- ❖ 7 Animals impounded
- ❖ 5 Dogs/cats returned to owners
- ❖ 1 Compassionate euthanasia
- ❖ 2 Dead animal removals
- ❖ 9 Rabies shots given

DMV:

- ❖ 63 Registrations/Titles
- ❖ 97 Driver's License/IDs
- ❖ 2 CDLs
- ❖ 15 Road tests
- ❖ 34 Written tests

Mayor
Alice Ruby

Manager
Rose Loera



Dillingham City Council
Tracy Hightower
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Andy Anderson
Paul Liedberg

MEMORANDUM

Date: November 29, 2016
To: Rose Loera, City Manager
From: Ken Morton, Public Works Director
Subject: Monthly Staff Report

Streets:

- Worked with Shop to prep equipment for winter operation.
- Plowed / graded / sanded roads.
- Hauled freight from Dock, assembled trash bins for Landfill.
- Improved drainage and graded lot at the Harbor.
- Installed chain link fencing at lagoon (previously removed for the septage receiving station work).
- Moved van to improve intersection sight distance at Safe's request and with the owner's permission.
- Finished placing riprap below Snag Point sheet pile wall to reduce scour at the two highest priority sections identified by the Corp of Engineers. Placement at about half the density recommended by the Corp.



Shop:

- Installed winter tires on City equipment / vehicles.
- Prepared graders, loaders, sander, and snow blower for winter operation.
- W/S truck: installed new power steering pump.
- Pumper truck: repaired oil tank leak.
- Serviced Volvo loader, Landfill loader, ambulance, 580 backhoe.
- Started the installation of a replacement pump motor at Water Treatment Plant.
- Assisted with new well test pump operation & waterline repair at HUD, pilot car operations & started construction of new weir for lagoon discharge flow measurement.

Buildings & Grounds:

- Daily rounds / seasonal adjustments continuing at all facilities.
- Reset heating system at Harbor / Animal Control facility (fuel oil tank ran dry).
- Finished installation of overhead door spring assembly at large Dock warehouse.
- Repaired scissor lift.
- Replaced Shop outside lights.
- Regular adjustments to shop waste oil filtering / heating system.
- Constructed new access to mezzanine at Public Safety Building for improved to access to communication gear.
- Dock Lift Station: supported backup generator testing with contractor
- Furnace repairs at the Lake Road Fire Station
- Started / adjusted Incinerator boiler to help prevent ash trough water from freezing.
- Installed viewing screen brackets in Council Chambers
- Monthly tests of the three backup generation systems passed – as well as a “real world” test associated with a Nushagak planned power outage.
- Well pump house by hockey rink thawed out & valve replaced.

Water / Sewer:

- November fecal coliform test levels increasing but still under discharge authorization limits. This is consistent with the historical pattern for this time of year. The historical trend suggests that fecal coliform values will exceed authorized discharge values in the near term.
- Lil' Larry / HUD lift station starter control system failed four times requiring pumper truck assistance.
- Smalls Lift Station pumper truck visit needed. Pump pulled, cleaned & restored to service.
- Repaired waterline leak at HUD - crew had to depressurize the water system east and north of Central Ave & East D St. for about a half hour.
- 9 of 10 Lead / Copper water samples delivered to the lab in Anchorage (much thanks to City Hall for identifying dates of service connection to the City water system). Last sample to be routed to lab this week.
- Engaged on the biennial update to the Vulnerability Assessment & Emergency Response Plan for the community water system – which must be completed by the end of the year.
- Working to clear a blocked sewer main / service on W. 1st Ave.

Landfill:

- Declined Delta Western's request to bring low-level contaminated soil to the landfill.
- Started process of removing refrigerant from scrapped refrigerator/freezer systems with Curyung's assistance.
- Opened the cell expansion area for tree harvesting / firewood. Wood cutting operations have been slow to date.
- Placed new trash bins with lowerable lids (delivered with the last barge) into operation.
- Received one responsive proposal for the ADEC Minor Air Quality Permit Assistance RFP – Bristol Engineering.

Admin:

- Fleet mechanic position filled by Kevin Johnson.
- Received two weeks' notice from Water / Sewer Operator & recruitment efforts underway.

Projects:**Smalls Lift Station**

- Tom Mueller awarded contract to rebuilt lift station & work progressing.

Dock Lift Station

- No change since last report: Project is substantially complete. Waiting delivery / installation of control system to closeout project.

2016 Lift Station Repairs Project

- No change since last report: Elite Mechanical advised that they will start work this week. Worth noting that they've made this claim three times previously.

New Water Source - Well Drilling

- Alaska West drilled & test pumped a new well located between the basketball court and the playground at the old airstrip and found a continuous aquifer between 140' and 198' (which was the contractual drilling depth limit, total aquifer depth unknown). Water level rose in the well casing to about 60' from ground level. Well test pumped at 150 gpm for four hours with 7' of drawdown. Well has sufficient capacity to meet current shortfall. Water samples taken to evaluate water quality and are with the lab.

Sewer Lagoon –

- CRW provided recommendations on a replacement blower system. Costs likely to exceed \$20k therefore anticipate pursuing the RFP process.
- Weir concept for measuring lagoon discharge proceeding: CRW preparing ADEC submittal package and researching ultrasonic flow measurement system; Shop building weir for installation in existing lagoon effluent manhole.

Mayor
Alice Ruby

Manager
Rose Loera



Dillingham City Council
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Paul Liedberg

MEMORANDUM

Date: November 21, 2016
To: Rose Loera
From: Ida Noonkesser
Subject: Staff Report

During the month of October, the Senior Center served 475 congregate meals to 63 individuals, 437 home delivered meals to 24 individuals, gave 354 assisted rides to 22 individuals and 275 unassisted rides to 37 individuals.

Other than our usual groups, we had four individual renters in the month of October for special events. One of our usual renters, the Pinochle player's group continues to use the dining room every Friday.

The month October was a slow month. Mary Kapatok and Isaak Wood helped elders with paper work. We are talking about activities we might hold to give elders more to do.

I have enjoyed working with the MAP school kids helping out in the kitchen and cleaning around the Senior Center.

Aleta Evans has been a great help too. She is the cook for Maurluut Eniit and we are providing lunch meals for them. She helps out with what needs to be done, and she delivers their lunches. It has been working well having more help around the kitchen. Mary Kapatok and Isaac Wood from ADRC also help when they are not busy.

Advisory Board Seat A is still available. If anyone knows a person who is interested, ask them to please submit a letter to Mayor Alice Ruby and Janice Williams.

Our next Advisory Board meeting is scheduled for December 7th.

1. CALL TO ORDER

The Finance and Budget Committee met on Monday, November 14, 2016, in the City Council Chambers, Dillingham, AK. Paul Liedberg, Chair, called the meeting to order at 5:37 p.m.

2. ROLL CALL

Committee Members present:

Paul Liedberg Mayor Alice Ruby Curt Armstrong Rose Loera
Andy Anderson (arrived 5:41 PM) Navin Bissram

Staff present: Janice Williams

3. APPROVAL OF MINUTES

- a. Minutes of October 24, 2016

MOTION: Mayor Ruby moved and Rose Loera seconded the motion to approve the minutes of October 24, 2016.

VOTE: The motion passed by unanimous consent.

4. APPROVAL OF AGENDA

MOTION: Mayor Ruby moved and Rose Loera seconded the motion to approve the agenda.

VOTE: The motion passed by unanimous consent.

5. STAFF REPORTS

- a. September Financial Statements

Navin Bissram reviewed the September financials. The statements will be included in the December Council packet.

- b. Insurance Coverages

Rose Loera reported AML staff was in Dillingham reviewing properties:

- In some cases the content of the buildings had not been included in the policy;
- Will provide a set value instead of replacement value for the uninsured harbor buildings that the City acquired through foreclosure;
- Requested a cost to insure the sheet piling, outfall line, and the lagoon.

Navin reported he had been approached by an agent from Alaska Public Entity Insurance Company (APEI) which provides broad insurance coverage to municipalities and school

districts in Alaska. They offered a quote \$100,000 less than current premiums with AML (a difference of \$250K and \$350K). AML came back with an offer of a 10% discount if the city signed a renewal by the end of 2016, followed by a 5% discount in the next two years.

Follow-up:

- Provide a list of APEI's company references;

Navin reported health, life and dental premiums for calendar year 2017 showed a slight increase of .5% for medical, 4% for dental, and 0% for life insurance.

Follow-up:

- Provide a breakdown of existing employee contributions toward health care coverage;
 - Review the union contracts re: health benefits; and
 - Provide analysis of higher available deductibles on the Health Reimbursement Arrangement (HRA) for potential savings by lowering premiums.
- c. Review a Sales Tax on Alcohol Shipped to Dillingham

Follow-up:

- Research language that would require outside vendors to collect and remit the City's 6% sales tax on purchases made by Dillingham customers.

6. UNFINISHED BUSINESS

- a. Update - Sales Tax Exemption
- 1) Revised Sales Tax Exemption Application & Certificate

Rose Loera reported working with staff and the city's attorney, the revised sales tax exemption list reflected only those that fell in the categories identified in code, which were religious, government and charitable. It would be staff's recommendation to report the City's findings to all of the entities that had been receiving a sales tax exemption on goods purchased in Dillingham.

Discussion:

- Noted staff had referred to the IRS's website to determine which organizations were classified as a charitable organization;
- Commented for sales tax purposes, would recommend applying an exemption to those non-profit organizations that qualify for an IRS tax exempt certificate, and treat property taxes to apply only on the property used for tax exempt purposes;
- Recommended revisiting the city's code that referred to those limited categories, charitable, religious and government, and recognize other non-profit types; and
- Noted the code didn't mention tribes, and although they have been recognized by the city in the past as government entities, it should be clarified in the code.

Follow-up:

- Recommended leaving this on the agenda and provide updated information, such as responses from the affected organizations.

2) Sales Tax Exemption Revenues Below \$10,000

Rose Loera reported when the tax changes had been codified, it had also been recommended to review again in a couple of years. This review has been assigned to the Code Review Committee's task list.

Follow-up:

- Provide a copy of Adam Kane's report at the next meeting that advocated a change in the sales tax code for produce, etc. harvested in the Bristol Bay region.
- b. Report on Sales Tax Collected and Submitted by Outside Vendors on Purchases Shipped into Dillingham

Follow-up:

- Will review the city's code to see if outside vendors are required to collect and remit the City's sales tax.
- c. Review a City Assessed Credit Card Transaction Fee

Navin reported this would have to be thoroughly researched to determine the effect on those using the service, noting taxpayers would most likely not be in favor of incurring any additional costs.

Follow-up:

- Research accepting credit card payments online through the City's website or contracting with a firm, such as Wells Fargo that could provide that service, and a recommendation for a transaction fee.
- d. Update – Evaluation of Declining Sales Tax Revenues
 - 1) Compare State Issued COD Business Licenses to City Issued Business Licenses

Navin Bissram noted this was still in progress, and would hope to have a report by the next meeting.

- e. Recommend Resolution No. 2016-XX Accounts Written Off

MOTION: Mayor Ruby moved and Andy Anderson seconded the motion to recommend the resolution to the Council as presented.

VOTE: The motion passed unanimously by voice vote.

- f. Update - ANTHC Reimbursement for Lift Station Project

Rose Loera reported ANTHC would only reimburse expenses once the lagoon was brought into compliance.

- g. Report on Full and True Value for 2016 (*December*)

Navin Bissram commented a report would be presented at the December meeting.

- h. Review Landfill Fees

There was nothing to report at this time.

- i. Review Ambulance Fees

There was nothing to report at this time, but working on the December meeting.

- j. Review Tobacco Tax

Mayor Ruby noted in lieu of a higher sales tax on tobacco products, the Council could approve an excise tax. She used the example where a local store would add an excise tax to the price of the cigarettes, plus assess a 6% sales tax, and submit both to the City.

Follow-up:

- Contact the City's attorney to evaluate implementing an excise tax on tobacco products.

7. NEW BUSINESS

- a. Strategize a Review of FY17 Budget
 - 1) Mid-Year Budget Amendment (*February*)

Rose Loera commented a mid-year budget amendment would be brought forward in February, and as it stood now the City was looking at a \$700,000 deficit for year-end FY17.

Follow-up:

- Begin a review of each department at the next Finance meeting (December 12), and then look to hold a workshop with the full Council in January, and brainstorm ideas to decrease the deficit.

- 2) Discuss FY18 Budget

Manager Loera referred to the FY17 schedule which will be edited for FY18.

8. PUBLIC/COMMITTEE COMMENT(S)

There were no public/committee comments.

9. ADJOURNMENT

The meeting adjourned at 7:49 p.m.

Paul Liedberg, Chair

ATTEST:

Janice Williams, City Clerk

Approved: _____

DRAFT

CITY OF DILLINGHAM, ALASKA

ORDINANCE NO. 2016-12 (SUB-1)

AN ORDINANCE OF THE DILLINGHAM CITY COUNCIL AUTHORIZING CITY-OWNED PROPERTIES FAIRVIEW LOTS 23B AND 23C TO BE SOLD TO MANUEL AND KAREN BRITO

WHEREAS, in 2006-2011 Real Property Tax Foreclosure, 3DI-13-00107 CI, the court issued its judgment of foreclosure and decree on multiple parcels of real property and those properties have not been redeemed; and

WHEREAS, the City became the owner of the properties by operation of law upon the expiration of the redemption period;

WHEREAS, the Court issued Clerk’s deeds to the City on July 21, 2015, affirming that the City holds title to all the properties on the foreclosure list; and

WHEREAS, the City may sell properties obtained through foreclosure if the properties are not needed for a public purpose; and

WHEREAS, the City Council has determined that the properties listed below are not needed for a public purpose and should be sold on terms consistent with those set forth below; and

WHEREAS, the properties to be sold were obtained by foreclosure within five years of the date of this ordinance and, pursuant to DMC 5.30.110, the sale of the properties is therefore exempt from the requirements on DMC 5.30.020 and 5.30.030; and

WHEREAS, DMC 5.30.040.C authorizes the City to dispose of a property by negotiated sale to a buyer if the city council determines that the sale or exchange is needed to protect or promote the public interest and the buyer or grantee has been selected without unfair discrimination among similarly situated persons; and

WHEREAS, the City Council hereby finds that disposal of the properties listed below to the adjoining lot owner will further the public purpose of returning the properties to private ownership and allowing the properties to be returned to the municipal real property tax roll; and

WHEREAS, at least one of the parcels included in the sale has long been in a state of disrepair, and the City Council believes the public interest is promoted by selling the property to the adjoining lot owners, Karen and Manuel Brito, in part because as the adjoining lot owners, they can be expected to exercise a higher degree of care in maintaining the property so as not to allow it to be a blight or nuisance in the community; and

WHEREAS, at least one of the parcels included in the sale is believed to include utility connections that serve the adjoining lot owner; and

WHEREAS, the adjoining lot owners may have a valid equitable claim to these utility connections or other substantial improvements located on the parcel(s); and

WHEREAS, because of the adjoining lot owners' potential equitable interest in the parcel(s), and their proximity to the parcels, there are no other persons similarly situated with regard to the properties included in the sale; and

WHEREAS, the City further finds that the properties are more likely to generate higher sale amount if they are sold together than separately; and

WHEREAS, selling the properties as a single unit will decrease the amount of public funds that must be expended to sell the properties; and

WHEREAS, the City intends to sell the properties for the total sale price of \$37,682, which is approximately equal to the amount the former owner is indebted to the City; and

WHEREAS, the former owner shall have been informed of the potential sale and of his statutory right to apply for remittal of excess sale proceeds, if any, within five days after the first publication of this ordinance; and

WHEREAS, the City Council finds it is in the public interest to sell the properties identified below to Karen and Manuel Brito;

NOW, THEREFORE, BE IT ENACTED BY THE DILLINGHAM CITY COUNCIL:

Section 1. This is a non-code ordinance.

Section 2. Property to be Sold. The City Council hereby finds that the following real property is not necessary for a public purpose and should be sold:

Legal Description	Address or Common Description	Former Owner
Fairview L23B	226 Birch Lane	James Bingman Sr.
Fairview L23C	Undeveloped lot between 226 and 204 Birch Lane	James Bingman Sr.

Section 3. Method of Sale. The properties identified above shall be disposed of by negotiated sale pursuant to terms and conditions required by law and approved by the City Manager.

Section 4. Exemptions. To the extent the terms of this ordinance and/or the disposal authorized herein are not consistent with DMC Chapter 5.30, if any, the disposal is hereby declared to be exempt from that section.

Section 5. Effective Date. This ordinance shall be effective upon adoption.

PASSED and ADOPTED by a duly constituted quorum of the Dillingham City Council on

_____.

Alice Ruby, Mayor

ATTEST:

[SEAL]

Janice Williams, City Clerk

City of Dillingham Information Memorandum

Agenda of: December 8, 2016

Attachment to:

2016-12

Ordinance No. _____ **/ Resolution No.** _____

Subject:

An ordinance of the Dillingham City Council authorizing city-owned properties Fairview Lots 23B and 23C to be sold to Manuel and Karen Brito

City Manager: Recommend Approval

Signature: Rose Doera

Fiscal Note: Yes No

Funds Available: Yes No

Other Attachments:

-An advertisement for a Public Hearing on Ordinance No. 2016-12 is scheduled to appear in the December 1 edition of the Bristol Bay Times as required to be advertised in a local newspaper five days in advance of the public hearing.

Summary Statement:

This ordinance will be scheduled for a public hearing December 8, 2016.

Although, there will be more than 30 days before the public hearing, this ordinance is exempt from the 30-day noticing requirement because DMC 5.30.110 applies to these properties, which specifically exempts this kind of disposal ordinance from DMC 5.30.020 and .030, the latter of which is the 30-day requirement. Normal ordinance rules apply, not the 30-day rule.

Attachment to: 2016-12 / Resolution No. _____
Ordinance No. _____

Summary Statement continued:

Route to	Department Head	Date
X	Finance Director	
X	Planning Director	
X	City Clerk	

ASSISTEDS & LEGALS

RATES: 55 cents per word, minimum \$5.50 per ad.
DEADLINE: 12 noon, Monday, for next publication

100 West International, Suite F • Anchorage, AK 99518 • (907) 770-0820 • Fax: (800) 770-0822 • ads@reportalaska.com



NOTICE OF A PUBLIC HEARING

Ordinance Nos. 2016-12

The City Of Dillingham will hold a **Public Hearing** on Thursday, December 8, 2016, at 7:00 P.M. in the City Council Chambers for the purpose of taking comment from the public on the following ordinance:

- Ordinance No. 2016-12, An Ordinance of the Dillingham City Council Authorizing City-Owned Properties Fairview Lots 23B and 23C to be Sold to Manuel and Karen Brito

If you have any questions, please contact the City Clerk's office at 842-5212 or email cityclerk@dillinghamak.us.

Job
WANTED

Wanted

Executive Board at the 16th Annual Member Meeting. Information should be submitted in being considered should submit a biography by 5: 00 p.m.,
S. Postal Service to:

E-mail: athames@nushagak.coop
Fax: (907) 842-2780

the ballot by obtaining a minimum number of signatures. The petition must be received at the office by 5:00 p.m. on the day of the election and be valid.

at 842-5251.

ring

Welcome to the world, little one!



Baby's Name: Karlee June Krause
Parents: Nicole & Travis Krause
Weight: 5 lb 1 oz
Length: 16.75 inches
Gender: Female
Birth date: November 14, 2016
Time: 10:50

CITY OF DILLINGHAM, ALASKA

RESOLUTION NO. 2016-73

A RESOLUTION OF THE DILLINGHAM CITY COUNCIL APPROVING ESTABLISHING A TIME PERIOD FOR RETAINING AN ACCOUNT THAT HAS BEEN WRITTEN OFF DUE TO BAD DEBT

WHEREAS, the City has written off bad debt in the past for personal property tax, sales tax, harbor/dock invoices, utility invoices, ambulance charges, Title 49s, and other misc. debt; and

WHEREAS, the most recent write-off was March 3, 2016, Resolution No. 2016-13, to write off delinquent receivables for unpaid personal property tax, sales tax, harbor/dock invoices and other misc. debt dated 2008-2014; and

WHEREAS, Resolution No. 2016-13 included language that the Finance Department would remain alert to the changing conditions which may allow the collection of these invoices in the future, and may remain on the denied services list; and

WHEREAS, the Denied Services List is regularly updated and is a way of keeping track of accounts that have been written off; and

WHEREAS, the City of Dillingham's records retention schedule is six years for accounts receivable records related to the payment of financial obligations and receipt of revenues, and includes income from sales and property taxes, utilities, user fees, tariffs, and other revenue generating enterprises;

NOW, THEREFORE, BE IT RESOLVED that:

- 1) The City of Dillingham will maintain a Denied Services List and it will include accounts written off, because the individuals defaulted on their promissory notes, and includes accounts with an arrears balance for a period of six years
- 2) The Finance Department will maintain the supporting documentation and a copy of the online account history for accounts written off for a period of six years;
- 3) The City will exhaust all collection efforts prior to writing off an account due to bad debt passed by Council resolution.

PASSED and ADOPTED by the Dillingham City Council on December 8, 2016.

Alice Ruby, Mayor

ATTEST:

[SEAL]

Janice Williams, City Clerk

City of Dillingham Information Memorandum

Agenda of: December 8, 2016

Attachment to:

Ordinance No. _____ / Resolution No. 2016-73

Subject:

A resolution approving establishing a time period for retaining an account that has been written off due to bad debt

City Manager: Recommend Approval

Signature: Rose Loren

Fiscal Note: Yes No

Funds Available: Yes No

Other Attachments:

Summary Statement:

This resolution is intended to correlate the city's adopted retention schedule with its internal practice of maintaining its denied services list, which prohibits an individual or a business from using city's services such as the harbor and dock without reconciling its bad debt beforehand.

It has been thoroughly vetted through the Finance & Budget Committee and is being recommended to the Council for approval.

Attachment to: _____ / Resolution No. 2016-73
Ordinance No. _____

Summary Statement continued:

Route to	Department Head	Date
X	Finance Director	
X	City Clerk	

CITY OF DILLINGHAM, ALASKA

RESOLUTION NO. 2016-74

A RESOLUTION OF THE DILLINGHAM CITY COUNCIL AUTHORIZING FORECLOSURE PROCEEDINGS ON DELINQUENT PROPERTY TAXES FOR THE YEARS 2010-2015

WHEREAS, AS 29.45.320-330 allows the City of Dillingham to collect unpaid real property taxes through in rem foreclosure proceedings against all real property for which the property tax has not been paid in full; and

WHEREAS, the City's Finance Department has prepared a foreclosure list identifying properties for which the tax has not been paid in accordance with AS 29.45.330;

NOW, THEREFORE, BE IT RESOLVED by the Dillingham City Council that:

1. The City Attorney is hereby authorized to file a foreclosure action against all property identified in the foreclosure list.
2. The City Clerk is hereby directed to certify and publish the foreclosure list and provide notice of the commencement of the foreclosure action in accordance with AS 29.45.330 and DMC Chapter 4.15.

PASSED and ADOPTED by the Dillingham City Council on December 8, 2016.

Alice Ruby, Mayor

ATTEST:

[SEAL]

Janice Williams, City Clerk

City of Dillingham Information Memorandum

Agenda of: December 8, 2016

Attachment to:

Ordinance No. _____ / Resolution No. 2016-74

Subject:

Authorize foreclosure proceedings on delinquent properties for the years 2010-2015

City Manager: Recommend Approval

Signature: Rose Doera

Fiscal Note: Yes No

Funds Available: Yes No

Other Attachments:

- Foreclosure List 2010-2015

Summary Statement:

Annually the City Council shall direct that the City present a petition for judgment and a certified copy of the foreclosure list for the previous year's delinquent taxes in the Superior Court for judgment. Moving through the foreclosure steps can be a very lengthy process. During that time, property owners are encouraged to work with the City to make payment arrangements through a repayment plan if they are financially unable to pay off the debt in a lump sum. The repayment plan allows the owner to pay off their account over a reasonable period of time.

City staff will follow the Standard Operating Procedure for Foreclosure Process. Owners will be notified by mail following approval of this resolution that the city will begin proceedings in the next several months and are encouraged to pay their tax account in full and avoid unnecessary additional costs attributed to the foreclosure process.

Attachment to:
Ordinance No. _____ / Resolution No. 2016-74

Summary Statement continued:

Route to	Department Head	Date
X	Finance Director	
X	City Clerk	

Name	Legal Description	2010	2011	2012	2013	2014	2015	Total
Eku Properties LLC	Braswell B LTR J						9,159.54	9,159.54
George, Earlene	Snag Point B2 L11						312.61	312.61
Moore, Judy	Fairview B L24B						3,763.85	3,763.85
Savo, Jack	USS 2732 B11 L3						1,833.35	1,833.35
Timmerman, Valerie	Snag Point B2 L15		577.73	448.08	1,291.23	1,228.40	1,185.49	4,730.93
Wassily, Steve	Snag Point B1 L2				1,176.81	1,320.94	1,276.10	3,773.85
Andrew, George/Gabriel/Phil	Nerka B L7					304.85	1,245.90	1,550.75
Kroener, Debra	USS 3184 B P3L*						5,047.01	5,047.01
Kase, Ray	Sampson Estates II B L20					1,976.58	1,954.18	3,930.76
Knutson, Amber & Derek	USS 2732 B19 L20					146.24	228.05	374.29
Knutson, Amber & Derek	USS 2732 B19 L21					1,495.04	1,680.82	3,175.86
Libby, John & Cynthia	USS 2732 B2 L5					105.27	101.19	206.46
Libby, John & Cynthia	USS 2732 B2 L6					78.14	75.51	153.65
Libby, John & Cynthia	USS 2732 B7 L1					178.64	172.16	350.80
Libby, John & Cynthia	USS 2732 B7 L2					2,375.18	2,293.95	4,669.13
Libby, John & Cynthia	USS 2732 B7 L6					100.50	98.16	198.66
Libby, John & Cynthia	USS 2732 B7 L7					2,148.89	2,074.99	4,223.88
Noden, Daniel & Mary ann	Snag Point B1 L10						1,142.83	1,142.83
Seybert, Teresa	Nerka B L12						922.40	922.40
Strayley, Andrew	Nerka VII B6 L3					210.67	311.10	521.77
Paradise Alaska Investments	USS 2732 B19 L10A						2,416.29	2,416.29
Estate of Lucy Roehl	Snag Point B1 L9				1,231.15	1,250.72	-	2,481.87
Totals			577.73	448.08	3,699.19	12,920.06	37,295.48	54,940.54

CITY OF DILLINGHAM, ALASKA

RESOLUTION NO. 2016-75

A RESOLUTION OF THE DILLINGHAM CITY COUNCIL ACCEPTING THE SUPPLEMENTARY TAX ASSESSMENT ROLL FOR LATE FILED APPEALS

WHEREAS, the Council adopted Resolution No. 2016-34, on June 2, 2016, which established the rate of levy of tax, the date of equalization of the tax, and the date when the taxes shall become delinquent per DMC 4.15.020; and

WHEREAS, the City has created a supplementary tax assessment roll as allowed by DMC 4.15.150.C. Assessment roll—Changes/supplementary roll, which states such supplementary assessment rolls shall be prepared and certified as may be necessary or expedient; provided, however, that the date taxes are due and delinquent for all properties identified on the supplementary roll shall be the same as for property listed on the original roll; and

WHEREAS, the attached supplementary tax roll is the result of two late filed appeals on personal property for which the Board of Equalization ruled to accept the late filed appeals based on their findings that the the appellants demonstrated a compelling reason or circumstance that was beyond a property owner's control and prevented them from filing a timely appeal;

NOW, THEREFORE, BE IT RESOLVED that the City Council approves the supplementary tax assessment roll as permitted by AS 29.45.220;

PASSED and ADOPTED by the Dillingham City Council on December 8, 2016.

Alice Ruby, Mayor

ATTEST:

[SEAL]

Janice Williams, City Clerk

City of Dillingham Information Memorandum

Agenda of: December 8, 2016

Attachment to:

Ordinance No. _____ / Resolution No. 2016-75

Subject:

A resolution accepting the supplemental tax assessment roll for late filed appeals

City Manager: Recommend Approval

Signature: Rose Doera

Fiscal Note: Yes No

Funds Available: Yes No

Other Attachments:

- Certification of the 2016 Supplemental Tax Assessment Roll

Summary Statement:

The rate of levy, the date of equalization of the tax, and the date when the taxes shall become delinquent must be fixed before June 15 of each year per DMC 4.15.020. After that date, the state allows a city to file a supplemental tax assessment roll for unreported property considered escaped or for accepting a late filed appeal.

The certified tax roll includes the adjustments that were settled by the city's assessor, Jim Canary, of Alaska Assessment Services, during the appeal process, for which a hearing was held by the Board of Equalization on two separate occasions, November 2, and November 11, 2016. The original tax roll is therefore being amended to remove two aircraft valued at \$350,000 each for both 2015 and 2016, and to remove fishing inventory valued at \$40,000 entered in error by the owner.

Attachment to:
Ordinance No. _____ / Resolution No. 2016-75

Summary Statement continued:

Route to	Department Head	Date
X	Finance Director	
	Public Works	
X	City Clerk	



Alice Ruby, **Mayor**

Council Members

- Holly Johnson (Seat A) • Chris Maines (Seat B) • Misty Savo (Seat C)
- Curt Armstrong (Seat D) • Andy Anderson (Seat E) • Paul Liedberg (Seat F)

CERTIFICATION OF 2016 TAX ROLL

I, Rose Loera, City Manager for the City of Dillingham, hereby certify that the 2016 Supplemental Tax Assessment Roll dated November 30, 2016, is complete and reflects the changes approved by the Board of Equalization at the November 2, and November 11, 2016, BOE hearings.

Personal Property Assessment	<u>(\$1,483,758)</u>
Total All	<u>(\$1,483,758)</u>

*Real Property Assessment Values for city, federal, and state government agencies, tribal organizations, non-profits, churches and native allotments, have historically not been included in the certified tax rolls. The City does maintain a property file for some of these exempt properties, but it is not complete.

Rose Loera
 Rose Loera, City Manager

Subscribed and sworn before me on this _____ day of November 30, 2016.

Notary Public in and for the State of Alaska

Janice Williams

My commission expires:



Locally Taxed Property	Locally Taxable Value	Mill Rate	Tax Assessed	Fees		Total Tax	Compare w/ Prior Year	Difference
				Force File	Late			
Real Property								
Real Property Without Exemptions	-	0.013	-			-	-	-
Real Property Exemptions								
Senior Exemptions	-	0.013	-			-	-	-
Disabled Veterans Exemptions	-	0.013	-			-	-	-
<u>Subtotal Senior/Disabled Exemptions</u>	-	0.013	-			-	-	-
HUD 85% Exemptions	-	0.013	-			-	-	-
BBHA two (2) Apt Complexes	-	0.013	-			-	-	-
<u>Subtotal HUD 85% Exemptions</u>	-	0.013	-			-	-	-
Total Exemptions	-	0.013	-			-	-	-
Net Taxable Real Property	-	0.013	-			-	-	-
Personal Property								
Total Business	-	0.013	-			-	-	-
Total Personal	(1,443,758)	0.013	(18,769)			-	-	-
Subtotal Personal Property	(1,443,758)	0.013	(18,769)			-	-	-
Total Combined Property Value	(1,443,758)	0.013	(18,769)			-	-	-

CITY OF DILLINGHAM, ALASKA

RESOLUTION NO. 2016-76

A RESOLUTION OF THE DILLINGHAM CITY COUNCIL AUTHORIZING THE CITY MANAGER TO WAIVE THE ADVERTISING REQUIREMENTS AND ACCEPT COMPETITIVE QUOTATIONS TO PROVIDE A BLOWER SYSTEM FOR THE SEWAGE LAGOON AERATION SYSTEM

WHEREAS, the city received a Notice of Violation (NOV) on February 20, 2013 of terms and conditions of the Alaska Pollutant Discharge Elimination System Permit AKG590018 (in part) by failing to properly maintain systems of treatment and control – specifically that a blower motor was dismantled and out of service; and

WHEREAS, two efforts to correct this have not been successful due, in part, to the obsolescence of the existing 1980's era blower system; and

WHEREAS, the City's consultant, CRW Consulting Engineers, developed specifications for the procurement of a replacement blower system designed to meet the requirements of both the existing lagoon aeration system and an anticipated future aeration system of modern design; and

WHEREAS, Dillingham Municipal Code (DMC) 4.30.130 B. allows waiver of purchasing restrictions if the City Council determines that the public interest would best be served by doing so in a resolution prior to the proposed action; and

WHEREAS, the Public Works Department is soliciting written competitive quotes from three qualified, responsible vendors; and

WHEREAS, the time and expense for the preparation and advertising of formal competitive bids is not expected to yield a lower procurement cost;

NOW, THEREFORE, BE IT RESOLVED that the Dillingham City Council authorizes the City Manager:

1. To waive the advertising requirements for the procurement of a blower system to replace the failed blower identified in the NOV and return that element of the permitted facility into compliance; and
2. To proceed with the purchase of a _____ from _____ for a not-to-exceed amount of \$ _____.

Alice Ruby, Mayor

ATTEST:

SEAL:

Janice Williams, City Clerk

City of Dillingham Information Memorandum

Agenda of: December 8, 2016

Attachment to:

Ordinance No. _____ / Resolution No. 2016-76

Subject:

A RESOLUTION OF THE DILLINGHAM CITY COUNCIL AUTHORIZING THE CITY MANAGER TO WAIVE THE ADVERTISING REQUIREMENTS AND ACCEPT COMPETITIVE QUOTATIONS TO PROVIDE A BLOWER SYSTEM FOR THE SEWAGE LAGOON AERATION SYSTEM

City Manager: Recommend Approval

Signature: Rose Koen

Fiscal Note: Yes No

Funds Available: Yes No

Other Attachments:

Summary Statement:

City staff is currently working with its consulting firm, CRW Consulting Engineers, to solicit written quotes. This information was not available when the packet was distributed, but will be brought back as an amended resolution. Replacing the blower system will help to further the city's efforts to bring its sewer lagoon into compliance with state regulations.

Attachment to:
Ordinance No. _____ / Resolution No. 2016-76

Summary Statement continued:

Route to	Department Head	Date
X	Finance Director	
X	Public Works	
X	City Clerk	

CITY OF DILLINGHAM, ALASKA

RESOLUTION NO. 2016-77

A RESOLUTION OF THE DILLINGHAM CITY COUNCIL AUTHORIZING APPLYING FOR A GRANT FOR THE FIRE DEPARTMENT

WHEREAS, FEMA's Assistance to Firefighter Grant had a deadline for application earlier in the month of December; and

WHEREAS, the Dillingham Fire Department applied for the grant in the amount of \$380,000 that will be awarded in the spring; and

WHEREAS, the grant, if funded, will replace 30 handheld radios, 30 pagers, 6 vehicle monitored radios for police and replacing the repeater stations at Dispatch and the Lake Road Fire Station; and

WHEREAS, the radios and pagers are for the volunteer fire fighters as well as for the police officers; and

WHEREAS, the grant has a 5% match requirement to equal about \$19,000 which will come from the Ambulance Replacement fund;

NOW, THEREFORE, BE IT RESOLVED that the City Council authorizes the application to FEMA's Assistance to Firefighters Grant in the amount of \$380,000 with a 15% match requirement for the replacement of radios, pagers and repeater stations.

PASSED and ADOPTED by the Dillingham City Council on December 8, 2016.

Alice Ruby, Mayor

ATTEST:

[SEAL]

Janice Williams, City Clerk

City of Dillingham Information Memorandum

Agenda of: December 2, 2016

Attachment to:

Ordinance No. _____ / Resolution No. 2016-77

Subject:

A RESOLUTION OF THE DILLINGHAM CITY COUNCIL AUTHORIZING APPLYING FOR A GRANT FOR THE FIRE DEPARTMENT

City Manager: Recommend Approval

Signature: Rose Loren

Fiscal Note: Yes No

Funds Available: Yes No

Other Attachments:

Summary Statement:

The Fire Department staff applied for the FEMA Assistance to Firefighter Grant in the amount of \$380,000 for replacement of radios, pages and repeater station equipment. If funded this grant will benefit the volunteer fire fighters and our police officers.

There is a 5% match requirement which amounts to about \$19,000 which will come from the Ambulance Replacement fund. This fund has a balance of approximately \$614,000.

Attachment to:
Ordinance No. _____ / Resolution No. 2016-77

Summary Statement continued:

Route to	Department Head	Date
X	Finance Director	
X	Fire Dept. Coordinator	
X	City Clerk	

City of Dillingham
Fiscal Note

Agenda Date: December 8, 2016

Contract with LCG Lantech to perform design repairs to Senior Center.

ORIGINATOR: Rose Loera

FISCAL ACTION (TO BE COMPLETED BY FINANCE)		FISCAL IMPACT <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	
AMOUNT REQUESTED: \$30,688		FUNDING SOURCE Senior Center Fund	
FROM ACCOUNT 2610 7790 42 44 7100 1 \$30,688		Project Design Repairs to Senior Center	
TO ACCOUNT:	VERIFIED BY: <u>Navin Bissram</u>	Date: <u>12/2/2016</u>	

EXPENDITURES

OPERATING	FY16			
TOTAL OPERATING	\$ -	\$ -	\$ -	\$ -

CAPITAL	\$ 30,688			
---------	-----------	--	--	--

REVENUE				
---------	--	--	--	--

FUNDING

General & Special Rev. Funds	\$30,688			
State/Federal Funds				
Other	-			
TOTAL FUNDING	\$ 30,688	\$ -	\$ -	\$ -

POSITIONS

Full-Time				
Part-Time				
Temporary				

ANALYSIS: (Attach a separate page if necessary)

See Action Memorandum 2016-23

PREPARED BY: Navin Bissram

December 2, 2016

DEPARTMENT: Finance

APPROVED BY: _____

TO: Sonja Marx, Librarian, City of Dillingham
FROM: Eric Leitz, Assistant Principal, Dillingham Middle/High School
RE: Recommendation to appoint Brittany Hibbard to Library Advisory Board

Dear Mrs. Marx:

As you know, Erika Schneider recently resigned from the Library Advisory Board, creating an opening for a representative from DMHS. I would like to suggest that Brittany Hibbard fill the seat Mrs. Schneider left.

Miss Hibbard has been working at DMHS as the middle school special education teacher for over two years. In addition to her regular duties, she has promoted literacy initiatives linked to the middle school's half-hour literacy period, which encourages students to read for pleasure. She is a voracious reader herself and stays informed of popular books, authors, and trends in adolescent literature. Because of her job assignment, Miss Hibbard knows all of the middle school kids and has a strong working relationship with the middle school faculty. These qualities will make her an excellent representative of DMHS's perspective on literacy.

I hope you will offer this opportunity to Miss Hibbard. If you need any more information, please email me at eleitz@dlgsd.org or give me a call at 842-6706 (my office) or 903-9345.

Thank you.


Eric Leitz

To whom it may concern

I DAVID Nicholson would like to be on
The community for the old School
Life Long resident went to this School
AS A young boy concerned about The Building

David
Nicholson

907-843-2440

Borough Feasibility Study

Prepared for:

Bristol Bay Native Association

and

**Regional Government Study with Tribes
Task Force Members**

Prepared by:



McDowell Group Anchorage Office

1400 W. Benson Blvd., Suite 510
Anchorage, Alaska 99503

McDowell Group Juneau Office

9360 Glacier Highway, Suite 201
Juneau, Alaska 99801

Website: www.mcdowellgroup.net

November 2016

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Project Purpose

The purpose of this report is to examine the financial feasibility of creating a borough in the Dillingham Census Area (DCA). The information helps to frame the discussion about how to effectively and efficiently meet the needs of regional residents and communities. The *Borough Feasibility Study* is one element of the larger *Regional Government Study with Tribes*.

There have been numerous prior attempts to form a borough or annex Nushagak Bay fishing waters, which have disenfranchised many of the smaller communities and Tribes. This study is purposefully inclusive of the villages, Tribes, communities, school districts, and regional organizations. Building trust and communication is central to the project.

Bristol Bay Native Association (BBNA) is providing staff support and coordination to the *Regional Government Study with Tribes* to ensure that the project execution adheres to the project goals and milestones articulated in the ANA SEDS Grant Application. BBNA is providing an in-kind match to cover travel, supplies, and reproduction. The grant's cash match requirements were provided by BBNA, City of Dillingham, and City of Aleknagik.

The project will conclude with an intergovernmental meeting and action plan. Borough formation itself is not envisioned as the only successful outcome. Rather, the project will help the communities voice their concerns and express their requirements to participate in a borough form of government. Regardless of the outcome, the *Regional Government Study with Tribes* is intended to enhance communication and regional cooperation.

Bristol Bay Regional Vision

Importantly, this study builds on the recently completed *Bristol Bay Regional Vision*.¹ That project incorporated input from nearly 1,400 participants and more than 50 community meetings. In particular, this study relates to the following aspirations articulated in the Vision:

We see a future of educated, creative people who are well-prepared for life.

We foster cooperation among local and regional entities to coordinate infrastructure planning for stronger, more affordable communities.

We recognize the need to locate new sources of capital to implement this vision with a goal of generating self-sustaining regional economies.

¹ <http://www.bristolbayvision.org>

Background Information and Methodology

Project Assumptions

To create a snapshot of a potential borough revenues and expenditures, this assessment incorporates several assumptions about the powers, functions, and boundaries of the prospective borough.

- The proposed borough would include Dillingham and communities in the existing Southwest Region School District (SWRS).
- The borough will exercise the minimal powers required of a borough including areawide education, taxation, and regulation of land use.
- There will be no change to the status of federally recognized tribes or regional entities as a result of borough formation.
- The borough would adopt a “hold-harmless” approach towards state and federal revenues that currently flow to communities and consider them as pass-through expenses.
- In terms of land and communities, boundaries would align between the DCA, the regional borough defined in the State of Alaska study *Model Borough Boundaries*, and the existing SWRS. The offshore boundary would correspond with the DCA, which includes waters not included in the school district boundaries.

Data Sources and Methodology

This study included publicly available data and online resources from State of Alaska Department of Commerce, Community and Economic Development (DCCED), Alaska Department of Fish and Game (ADF&G), Commercial Fisheries Entry Commission (CFEC), Department of Education and Early Development (DEED), Department of Labor & Workforce Development (DOL), Department of Natural Resources (DNR) and Department of Revenue (DOR). The project team also conferred numerous times with staff in several agencies.

Information about existing municipal tax rates and revenues was compiled from *Alaska Taxable 2015*, an annual publication produced by DCCED. Additional tax data sources included DOR and U.S. Department of Interior.

To estimate potential revenues from a new tax on commercial fishing, a 10-year time series of fish harvests for Togiak and Nushagak districts was compiled. Harvest values were adjusted for inflation using the Anchorage Consumer Price Index with base year 2015 and averaged to smooth out the cyclical nature of fishing harvests. Revenue scenarios were developed using 2, 3, and 4 percent tax rates.

To estimate potential revenues from a new bed tax, existing tax rates and revenues were examined. The study team also compiled available accommodation information including property name, location, number of rooms, season length, and rates. Information sources included websites, brochures, and regional publications including BBNA's *Visitor Guide*. The study team developed a conservative estimate of revenues, reflecting seasonal fluctuations in rates and occupancy, and estimated the portion of multi-day packages attributable to accommodations. Revenue scenarios were developed using 6, 8, and 10 percent tax rates.

Estimated revenues from a regional sales tax were developed by reviewing existing tax rates and revenues in the area and developing conservative estimates for commercial transactions not captured. Revenue scenarios were developed using 1, 2, and 3 percent tax rates.

Estimated operating expenses for the proposed borough and school district were developed from a review of comparable boroughs, prior studies, and relevant State statutes and information resources.

Borough Formation Criteria and Process

This study does not commit any party to formation of a borough nor does it initiate the process. The information provided below is intended to give readers a common understanding of the major elements of the process. In addition to the online resources and statutes referenced in this section, the Local Boundary Commission and other state officials can provide technical assistance.

There are few requirements and an infinite array of options. The Alaska Constitution is recognized as providing the widest authority to local governments of any state. This allows residents the flexibility to design an approach to government that works for their community or region.

A borough may be proposed for any geographic area. This study used the Dillingham Census Area, as it conformed with the Model Borough Boundary Study and included all the communities, tribes, and other entities intended as study participants.

Criteria

The following standards must be met to incorporate as a borough or unified municipality (AS 29.05.031):

- The population of the area is interrelated and integrated as to its social, cultural, and economic activities, and is large and stable enough to support borough government;
- The boundaries of the proposed borough or unified municipality conform generally to natural geography and include all areas necessary for full development of municipal services;
- The economy of the area includes the human and financial resources capable of providing municipal services; evaluation of an area's economy includes land use, property values, total economic base, total personal income, resource and commercial development, anticipated functions, expenses, and income of the proposed borough or unified municipality;
- Land, water, and air transportation facilities allow the communication and exchange necessary for the development of integrated borough government.

Formation Process

The procedures to initiate an incorporation of a borough or unified municipality are outlined below (AS 29.05.060). A flowchart of the borough annexation process can be found on the DCCED website.²

- A petition is submitted to the State containing names, signatures, and addresses of at least 15 percent of the number of voters who voted in the last general election for areas located inside and outside of Home Rule and First Class cities of the proposed borough.
 - In addition to the required signatures, the petition includes information about class of borough, boundaries, name, apportionment of voting, powers/services, proposed first-year operating budget, and proposed taxes/revenues.

² <https://www.commerce.alaska.gov/web/Portals/4/pub/LBC/Borough%20Annexation%20Local%20Option%20Flow%20Chart.pdf>

- A petition for a Home Rule Borough also includes a Home Rule Charter. (See additional considerations for further discussion on Home Rule Boroughs.)
- If the State determines the petition is complete and in proper form, a public review begins that includes public notice, public meetings, draft report developed by the State, solicitation of comments, and a final report developed by the State.
- A hearing and decision by the Local Boundary Commission (LBC) is the next step, including formal solicitation of testimony.
- If the petition is accepted by the LBC, the State Division of Elections initiates an election on incorporation and assembly members. A majority vote results in approval of the incorporation and election of officials.
- The transition process is initiated.

Borough Types and Responsibilities

State law requires organized boroughs to provide areawide education, taxation, and land use planning and regulation (AS 29.35.160-180). The State does not mandate any other service or facility.

Alaska Statutes allow for four classes of boroughs: Unified Home Rule, Home Rule, First Class, and Second Class. The differences in the powers and duties are minimal, as all three forms have broad capacity to assume various powers. The differences are largely how the boroughs acquire and exercise their powers.³

- With a unified Home Rule Borough, all existing cities dissolve into the borough. This is potentially difficult in the DCA, given the number of existing organized cities.
- Home Rule Boroughs must adopt a Home Rule Charter, similar to a constitution. Home Rule Boroughs can exercise all legislative powers not prohibited by State law or charter.
 - Home Rule Boroughs have greater flexibility to define and excise powers than other the two types, but writing a Charter requires greater upfront work and commitment.
 - A Charter Commission is elected by regional residents to develop the Charter.
- First Class and Second Class boroughs, known as general law municipalities, can only adopt and exercise powers delegated by State law in Title 29 of the Alaska Statutes.
 - First Class boroughs can take on additional areawide powers if a city transfers them or if approved in a borough-wide vote. Non-areawide powers can be obtained when the borough assembly passes an ordinance.
 - Second Class boroughs require a vote of residents to take on additional powers (areawide or non-areawide).

³ https://www.commerce.alaska.gov/web/Portals/4/pub/6_19_15%20Borough%20Powers%20and%20Duties%20Chart.pdf

Additional Considerations

Borough Formation Expenses and Grants

The State administers organization grants to encourage borough formation to help cover the cost of transition and provide for interim governmental operations. A borough can expect to receive \$300,000 in the first year, \$200,000 in the second year, and \$100,000 in the third year.

Most transition costs would be in the first two years and would likely include legal fees, planning, and administrative expenses. For the purposes of this planning report, startup costs and the organizational grant were not included in estimations of the annual budget because neither are long-term budget considerations.

Choosing a Type of Borough

As noted above, there are four types of organized borough governments in Alaska: Unified Home Rule, Home Rule, First Class, and Second Class. Typically, other state constitutions enumerate the powers that may be exercised by municipalities and courts have tended to interpret the powers narrowly. Through Home Rule governments, the Alaska Constitution implements the policy of maximum local self-government.

A petition for a Home Rule Borough must include a Home Rule Charter. Although developing a Charter requires more advance work and planning, a Charter can also articulate priorities and processes that may be important to establishing regional trust and cooperation. Essentially a constitution, a Charter can reflect the cultural, environmental, social, and political priorities of the region. For example:

- A Charter can enhance opportunities for, and commitment to, municipal-tribal partnership.
- Decisions regarding borough assembly size, composition, election districts, and at-large versus district voting can be defined in the Charter. As with the Lake and Peninsula Borough, provisions for including communities not represented by an elected person in borough assembly meetings can be articulated in the Charter.
- The Charter can articulate commitments concerning distribution of State and federal taxes. For example, the Charter could specify that federal PILT funds will be passed through the borough to eligible communities as it is currently done. There is latitude to negotiate locally about what is appropriate for the region.
- A Home Rule Borough can reflect environmental values and standards in its Charter, Comprehensive Plan, and ordinances.

State statutes require that DCCED will prepare at least one model Home Rule Charter for a city, borough, and unified municipality (AS 29.10.020). Links to the Home Rule Charter for the Lake and Peninsula Borough and the Northwest Arctic Borough are provided below.⁴

⁴ http://www.lakeandpen.com/UserFiles/Servers/Server_745787/Image/Departments/Clerk/BoroughCharter.pdf
<http://www.codepublishing.com/AK/NWArcticBorough>

Borough Elections

Nominations for initial municipal officials are made by petition. The election is conducted by the State Division of Elections. Requirements such as petition format, resident signatures, and staggered terms of office are outlined in statute (AS 29.05.120).

APPORTIONMENT

Creating election districts that best represent all residents can be a difficult issue. With slightly less than half the population, the influence of the City of Dillingham is on par with the rest of the DCA.

Elections for assembly seats can be conducted “at large” or designated for certain areas, guaranteeing a balanced representation by population. State statutes provides some general guidance, but allow local discretion in size, composition, districts, and at-large versus district voting (AS 29.20.050-070). The examples provided below illustrate the flexibility that municipalities have in addressing this important issue.

Lake and Peninsula Home Rule Charter outlines the composition of the assembly in sections 2.02 and 15.12.

- The assembly, elected by the qualified voters of the borough, shall consist of seven assembly members, one of whom shall be the mayor elected at large.
- District 1, Three (3) Seats - A, B, and C Iliamna; Kokhanok; Levelock; Newhalen; Nondalton; Pedro Bay; Pope Vannoy; Port Alsworth.
- District 2, Three (3) Seats - D, E, and F: Chignik Bay; Chignik Lagoon; Chignik Lake; Egegik; Igiugig; Ivanof Bay; Perryville; Pilot Point; Port Heiden; Ugashik.
- At Large, One (1) Seat - G, Mayor.
- The assembly will make provision for non-voting representatives from communities not represented by an elected person on the Assembly to attend regular meetings of the assembly.

Northwest Arctic Borough Home Rule Charter outlines the composition of assembly seats in section 2.04.010.

- The assembly shall consist of 11 members. Each assembly member shall be elected at large, but shall be a resident of the district to which the member’s seat is assigned at the time of the member’s election or appointment. The boundaries of the election districts are described in the map accompanying NABC 1.04.020, which is incorporated in this section by reference. Except as may otherwise be provided by statute or charter, the term of an assembly member is three years.

Links to the Home Rule Charter for these two boroughs are provided on the previous page.

Municipal Land Entitlement

Provisions for granting State land to a newly incorporated municipality are outlined in statute (AS 29.65.030-140). A newly formed borough would receive 10 percent of the maximum total acreage of vacant, unappropriated, unreserved (VUU) land within the borough boundaries.

Staff in the Department of Natural Resources (DNR), Division of Mining, Land, and Water manage the Municipal Land Entitlement program. The State has two years and six months after the date of incorporation to complete the process. Once a municipality is incorporated, Municipal Entitlement staff determine the amount and location

of VUU land within the corporate boundaries of the municipality. The timeframe reflects the initial research conducted by DNR, selection of land by the municipality, review by DCCED, determination by DNR, and potential for appeal if the municipality's selection is disapproved. The statute also provides for an expedited determination and certification process, but the process still could not commence until after incorporation (AS 29.65.030(b)).

MUNICIPAL LAND TRUSTEE PROGRAM

Municipal entitlement to State land is separate from the Municipal Land Trustee (MLT) program. The MLT program was created to carry out the requirements of Section 14(c)(3) of the Alaska Native Claims Settlement Act. Every village corporation must convey title to "the remaining improved land on which the Native village is located, and as much additional land as is necessary for community expansion, and appropriate rights-of-way for public use, and land for other foreseeable community needs." These lands are to be transferred to the appropriate municipal corporation (a First or Second Class city) where one exists. In the case of unincorporated communities, the State holds the land in trust for any municipal corporation established in the Native village in the future.

DCCED staff administers the MLT program. All communities within the DCA are reportedly complete with their ANCSA 14(c)(3) process, although an inventory on whether deeds have been properly issued and recorded is not available.

Potential to Contract with Cities and Tribes for Services

The State of Alaska Constitution, Article X, Section 13 and State statute (AS 29.35.010) specially allow for a municipality to contract with a city or tribe to provide municipal management services. Numerous Alaskan communities have both municipal and tribal governments, and often regional and non-profit corporations providing local services. Creating an agreement between two or more organizations to share responsibilities and resources can mutually benefit the entities. The Division of Community and Regional Affairs in DCCED can assist with providing model examples and technical assistance.

Land Use Planning

Title 29, the portion of Alaska statutes which describes the powers and duties of municipal governments, is a powerful tool for land use and planning.

A borough must develop a Comprehensive plan (AS 29.40.030). This collection of policy statements, goals, standards, and maps guides the physical, social, and economic development of the borough. The plan commonly addresses land use policies, community facilities, transportation, and implementation guidelines.

Land use regulations are adopted to implement the Comprehensive plan (AS 29.40.040). These provisions commonly include zoning regulations restricting certain types of land use and development in specific areas and land use permit requirements to encourage or discourage certain types of development (such as mineral exploration and development).

The *Bristol Bay Vision* could be included in the regional Comprehensive plan, demonstrating resident values and broad public input.

Potential Benefits and Concerns

During the initial Task Force meeting, members identified potential benefits and concerns related to borough formation. The following bullets summarize comments from members, many where cited multiple times.

It was possible to address some questions in the scope of this study. Keeping this candid feedback in mind can help guide future actions if borough formation is pursued.

Possible Benefits Related to Borough Formation

- Possible improvements to education, regional economy, and quality of life.
- Greater responsibility and accountability to local needs.
- We are not capturing tourism revenue.
- Increased cooperation with ANCSA land use.
- Full control of land in the region.
- Ability to prevent large scale development objected to by residents.

Concerns and Questions Related to Borough Formation

- Borough government taking homes for payment of delinquent taxes.
- Additional tax burden on residents.
- Communication challenge for including all residents in the process.
- Getting information to residents.
- Dominated by the larger community of Dillingham.
- Loss of control of schools from merger.
- Tax burden increase on low income families.
- Loss of control from laws imposed by borough.
- Potential educational services lost.
- Need to distribute revenues fairly among communities.
- Voice lost in process.
- Lack of flexibility to address our unique needs.
- Long-standing opposition from elders.
- Land planning challenge.
- What will happen to tribal councils?
- Sustainability? Is there a tax base to support?
- Distribution and control of borough seats.
- Communication is important so our tribes don't disappear.
- Trust is needed.
- How will taxes affect businesses?
- Will there be State help on formation?
- Need to register voters to have a voice.
- Will it be flexible enough to give all communities a voice?

Dillingham Census Area

Overview

The Dillingham Census Area (DCA) has approximately 5,000 residents and 11 communities accessible only by air or water. Dillingham is the service and transportation hub for the region. More than 70 percent of the population is Alaskan Native.⁵

The economy is largely driven by the harvest and processing of Bristol Bay salmon each summer. The two districts located in DCA, Togiak District and Nushagak District, account for a quarter of the Bristol Bay harvest.⁶ Residents typically complement the seasonal economy with a subsistence lifestyle.

In addition to municipal and tribal governments, regional organizations provide economic opportunity, social services, and a unifying voice for the region. Regional entities include Bristol Bay Native Association, Bristol Bay Economic Development Corporation, Bristol Bay Native Corporation, Bristol Bay Area Health Corporation, and Bristol Bay Housing Authority.

The Dillingham City School District has approximately 450 students (based on 2015-2016 school year data). The SWRS operates the seven other schools in the area. (Clark's Point school closed in 2012.) The total attendance outside of Dillingham is nearly 600 students (for the 2015-2016 school year).⁷

Table 1. Dillingham Census Area Demographics, 2015

	Population	Per Capita Income	CDQ Community	School Attendance	Fishing Permits Held
Aleknagik	246	\$19,200	Yes	27	20
Clark's Point	52	\$8,596	Yes	n/a	10
Dillingham	2,386	\$31,870	Yes	456	214
Ekuk	2	n/a	Yes	n/a	0
Ekwok	110	\$19,304	Yes	19	3
Koliganek	227	\$17,097	No	52	19
Manokotak	482	\$14,286	Yes	126	89
New Stuyahok	503	\$9,923	No	138	23
Portage Creek	1	n/a	Yes	n/a	0
Togiak	888	\$11,739	Yes	209	211
Twin Hills	83	\$11,809	Yes	21	9
Dillingham Census Area	5,007	\$21,498		1,048	598

Note: a small number of residents lives outside these individual communities.
Source: AKDOL, US Census Data, WACDA, DEED, CFEC.

The largest landowners in the region are the State of Alaska, the federal government, and the Bristol Bay Native Corporation. The largest state park in the nation, Wood-Tikchik State Park, is north of Dillingham. The region

⁵ DCCED Community Database.

⁶ Based on an average from 2011-2015. Data from ADF&G Bristol Bay AMR 2015.

⁷ DCCED Community Database.

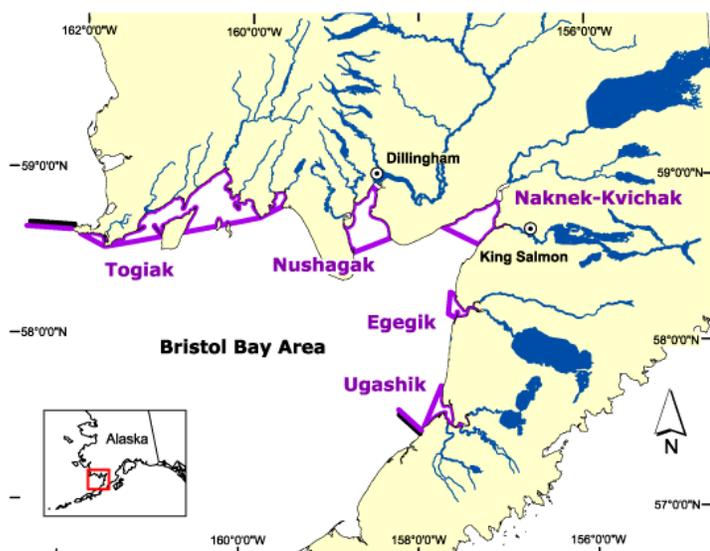
offers world-class sport fishing, hunting, and other recreation. In 2014, 7,212 anglers fished a total of 40,056 days in the region.⁸

Commercial Fisheries

Commercial Salmon Harvest

Bristol Bay has one of the largest wild salmon harvests in the world, regularly producing 70 percent of Alaska's sockeye.⁹ In 2016, commercial salmon harvests from the region totaled 212 million pounds of salmon worth \$156 million.¹⁰ The region is divided into 5 districts: Ugashik, Egegik, Naknek-Kvichak, Nushagak, and Togiak. In 2015, 1,545 gillnet permits and 885 setnet permits were actively fished in Bristol Bay.^{11,12} The region also has significant off-shore harvests of crab and herring.

Figure 1. Bristol Bay Commercial Fishing Districts



Source: ADF&G Commercial Fishing Division.

In terms of volume, the 2016 sockeye salmon run was the second largest in the last twenty years, and preliminary prices were 40 percent higher compared to the same period.¹³ Approximately half (51 percent) of commercial salmon harvest permits for this region are held by Alaska residents.¹⁴

⁸ These figures include resident and non-resident participants.

<http://www.adfg.alaska.gov/sf/sportfishingsurvey/index.cfm?ADFG=area.results>

⁹ <http://www.adfg.alaska.gov/index.cfm?adfg=commercialbyfisherysalmon.bluesheet>

¹⁰ <http://www.adfg.alaska.gov/FedAidPDFs/FMR16-13.pdf>

¹¹ https://www.cfec.state.ak.us/bit/X_S03T.htm

¹² https://www.cfec.state.ak.us/bit/X_S04T.htm

¹³ ADF&G 2016 Bristol Bay Salmon Season Summary.

¹⁴ CFEC Fishing Earnings.

Table 2. Annual Bristol Bay Commercial Salmon Harvest by District, in Millions of Fish, 2012-2016

	Naknek-Kvichak	Egegik	Ugashik	Nushagak	Togiak	Total	Nushagak/ Togiak as Pct. of Total
2012	10.3	5.1	2.5	3.9	0.9	22.6	21%
2013	5.1	4.8	2.2	3.9	0.7	16.7	27%
2014	13.9	7	1.5	8.1	0.7	31.2	28%
2015	16.9	8.8	5.5	6.2	0.5	37.9	18%
2016	13.6	8.6	6.8	9.2	1.0	39.2	26%
Average	12.0	6.9	3.7	6.3	0.8	29.5	24%

Note: 2016 harvest numbers are preliminary.

Source: ADF&G Bristol Bay Area Management Report 2015, ADF&G 2016 Bristol Bay Salmon Season Summary.

The proposed borough would encompass both the Nushagak and Togiak districts. On average, it represents 24 percent of the annual salmon harvest in Bristol Bay. The average ex-vessel value of salmon harvests over the past decade is \$42 million.

The Nushagak District includes the Wood River Special Harvest Area and the Igushik River, which are high-production salmon streams near Dillingham. In the past decade, the salmon harvest averaged 7.2 million fish worth an average value of \$38 million.

Nushagak has the most local resident participation, in comparison to the Ugashik District, which has a large non-local fleet. The average number of local drift gillnetters in 2015 was 332 (20 percent of total 2015 Bristol Bay drift gillnet participation).

Table 3. Nushagak District Salmon Harvest and Ex-Vessel Value, 2007-2016

	King	Coho	Sockeye	Pink	Chum	Total
2007	51,831	29,578	8,404,111	384	953,292	9,439,196
2008	18,968	76,932	6,903,157	138,284	492,341	7,629,682
2009	24,693	35,171	7,730,168	320	745,161	8,535,513
2010	26,056	72,909	8,424,030	1,289,970	424,234	10,237,199
2011	26,927	4,712	4,886,552	257	296,909	5,215,357
2012	11,952	97,382	2,663,014	877,466	272,163	3,921,977
2013	10,213	124,182	3,163,805	208	586,117	3,884,525
2014	11,862	242,604	6,448,463	1,166,997	242,261	8,112,187
2015	49,945	6,614	5,592,816	807	502,820	6,153,002
2016	23,060	80,144	8,013,145	531,078	527,753	9,175,180
10-Year Average	25,551	77,023	6,222,926	400,577	504,305	7,230,382
Average Weight (lbs.)	14.4	6.5	5.7	3.5	6.4	-
Average Revenue	\$388,434	\$315,070	\$36,155,613	\$305,576	\$945,793	\$38,110,486

Note: 2016 harvest numbers are preliminary.

Source: ADF&G AMR 2015, ADF&G 2016 Bristol Bay Salmon Season Summary.

The smaller Togiak fishery has a high local participation rate. The salmon harvest averaged 0.8 million fish in the last decade, with an average value of nearly \$4 million. In 2015, there was an average of 48 drift gillnet permits fished (3 percent of all Bristol Bay gillnet permits).

Table 4. Togiak District Salmon Harvest and Ex-Vessel Value, 2007-2016

	King	Coho	Sockeye	Pink	Chum	Total
2007	7,769	157	816,581	533	202,486	1,027,526
2008	3,087	1,159	651,315	125,409	301,967	1,082,937
2009	4,602	9,209	559,442	544	141,375	715,172
2010	5,553	24,065	667,850	39,734	118,767	855,969
2011	6,731	7,605	744,626	352	113,234	872,548
2012	4,829	15,977	622,909	28,055	206,614	878,384
2013	2,718	11,420	467,329	187	209,946	691,600
2014	1,841	32,134	443,287	118,682	100,195	696,139
2015	2,663	26,080	371,903	1,219	103,773	505,638
2016	3,577	10,156	611,480	210,847	179,332	1,015,392
10-Year Average	4,337	13,796	595,672	52,556	167,769	834,131
Average Weight (lbs.)	14.4	6.5	5.7	3.5	6.4	-
Average Revenue	\$65,933	\$104,345	\$3,460,895	\$40,092	\$314,640	\$3,985,906

Note: 2016 harvest numbers are preliminary.

Source: ADF&G AMR 2015, ADF&G 2016 Bristol Bay Salmon Season Summary.

Other Commercial Fisheries

The Togiak sac roe herring fishery is the largest herring fishery in Alaska.¹⁵ The harvest was approximately 33.4 million pounds worth \$1.52 million in 2016. About 20 vessels (purse seine and gillnet) were active in 2016. Herring prices have been lower in recent years primarily due to a decrease in Japanese demand for the roe. The average herring harvest in the past decade was 46.4 million pounds worth \$2.6 million.

Bristol Bay Economic Development Corporation (BBEDC), the regional CDQ entity, harvests federally managed fisheries for groundfish, halibut, and crab. BBEDC owns halibut quota and operates a small-scale halibut fishery for residents in their CDQ communities. In 2016, 115,000 pounds was available for commercial harvest in Area 4E (nearest to Bristol Bay). Halibut is also caught by sport fishermen and subsistence fishermen in Bristol Bay. As noted in Table 1 at the beginning of this chapter, three of the eleven communities in the DCA are not participants in the regional CDQ (Koliganek, New Stuyahok, and Portage Creek). Criteria for participation is established federally through the Magnuson-Stevens Fishery Conservation and Management Act.

Bristol Bay's processing capacity is divided between the shore-based processing facilities and floating processors. There are a few floating processors in the Nushagak district, and direct marketers purchasing fish as well. The primary processors in the region include:¹⁶

- **Dillingham:** Icycle Seafoods, Peter Pan
- **Togiak:** North Pacific Seafood, Copper River Seafoods, Togiak Seafoods, Togiak Fisheries
- **Ekuk:** Alaska's Best Seafood, Ekuk Fisheries, Friedman Family Fisheries, Jojo's Wild Alaska Salmon

¹⁵ ADF&G AMR 2015.

¹⁶ http://www.adfg.alaska.gov/static/license/fishing/pdfs/shore_based_processor_2015.pdf

Overall, the average ex-vessel revenue estimated from the Togiak and Nushagak salmon and herring fisheries amounts to \$45 million.

Table 5. Estimated Commercial Fishing Revenues from the Nushagak and Togiak Districts

			Total
Nushagak District			
	Salmon	10-Yr. Avg. Harvest Volume	41.0 million lbs.
		Est. Revenue	\$38.1 million
Togiak District			
	Salmon	10-Yr. Avg. Harvest Volume	4.8 million lbs.
		Est. Revenue	\$4.0 million
	Herring	10-Yr. Avg. Harvest Volume	46.4 million lbs.
		Est. Revenue	\$2.7 million
Total Revenue			\$45 million

Source: ADF&G Bristol Bay AMR 2015, ADF&G 2016 Bristol Bay Salmon Season Summary, ADF&G 2016 Bristol Bay Herring Season Summary.

Visitor Industry

As the regional hub, Dillingham has the largest number of accommodations in the region. Visitors travel from all over the world for world-class fishing, scenic beauty, and recreation – especially on the Nushagak River. Accommodations range from full-service resorts to rustic riverside tent camps. Visitors frequently purchase multi-day packages which include transportation, food, accommodations, and guiding.

In larger communities, like Togiak and Dillingham, year-round accommodations for visitors are available, including bed and breakfasts, hotels, and lodges. Outside of these communities, smaller lodges typically operate between June and August.

Most of the lodges provide opportunities to catch king salmon, coho salmon, and trout. Some lodges provide guided hunting, lengthening their operating season.

Table 6. Area Accommodations

Location	Estimated Accommodations	Guest Capacity
Dillingham	11	9-30
Aleknagik	5	3-26
Nushagak River	21	4-16
Togiak	6	4-12
Wood River/Tikchik Lakes	3	5-28
Other	9	6-12

Source: Visitor Guides, websites, and other publications.

Information from approximately 50 hotels, lodges, and B&B's in the region were compiled from printed brochures, online resources, and other publications. This information, along with existing bed tax collections, provided a basis for estimating accommodation sales and potential lodging tax revenues.

Existing Tax Structure

The following chapter provides an overview of the existing tax structure within the DCA and in neighboring Boroughs. This study assumes that State and federal funds that currently flow to communities would continue to do so. In the absence of a such an arrangement, the following changes would take place:

- Federal PILT payments, now allocated to local governments, will go to the borough.
- The State Fisheries Business Tax, now shared equally between the state and communities where processing took place, will have the local portion split equally between the borough and communities.

An important future consideration is whether any new taxes levied by the borough are in addition to existing community taxes, replace them, or a combination. As shown in the following section, Aleutians East and Lake and Peninsula boroughs utilize a combination of borough and local taxes, while Bristol Bay Borough levies taxes only at the borough level.

Municipal Tax Collections

In 2015, Dillingham collected \$3.1 million from a combination of sales tax, bed tax, and alcohol taxes. Among the communities that levy a local tax, Manokotak collected the least amount at \$20,290.

Communities that levy local fish taxes are Dillingham and Togiak. Collection of Dillingham’s raw fish tax is pending resolution of the current annexation petition.

Table 7. Municipal Tax Revenues and Rates, 2015

	Sales Tax	Bed Tax	Alcohol Tax	Car Rental Tax	Raw Fish Tax	Tobacco Tax	Misc. Special Taxes
Aleknagik	\$67,397 (5%)	\$98,238 (9%)	-	-	-	-	-
Clark’s Point	0 (6%)	-	-	-	-	-	-
Dillingham	\$2,705,136 (6%)	\$83,338 (10%)	\$297,325 (10%)	-	n/a (2.5%)	-	-
Ekuk	-	-	-	-	-	-	-
Ekwok	-	-	-	-	-	-	-
Koliganek	-	-	-	-	-	-	-
Manokotak	\$20,290 (2%)	-	-	-	-	-	-
New Stuyahok	-	-	-	-	-	-	-
Portage Creek	-	-	-	-	-	-	-
Togiak	\$146,091 (2%)	-	-	-	\$94,278 (2%)	-	-
Twin Hills	-	-	-	-	-	-	-

Source: Alaska Taxable 2015.

Aleutians East Borough collected nearly \$4 million in fish tax revenue, which was its only source of borough taxation. Bristol Bay Borough collected nearly \$97,000 in bed tax and \$2.4 million in fish taxes. The Lake and Peninsula Borough collected more than \$203,000 in bed taxes and \$1.6 million in fish tax. Lake and Peninsula Borough also collects a guide tax (\$3 per day for guiding services). Several communities also levy taxes at the local level.

Table 8. Nearby Borough and Community Taxes, 2015

	Sales Tax	Bed Tax	Alcohol Tax	Car Rental Tax	Raw Fish Tax	Tobacco Tax	Misc. Taxes
Aleutians East Borough	-	-	-	-	\$3,998,104 (2%)	-	-
Akutan	-	-	-	-	\$1,816,530 (1.5%)	-	-
Cold Bay	-	\$22,633 (10%)	-	-	-	-	\$17,464 (Fuel Transfer Tax)
False Pass	\$26,548 (3%)	\$1,045 (6%)	-	-	\$99,150 (2%)	-	-
King Cove	\$650,811 (6%)	-	-	-	\$868,352 (2%)	-	\$100,000 (Fish Business Impact Tax)
Sand Point	\$1,079,565 (4%)	\$14,601 (7%)	-	-	\$598,088 (2%)	-	-
Bristol Bay Borough	-	\$96,991 (10%)	-	-	\$2,412,396 (3%)	-	-
Lake & Peninsula Borough	-	\$203,579 (6%)	-	-	\$1,655,163 (2%)	-	\$39,717 (Guide Tax)
Chignik	-	-	-	-	\$97,734 (2%)	-	-
Egegik	-	-	-	-	\$1,758,294 (3%)	-	-
Newhalen	0 (2%)	-	-	-	-	-	-
Nondalton	0 (3%)	-	-	-	-	-	-
Pilot Point	-	-	-	-	\$337,215 (3%)	-	-
Port Heiden	-	-	-	-	-	-	-

Source: Alaska Taxable 2015.

As shown in the following table, Dillingham is the only community in the proposed borough that collects property taxes. Among neighboring boroughs, Bristol Bay Borough collects a property tax (also 13 mills). No other communities in adjacent boroughs collect property tax.

Table 9. Municipal Property Tax Revenues and Rates, 2015

	Type of Municipality	Property Tax	Mills	Revenue
Aleknagik	Second Class City	No	-	-
Clark's Point	Second Class City	No	-	-
Dillingham	First Class City	Yes	13.00	\$2.08 million
Ekuik	n/a		-	-
Ekwok	Second Class City	No	-	-
Koliganek	n/a		-	-
Manokotak	Second Class City	No	-	-
New Stuyahok	Second Class City	No	-	-
Portage Creek	n/a		-	-
Togiak	Second Class City	No	-	-
Twin Hills	n/a		-	-
	Type of Municipality	Property Tax	Mills	Revenue
Aleutians East Borough	Second Class Borough	No	-	-
Bristol Bay Borough	Second Class Borough	Yes	13.00	\$4.12 million
Lake and Peninsula Borough	Non-Unified Home Rule Borough	No	-	-

Source: Alaska Taxable 2015.

State Shared Taxes

The State collects several taxes and redistributes a portion of the revenues to local communities. In 2015, communities in the DCA received \$620,385 in tax revenues from the State of Alaska with nearly 90 percent of revenue stemming from the commercial fishing industry. The tables below provide details at the community level for the total amount shared with communities, fish-related taxes, and other shared taxes.

Table 10. Total Alaska State Taxes Shared with DCA Communities, 2015

	Tax Revenue from State
Aleknagik	\$8,608
Clark's Point	\$374
Dillingham	\$506,501
Ekuik	-
Ekwok	\$221
Koliganek	-
Manokotak	\$1,982
New Stuyahok	\$661
Portage Creek	-
Togiak	\$102,038
Twin Hills	-
Dillingham Census Area	\$620,385

Source: DOR Shared Taxes Annual Report 2015.

Aleutians East Borough received nearly \$2.1 million, Bristol Bay Borough received \$2.9 million, and Lake and Peninsula Borough received \$353,000 in shared taxes from the State in 2015.

Table 11. Total Alaska State Taxes Shared with Neighboring Boroughs, 2015

	Population	Total Tax Revenue from State
Aleutians East Borough	2,969	\$2,088,104
Akutan	933	\$943,814
Cold Bay	78	-
False Pass	73	\$21,677
King Cove	900	\$408,385
Sand Point	951	\$25,611
Bristol Bay Borough	887	\$2,899,978
Lake and Peninsula Borough	1,668	\$353,370
Chignik	95	\$62,800
Egegik	104	\$152,839
Newhalen	196	\$444
Nondalton	152	\$412
Pilot Point	76	-
Port Heiden	114	-

Note: Aleutians East and Lake and Peninsula Boroughs have additional communities that do not received any shared tax revenue from the State.

Source: DOR Shared Taxes Annual Report 2015, DCCED.

State-Collected Fish Taxes

The State collects Fisheries Business Tax and Fisheries Resource Landing Tax, and redistributes a proportion of the revenue with the communities where the fish is landed or transshipped.

Table 12. Alaska State Fisheries Taxes Shared with DCA Communities, 2015

	Fisheries Business Tax	Fisheries Landing Tax
Aleknagik	\$4,676	-
Clark's Point	\$24	-
Dillingham	\$433,564	-
Ekuk	-	-
Ekwok	-	-
Koliganek	-	-
Manokotak	-	-
New Stuyahok	-	-
Portage Creek	-	-
Togiak	\$91,511	\$9,077
Twin Hills	-	-
Dillingham Census Area Total	\$529,775	\$9,077

Source: DOR Shared Taxes Annual Report 2015.

Fisheries Business Tax (also known as the "raw fish tax") is levied primarily on processors and is based on the price paid to fishermen for the raw materials. There are three rates for established processors: floating processors (5 percent), salmon cannery (4.5 percent), and shore-based (3 percent). Fifty percent of the fishery

business tax is shared with the incorporated city or organized borough in which the processing took place. If the city is within a borough, the 50 percent is split equally between the city and borough.

Fisheries Resource Landing Tax is levied on catcher/processors and floating processors that process fish outside of the state's 3-mile limit and bring their products into Alaskan waters for transshipment. It is 3 percent of the unprocessed value of the resource. The State shares 50 percent of this revenue with the municipality in which the landing occurred.

For comparison, Lake and Peninsula Borough received just over \$352,000 in 2015 and \$1.9 million in the last five years. Aleutians East Borough received nearly \$2.1 million in 2015 and \$9.4 million in the last five years. Bristol Bay Borough received \$2.8 million in 2015 and \$11 million in the last five years.¹⁷

Table 13. Alaska State Fisheries Taxes Shared with Neighboring Boroughs, 2015

	Fisheries Business Tax	Fisheries Landing Tax
Aleutians East Borough	\$2,067,182	\$20,922
Akutan	\$943,814	-
Cold Bay	-	-
False Pass	\$21,677	-
King Cove	\$404,385	-
Sand Point	\$21,011	-
Bristol Bay Borough	\$2,809,548	-
Lake and Peninsula Borough	\$352,016	-
Chignik	\$62,800	-
Egegik	\$152,839	-
Newhalen	-	-
Nondalton	-	-
Pilot Point	-	-
Port Heiden	-	-

Source: DOR Shared Taxes Annual Report 2015.

Other Shared State Taxes

Other State taxes collected and shared with communities include the Electric Cooperative Tax, Liquor License Tax, and Telephone Cooperative.

Table 14. Other Alaska State Taxes Shared with DCA Communities, 2015

	Electric Cooperative Tax	Liquor License Tax	Telephone Cooperative Tax
Aleknagik	\$478	-	\$3,455
Clark's Point	-	-	\$350
Dillingham	\$8,347	\$4,900	\$59,691
Ekuk	-	-	-
Ekwok	\$221	-	-
Koliganek	-	-	-
Manokotak	-	-	\$1,982

¹⁷ <http://www.tax.alaska.gov/programs/documentviewer/viewer.aspx?1242r>

New Stuyahok	\$661	-	-
Portage Creek	-	-	-
Togiak	\$1,449	-	-
Twin Hills	-	-	-
Dillingham Census Area Total	\$11,156	\$4,900	\$65,478

Source: DOR Shared Taxes Annual Report 2015.

The Electric Cooperative Tax is based on a cooperative's kilowatt hours. A portion of payments are refunded back to the communities. Boroughs receive funds only for areas outside of city limits. The two electric cooperatives in the region are the Nushagak Electric and Telephone Cooperative and the Alaska Village Electric Cooperative. In 2015, five communities received a total of \$11,156 in Electric Cooperative Tax back from the State.

The Liquor License Tax was only received in Dillingham, where liquor is sold. In 2015, Dillingham received \$4,900.

The Telephone Cooperative Tax is similar to the Electric Cooperative Tax and in 2015, DCA communities received \$65,478 from shared State tax revenues. The Nushagak Electric and Telephone Cooperative serves Dillingham, Aleknagik, Clark's Point, and Manokotak only.

State Community Assistance Program

Most communities in the DCA receive revenue through the Community Assistance Program (AS 29.60.850). Legislation passed in 2016 changed the name from Community Revenue Sharing and adjusted the formula for distribution of funds (Senate Bill 210). Base payments to municipalities were increased and per capita amounts were decreased, favoring lower population areas.

Table 15. Community Assistance Program Grants, 2015-2017

Community	2015	2016	2017
Aleknagik	\$106,240	\$100,803	\$68,585
Clark's Point	\$98,770	\$94,069	\$62,761
Dillingham	\$210,165	\$201,764	\$132,833
Ekuk	-	-	-
Ekwok	\$101,672	\$97,278	\$64,502
Koliganek	\$43,888	\$41,761	\$27,745
Manokotak	\$119,612	\$114,496	\$75,671
New Stuyahok	\$119,992	\$114,451	\$76,301
Portage Creek	-	-	-
Togiak	\$137,979	\$131,489	\$87,860
Twin Hills	\$36,321	\$34,803	\$23,086
Dillingham Census Area Total	\$974,639	\$930,914	\$619,344

Source: DCCED Revenue Sharing Reports.

DCCED staff estimate a newly formed borough in the DCA would receive about \$305,000 annually; eligible communities would continue to receive payments. However, the amount in the fund available for distribution is subject to annual legislative appropriations; no funds were appropriated last session.

Additional funds may be directed into the Community Assistance Program from Power Cost Equalization (PCE) Fund earnings. Senate Bill 196, which passed the legislature in 2016, acknowledges that the PCE fund has some years of exceptional performance. Amendments made to AS 42.45.085 direct excess PCE fund earnings to the Community Assistance Fund and to rural energy programs.

Federal PILT

The federal Payment In-Lieu of Taxes (PILT) program helps offset losses in property taxes due to nontaxable federal lands within municipal boundaries. The U.S. Department of Interior and the State administer payments. As noted in the methodology, this study assumes that payments will continue to flow to communities with formation of a borough. Communities in the DCA received \$859,011 in 2016.

PILT payments are based on a combination of federal land acreage and local population. Thus, the DCA receives more in PILT, although the Lake and Peninsula Borough has more federal acreage.

Table 16. PILT Revenues, by Community and Neighboring Borough

Community	2016
Aleknagik	\$42,357
Clark's Point	\$8,764
Dillingham	\$443,838
Ekuk	-
Ekwok	\$21,726
Manokotak	\$91,287
Koliganek	-
New Stuyahok	\$91,104
Portage Creek	-
Togiak	\$159,935
Twin Hills	-
Dillingham Census Area Total	\$859,011
Aleutians East Borough	\$531,213
Bristol Bay Borough	\$160,932
Lake and Peninsula Borough	\$283,130

Source: DCCED and U.S. Department of the Interior.

Estimated Borough Expenditures

Borough Operating Expenditures

Estimated borough expenditures were developed based on a review of comparable borough budgets, recent studies, and statutes related to borough formation and responsibilities. The estimate reflects the assumption the borough would exercise limited powers and responsibilities.

The estimated annual borough budget is \$2.7 million, not including capital projects outside of school bond debt. Borough operating expenditures are estimated at \$1 million annually and education expenditures are estimated at \$1.7 million, including the areawide minimum local contribution to schools. (Education expenses are discussed in more detail in the following section.)

- Staff positions would likely include a borough manager, clerk, finance officer, planner, and administrative support. Some of these positions may be full-time, part-time, or incorporate combined duties.
- Contracted services include legal support and other services needed to complement staff members.
- Administrative costs include office supplies, rent, utilities, technology, transportation, per diem, and lodging for staff and borough assembly members.
- Importantly, the borough retains the flexibility to contract with communities, tribes, or other entities to gain expertise and efficiencies.

Table 17. Estimated Annual Borough Expenditures

Operating Expenditures	
Salaries and Benefits	\$600,000
Contracted Services	\$150,000
Administrative Costs	\$200,000
Subtotal	\$950,000
Education Expenditures	
Required Contribution to Schools	\$1,000,000
School Bond Debt	\$750,000
Subtotal	\$1,750,000
Total Expenditures	\$2,700,000

Note: Does not include additional local contribution.

It is important to recognize the size, structure, and cost of the proposed borough is locally driven. A study conducted in 2012 estimated borough staff and administrative costs at \$503,000. (*Preliminary Assessment Fiscal Feasibility of a Potential Western Bristol Bay Borough*, this study can be accessed through the links in the Resource Documents chapter of this document.) The 2012 study envisioned three positions including a half-time borough manager, a full-time clerk/finance manager, and a full-time planner/grant writer.

Startup costs for the new borough include merging accounting systems, legal expenses, formation of new community and tribal agreements, and selection of state land. These one-time costs are not included in the

annual expenditure estimate. Offsetting these initial costs are organizational grants provided by the State to defray the cost of transition (AS 29.05.190). The grants are distributed over a three-year period, with \$300,000 paid in the first fiscal year, \$200,000 in the second year, and \$100,000 in the third year.

Comparable Borough Budgets

For comparison, recent budgets for Lake and Peninsula Borough, Bristol Bay Borough, and Aleutians East Borough are summarized below. Detailed budgets for these and other Alaskan municipalities can be found on the DCCED website.¹⁸

It is important to note several differences in service levels.

- The Aleutian East Borough operating budget was \$3.7 million in FY 2016. The budget includes \$840,000 in school support. The full budget, including capital projects, totaled \$6 million.
- Bristol Bay Borough provides \$4.2 million in services including libraries, fire department, police, road maintenance, and a pool. The total expense budget was \$8.3 million.
- Lake and Peninsula Borough’s operating expenditures are nearly \$1.3 million, which includes six full-time employees and several contractors (legal counsel, lobbyist, fisheries advisory, and two mining consultants). The full expense budget of \$6.4 million includes additional expenses for economic development, community development, resource management (including a fishery advisory committee), and appropriations to communities for shared state taxes.

Table 18. Comparison of Neighboring Borough Budgets, FY 2016

Operating Expenditures	Aleutians East	Bristol Bay	Lake and Peninsula
Salaries and Benefits	\$1,634,824	\$3,527,886	\$676,374
Services	-	\$4,190,867	-
Contracted Services	-	-	\$232,070
Travel	-	-	\$218,905
Administrative Costs	\$364,574	\$296,172	\$126,953
Other Expenditures	\$1,742,022	\$319,224	\$42,596
Total Operating Expenditures	\$3,741,420	\$8,334,149	\$1,296,898
Total Expenditures	\$6,011,422	\$8,334,149	\$6,446,984

Source: DCCED Borough Budget Reports.

Education Expenditures

A borough-wide school district would be responsible for contributing the equivalent of a 2.65 mill property tax to fund school operations. Additionally, the district would contribute to School Bond Debt Reimbursement for all schools in the region.

¹⁸ <https://www.commerce.alaska.gov/dcra/dcrepoext/Pages/FinancialDocumentsLibrary.aspx>

Currently, the City of Dillingham contributes \$1.3 million to support schools in the Dillingham School District. This amount is approximately \$750,000 more than the minimum amount required (nearly \$565,000 in FY 2016).

In contrast, school operating costs for SWRS are fully funded by the State School Foundation formula. Additionally, the State fully funds facilities and school elections are conducted by the State Division of Elections.

Both districts are of nearly equal size and are well established. There are many aspects of a merger that will require careful consideration and negotiation between the school districts and community leaders to maintain, or improve, the quality of education in the region.

Funding Formula Overview

Public schools are funded from a combination of a required local contribution, Federal Impact Aid, and State Aid (AS 14.17.410). Key aspects of the funding formula are summarized below, based on information in statute and a public school funding overview published by DEED in September 2015.

The local contribution is the equivalent of a 2.65 mill tax levy on the full and true value of the taxable real and personal property in the district; and not to exceed 45 percent of the district's basic need for the preceding fiscal year.

Federal Impact Aid provides funds to school districts for children of parents living and/or working on federal property "in-lieu of local tax revenues."

State Aid entitlement is determined by deducting the required local contribution and 90 percent of Federal Impact Act from the Basic Need determination, plus adjustments for funding "floor" and Quality Schools Grants.

The state uses a student-based formula to determine Basic Need. Factors that affect calculation include the number of enrolled students during the October student count period, school size, special needs funding, vocational and technical funding, and correspondence programs. The computations result in a District Adjusted Average Daily Membership (ADM). In turn, the ADM is multiplied by the Base Student Allocation (BSA) to determine Basic Need. The BSA in FY 2016 was \$5,880.

Current School District Operating Budgets

Dillingham was incorporated as a First Class city in 1963. Like other First Class and Home Rule cities in unorganized boroughs, Dillingham has essentially the same responsibilities as a borough in terms of operating the municipal school district. Enrollment in the Dillingham School District was nearly 450 students in FY 2016 with an operating budget nearly \$10 million.

Enrollment in the SWRS was nearly 600 students and the operating budget was \$18.1 million in FY 2016. The SWRS operates seven schools in the region. For reference, school enrollments, total operating budgets, and other budget details are provided for neighboring boroughs in the table on the next page.

Table 19. Current School Districts Operating Budgets, FY 2016

	Enrollment	Instruction	Administration/ Other	Total
Dillingham School District	449	\$7.4 million	\$2.4 million	\$9.9 million
Southwest Region	585	\$12.6 million	\$5.5 million	\$18.1 million
Aleutians East Borough	242	\$6.1 million	\$3.0 million	\$9.1 million
Bristol Bay Borough	133	\$2.0 million	\$1.5 million	\$3.5 million
Lake and Peninsula Borough	341	\$9.8 million	\$4.9 million	\$14.7 million

Source: DEED.

Minimum Local Contribution

Under State regulations, the Dillingham City School District and the SWRS would be given two years to merge into a single areawide school district. Computations for the minimum local contribution would be district wide, including communities now included in the SWRS. Upon formation of a borough, the State Assessor is responsible for developing a Full Value Determination (FVD) for the region. The FVD is used to compute the required amount, even if the borough utilizes alternative revenues to meet the obligation.

The City of Dillingham has a FVD approved by the State Assessor (\$99,000 per capita in 2015). In the absence of a FVD for the communities in the SWRS, some estimation is required. Recent borough analyses utilized estimates of \$25,000 and \$35,000 per capita, resulting in additional \$260,000 to \$360,000 for the required payment. However, the State Assessor has cautioned that these estimates are likely low recognizing property to be included in a future valuation includes homes, recreational and commercial vessels, vehicles, hotels and lodges, commercial businesses, and fish processing plants.

After reviewing FVD for an array of coastal and river communities, this analysis utilized \$65,000 per capita. When multiplied by the population outside of Dillingham (2,621), the estimated FVD is \$170,365,000. When the 2.65 mill rate is applied, the estimated minimum location contribution is \$450,000.

State and Federal Funding

Currently there are separate calculations for each school district for Federal Impact Aid and State Aid. Upon formation of a borough, funding calculations will be made in a single calculation for the district. After review of the DEED Public School Funding Program Overview, and subsequent discussions with the DEED School Finance Manager, estimates for State and federal aid coming into the region for schools are not changed. It is possible that the region could receive slightly more funds due to Impact Aid calculations and the School Cost Differential (which provides additional for schools in remote areas). For this analysis, no adjustments have been made.

FEDERAL IMPACT AID

Federal Impact Aid is financial assistance to school districts that have exempt federal property or an influx of children resulting from a federal project or activity. The federal law has an "equalization provision" that allows a State to reduce the amount of State aid sent to a district that receives Federal Impact Aid. However, a municipal school district can retain a higher portion of the federal funds by funding over its required minimum local contribution. A combined school district for the proposed borough could receive more Federal Impact Aid

funding than the two existing, separate entities because the formula would be affected by the higher percentage of federal lands and payments over the minimum required amount.

School Bond Debt

Municipal school districts bond for school construction and major maintenance. Under the State Bond Debt Reimbursement Program, the City of Dillingham is expected to pay 30 percent of the costs of bonds. In contrast, Regional Educational Attendance Areas rely on the State for these costs.

The annual bond debt for Dillingham Schools is currently \$1,176,090, of which 70 percent is budgeted for State reimbursement. However, the State’s funds are subject to annual appropriation. In FY 2017, a portion of the program funds were vetoed. Dillingham’s obligation increased from approximately \$350,000 to more than \$550,000.

The borough-wide school district would be required to contribute to bond debt for schools currently located within the SWRS. For planning purposes, this analysis estimates annual payments of \$750,000 for school debt reimbursement.

Additional Education Contributions

An important consideration is payment of additional education funds beyond the minimum local contribution. The City of Dillingham currently contributes approximately \$750,000 to augment the school district budget for operations and maintenance.

Decisions concerning additional education payments are determined within the region. There are many possible scenarios including no additional payment, continuation of the additional payment at the current level, or increasing the amount to enhance education throughout the district.

If supplemental payments are made between \$750,000 and \$1.5 million, local education expenses could increase to \$2.5 to \$3.2 million. (The State also has a formula-driven cap to establish the maximum payment.)

Table 20. Estimated Costs with Continued Education Supplement

	Annual Estimate
Required Contribution to Schools	\$1,000,000
School Bond Debt	\$750,000
Estimated Additional Payment	\$750,000 to \$1,500,000
Subtotal	\$2,500,000 to \$3,250,000

School Service Area Option

An option to explore is establishing one school district with two “school service areas.” The areas would likely encompass the existing school districts and each area would maintain its own advisory board. The purpose of this approach would be to allow each entity to continue to operate in a similar manner to the current situation.

- Each area could provide input regarding the optimal budget level and funding mechanism.
- Responsibility for school bond debt and future school projects would be transferred to the Borough and funded by areawide revenues.

Service areas are utilized extensively throughout Alaska, but the approach has not been used for schools. Discussions with DCCED and DEED did not reveal any statutory or constitutional barriers to this approach.

Financially, the new district would remain responsible for the required minimum local contribution and local contribution to school bond debt, estimated at \$1.7 million annually. This approach preserves flexibility to determine the amount of additional education payments for each service area and the funding mechanism.

Borough Revenue Scenarios

Summary of Potential Tax Scenarios

The table below provides a summary of the tax scenarios discussed in this chapter.

- If the borough levied a commercial fishing tax, an accommodations tax, and a sales tax at the rates described below, estimated revenues are between \$1.7 million and \$3.9 million annually.
- If the accommodations tax was levied only on properties outside of Dillingham and Aleknagik, estimated tax revenues from all three sources are between \$1.6 million and \$3.7 million annually.

Table 21. Potential Annual Borough Revenue Estimates

Estimated Revenue from Fish Harvests	2 Percent Tax	3 Percent Tax	4 Percent Tax
\$45,000,000	\$900,000	\$1,350,000	\$1,800,000
Estimated Revenue from Accommodations	6 Percent Tax	8 Percent Tax	10 Percent Tax
\$5,000,000*	\$300,000	\$400,000	\$500,000
\$3,100,000**	\$186,000	\$248,000	\$310,000
Estimated Revenue from Sales	1 Percent Tax	2 Percent Tax	3 Percent Tax
\$55,000,000	\$550,000	\$1,100,000	\$1,650,000

Source: McDowell Group estimates based on ADFG, DOR, and business websites.

*Includes all accommodations.

**Includes accommodations located outside of Dillingham and Aleknagik.

Potential Revenue Sources for Borough

Borough Fish Tax

Using ten-year averages to smooth out the cyclical nature of commercial fishing, the Nushagak and Togiak Districts generate approximately \$45 million in ex-vessel value annually. At rates between 2 and 4 percent, a borough-wide fish tax could generate between \$900,000 and \$1,800,000 annually.

Table 22. Fish Tax Revenue

Estimated Revenue from Fish Harvests	2 Percent Tax	3 Percent Tax	4 Percent Tax
\$45,000,000	\$900,000	\$1,350,000	\$1,800,000

Source: McDowell estimates based on ADFG data.

The tax rate does not have to be uniform for all species. As an example, the City of Egegik taxes salmon at 1 percent and other species at 2 percent.

Borough Bed Tax

A tax levied on accommodations would capture economic activity from business and recreational travelers to the region. The borough could levy a bed tax on all lodges within the DCA boundaries or on lodges operating outside Dillingham and Aleknagik. Based on current tax collections, estimated accommodations sales subject

to bed tax in Aleknagik and Dillingham is nearly \$2 million. (People traveling for government purposes are commonly exempt from local bed taxes.)

Table 23. Municipal Bed Tax and Revenues, 2015

	Bed Tax	Bed Tax Percent	Est. Accommodation Revenues
Dillingham	\$83,338	10%	\$833,380
Aleknagik	\$98,238	9%	\$1,091,533

Source: Alaska Taxable 2015 and McDowell Group estimates.

In addition to properties in Dillingham and Aleknagik, there are approximately 40 lodges and other properties offering guest accommodations in the DCA. Many of these accommodations operate seasonally. Based on a review of available information concerning property size, rates, and operating season length, a conservative estimate of taxable accommodations sales in the CDA is \$5 million. The borough could anticipate between \$300,000 and \$500,000 annually if all accommodations were taxed at rates between 6 and 10 percent.

Table 24. Accommodation Tax Revenue, All Properties

Estimated Accommodations Revenues	6 Percent Tax	8 Percent Tax	10 Percent Tax
\$5,000,000	\$300,000	\$400,000	\$500,000

Source: McDowell Group estimates.

Estimated taxable revenue for accommodations located outside of Dillingham and Aleknagik is \$3.1 million, with potential borough tax revenues between \$186,000 and \$310,000 annually. This conservative estimate accounts for seasonal operations, fluctuations in occupancy, and an estimate of the lodge package price attributable to accommodations. (Package prices commonly include costs associated with sport fishing, guided sightseeing tours, meals, and flights.)

Table 25. Accommodation Tax Revenue, Outside of Dillingham and Aleknagik

Estimated Accommodations Revenues	6 Percent Tax	8 Percent Tax	10 Percent Tax
\$3,100,000	\$186,000	\$248,000	\$310,000

Source: McDowell Group estimates.

Borough Sales Tax

The municipalities of Dillingham, Aleknagik, Clark’s Point, Manokotak, and Togiak currently collect sales tax. Based on 2015 collections, approximately \$54 million in commercial activity was subject to sales tax.

A conservative estimate of areawide commercial activity subject to sales is \$55 million, including sales at remote lodges and in municipalities without an existing sales tax. Sales tax could generate between \$550,000 and \$1,650,000 annually at rates between 1 and 3 percent.

Table 26. Potential Borough Sales Tax Revenue

Estimated Revenue from Sales	1 Percent Tax	2 Percent Tax	3 Percent Tax
\$55,000,000	\$550,000	\$1,100,000	\$1,650,000

Source: McDowell Group Estimates based on Alaska Taxable 2015.

Borough Revenues from State Shared Taxes and Community Assistance

The borough could expect approximately \$575,000 annually from shared fisheries taxes and Community Assistance. Depending on agreements between the borough and communities, the borough's portion of fish tax revenues could be retained or transferred to communities to preserve local revenues.

Table 27. Estimated Borough Revenues from the State

	State Revenues
Community Assistance Program	\$305,000
Fisheries Business Tax	\$265,000
Fisheries Resource Landing Tax	\$4,500
Total Revenues	\$574,500

Source: Alaska Taxable 2015, DOR, and DCCED.

Other Borough Tax Options

Boroughs across Alaska collect a variety of taxes based on the economic activity occurring within their boundaries. There is considerable flexibility including tax types, rates, and the ability to collect taxes on a seasonal basis. Examples include alcohol, tobacco, and vehicle rental taxes. The City and Borough of Sitka taxes sport fishermen with a \$10 flat fee per fish box. Boroughs with mineral resources commonly levy a severance tax or negotiate a PILT payment. Many communities are considering the tax implications of recent legalization of commercial marijuana production and sales.

Property taxes are common revenue source for boroughs. Property tax rules and exemptions are outlined in state statute (Title 29). Key provisions concerning exemptions are outlined below.

Mandatory Property Tax Exemptions:

- Native trust land, including homes of individuals on "restricted" land
- Federal, municipal, or state property
- Most nonprofit land
- \$150,000 assessed value exemption for seniors (over 65) and disabled veterans.

Optional Property Tax Exemptions:

- All property within cities
- Exemption of all personal property including vehicles, boats, and airplanes
- Exemption of the first \$50,000 of all personal residences.
- Value of residences of seniors and disabled veterans over \$150,000.

Considerations for not levying a property tax in the DCA include lower (and often difficult to establish) property values and the mandatory exemption of all "restricted" land creating inequity with those who are not on "restricted" land. Based on concerns expressed at the initial Task Force meeting, coupled with the lack of property tax valuations for much of the region, property tax estimates are not reflected in the financial scenarios at this time.

Summary of Financial Assumptions

Determining the financial feasibility of a potential borough in the DCA requires numerous financial assumptions as well as input from Task Force Members, governing entities, and residents. Variables that affect projected revenues and expenses include:

- Changes in State statute concerning school funding formula and required payments, Community Assistance Program, and municipal powers and responsibilities.
- Fluctuations in commercial fishing harvests and prices.
- Fluctuations in business and recreational travel to the region.
- Changes in the economic health of residents and organizations that affect commercial activities.
- Decisions and agreements concerning the size and structure for the new borough and school district.
- Decisions concerning the array of taxes types, rates, and exemptions to fund borough operations.
- Decisions to maintain or eliminate existing taxes collected by communities in the DCA.
- Agreements concerning revenues that currently go to communities, but would be paid to the Borough, such as federal PILT and State fish taxes.

Possible Revenue and Expense Scenarios

The table below illustrates one possible scenario for revenue generation with a borough-wide fish tax at 3 percent, an 8 percent bed tax on accommodations in communities not currently taxed, and a borough-wide sales tax of 2 percent. These revenues, coupled with \$300,000 new Community Assistance Program payments to the borough, result in estimated revenues of \$3 million. Estimated borough expenses total \$2.7 million for borough operations, estimated minimum contribution to schools, and school bond debt. Under this scenario, the borough would have an annual surplus of \$300,000. (Additional educational funding outside of the minimum required contribution is not included in this scenario.)

**Table 28. Estimated Borough Revenues and Expenditures
Scenario 1: Expenses Estimates Based on Prior Chapter (Table 17)**

Estimated Revenues	
Fish Tax (3%)	\$1,350,000
Bed Tax (8%)	\$250,000
Sales Tax (2%)	\$1,100,000
State Community Assistance	\$300,000
Subtotal Estimated Revenues	\$3,000,000
Estimated Expenditures	
Borough Expenses	\$950,000
Minimum Contribution to Schools	\$1,000,000
School Bond Debt	\$750,000
Subtotal Estimated Expenses	\$2,700,000
Balance	\$300,000

Note: Figures are rounded to the closest ten thousand.

The second scenario below incorporates a more conservative estimate of borough operating expenses (\$650,000) and reduces the fish tax to 2 percent. All other values remain the same as the base scenario, resulting in an estimated annual surplus of \$150,000.

**Table 29. Estimated Borough Revenues and Expenditures
Scenario 2: Modest Borough Operating Expenses and 2% Fish Tax**

Estimated Revenues	
Fish Tax (2%)	\$900,000
Bed Tax (8%)	\$250,000
Sales Tax (2%)	\$1,100,000
State Community Assistance	\$300,000
Subtotal Estimated Revenues	\$2,550,000
Estimated Expenditures	
Modest Borough Expenses	\$650,000
Minimum Contribution to Schools	\$1,000,000
School Bond Debt	\$750,000
Subtotal Estimated Expenses	\$2,400,000
Balance	\$150,000

Note: Figures are rounded to the closest ten thousand.

Scenario three incorporates a very conservative estimate of borough operating expenses (\$550,000) and reduces the sales tax to 1 percent. All other values remain the same as the base scenario, resulting in an estimated annual surplus of \$150,000.

**Table 30. Estimated Borough Revenues and Expenditures
Scenario 3: Very Modest Borough Operating Expenses and 1% Sales Tax**

Estimated Revenues	
Fish Tax (3%)	\$1,350,000
Bed Tax (8%)	\$250,000
Sales Tax (1%)	\$550,000
State Community Assistance	\$300,000
Subtotal Estimated Revenues	\$2,450,000
Estimated Expenditures	
Very Modest Borough Expenses	\$550,000
Minimum Contribution to Schools	\$1,000,000
School Bond Debt	\$750,000
Subtotal Estimated Expenses	\$2,300,000
Balance	\$150,000

Note: Figures are rounded to the closest ten thousand.

Numerous additional scenarios can be created using the estimates in this report as a foundation. Residents and community leaders will need to evaluate the financial impacts on the region concurrently with the potential for enhancing education, economic opportunity, and regional coordination on priority initiatives.

Resource Documents

BBNA and McDowell Group compiled numerous resource documents related to this study. The documents are listed below and can be accessed using the following link:

<https://drive.google.com/open?id=0ByaunyNLKXmnQi1KZ3JISWthSHM>

- Bristol Bay Native Association. *Borough Study Proposal*. (October 2014)
- Bristol Bay Native Association. *Bristol Bay Comprehensive Economic Development Strategy*. (2015)
- Bristol Bay Native Association. *Budget Amendment Spreadsheet*. (February 2016)
- Bristol Bay Native Association. *Budget Justification Narrative Amendment*. (February 2016)
- Bristol Bay Native Association. *City of Dillingham Annexation Resolution*. (October 2010)
- Bristol Bay Native Association. *Contract for Services with McDowell Group*. (March 2016)
- Bristol Bay Native Association. *Regional Government Study with Tribes Narrative (SEDS Grant Application)*. (September 2015)
- Bristol Bay Native Association. *Regional Government Study with Tribes Objective Work Plan (SEDS Grant Application)*. (April 2015)
- Bristol Bay Native Association. *Regional Government Study with Tribes Revised Narrative*. (February 2016)
- Bristol Bay Native Association. *Strategic Plan*.
- City of Aleknagik. *Joint Resolution Aleknagik*. (October 2010)
- City of Dillingham. *Annexation of Commercial Fishing Waters*. (June 2015)
- City of Dillingham. *Chronology of Events*. (May 2015).
- City of Dillingham. *Frequently Asked Questions about Dillingham's Proposed Annexation*. (July 2010)
- City of Dillingham. *Petition to Annex (Three Parts)*. (May 2015)
- City of Dillingham. *Summary of Activities*. (1986)
- City of Manokotak. *Resolution*. (September 2010)
- City of New Stuyahok. *Resolution*. (September 2010)
- Department of Commerce, Community and Economic Development. *Dillingham Proposed Annexation Boundaries Map*. (June 2010)
- Department of Commerce, Community and Economic Development. *Municipal Government Structure in Alaska*. (June 2010)
- Department of Health and Human Services. *Annual Update of the HHS Poverty Guidelines*. (January 2015)
- Ekwok Village Council. *Annexation Proposal Objection*. (October 2010)

Information Insights. *Bristol Bay Regional Vision Project (Includes final report, summary, mind map, summit report)*. (November 2011)

Kevin Waring Associates. *Preliminary Assessment Fiscal Feasibility of a Potential Western Bristol Bay Borough*. (February 2012)

Lake and Peninsula Borough. *Public Comments for Annexation by the City of Dillingham*. (September 2010)

Local Boundary Commission. *LBC Decision on City of Dillingham Annexation*. (December 2011)

Local Boundary Commission. *Ekuk's Joint Borough Formation Supplemental Report*. (November 2011)

Local Boundary Commission. *Final Report to the Local Boundary Commission Regarding the Proposal to Annex Approximately 396 Square Miles of Water and 3 Square Miles of Land to the City of Dillingham*. (April 2011)

Local Boundary Commission. *Model Borough Boundaries*. (June 1997)

Local Boundary Commission. *Notice of Filing of Petition for Legislative Review Annexation to the City of Dillingham*. (October 2015)

Local Boundary Commission. *Notice of Filing of Petition for Legislative Review Annexation to the City of Manokotak and Supplemental Notice of Filing of Petition for Legislative Review Annexation to the City of Dillingham*. (February 2016)

Local Boundary Commission. *Preliminary Report to the Local Boundary Commission*. (June 2016)

Local Boundary Commission. *Reconsideration Request from Ekuk*. (December 2011)

Northern Economics. *The importance of the Bristol Bay Salmon Fisheries to the Region and its Residents*. (October 2009)

Sheinberg Associates. *City of Dillingham Analysis of Annexation Options*. (July 2003)

Sheinberg Associates. *Dillingham Area Analysis of Borough Formation*. (September 2003)

Travel Costs to Dillingham from Outlying Villages.

Action Memorandum No. 2016-22

Subject:

Award contract for the design of the Lake Road Fire Station Extension

City Manager: Recommend Approval

Signature: Rose Loera

Fiscal Note: Yes No

Funds Available: Yes No

Other Attachments:

Summary Statement:

At the September 1, 2016 Council meeting, the Council adopted Resolution No. 2016-54 to advertise an RFP to extend the Lake Road Fire Station using funds from the Ambulance Replacement Fund.

The RFP was advertised from 9/16 - 10/17/2016. Three engineering firms responded to the RFP with LCG Lantech, Inc. receiving the highest score with a not-to-exceed amount of \$55,629. At the November 3 Council meeting, the Council amended the amount to a not-to-exceed amount of \$57,000, and postpone action until the December 8 meeting. Council members will be given a tour of both fire stations immediately preceding the December 8 Council meeting.

Staff recommends award of the contract for a design with the understanding that the City may not go out for bid for the project until sometime in the future.

Action Memorandum No. 2016-22

Summary Statement continued:

PASSED and APPROVED by a duly constituted quorum of the Dillingham City Council
on _____

Mayor

ATTEST:

[SEAL]

City Clerk

Route to	Department Head	Date
X	Finance Director	
X	Fire Dept. Coordinator	
X	City Clerk	

City of Dillingham
Fiscal Note

Agenda Date: December 8, 2016

Contract w/ LCG Lantech for Design of Lake Road Fire House Extension

ORIGINATOR: Rose Loera

FISCAL ACTION (TO BE COMPLETED BY FINANCE)		FISCAL IMPACT <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	
AMOUNT REQUESTED: \$57,000		FUNDING SOURCE Ambulance Replacement Fund	
FROM ACCOUNT 7110 7620 20 27 0000 0 \$55,629		Project Design Lake Road Fire House Extension	
TO ACCOUNT:	VERIFIED BY: <u>Navin Bissram</u>	Date:	<u>11/30/2016</u>

EXPENDITURES

OPERATING	FY17			
TOTAL OPERATING	\$ -	\$ -	\$ -	\$ -

CAPITAL	\$ 57,000.00			
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REVENUE				
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FUNDING

General & Special Rev. Funds				
State/Federal Funds				
Other	\$ 57,000.00			
TOTAL FUNDING	\$ 57,000.00	\$ -	\$ -	\$ -

POSITIONS

Full-Time				
Part-Time				
Temporary				

ANALYSIS: (Attach a separate page if necessary)

See Action Memorandum 2016-22

PREPARED BY: Navin Bissram

November 30, 2016

DEPARTMENT: Finance

APPROVED BY: _____

Action Memorandum No. 2016-23

Subject:

Award Contract for Design Repairs to the Senior Center to LCG Lantech

City Manager: Recommend Approval

Signature: Rose Loren

Fiscal Note: Yes No

Funds Available: Yes No

Other Attachments:

Summary Statement:

An RFP for design for the Sr. Center repair was advertised for 30 days with four companies responding.

We are recommending awarding the contract to LCG Lantech who was the 2nd to the lowest bid and who had a proposal that met all our needs. The bids ranged from \$29,580 - \$65,216.

The proposed contract with LCG Lantech will be a not to exceed amount of \$30,688.

Action Memorandum No. 2016-23

Summary Statement continued:

PASSED and APPROVED by a duly constituted quorum of the Dillingham City Council on _____.

Mayor

ATTEST:

[SEAL]

City Clerk

Route to	Department Head	Date
X	Finance Director	
X	Senior Center Director	
X	Public Works Director	
X	City Clerk	

City of Dillingham
Fiscal Note

Agenda Date: December 8, 2016

5% City Match for FEMA Assistance to Firefighter Grant (\$380,000)

ORIGINATOR: Rose Loera

FISCAL ACTION (TO BE COMPLETED BY FINANCE)		FISCAL IMPACT <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	
AMOUNT REQUESTED: \$19,000		FUNDING SOURCE Ambulance Fund	
FROM ACCOUNT 7110 7620 20 27 0000 0 \$19,000		Project 5% City Match for FEMA Assistance to Firefighter Grant	
TO ACCOUNT:	VERIFIED BY: <u>Navin Bissram</u>	Date:	<u>12/8/2016</u>

EXPENDITURES

OPERATING	FY16			
TOTAL OPERATING	\$ 19,000.00	\$ -	\$ -	\$ -

CAPITAL				
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REVENUE				
---------	--	--	--	--

FUNDING

General & Special Rev. Funds				
State/Federal Funds				
Other	19,000.00			
TOTAL FUNDING	\$ 19,000.00	\$ -	\$ -	\$ -

POSITIONS

Full-Time				
Part-Time				
Temporary				

ANALYSIS: (Attach a separate page if necessary)

See Action Memorandum No. 2016-23

PREPARED BY: Navin Bissram

December 2, 2016

DEPARTMENT: Finance

APPROVED BY: _____

City of Dillingham Action Memorandum

Agenda of: December 8, 2016

Action Memorandum No. 2016-24

Subject:

Authorizing an Award of a Contract to Bristol Engineering Services Corporation for RFP 2016-22 Minor Air Quality Permit Application

City Manager: Recommend Approval

Signature: Rose Doera

Fiscal Note: Yes No

Funds Available: Yes No

Other Attachments:

- None

Summary Statement:

The City advertised per DMC 4.30.090 for professional services to help develop an ADEC Minor Air Quality Permit application to support incinerator operations at the Landfill.

Two proposals were received, with only the proposal by Bristol Engineering Services Corporation being found responsive.

Their cost estimate to provide professional services totaled \$12,800, with the statement "Time and effort necessary to address DEC comments and questions regarding the initial submittal is difficult to estimate, and is therefore not included with this proposal."

Staff recommends the addition of an \$1,136 allowance to accommodate potential ADEC coordination for a revised total of \$13,936.

Funds to accommodate this contract are requested by mid fiscal year budget adjustment.

Action Memorandum No. 2016-24

Summary Statement continued:

PASSED and APPROVED by a duly constituted quorum of the Dillingham City Council
on _____.

Mayor

ATTEST:

[SEAL]

City Clerk

Route to	Department Head	Date
X	Finance Director	
X	Public Works Director	
X	City Clerk	

City of Dillingham Action Memorandum

Agenda of: December 8, 2016

Action Memorandum No. 2016-25

Subject:

Authorize administrative leave for Christmas and New Year's Holiday

City Manager: Recommend Approval

Signature: Rose Doera

Fiscal Note: Yes No

Funds Available: Yes No

Other Attachments:

- None

Summary Statement:

In lieu of a Christmas gift or bonus as a way of expressing their appreciation to the City's staff, the City Council has approved administrative leave over the Christmas and New Year's Holiday. Administrative leave is for straight time only. Those positions that are essential have the opportunity to utilize this day at another time. For 2016, the City administration has proposed administrative leave for Friday, December 23, and Friday, December 30. We would truly appreciate the Council's consideration for this proposal.

Action Memorandum No. 2016-25

Summary Statement continued:

PASSED and APPROVED by a duly constituted quorum of the Dillingham City Council
on _____.

Mayor

ATTEST:

[SEAL]

City Clerk

Route to	Department Head	Date
X	Finance Director	
X	City Clerk	