



Alice Ruby, **Mayor**

Council Members

- Holly Johnson (Seat A) • Chris Maines (Seat B) • Misty Savo (Seat C)
- Curt Armstrong (Seat D) • Tracy Hightower (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

REGULAR MEETING	7:00 P.M.	JANUARY 15, 2015
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I. CALL TO ORDER

II. ROLL CALL

III. APPROVAL OF MINUTES

A. Regular Council Meeting, December 4, 2014 page 3

IV. APPROVAL OF CONSENT AGENDA

APPROVAL OF AGENDA

V. STAFF REPORTSpage 9

VI. PUBLIC HEARINGS

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

VIII. ORDINANCES AND RESOLUTIONS

A. Adopt Resolution No. 2014-57 (AM), A Resolution of the Dillingham City Council Authorizing the Mayor to Submit a Petition to the Alaska Local Boundary Commission for Annexation of the Nushagak Commercial Salmon District and the Wood River Sockeye Salmon Special Harvest Area by the Legislative Review Method (Postponed to January 15, 2015)page 49

B. Adopt Resolution No. 2015-01, A Resolution of the Dillingham City Council Approving Lease Rates for Use of City Vehicle/Equipment for Rent, Insurance Work, or on Grant Funded Capital Improvement Projects page 401

C. Adopt Resolution No. 2015-02, A Resolution of the Dillingham City Council Approving an Increase in Harbor and Dock Ratespage 407

D. Adopt Resolution No. 2015-03, A Resolution of the Dillingham City Council Adopting an Alternative Allocation Method for the FY15 Shared Fisheries Business Tax Program and Certifying that this Allocation Fairly Represents the Distribution of Significant Effects of Fisheries Business Activity in FMA 5:Bristol Bay page 415

- E. Adopt Resolution No. 2015-04, A Resolution of the Dillingham City Council Bank Cardspage 421
- F. Adopt Resolution No. 2015-05, A Resolution of the Dillingham City Council Investment Accountspage 423
- G. Adopt Resolution No. 2015-06, A Resolution of the Dillingham City Council Appointing an Alternate Community Representative to the BBEDC Board of Directorspage 425
- H. Adopt Resolution NO. 2015-07, A Resolution of the Dillingham City Council Approving the Purchase of a Backhoe for Public Works Department.....page 427
- I. Adopt Resolution No. 2015-08, A Resolution of the Dillingham City Council Approving the Purchase of a Forklift for the Dockpage 433

IX. UNFINISHED BUSINESS

- A. Citizen Committee Appointments
 - 1. Cemetery Committee, 4 Seats Open
 - 2. Planning Commission, 1 Seat Openpage 439
 - 3. Parks and Recreation Committee, 2 Seats Open
- B. Council Committee Appointments

X. NEW BUSINESS

- A. Action Memorandum No. 2015-01 – Adopt Vehicle/Equipment Rental Policypage 441
- B. Liquor License Renewalspage 447
 - 1. Sea Inn Bar (beverage dispensary)
 - 2. Windmill Grille (restaurant / eating place)
 - 3. Olsen’s Liquor Store (package store)

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

XII. COUNCIL COMMENTS

XIII. MAYOR’S COMMENTS

XIV. EXECUTIVE SESSION

- A. Legal Matter
 - 1. Public Safety Department – Investigations Report

XV. ADJOURNMENT

I. CALL TO ORDER

A special meeting of the Dillingham City Council was held on Thursday, December 4, 2014, at the Dillingham City Council Chambers, Dillingham, Alaska. Mayor Alice Ruby called the meeting to order at 7:00 p.m.

II. ROLL CALL

Mayor Alice Ruby was present.

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

Tracy Hightower	Holly Johnson	Misty Savo
Chris Maines – attended via teleconference		Paul Liedberg

Staff in attendance:

Rose Loera – attended via teleconference	Carol Shade
Janice Williams	Jody Seitz
	Sergeant-at-Arms Rodney Etheridge

III. APPROVAL OF MINUTES

A. Minutes of November 6, 2014 Regular Council Meeting

MOTION: Tracy Hightower moved and Holly Johnson seconded the motion to approve the minutes of November 6, 2014.

VOTE: The motion passed unanimously by voice vote.

IV. APPROVAL OF CONSENT AGENDA

There was no consent agenda.

APPROVAL OF AGENDA

Mayor Ruby reported the Code committee was asking to delay action on Ordinance No. 2014-17, to allow for a further review.

MOTION: Holly Johnson moved and Tracy Hightower seconded the motion to approve the amended agenda to remove Ordinance No. 2014-17.

VOTE: The motion passed unanimously by voice vote.

V. STAFF REPORTS

Manager Loera reported on the following:

- Confirmed that the City had received its new fire truck, and the City had yet to make a decision on the purchase of new ambulance that was included in the budget;
- Library Advisory Board recommended appointing Erica Schneider as presiding officer and to change Friday’s hours from noon to 7 PM to 11 AM to 6:30 PM;

- Recommended sending the Library Advisory Board Resolution [No. 2013-71] back to code to review some of the duties as being more appropriate as managerial functions.

MOTION: Paul Liedberg moved and Misty Savo seconded the motion to approve the Library Board's recommendations

VOTE: The motion passed unanimously by voice vote.

Paul Liedberg, Chair of Code Review Committee meeting, referred to the minutes of the Nov. 13 Code meeting and highlighted several items:

- Ordinance regarding improper dumping of prohibited waste at landfill
- and of fish waste;
- Clarification on animal control issues, abandoned and unwanted animals; and
- Application of sales tax on fuel deliveries made outside city limits.

Mayor Ruby, Chair of Finance and Budget Committee, reported on the following:

- Discussed pros and cons of fluoridating water;
- Reviewed proposed equipment rental rates;
- Reviewed water and sewer rates focusing on the size of the pipe serving the building; some may be overbuilt and no longer serving its original purpose resulting in higher rates;
- Discussed sales tax applied to fuel deliveries made outside of Dillingham city limits; law allows 2 communities to work with each other to establish a comprise rate.

Mayor Ruby, Chair of Port of Dillingham Advisory Committee, reported on the following:

- Studying whether there should be restrictions on alcohol consumption in the harbor;
- Reviewing proposed increases in harbor and dock rates that will be coming before the Council for approval.

VI. PUBLIC HEARINGS

There were no public hearings.

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

There was no citizen's discussion.

VIII. ORDINANCES AND RESOLUTIONS

- A. Introduce Ordinance No. 2014-17, An Ordinance of the Dillingham City Council Amending Title 7, Animals, to Add a Definition for Adoption Eligible to Chapter 7.02, and to Cross Reference Chapter 7.09, Impoundment, with Chapter 7.11, Euthanasia
- B. Adopt Resolution No. 2014-57, A Resolution of the Dillingham City Council Authorizing the Mayor to Submit a Petition to the Alaska Local Boundary Commission for Annexation of the Nushagak Commercial Salmon District and the Wood River Sockeye Salmon Special Harvest Area by the Legislative Review Method (*Postponed to January 15, 2015*)

- C. Adopt Resolution No. 2014-65, A Resolution of the Dillingham City Council Urging Swift Congressional Action to Exempt Vessels Less Than 79 Feet and All Fishing Vessels from EPA Permits for Discharges Incidental to the Normal Operation of the Vessel

MOTION: Paul Liedberg moved and Tracy Hightower seconded the motion to adopt Resolution No. 2014-65.

VOTE: The motion passed unanimously by voice vote.

- D. Adopt Resolution No. 2014-66, A Resolution of the Dillingham City Council to Accept a Rasmuson Grant for the Senior Center in the Amount of \$25,000

MOTION: Tracy Hightower moved and Holly Johnson seconded the motion to adopt Resolution No. 2014-66.

Manager Loera reported the total cost of the stove and dishwasher was more than the \$25,000, by a little more than \$1,000, but the City could use the increase it received in its Nutrition and Transportation Grant to make up the difference.

VOTE: The motion passed unanimously by voice vote.

- E. Adopt Resolution No. 2014-67, A Resolution of the Dillingham City Council Approving the Downtown Streets Agreement

MOTION: Tracy Hightower moved and Holly Johnson seconded the motion to adopt Resolution No. 2014-67.

Manager Loera reported the DOT downtown streets agreement was reviewed by the City's Attorney. The agreement recognizes the City is taking care of its share of the cost of the project and firms up the agreement that the City will take on the maintenance and ownership of the streets that are part of the project, Main Street and D Street.

VOTE: The motion passed unanimously by voice vote.

- F. Adopt Resolution No. 2014-68, A Resolution of the Dillingham City Council Approving a Long Term Encroachment Permit for Utilities to Serve the Landfill Incinerator Building

MOTION: Holly Johnson moved and Tracy Hightower seconded the motion to adopt Resolution No. 2014-68.

VOTE: The motion passed unanimously by voice vote.

- G. Adopt Resolution No. 2014-69, A Resolution of the Dillingham City Council Approving a Requests for Proposals for a Survey to Complete the Landfill Exchange with Choggiung Ltd

MOTION: Holly Johnson moved and Tracy Hightower seconded the motion to adopt Resolution No. 2014-69.

Manager Loera reported the landfill exchange between the City and Choggiung Ltd had never been finalized, which included the road leading to the landfill. As part of the process the City was going out for a RFP for a survey. A portion of the funds would have to come from a mid-year budget amendment.

VOTE: The motion passed unanimously by voice vote.

IX. UNFINISHED BUSINESS

A. Citizen Committee Appointments

1. Cemetery Committee, 4 Seats Open
2. Planning Commission, 1 Seat Open
3. Parks and Recreation Committee, 1 Seat Open + School Rep Seat Open

There were no letters of interest on file.

B. Borough Formation Update

Mayor Ruby referred to a letter from BBNA executive Ralph Andersen looking to form an interim task force to advance conducting a Borough Feasibility Study.

MOTION: Paul Liedberg moved and Chris Maines seconded the motion to appoint Mayor Ruby to the Interim Task Force.

VOTE: The motion passed unanimously by voice vote.

X. NEW BUSINESS

- A. Action Memorandum No. 2014-18, Approve Administrative Leave for Christmas and New Year Holiday

MOTION: Tracy Hightower moved and Misty Savo seconded the motion to approve Action Memorandum No. 2014-18.

Mayor Ruby noted the City had started this several years ago, because it did not have the ability to pay bonuses or gifts to show its appreciation. If the admin holiday fell on a work day for some employees, they would take another day off. The administrative leave was for straight time only.

VOTE: The motion passed unanimously by voice vote.

- B. Action Memorandum No. 2014-19, Award Contract to NRC Emerald for Oil Spill Container and Equipment

MOTION: Paul Liedberg moved and Holly Johnson seconded the motion to approve Action Memorandum No. 2014-19.

Manager Loera reported the Homeland Security grant funding the oil spill container equipment required the City go out for an RFP. The cost of the equipment and freight above \$25,000, around \$7,300, would come from the Port fund.

VOTE: The motion passed unanimously by voice vote.

C. Reschedule the January 1, 2015 Council Meeting to January 15, 2015

MOTION: Holly Johnson moved and Tracy Hightower seconded the motion to reschedule the January 1 meeting to January 15.

VOTE: The motion passed unanimously by voice vote.

D. Appoint Council Member to Seat D – Interim Appointment

Mayor Ruby reported the City had received five letters of interest. She was basing her recommendation on someone with former Council experience, because the he City was going to be faced with some hard financial decisions this coming year, with revenue sharing and PILT getting cut, and was recommending Curt Armstrong.

MOTION: Misty Savo moved and Chris Maines seconded the motion to concur with the Mayor's recommendation.

VOTE: The motion passed unanimously by voice vote.

E. Council Member Committee Appointments

Mayor Ruby recommended Chris Maines as chair of the Code Review Committee, with Holly, Misty, herself, the manager, and the city clerk as members, and Paul Liedberg as chair of the Finance and Budget Committee, with Tracy, Curt, herself, the manager and the finance director as members. The mayor pro tempore was Tracy Hightower with the longest sitting time as a Council member.

MOTION: Holly Johnson moved and Tracy Hightower seconded the motion to concur with the appointments to the Finance and Budget and Code Review Committee.

VOTE: The motion passed unanimously by voice vote.

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

There was no citizen's discussion.

XII. COUNCIL COMMENTS

Chris Maines:

- Thanked the Council for appointing him as chair of the Code Review Committee.

Paul Liedberg:

- Congratulated Chris on his new baby;
- Thanked staff and wished everyone best of holidays; and
- Reminded all of the Christmas lighting downtown on Saturday at 6 PM.

Tracy Hightower:

- Congratulated Chris on his new baby and wished him a Happy Birthday.

Holly Johnson:

- Congratulated Chris; and
- Noted the Veterans Memorial was almost trash free, the volunteers were clearing limbs from power lines, and would get with the City Manager regarding some structural repairs.

Misty Savo:

- Congratulated Chris;
- Thanked Holly for working on the Veterans Memorial;
- Congratulated Curt for his appointment to the Council and thanked all those who submitted a letter of interest; and
- Wished Chris a Happy Birthday.

XIII. MAYOR’S COMMENTS

Mayor Ruby:

- Echoed Paul’s comments about getting out to the Christmas tree lighting ceremony;
- Thanked staff, especially when everyone else is at home and they are at work; and
- Asked for a moment of silence to recognize those who had passed, noting former resident Perry Atkinson had made a huge influence on her life encouraging her to be an EMT, and was the first teacher to be selected as Teacher of the Year in Dillingham.

XIV. EXECUTIVE SESSION

There was no executive session.

XV. ADJOURNMENT

Mayor Ruby adjourned the meeting at 7:39 p.m.

ATTEST:

Mayor Alice Ruby
[SEAL]

Janice Williams, City Clerk
Approval Date: _____

Mayor
Alice Ruby

Manager
Rose Loera



Dillingham City Council
Holly Johnson
Chris Maines
Misty Savo
Curt Armstrong
Tracy Hightower
Paul Liedberg

MEMORANDUM

Date: December 24, 2014
To: Mayor and City Council
From: Rose Loera, City Manager
Subject: December Report

Here's wishing the Mayor and Council Members a Merry Christmas and a very Happy New Year. Another year has come and gone with the following highlights worth noting:

1. Contract with the State Court System for collections of Minor Offense Cases
2. Purchased Landfill Incinerator
3. Built a new cell at the landfill
4. Landfill Inspection report score raised to 81% from 63% in the prior year
5. Renewed the DEC Landfill permit for 5 years
6. Started asking residents of the community to recycle various types of garbage
7. Purchased needed equipment for Public Works and Dock
8. Hired Michael Foster & Associates as our contract Engineering firm
9. Negotiated with DEC to hold off issuing a Compliance Order by Consent for the Lagoon
10. Received gravel from Knik to be used for road improvements
11. Hired a new Project Manager – Gary Gordon
12. Purchased, through a Homeland Grant, a new Fire Truck

Vacancies – Library Aide, Sr. Center Cook and advertising for the Finance Director.

Contracts/Agreements Signed –

- DMV Commission Agent Participation Agreement extended until March 31, 2015.

DMV – I continue to communicate with DMV in an attempt to increase the revenue they provide us for the DMV operations. Earlier this month we got a letter from DMV stating they were going to close our office by 12/31/14 if we didn't sign the Participation Agreement. We responded we would sign the agreement since that wasn't enough time to prepare our residents. Then we received a letter from DMV stating they would be working on new agreements and extending the existing agreement until March 31, 2015. Evidently they are developing a new contract and will be sending the new

*Our Vision. By 2015 to have an infrastructure that supports a sustainable, diversified and growing economy. * We will take a leadership role and partner with others to achieve economic development and other common goals. * We will develop a high quality City workforce to serve the community. * We will promote excellence in education.*

contract before the expiration date. All of the correspondence has been with the Director, now acting Commissioner, Amy Erickson.

I had sent out a survey to about 12 other communities around the State with similar agreements. We received 6 responses with most of them having the same issues. Barrow called me and stated they would like to raise the issue to the Governor as he was on their transition plan and would have an opportunity to talk with them.

Grants – Awarded an AK. Leader Grant for \$1,500 for books.

Borough Formation Update – Alice and I attended the first meeting with the Interim Task Force for starting the process of a Borough Formation study. There were only three items on the agenda – Identify Permanent Task Force Members, Proposed Study Budget and Identify Potential Consultants. The next step is to communicate with all of the communities within the Dillingham Census area and the two school districts to appoint a representative to the main committee. The letter should go out in mid-January with a 30 day turn around response. Interim task force to submit names of possible consultants with a possible Request for Proposal after the Permanent Task Force is formed.

Landfill – We continue to negotiate with the contractor for the incinerator building. They submitted the 65% design documents that we continued to have questions on. Our engineer is working closely with the contractor. They have until March 2015 to finish the building.

Out of the Office – 12/24 – 1/5/15 (forgot to list at last meeting)
2/28 – 3/13

*Our Vision. By 2015 to have an infrastructure that supports a sustainable, diversified and growing economy. * We will take a leadership role and partner with others to achieve economic development and other common goals. * We will develop a high quality City workforce to serve the community. * We will promote excellence in education.*

City of Dillingham
House District 36 / Senate District R

~ 12/19/14 ~

28th Alaska State Legislature ~ 2nd Interim
DECEMBER 2014 – LEGISLATIVE REPORT

Cliff Stone and Ian Fisk / City Lobbyist's

~ 29th Alaska State Legislature convenes on January 20, 2015 ~



Governor Bill Walker released the Fiscal Year 2016 budget on December 5th. This was drafted by the prior administration. This release came with the disclaimer that the budget came without his endorsement. On December 15th, Governor Walker released a revised budget for FY16. This too was not endorsed by his administration. In essence, about \$113 million was stripped out of Gov. Parnell's Capital budget proposal. Among the money that was cut were for the Susitna-Watana Dam, the Knik Arm Bridge Crossing (also commonly referenced to as KABATA), the Ambler Mine Road, along with other pricey projects or programs.

By law, the governor now has until February 18, 2015 (30th day of the legislative session) to submit amendments to both the operating and capital budgets. Our contacts are telling us that very little will be added to the capital budget, but expect precision cuts and sometimes an axe to the operating budget. All of this because of the oil price collapse in the last few months. As it now stands, the deficit will be around \$3.5 billion. This could be one of the smallest capital budgets of recent memories.

Pat Pitney – the new OMB director has indicated that this administration will endeavor to get the revised budget to the legislature in a timely manner for its full deliberation. Rest assured, we are working with Governor Walker's office to ensure your CIP for FY16 deserves its full consideration. The governor has promised that Alaskans will have the opportunity to weigh in on these budgets and offer ideas.

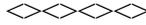
To review and compare the (two) FY16 "Work in Progress" budgets, go to the following website:
<https://omb.alaska.gov/html/budget-report/fy-2016-budget/work-in-progress.html>

Currently there are only two items in the budget for House District 37 (Your new district in 2015). A project for Naknek and \$7.5 million in federal funds for the Wood River Bridge in Aleknagik



GOVERNOR'S CORNER <http://gov.alaska.gov>

The governor's office will continue to post press releases and other items of interest at the website above. Other than Governor Walker's release of December 14th asking Alaskans to help with the budget, no other releases pertain immediately to Dillingham.

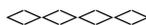


“ACTING” COMMISSIONERS

As of December 3rd, Governor Walker has announced the following cabinet members. Some of these men and women may already be existing commissioners. The normal procedure when a new governor comes in is to ask all state employees at this range for their resignations. It is then up to the new administration to offer individuals a job. Some of these folks may also be placeholders. In other words, they were selected on a temporary basis. If there is a “designee” after their name, these people have been selected as the next commissioner. Legislative approval is necessary for final confirmation of all appointments for these cabinet level positions. Needless to say the selection process is ongoing. We may see changes to this list in the following weeks.



- Department of Administration: **Amy Erickson**, acting commissioner
- Department of Commerce, Community & Econ. Development: **Fred Parady**, acting commissioner
- Department of Corrections: **Ron Taylor**, acting commissioner
- Department of Education and Early Development: **Mike Hanley**, acting commissioner
- Department of Environmental Conservation: **Larry Hartig**, acting commissioner
- Department of Fish and Game: **Sam Cotten**, interim commissioner
- Department of Health and Social Services: **Valerie Davidson**, commissioner designee
- Department of Labor and Workforce Development: **Grey Mitchell**, acting commissioner
- Department of Law: **Craig Richards**, commissioner designee (Attorney General)
- Department of Military and Veterans Affairs: Brig. Gen. **Mike Bridges**, acting adjutant general
- Department of Natural Resources: **Mark Myers**, commissioner designee
Marty Rutherford, deputy commissioner is currently acting commissioner of DNR
- Department of Public Safety: **Gary Folger**, acting commissioner
- Department of Revenue: **Randall Hoffbeck**, commissioner designee
Marcia Davis is the current acting commissioner
- Department of Transportation and Public Facilities: **Patrick Kemp**, acting commissioner



IMPORTANT NOTES

1. The Dept. of Revenue has released the Fall 2014 Revenue Sources Book. You can review this document by going to - <http://dor.alaska.gov> Click on the item that reads: "Fall 2014 RSB"

This is a bi-annual publication providing basic information about state revenue, as well as the anticipated revenue over the next ten years.

2. Conferred with Rose on a December 1st letter to Amy Erickson, then director of the Division of Motor Vehicles (DMV). This had to do with determining if a new "DMV Commission Agent Participation Agreement" was in Dillingham's best interest. Ms. Erickson has since been named acting commissioner for the Dept. of Administration as noted on page two of this report.



COMING NEXT MONTH

- Updated lists for contacting current and new legislators and their staff
- Updated lists for House and Senate Committees and finance sub-committees
- A list of the pre-filed bills and newly introduced legislation that may affect Dillingham.



COMMITTEE HEARINGS

During the interim, some legislative work may continue in the form of any task force that was formed or other informational type meetings. Go to the Legislature's homepage – <http://www.legis.state.ak.us>



WEBSITES OF INTEREST

2014 2nd **Interim** Legislator & Staff Contact List
<http://akleg.gov/docs/pdf/InterimPhoneList.pdf>

House & Senate Committees: <http://w3.legis.state.ak.us/docs/pdf/commlist.pdf>

The full Legislative Publications List is at: <http://w3.legis.state.ak.us/pubs/pubs.php>

Congressional Delegation websites –
<http://murkowski.senate.gov/public> <http://www.begich.senate.gov/public> <http://donyoung.house.gov>



May peace and happiness fill your hearts and home. Have a blessed Christmas and joyous New Year!
~ Cliff and Ian

~ End Report ~



807 G Street, Suite 356 Anchorage, Alaska 99501

T 907.258.2625 F 907.279.3615 Toll Free in AK 1.800.337.3682 www.amljia.org

December 4, 2014

Rose Loera, Manager
City of Dillingham
PO Box 889
Dillingham, Alaska 99576

Dear Ms. Loera:

Enclosed is an award certificate that the City of Dillingham has earned for outstanding loss control efforts. You are to be commended for a job well done!

Every year we take time to recognize our members who are effectively reducing risks and maintaining a safe environment for their citizens and employees. The AMLJIA awards members with a Platinum, Gold, Silver or Bronze award for loss ratios below 25 percent of their deposit contribution. This is quite an accomplishment and is key to keeping the pool strong and your rates stable. Should you need a frame for your certificate, please contact us and we will send one to you.

Since we began business in 1988, the AMLJIA has become the leading provider of risk management training, services and coverage for Alaska's local government entities. The AMLJIA is the strongest pool in Alaska, both financially and in terms of membership. Your pool is considered to be one of the best in the nation by other state municipal league-sponsored pools and is recognized by the Association of Governmental Risk Pools for meeting their advisory standards. You should be proud of the success of your program. When communities and schools take full advantage of the training and services provided for AMLJIA members, it ensures you as a member have all the tools necessary to keep losses to a minimum.

The AMLJIA could not have achieved this success without the commitment and dedication of members like you. The City of Dillingham is an important member of the AMLJIA program. On behalf of the board and the rest of the membership, I want to thank you for your commitment. Together, we are making a difference!

Sincerely,

Kevin Smith
Executive Director



LOSS CONTROL AWARD



This is to recognize that the

City of Dillingham

achieved Gold status in loss control for keeping losses to less than ten percent of contribution during Fiscal Year 2013.

AMLJIA Executive Director

AMLJIA Board of Trustees Chair

Mayor
Alice Ruby

Manager
Rose Loera



Dillingham City Council
Holly Johnson
Chris Maines
Misty Savo
Curt Armstrong
Tracy Hightower
Paul Liedberg

MEMORANDUM

Date: December 23, 2014
To: Rose Loera, City Manager
From: Janice Williams, City Clerk
Subject: Monthly Report

Major accomplishments for year 2014:

- Restructured the Council packet to reference agenda items by page number;
- Helped organize a process for documenting Requests for Proposal/Bid; introduced a detailed checklist which outlines a step-by-step process;
- Created more online fillable forms accessible from the City's website, Forms and Permits;
- Worked with consultant Barb Sheinberg and staff at the Local Boundary Commission to prepare documents regarding draft petition to annex the Nushagak Waters and distribute to outlying communities;
- Added new and updated the City Clerk Procedures Manual, including instructions for various jobs.
- Worked with Marty McGee, Alaska Assessment Assistance, to create an informational packet for the Board of Equalization members;
- We now have an electronically scanned copy of all of the minutes imported into the Laserfiche software; working on resolutions and ordinances.

STANDING ITEMS:

Liquor License Renewals/Transfers/New Licenses.

Indicate any licenses due to expire within 60 days. Under agenda item New Business, include a form for all renewal notices, requests for transfers, and requests for new licenses.

The following licenses are up for renewal this year:

Sea Inn Bar (beverage dispensary) -
Windmill Grille (restaurant / eating place)
Olsen's Liquor Store (package store)
The Rack (restaurant / eating place)

A form has been created that will be completed for each liquor application that comes before the City, either as a renewal, transfer, or a request for a new license.

Records Retention.

Nothing to report.

Commission/Board Seats Vacant. The City is advertising to fill vacant seats.

Unless extended by the Council, the committee will expire October 31, 2014.

The City began advertising in October 2012 to fill 6 vacant seats. The seats will be appointed when there is a full board (minutes of December 6, 2012.)

- Parks and Recreation Committee – 1 seat open, plus the school rep seat is vacant, and the ex-officio non-voting member seat is vacant. No letter of interest in the packet.
- Planning Commission - 2 seats open. One letter of interest in the packet.

Entryway ADA Accommodations. No gain made.

TIPSTERS.

Entering into Executive Session. Council member making the motion to go into executive session should state in the motion the reason for going into executive session.

Example:

- A. Legal Matter
 - 1. Ekuk vs. Local Boundary Commission

MOTION: _____ moved and _____ seconded the motion to move into executive session to discuss Legal Matter, Ekuk vs. Local Boundary Commission.

Away from the office January 2-January 17.

Mayor
Alice Ruby

Manager
Rose Loera



Dillingham City Council
Holly Johnson
Chris Maines
Misty Savo
Neil C. Armstrong
Tracy Hightower
Paul Liedberg

MEMORANDUM

Date: December 23, 2014
To: Rose Loera
City Manager
From: Carol Shade
Finance Director
Subject: November 30, 2014 Financial Report

As of the end of November 2014, we should have received 42% of the FY15 budgeted revenues and not have spent more than 42% of the FY15 budgeted expenditures. As you can see by the chart below at November 30, 2014:

- General Fund Revenues were 66% and Expenditures were 40%
- Special Revenue Fund Revenues were 44% and Expenditures were 42%

In comparison as of November 30, 2013:

- General Fund Revenues were 65% and expenditures were 41%
- Special Revenue Fund Revenues were 39% and Expenditures were 45%

Following is a schedule showing the comparison of revenues and expenditures by category:

<u>Category</u>	<u>FY15 Budget</u>	<u>FY15 Actual</u>	<u>FY15 %</u>	<u>FY14 Budget</u>	<u>FY14 Actual</u>	<u>FY14 %</u>
Revenues						
General Fund	\$8,027,441	\$5,332,335	66%	\$8,247,416	\$4,574,245	55%
Special Revenues	2,251,058	979,538	44%	2,146,127	1,143,961	39%
GF & SRF Revenues	\$10,278,499	\$6,311,873	61%	\$10,393,543	\$5,718,206	55 %
Expenditures						
General Fund	\$8,228,250	\$3,299,205	40%	\$8,044,870	\$3,311,539	41%
Special Revenues	2,353,444	999,507	42%	2,525,045	1,211,917	48%
GF & SRF Expenses	\$10,581,694	\$4,298,712	41%	\$10,569,915	\$4,523,457	43%

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Capital Projects Revenues	6,149,483	1,369,825	22%	3,301,124	2,160,119	65%
Capital Projects Expenses	6,040,671	1,992,805	33%	3,601,002	2,300,487	64%

Below shows what remains of the \$738,419.70 of property tax receivables for taxes that were assessed for the 2012 and prior tax years as of November 30, 2014.

<u>Real</u>	<u>Personal</u>	<u>Combined</u>	<u>Total Decrease</u>	<u>% Collected</u>
\$ 139,946.00	\$71,986.32	\$211,932.32	\$526,487.38	71.30%

2013 property taxes received through September 30, 2014:

<u>Invoiced to include Personal & Real Property</u>	<u>Real Property Balance to be Collected</u>	<u>Personal Property Balance to be Collected</u>	<u>Total Collected</u>	<u>% Collected</u>
\$2,181,347.60	\$67,088.21	\$10,766.05	\$2,103,493.34	96%

As you can see by these charts there is a total of \$211,932.32 remaining receivables from the 2012 and prior year real and personal property accounts. In comparison, there is only \$77,854.26 remaining in receivables from the 2013 real and personal property taxes. Combining all the years together results in a total of \$289,786.58 in real and personal property tax receivables that are remaining to be collected. Starting with the December report we will add the statistics for the 2014 tax year.

The Collections specialist sent out four letters to delinquent sales tax filers and completed two additional promissory notes and mailed 32 promissory note reminders during the month of November. There remained about 72 people on the denied service list.

The Receivables technician sent out 242 utility bills for the October billing and 121 miscellaneous Accounts Receivable bills, and processed two payrolls. In addition she sent out 434 property tax reminders.

The Accounting Tech IV technician spent about assisted with eight computer issues, spent 4 hours on accounts receivable research, and spent about 20 hours preparing deposits and 12 hours reviewing data entry from cashiers. In addition she attended one Emergency planning tabletop exercise in conjunction with other agencies, attended an IT committee meeting and a safety committee meeting. She also spent a majority of her time filling in for the Finance Director during my vacation.

The Payables Technician about 224 payables vouchers, 102 checks were produced for an amount of \$645,444.85 and 20 purchase orders were processed.

The Finance Director attended the annual Alaska Government Finance Officer Association (AGFOA) meeting in November and then went on leave. During the conference,

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Kathy Wasserman gave an update on news from the Hill. The word is grim as usual, with projections of reduced Revenue Sharing and a possible increase in Employer Portion of PERS contributions.

Investment banks did not have a lot of good news either. There were no immediate indications of increased return on investments. And as usually there were updates on new GASB pronouncements. In addition there was a session on the importance of updating internal controls in a changing environment, so it seems that our current project of updating our internal controls is very timely.

With that being said attached statements reflect the City's financial status as of November 30, 2014.

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City of Dillingham
Revenues and Expenditures As of November 30, 2014
Unaudited Figures

		<u>November 30, 2014</u>			<u>November 30, 2013</u>	
REVENUES:	Budget - FY15	MTD	YTD	Percent	YTD	INC/(DEC)
<u>General Fund Revenues</u>						
General Sales Tax	\$ 2,700,000	177,318	1,017,053	38%	\$ 915,491	\$ 101,563
Alcohol Sales Tax	300,000	-	98,985	33%	95,135	3,850
Transient Lodging Sales Tax	85,000	7,506	40,953	48%	33,037	7,916
Gaming Sales Tax	78,000	6,630	17,001	22%	23,426	(6,425)
Total Sales Tax	<u>3,163,000</u>	<u>191,454</u>	<u>1,173,992</u>	<u>37%</u>	<u>1,067,089</u>	<u>106,903</u>
Real Property Tax	1,500,000	-	1,657,132	110%	1,578,813	78,320
Personal Property Tax	500,000	475	563,253	113%	523,765	39,488
Total Property Taxes	<u>2,000,000</u>	<u>475</u>	<u>2,220,385</u>	<u>111%</u>	<u>2,102,578</u>	<u>117,807</u>
Telephone Gross Receipts State Tax	75,000	-	-	0%	-	-
Raw Fish Tax	350,000	407,654	407,654	116%	-	407,654
Nushagak Fish Tax (Proportion transfer in)	-	-	-	-	-	-
Shared Fisheries	30,000	-	-	0%	-	-
Revenue Sharing	208,636	-	210,165	101%	210,704	(539)
Payment in Lieu of Taxes (PILT)	420,000	-	446,844	106%	422,987	23,857
State Jail Contract	641,300	-	328,282	51%	320,650	7,632
Admin Overhead	375,029	-	100,206	27%	109,280	(9,074)
PERS on Behalf	294,526	48,767	264,448	90%	163,489	100,960
Other Revenues	469,950	60,165	180,357	38%	177,468	2,889
Total	<u>2,864,441</u>	<u>516,587</u>	<u>1,937,957</u>	<u>68%</u>	<u>1,404,577</u>	<u>533,380</u>
Total General Fund Revenues	\$ 8,027,441	\$ 708,516	\$ 5,332,335	66%	\$ 4,574,245	\$ 758,090
<u>Special Revenue Funds Revenues</u>						
2700 Nushagak Fish Tax	-	-	13,727	-	319,203	(305,476)
2100 Water	215,412	11,224	79,483	37%	88,548	(9,065)
2100 Sewer	284,242	17,609	137,736	48%	102,468	35,268
2200 Landfill	512,783	6,943	102,601	20%	120,656	(18,055)
2300 Dock	490,327	1,124	448,044	91%	273,178	174,866
Dock Insurance Payment	-	-	-	-	-	-
2400 Boat Harbor	244,979	477	63,185	26%	71,777	(8,592)
2550 E-911 Service	76,000	6,522	33,799	44%	32,799	999
34xx Senior Center (Grant)	138,100	-	35,425	26%	68,362	(32,937)
26xx Senior Center (Non-Grant)	289,215	6,269	65,538	23%	66,972	(1,433)
Total Special Revenue Funds Revenues	\$ 2,251,058	\$ 50,169	\$ 979,538	44%	\$ 1,143,961	\$ (164,423)
2720 Fisheries Infrastructure	-	-	-	-	-	-
2725 Borough Study Fund	-	-	-	-	-	-
2500 Asset Forfeiture Fund	-	-	-	-	-	-
4249 City Shoreline Erosion Control	-	5,479	5,479	-	34,750	(29,271)
4421 Water System Improvement	-	-	-	-	-	-
3213 WasteWater Treatment Plant	2,000,000	16,840	16,840	1%	1,349,309	(1,332,469)
3452 Force Main	-	-	-	-	91,187	(91,187)
Library Grants	60,773	-	31,682	52%	10,240	21,442
3813/4813 Library Building Upgrades	-	-	-	-	138,284	(138,284)
4713 E911 Critical System Upgrades	133,787	-	133,787	100%	-	133,787
3513 EMPG	10,000	-	614	6%	-	614
3524 FEMA Fire Truck	405,000	-	-	0%	-	-
4703 Jail Corrections Grant (Equipment)	-	-	-	-	20,000	(20,000)
4704 SHSP Camera Upgrades	114,791	3,687	3,687	3%	-	3,687
4705 SHSP Public Safety Equipment	40,000	-	-	-	-	-
7140 Public Safety Planning	20,000	-	20,000	100%	20,000	-
3702 BVP Grant	-	-	-	-	-	-
5900 Pollock Grant	-	-	-	-	-	-
5914 BBEDC Interns	19,152	-	26,451	138%	-	26,451
5924 BBEDC (Various Projects)	250,000	3,232	3,232	1%	38,988	(35,756)
5925 BBEDC (Landfill)	250,000	35,208	35,208	14%	-	35,208
7110 Ambulance Reserve Capital Project Fund Revenue	67,294	-	-	-	-	-
7120 Equipment Replacement Capital Project Fund	115,000	-	115,000	100%	100,000	15,000
7130 School Bond Project	-	18	153	-	637	(484)
6100 Mary Carlson Estate Permanent Fund Revenue	4,596	54	54	1%	444	(389)
8100 Debt Service Fund Revenue	1,176,090	-	273,045	23%	296,265	(23,220)
4470 Landfill Oxidation	1,300,000	72,051	609,592	47%	-	609,592
3450 Landfill Reappropriation	183,000	-	95,000	52%	-	95,000
4410 Landfill Phase 3	-	-	-	-	845	(845)
3710 JAG Grant (Old Grant)	-	-	-	-	59,171	(59,171)
Total Capital Project Revenues	\$ 6,149,483	\$ 136,570	\$ 1,369,825	22%	\$ 2,160,119	\$ (790,294)
Total Revenues	\$ 16,427,982	\$ 895,254	\$ 7,681,698	47%	\$ 7,878,325	\$ (196,627)

City of Dillingham
Revenues and Expenditures As of November 30, 2014
Unaudited Figures

		<u>November 30, 2014</u>			<u>November 30, 2013</u>	
EXPENDITURES:	Budget - FY15	MTD	YTD	Percent	Actual	INC/(DEC)
General Fund Expenditures						
City Council	\$ 86,864	\$ 3,602	\$ 29,446	34%	\$ 19,756	\$ 9,690
City Clerk	130,310	10,303	55,815	43%	57,707	(1,893)
Administration	309,809	23,493	128,194	41%	114,726	13,468
Finance	619,503	46,909	246,687	40%	239,445	7,242
Legal	77,000	8,448	13,536	18%	28,581	(15,045)
Insurance	110,618	-	110,637	100%	100,773	9,863
Non-Departmental	185,400	24,081	105,587	57%	102,648	2,940
Planning	142,563	15,866	55,337	39%	51,344	3,993
Foreclosures	10,000	2,718	12,850	128%	11,079	1,771
Meeting Hall above Fire Station	3,575	264	1,151	32%	1,428	(276)
Public Safety Administration	178,356	10,848	89,836	50%	82,745	7,091
Dispatch	468,894	35,207	185,965	40%	169,595	16,371
Patrol	831,789	82,655	336,168	40%	310,235	25,932
Corrections	692,590	52,999	288,375	42%	258,876	29,499
DMV	134,171	11,255	59,778	45%	34,325	25,452
Animal Control Officer	113,326	6,926	41,956	37%	49,614	(7,658)
PS IT	21,700	996	5,657	26%	13,153	(7,496)
Fire	294,448	22,465	106,662	36%	79,362	27,300
Public Works Administration	201,794	16,641	77,399	38%	51,176	26,223
Building and Grounds	286,991	25,594	119,141	42%	129,223	(10,083)
Shop	162,018	17,253	75,895	47%	76,861	(966)
Street	659,803	45,704	208,448	32%	294,353	(85,905)
Library	138,797	9,388	48,334	35%	50,950	(2,616)
City School	1,300,000	-	650,000	50%	650,000	-
Transfers to Other Funds	1,067,931	-	246,351	23%	333,583	(87,231)
Total General Fund Expenditures	\$ 8,228,250	\$ 473,615	\$ 3,299,205	40%	\$ 3,311,539	\$ (12,335)
Special Revenue Funds Expenditures						
Nushagak Fish Tax	-	-	-		283	(283)
Water	215,412	13,218	89,450	42%	94,679	(5,229)
Sewer	284,242	23,659	118,903	42%	96,261	22,642
Landfill	512,783	19,710	135,320	26%	164,685	(29,365)
Dock	622,513	24,671	405,245	65%	340,633	64,613
Dock (ATD Damages)	-	-	-		271,339	(271,339)
Boat Harbor	244,979	7,518	81,750	33%	76,512	5,239
E-911 Service	42,200	-	7,130	17%	-	7,130
Senior Center (Grant)	138,100	11,201	59,601	43%	60,723	(1,121)
Senior Center (Non-Grant)	293,215	12,781	102,107	35%	107,087	(4,980)
Total Special Revenue Fund Expenditures	\$ 2,353,444	\$ 112,757	\$ 999,507	42%	\$ 1,211,917	\$ (212,410)
2500 Asset Forfeiture Fund	-	-	-		515	(515)
2720 Fisheries Infrastructure Fund	-	-	-		-	-
2725 Borough Study	-	-	-		-	-
4249 City Shoreline Erosion Control	-	1,444	6,923		123,391	(116,468)
4421 Water System Improvement	-	-	-		6,738	(6,738)
3213 WasteWater Treatment Plant	2,000,000	352	21,332	1%	1,383,736	(1,362,404)
3452 Force Main	-	-	-		17,714	(17,714)
Library Grants	60,773	4,973	29,006	48%	8,731	20,276
3/13/4813 Library Building Upgrades	85,000	3,212	10,915	13%	139,787	(128,872)
4713 E911 Critical System Upgrades	133,787	-	133,787	100%	407	133,380
3513 EMPG	10,000	-	614	6%	-	614
3524 FEMA Fire Truck	405,000	-	367,716	91%	697	367,019
4704 SHSP Camera Upgrades	-	-	3,687		407	3,280
4705 SHSP Public Safety Equipment	40,000	-	390	1%	-	390
7140 Public Safety Planning	20,000	-	11,918	60%	-	11,918
3702 BVP Grant	-	-	-		-	-
5900 Pollock Grant	-	-	21		-	21
5914 BBEDC Interns	-	-	26,111		-	26,111
5924 BBEDC (Various Projects)	-	959	33,433		67,492	(34,059)
5925 BBEDC Landfill	250,000	-	119,121	48%	-	119,121
7110 Ambulance Reserve Capital Project Fund	269,000	-	-	0%	-	-
7120 Equipment Replacement Capital Project Fund	103,425	-	-		155,757	(155,757)
7130 School Bond Project	-	-	-		34,092	(34,092)
6100 Mary Carlson Estate Permanent Fund	4,596	548	2,984	65%	2,558	426
8100 Debt Service Fund	1,176,090	-	273,045	23%	288,045	(15,000)
4470 Landfill Oxidation	1,300,000	7,391	856,803	66%	29,678	827,125
3450 Landfill Reappropriation	183,000	-	95,000	52%	-	95,000
4410 Landfill Phase 3	-	-	-		41,258	-
Total Capital Project Funds Expenditures	\$ 6,040,671	\$ 18,878	\$ 1,992,805	33%	\$ 2,300,487	\$ (266,425)
Total All Expenditures	\$ 16,622,365	\$ 695,250	\$ 6,291,516	38%	\$ 6,823,944	\$ (491,170)
Revenues Over (Under) Expenditures	\$ (194,383)	\$ 290,004	\$ 1,390,182		\$ 1,054,381	\$ 294,543

City of Dillingham
Revenues and Expenditures As of November 30, 2014
Unaudited Figures

		<u>Fund Bal.</u> <u>6/30/2014</u>	<u>FY'14</u> <u>Revenues</u>	<u>FY'14</u> <u>Expenditures</u>	<u>Add or (-)</u> <u>Fund Bal</u>	<u>Fund Bal.</u> <u>11/30/2014</u> <u>Unaudited</u>
1000	General Fund	\$ 4,161,194	\$ 5,332,335	\$ 3,299,205	\$ 2,033,130	\$ 6,194,324
2700	Nushagak Fish Tax	286,068	13,727	0	13,727	299,795
2720	Fisheries Infrastructure Fund	67,023	-	-	0	67,023
2725	Borough Study	37,188	-	-	0	37,188
2100	Water	-	79,483	89,450	(9,967)	(9,967)
2100	Sewer	14,917	137,736	118,903	18,833	33,750
2200	Landfill	2,450	102,601	135,320	(32,719)	(30,269)
2300	Dock	667,391	448,044	405,245	42,798	710,190
2400	Boat Harbor	-	63,185	81,750	(18,565)	(18,565)
2550	E-911 Service	79,606	33,799	7,130	26,669	106,275
26XX	Senior Center	-	100,963	161,708	(60,745)	(60,745)
2550	Asset Forfeitures Fund	6,072	-	-	-	6,072
4249	City Shoreline Erosion Control	(170,200)	5,479	6,923	(1,444)	(171,644)
5900	Pollock Land Grant	14,732	-	-	-	14,732
4421	Water System Improvement	(66,166)	-	-	-	(66,166)
3213	WasteWater Treatment Plant	-	16,840	21,332	(4,492)	(4,492)
3452	Force Main	-	-	-	-	-
	Library Grants (Books, Erate, etc.)	-	31,682	29,006	2,676	2,676
3813	Library Roof	-	-	10,915	(10,915)	(10,915)
4713	E911 Critical System Upgrade	-	133,787	133,787	-	-
	EMPG	-	614	614	-	-
3524	FEMA Fire Truck	-	-	367,716	(367,716)	(367,716)
4704	SHSP Camera Upgrades	-	3,687	3,687	-	-
4705	SHSP Public Safety	-	-	390	(390)	(390)
7140	Public Safety Planning	23,744	20,000	11,918	8,082	31,826
	BVP Grant	-	-	-	-	-
5914	BBEDC Interns	-	26,451	26,111	340	340
59XX	BBEDC (Various Projects)	-	3,232	33,433	(30,201)	(30,201)
5925	BBEDC (Landfill)	-	35,208	119,121	(83,913)	(83,913)
7110	Ambulance Reserve Capital Project Fund	641,945	-	-	-	641,945
7120	Equipment Replacement Capital Project Fund	121,175	115,000	-	115,000	236,175
7130	School Bond Project Capital Project Fund	76,764	153	-	153	76,917
6100	Mary Carlson Estate Permanent Fund	388,161	54	2,984	(2,929)	385,232
8100	Debt Service	-	273,045	273,045	-	-
4470	Landfill Oxidation	-	609,592	856,803	(247,211)	(247,211)
3450	Landfill Reappropriation (Equipment Purchase)	-	95,000	95,000	-	-
4410	Landfill Capital Project Fund	172,044	-	-	-	172,044
	Total	<u>\$ 6,524,108</u>	<u>\$ 7,681,698</u>	<u>\$ 6,291,495</u>	<u>\$ 1,390,202</u>	<u>\$ 7,914,310</u>

Mayor
Alice Ruby

Manager
Rose Loera



Dillingham City Council
Holly Johnson
Chris Maines
Misty Savo
Curt Armstrong
Tracy Hightower
Paul Liedberg

MEMORANDUM

Date: December 23, 2014
To: Rose Loera, City Manager
From: Sonja Marx, Librarian
Subject: December Monthly Report

School is closed for the Holidays, so our School Librarian is off for two weeks. We're currently running the library with three staff until a Library Aide/Clerk I is hired. We continue to advertise for this position, with a few applications recently received.

The Library Advisory Board met Thursday, Dec. 4th to vote on items for the January Council Meeting. Please find attached to this report the Library Survey they would like to distribute, as well as the Youth Policy and the Computer and Internet Use Policy they approved to go to the Council. Future agenda items for the LAB include:

- Lost Materials/Check Out Policy (including discussion on a Library Fine Forgiveness Week during "Love Your Library" in February)
- E-rate as it pertains to our Internet Policy (for students)
- Election of Officers (Vice Chair and Secretary)

The Friends of the Library Board met Sat., Dec. 13th - goal setting for the New Year.

The Alaskan Leader Fisheries Foundation approved our application for funding of \$1,500 to be used to purchase culturally sensitive materials about Native Americans and Alaskans. We appreciate this award to enhance and replace our library collection.

Library Stat report for November 24th – December 20th, 2014:

Patron Visits: 2,559 Computer Use: 396 Wireless Use: 201
Story Hour: 35 Other Visits (including students): 418 Museum Use: 21
Videoconferencing: 1 AWE Station Use: 9 Volunteer hours logged: 40

Library will be closed Thursday & Friday, January 1st and 2nd, 2015 for New Year's
Library Advisory Board – Meeting Tuesday, January 13th, 5:30 pm in Library
New Library Hours for Fridays: Open 11:30 am to 6:30 pm

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Youth age 9-11 may apply for a library card with parental permission.

Youth age 12-18 may apply for a library card without parental permission.

The youth policy will allow the patron to check out a maximum of 7 books, 2 movies or 1 series (not both), 1 game, and other circulating library items not to exceed 10 total items.

No R rated items may be checked out on a youth card unless the patron is at least 17 years old.

No PG-13 items may be checked out on a youth card unless the patron is at least 13 years old or has parental permission.

Cardholders are responsible for fines associated with youth policy cards. If fines reach \$3.00, youth will only be allowed to check out books.

Youth, under the age of 16, may use the library computers or wireless if a signed internet permission form from a parent or guardian is on file.

Items may be limited by library staff on a case by case basis if there are excessive fines or lost items.

Library Survey

The Dillingham Public Library wants to know what you think about the library's selection, services, and facilities. Please fill out this anonymous short survey to guide the library's strategic planning.

* Required

Do you have a library card? *

- Yes
- No

How often do you go to the library? *

- Multiple times a week
- Once a week
- Once every few weeks
- Once every month
- Once every few months

I have not been in the past year.

If you have not visited the library in the past year, which of the following reasons describes why?

I didn't have time.

The library hours are not convenient.

I buy books and read them at home.

In the past I didn't find what I was looking for.

It's too difficult for me to get to the library.

I have library fines I haven't paid.

I prefer to read on my digital device (ipad, kindle, nook, etc)

Other:

How often are you able to find what you are looking for at the library?

Always

Sometimes

Rarely

Which types of books would you like to see more of in the library? *

Check all that apply.

Easy Readers

Board Books

Picture Books

New Children's Nonfiction

Classics for Children

Graphic Novels

New Young Adult Books

New Nonfiction Bestsellers

- New Fiction Bestsellers
- Classics
- Religion/Philosophy
- History
- Health/Medical
- Mystery
- Science Fiction
- Romance
- Self Help
- Biography/Memoir
- Magazines
- Other: |

What library services would you like to see expanded to meet the needs of our community? *
Check all that apply.

- More quiet reading space
- More tables
- Larger selection of books
- Larger selection of DVDs
- More children's activities
- More seating
- Larger building
- More computers
- Faster internet

Have you used the library's webconferencing capabilities?

- Yes

- No
- I have never heard of this.

Have you used ListenAlaska to check out ebooks from the library?

- Yes
- No
- I have never heard of this.

Have you used the library's catalog to look for books?

- Yes
- No
- I have never heard of this.

Have you used InterLibrary Loan to check out books that the Dillingham Library does not have? (ILL)

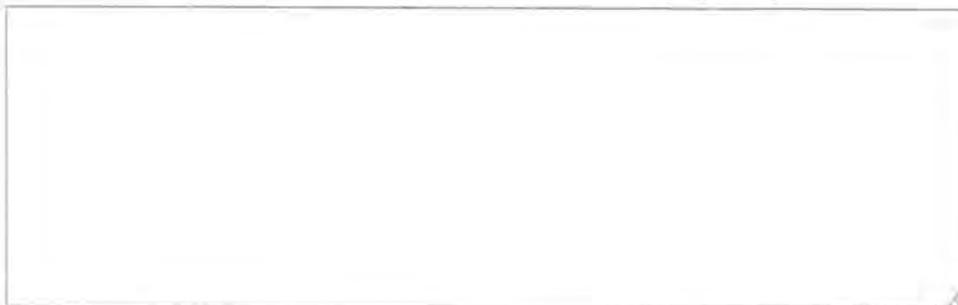
- Yes
- No
- I have never heard of this.

How satisfied are you with the overall services of the library?

1 2 3 4 5

Not Satisfied Very Satisfied

Please report any changes you feel the library should make in its service to the community.

A large, empty rectangular box with a thin black border, intended for user input or a survey question.

Submit

Never submit passwords through Google Forms.

Powered by

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Use of a library computer or library Wi-Fi requires that patrons read and accept the Computer and Internet Use Policy.

Dillingham Public Library offers access to electronic resources, including those on the Internet. Access is a privilege, not a right, and requires responsibility on the part of the user. Failure to comply with this policy will result in the forfeiture of the user's rights to access computers and Wi-Fi in the library.

The Internet offers unlimited global access to all types of information. Not all sources are accurate, complete, current, legal or philosophically acceptable to all people. Some information may be offensive, controversial, illegal, erroneous, etc. It is the responsibility of the user to select or reject online information based on good judgment and discretion.

This library cannot fully monitor or control the content of the materials on the Internet, which changes rapidly and unpredictably. Parents and guardians of minor children must assume responsibility of their children's use of the Internet just as they must with printed materials or visual materials.

Printing Costs

\$.25 per side for black ink only (pay at the front desk)

\$1 per side for colored ink (pay at the front desk)

Ask for help to set up color printing or to print wirelessly.

Acceptable Use

All electronic traffic originating from the computing center will be in accordance with acceptable use standards. Failure to abide by these standards may result in the loss of Internet, computer, or other privileges.

1. Respect for the privacy of others.
2. Compliance with copyright law and licensing for individual data and programs.
3. Consideration for the security and functioning of computers, computer networks and systems.

Unacceptable Use

Computing resources may only be used for legal purposes by the public and staff in accordance with the ethical standards of the library. Examples of unacceptable use include, but are not limited to the following:

1. Uses for any purposes that violate applicable federal, state, or local laws including copyright laws.
2. Interfering with or disrupting other computer users, services, or equipment.
3. Attempting to gain or gaining unauthorized entry to other computing, information, or communications sources or devices (hacking).
4. Malicious, threatening, harassing, or obscene behavior or language.
5. Obscene behavior including public display of obscene materials on computer screens or in hard copy.

6. Misrepresentation of oneself.
7. Activities that could cause congestion and disruption of networks and systems.
8. Unsolicited advertising.
9. To access, upload, download, transmit or distribute pornographic, obscene, or sexually explicit language or material.
10. Patrons who engage in unacceptable use will be barred from using computers or Wi-Fi at the library.

Cautions

1. Parents are cautioned to monitor their minor children's use of the Internet and Youth under age 16 need a signed internet permission form on file before computer use will be allowed.
2. Users are cautioned to guard closely the security of personal information, credit card numbers, computer accounts, passwords, and other types of authorizations when using the Internet.
3. Users are cautioned to take steps to protect their systems from computer viruses and other destructive computer programs when downloading programs to disk for use on other computers.
4. Electronic files should not be considered confidential. When required by law, the library must disclose all files to the extent required by law.
5. The library is not liable for any direct or indirect and/or punitive damages (including lost data or information) sustained or incurred in connection with the use or unavailability of the system.
6. Users must save their work to an external storage drive or to the internet via email before the station runs out of time. Files are not saved on the stations.
7. Computers will shut down after two minutes of no activity.

Use of the Internet stations is on a first-come, first-served basis. Time limits are set at 30 minutes so all patrons seeking access will have an opportunity to do so. Extra time will be allowed if there are still available stations.

Mayor
Alice Ruby

Manager
Rose Loera



Dillingham City Council
Holly Johnson
Chris Maines
Misty Savo
Curt Armstrong
Tracy Hightower
Paul Liedberg

MEMORANDUM

Date: December 19, 2014
To: Rose Loera, City Manager
From: Jody Seitz, Planning Director
Subject: December Report - Review of 2014 Accomplishments

Mapping:

- Produced online GIS map for public access with assistance from Gary Greenberg dba Alaska Map Company. All the data on address, landownership, parcels and plats is available for the first time to the public on the City's website.
- Established a system for updating address, landownership, and utility data an online website hosted by the Alaska Map Company and worked with Public Works to teach them how to use and update the utility data using the online system.
- Worked with BBAHC to establish names for the hospital compound roads and put them on the City's address map.

Permitting:

1. Improved Procedures
 - Worked with Finance Department and Public Works to improve and coordinate our encroachment permit procedures for installing water and sewer hookups.
 - Focused on compliance, issuing letters, certified letters and fines, as well as employing Stop Work Orders and Cease and Desist actions with the assistance of the Dillingham Police Department. Worked more closely with landowners, doing site inspections and providing assistance with their site plans to bring them into compliance with the code.
 - Created tracking spreadsheets to keep track of actions taken, due dates, and results.
 - Created electronic filing systems for all the permits the city issues, scanned the permits and linked them to a spreadsheets to make them available for review on the remote desktop server; filed paper copies of land use permits and floodplain permits with the address files. Maintain the separate encroachment paper file.
 - Networked with ANTHC to have them provide the permits for septics and wells they install, to comply with the City's new Title 18 requirements.

2. Results:

*Our Vision. By 2015 to have an infrastructure that supports a sustainable, diversified and growing economy. * We will take a leadership role and partner with others to achieve economic development and other common goals. * We will develop a high quality City workforce to serve the community. * We will promote excellence in education.*

- Approved 21 land use permits, 5 more to be delivered by ANTHC in 2015 with as-builts, Worked with 3 citizens to remove encroachments, one stopped a landowner from rebuilding a non-compliant structure; Working to bring 3 residents into compliance;
- Issued 1 stop work order to resolve an immediate health and safety violation and coordinated with Nushagak Cooperatives to issue the proper permits and relocated electrical lines.
- Approved 11 encroachment permits, 6 short term and 5 long term permits; with one outstanding application which is awaiting more information from the applicant.
- Approved 4 new floodplain permits: Icicle Seafoods Wood River Plant, MotivePower Marine in the harbor, Delta Western, and Choggiung's pad on Kakanak Road.
- Wrote two letters to bring a property into compliance with floodplain regulations.
- Received certification in Floodplain Management.

CIP: Conducted the annual Capital Improvements Plan update with staff and Planning Commission.

Grants: Assisted with reappropriations of two City ADEC Municipal Matching grants.

Ordinances:

Title 17: Minimum acreage

- Researched Municipal Codes and State regulations and interviewed various professionals to help Planning Commission develop knowledge of the issue.
- Subdivision Roads: Researched road standards and made presentations to the Planning Commission, Code Committee and City Council.
- Right of Way Ordinance – Planning Commission prepared this for City road projects.

Title 18: Land Use Permits

- Worked on Title 18 regarding Material Sites prior to adoption. Now working with City attorney to clean up the Land Use Permit Administrative Review which has numerous problems and lacks standards.

Title 15: Floodplain Management

- Planning Commission improved the code to allow dependent uses on coastline. This has passed FEMA review and will come to the Council in the spring.

Roads and Evergreen Cemetery: Liaison to ADOT. Searched land records, assisted with project information and city and citizen needs.

Platting: completed 3 plats, worked with ADNR to remove restrictions from one property; prepared two easements for ASLS 2005-51; Still working with ADNR to complete an alley vacation. Approved street names for several private roads. Have several plats that are waiting for others to complete their part.

Port Land Exchange: Have asked the Assessor to prepare values of the properties in the exchange.

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Paul Liedberg

MEMORANDUM

Date: December 22, 2014
To: Rose Loera / City Manager
From: Jean Barrett / Port Director
Subject: December monthly report

T'was the week before Christmas and all thru the harbor not a creature was stirring Not even a Rawson..? December has finally shown us some resemblance of winter and we are finally frozen over. If I had known how warm it was going to be, I could have taken my time pulling the ramps.

2014 was a busy year for the Port. We had record years in the harbor and at the city dock. Since this is the end of the calendar year, I will be revisiting some of the high points from the past year.

Dock

- The City Dock had the biggest year on record as far as freight, both inbound and outbound. With all the construction in Dillingham and around the region added this to the great year in the bay for fish, we moved almost 77 million pounds over the dock.
- I have devoted a large amount of time to revising the Port of Dillingham Tariff this fall. We have not addressed this issue in more than 15 years. I made comparisons between our tariff and the tariffs of like sized ports in Western Alaska. I found that we were most comparable to the Port of Bristol Bay in that our tariffs were similar in the type of charges, but in the amount charged for these services we were significantly behind, so we used theirs as a gauge. I worked with the dock crew to come up with increases to the tariff that we thought were fair and reasonable increases. The suggested changes were taken to the Finance and Budget committee and then to Port of Dillingham Advisory Committee. Suggestions from both were taken and some minor changes made per their recommendations and it is due to come up to the City Council on the

*Our Vision. By 2015 to have an infrastructure that supports a sustainable, diversified and growing economy. * We will take a leadership role and partner with others to achieve economic development and other common goals. * We will develop a high quality City workforce to serve the community. * We will promote excellence in education.*

January agenda. Hopefully this will be passed and we will put these changes in place for the summer 2015 season.

- Last winter the City of Dillingham's Cat 950 loader finally gave up the ghost! This piece of machinery was very important to the operations at the harbor because it was the only loader we had that could handle the launching of the ramps into the harbor. After deciding that the purchase of a new loader would be made thru Port enterprise fund we went looking for a loader that would do the job. We were fortunate to find one from the State bid process that would fit our needs and since we went thru this process it made the price significantly lower. We were able to get a Volvo L110 loader delivered to us on the first barge last spring.
- With the money we saved going thru the State bid process we are going to be able to afford to replace our oldest small forklift at the dock. I have acquired quotes on several machines in the size and range we want. This proposal is also coming up for approval during the January council meeting.
- With the hard work of the dock crew we have implemented a procedure to keep all of our landings and charges at the dock on spreadsheets. This has worked out great for us to be able to track where the money is coming from when we generate invoices for the work done at the dock.

Harbor

- The Harbor was as busy as I have ever seen it this year. We had record numbers of vessels register for stickers this year. A total of 387 drift stickers were sold and 248 skiffs were stickered.
- The work that was done on the Tariff also affected what we are going to charge here in the harbor. Since we are the only harbor in our area, we found that any comparison for what we offer was hard to come by. We do know that our rates had not changed in as many years as the port tariff so some changes were in order. The topic of prices in the harbor brought up the most discussion with both the Finance and Budget committee and also the Port Advisory Committee. Surprisingly it was skiff rates that dominated the discussion, and I finally came up with a formula to charge skiff owners equally by the size of their boat.
- Last spring we spent many hours painting several coats of rubber onto the bottom of our floats to help keep them from taking on water and sinking. This seemed to work well thru the summer but we will need to apply more product again this spring. Our float system is 25+ years old and they have seen better days. I am working this winter on design of what I think would be a good system, the question now is what will it cost and where will the money come from... All in time!

I would like to take this opportunity to wish everyone a Merry Christmas and a Happy and prosperous 2015!

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Mayor
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Manager
Rose Loera



Dillingham City Council
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Paul Liedberg

MEMORANDUM

Date: December 19, 2014
To: Rose Loera, City Manager
From: Francisco Garcia, Public Works Director
Cc: Dillingham City Council
Subject: December monthly report 2014 – Public Works Department

Street Dept.

- Keeping the roads cleared of snow and sand roads when needed;
- Helping out water and sewer department.

Water/Sewer Dept.

- Keeping life stations, sewer treatment and water treatment plant cleaned;
- Completing monthly DMR reports and turning them in to D.E.C.

Shop Dept.

- Keeping up with equipment and vehicle maintenance;
- Keeping the shop cleaned and organized.

B&G Dept.

- Steadily working on police and field department boilers;
- Working on an assessment of each building.

Landfill Dept.

- Keeping the landfill clean;
- Collecting aluminum cans for recycling.

Year 2014 Accomplishments:

- Majority of the compliance issues were taken care of at the waste water facility (sampling compliance, dissolved oxygen calibration, QAPP, fence repair);
- Shipped out asbestos container from the landfill, new ash cell built, exiting cell was built up for more capacity, and received higher points from ADEC on the landfill inspection.

- Assisted DOT and Knik Construction with relocating the sewer line across from Scandinavian Creek, with the result no lines were compromised.
- Worked on the Wetlands Mitigation Project to build up the low spots where water would come across the road on Emperor and Lupine Road.
- Removed the mud from the face of the dock and layered it with new D-1.

Mayor
Alice Ruby

Manager
Rose Loera



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MEMORANDUM

Date: December 18, 2014
To: Rose Loera
From: Ida Noonkesser
Subject: Staff Report

During the month of November, the Senior Center served 515 congregate meals to 69 individuals, 114 home delivered meals to 8 individuals, gave 263 assisted rides to 27 individuals and 202 unassisted rides to 23 individuals.

We had three renters in the month of November. Also, the Pinochle player's group continues to rent the dining room every Friday and every third Saturday the Quilters rent the Senior Center.

Tish Luckhurst had invited the elders to tell stories to the MAP school students that volunteer at the Senior Center. She had a good crowd. They had snack and coffee that day.

November 14 was Joanne Hiratsuka's last day of work. We will sure miss her cooking. She was great interacting with the elders.

The Advisory Board still continues to meet every second Wednesday of every month.

We had our Thanksgiving dinner for the elders on November 21st. We made at about \$244.00. Thank you to Flossy Anderson for getting the salad ready and Vivian Braswell for helping keep track of visitors. Also a big thank you to all the volunteers that helped prepare and set up the dining room, and the girls from MAP school who helped prepare the fruits, dessert, and the tables. It wouldn't have been possible with all the help of the people who volunteered. Thank you everyone!

Next Advisory Board meeting is January 14.

I. CALL TO ORDER

The Finance and Budget Committee met on Monday, December 8, in the City Council Chambers, Dillingham, AK. Paul Liedberg, Chair, called the meeting to order at 5:34 p.m.

II. ROLL CALL

Committee Members present:

Paul Liedberg
Tracy Hightower

Mayor Alice Ruby
Curt Armstrong

Carol Shade

Staff present:

Pancho Garcia

Jean Barrett

III. APPROVAL OF MINUTES

A. Minutes of October 10, 2014

MOTION: Tracy Hightower moved and Alice Ruby seconded the motion to approve the minutes of October 10, 2014.

GENERAL CONSENT: The motion passed without objection.

IV. APPROVAL OF AGENDA

MOTION: Carol Shade moved and Alice Ruby seconded the motion to amend the agenda to include item A. Meeting Schedule under New Business.

GENERAL CONSENT: The motion passed without objection.

V. STAFF REPORTS

Carol Shade reported she was hoping to have the audited financials, but this being the first time with this auditing firm, it might be taking longer, and would follow up.

VI. UNFINISHED BUSINESS

A. Fiscal Policy Development

1. Review Internal Controls (*postponed to January*)

Carol Shade reported with the installation of the new accounting software, staff has been revising their existing internal controls. She planned to bring forward a few chapters in January to review.

B. Rate Review

1. Equipment Rental Procedures & Rates

The City will provide equipment for rent when it is not available locally from the private sector. The proposed rates are flat rates per clock hour, with no overtime.

Follow-up to the Equipment Rental, Policies and Procedures:

- Add a last sentence to item 15, page 3 of 5, “Unless otherwise specified, equipment rental rates are based on clock hours.”
- Insert the word “locally” in section II. Policy, item A. City of Dillingham will provide equipment for rent to external individuals/businesses when the equipment is not “locally” available from the private sector.
- In section IV. Responsibilities, item B.2. rearrange the phrase “prior to taking vehicle” to the beginning of the sentence to read: Prior to taking vehicle, provide copy of licenses, insurances, workmen’s compensation and references to the Public Works Director or designee.

MOTION: Alice Ruby moved and Tracy Hightower seconded the motion to recommend the equipment rental resolution and Equipment Rental Policy and Procedures to the Council for adoption.

GENERAL CONSENT: The motion passed without objection.

2. Port Tariff

Jean Barrett noted he had referred to Bristol Bay’s rate structure since it was the most similar to Dillingham’s. The newly proposed tariff rates had been reviewed with the Port of Dillingham Advisory Committee and their recommendations were being presented. The Port Committee had favored phasing in the proposed rates for containers over several years. With the increase in skiff lengths over the years, the price structure was revised based on footage: a flat fee for 20’, anything over 20’ would be a per foot rate up to 32’, and a fee for over 32’, and removed references to recreational, commercial, and fishing.

MOTION: Tracy Hightower moved Alice Ruby seconded the motion to recommend the increase in harbor and dock rates to the Council for adoption.

GENERAL CONSENT: The motion passed without objection.

- C. Division of Motor Vehicles Options *(Place Holder)*
- D. Water and Sewer Rate Analysis *(postponed to January)*
- E. Fuel Sales Outside City Limits

Paul referred to the letter to the fuel vendors. Mayor Ruby explained Aleknagik was assessing a 5% sales tax on fuel deliveries within their city limits, and Dillingham had the authority to assess a 6% sales tax, but was not being recommended by the Finance or Code committees. The two cities could negotiate an agreement. In the meantime, the COD was instituting a 1% sales tax.

Follow-up:

- Since the City was waiving 5% of its 6% sales tax, it would be in order to have the City Council approve the waiver and authorize an agreement between the two cities. Bring a draft compact back to Finance.

F. Fluoride in the Water (*Postponed to January*)

VII. NEW BUSINESS

A. Meeting Schedule

The meetings are now scheduled for the third Monday of the month at 5:30 PM. The committee was asked if they might be interested in day meetings. The committee was fine with the present schedule.

The next meeting was scheduled for January.

VIII. PUBLIC/COMMITTEE COMMENT(S)

Committee members wished each other holiday greetings.

IX. ADJOURNMENT

The meeting adjourned at 6:34 p.m.

Alice Ruby, Chair

ATTEST:

Janice Williams, City Clerk

Approval Date: _____

CITY OF DILLINGHAM, ALASKA

RESOLUTION NO. 2014-57 (AM)

A RESOLUTION OF THE DILLINGHAM CITY COUNCIL AUTHORIZING THE MAYOR TO SUBMIT A PETITION TO THE ALASKA LOCAL BOUNDARY COMMISSION FOR ANNEXATION OF COMMERCIAL FISHING WATERS TO THE CITY OF DILLINGHAM BY THE LEGISLATIVE REVIEW METHOD

WHEREAS, on June 14, 2010, the City of Dillingham filed a petition with the State of Alaska Local Boundary Commission to annex, via the Local Option (voter approval method), the Nushagak Commercial Salmon District waters and Wood River Sockeye Salmon Special Harvest area waters, together consisting of approximately 396 square miles of water and 3 square miles of land (small islands); and

WHEREAS, on April 10, 2012, a Special Election resulted in the passage of two propositions: Proposition 1 approved the annexation of commercial fishing waters to the Dillingham area, and Proposition 2 approved a 2.5% tax on sales of raw fish made within the City boundaries; and

WHEREAS, passage of Proposition 1 and 2 would provide critical funding to support the fishing industry, fire and public safety, water and sewer, landfill, harbor and dock, streets, library and schools; and

WHEREAS, on March 27, 2014 a Superior Court judge ruling in Native Village of Ekuk vs. Local Boundary Commission and City of Dillingham Case No. 3DI-12-0022 CI ordered the Local Boundary Commission to process the annexation through the legislative review method; and

WHEREAS, on August 7, 2014 the Dillingham City Council adopted Resolution No. 2014-42, approving a draft petition to Annex the Nushagak Commercial Salmon District and the Wood River Salmon Special Harvest Area by the Legislative Review Method; and

WHEREAS, the City of Dillingham held a properly noticed and advertised Special Meeting, Wednesday, September 24, at 6:00 PM, for a public hearing on the draft petition, before deciding whether to make any changes to the draft and submitting the petition to the Commission for approval; and

WHEREAS, representatives of the City of Dillingham held a public informational session in Manokotak on September 26 at the Manokotak city hall on the draft petition, before deciding whether to make any changes to the draft and submitting the petition to the Commission for approval; and

WHEREAS, the City of Dillingham held a Regular Council Meeting at Dillingham City Hall October 2, 2014, and Council postponed action on Resolution No. 2014-57 regarding the draft petition until the October 16, 2014 Special Meeting; and

Meeting Date: October 2, 2014
Postponed to: October 16, 2014
Postponed to: November 6, 2014
Postponed to: January 15, 2015

WHEREAS, the City of Dillingham held a workshop at Dillingham City Hall October 16, 2014 regarding the draft petition, before deciding whether to make any changes to the draft and submitting the petition to the Commission for approval; and

WHEREAS, the City of Dillingham held a Special Meeting at Dillingham City Hall October 16, 2014, and Council postponed action on Resolution No. 2014-57 regarding the draft petition until the November 6, 2014 Regular Council Meeting; and

WHEREAS, the City of Dillingham held a Regular Council Meeting at Dillingham City Hall November 6, 2014, and Council postponed action on Resolution No. 2014-57 regarding the draft petition until the January 15, 2015 Regular Council Meeting; and WHEREAS, copies of the petition summary, the prospective petition and related documents, including a map, were made available for public review at the following locations, days, and times open to the public beginning on or about August 12, 2014:

1. Dillingham City Hall, 141 Main Street, Dillingham, Monday to Friday, 8 am to 5 pm.
2. Dillingham Library, 306 D Street West, Dillingham, Monday, Tuesday & Thursday, 10 am – 5 pm, Wednesday, 10 am – 6 pm, Friday, 12 pm – 7 pm, and Saturday, 10 am – 2 pm.
3. Dillingham Small Boat Harbor office, 235 Harbor Road, Dillingham, June 1 through August 15, Monday through Sunday, 7 am – 10 pm, and August 16 through May 31, Monday through Friday, 7 am – 5 pm.
4. Dillingham Senior Center, 515 1st Avenue East, Dillingham, Monday through Friday, 8 am – 4 pm.
5. City of Dillingham website, <http://www.dillinghamak.us>, available anytime.
6. Curyung Tribal Council, 390 D Street, Dillingham, Monday through Friday, 8 am – 4:30 pm.
7. Ekuk Village Council, 100 Aleknagik Lake Road, Dillingham, Monday through Friday, 8am - 4:30pm.
8. City of Aleknagik, City office, Aleknagik, Monday through Friday, 9 am – 4 pm.
9. Village of Aleknagik, Village office, Aleknagik, Monday to Friday, 9 am – 5 pm.
10. Village of Clark's Point, Village office, Clark's Point, Monday through Friday, 9 am - 4:30 pm.
11. City of Manokotak, City office, Manokotak, Monday through Friday, 9 am – 5 pm.
12. Village of Manokotak, Village office, Manokotak, Monday to Friday, 9 am – 5 pm.
13. Bristol Bay Borough, Borough office, Naknek, Monday through Friday, 8 am – 4:30 pm.
14. Lake and Peninsula Borough, Borough Clerk's office, Monday through Friday, King Salmon, 8 am – 5 pm.
15. City of Ekwok, City office, Ekwok, Monday through Friday, 10 am – 5 pm.
16. City of New Stuyahok, City office, New Stuyahok, Monday through Friday, 8 am – 3 pm.
17. New Koliganek Village Council, Village office, Koliganek, Monday through Friday, 8 am – 4:30 pm.

Meeting Date: October 2, 2014
Postponed to: October 16, 2014
Postponed to: November 6, 2014
Postponed to: January 15, 2015

WHEREAS, the scope of the public hearing held September 24, 2014, included addressing the appropriate annexation standards and their application to the annexation proposal, legislative review annexation procedures, the reasonably anticipated effects of the proposed annexation, and the proposed transition plan required under 3 AAC 110.090 – 3 AAC 110.150, 3 AAC 110.400 – 3 AAC 110.700, and 3 AAC 110.900 – 3 AAC 110.990; and

WHEREAS, the City of Dillingham provided an opportunity for any person to submit written comments on the draft annexation petition until the close of business September 30, 2014, before deciding whether to make any changes to the draft and submitting the petition to the Commission for approval; and

WHEREAS, the city council of the City of Dillingham has considered public comments (both written and spoken) about the 2010 petition, the additional public comments made at the 2014 public hearing, and informational sessions, suggested petition changes to the draft petition developed by staff and consultants, and written comments regarding the draft petition submitted by the deadline for written comments before deciding whether to approve changes to the draft and submit the petition to the Commission for approval and has determined that it is in the public interest of the citizens of Dillingham that the revised petition attached to this resolution be submitted to the local Boundary Commission;

NOW, THEREFORE, BE IT RESOLVED:

1. That the Dillingham City Council hereby approves the revised draft petition attached to this Resolution; and
2. That the Mayor and City Manager are hereby authorized to sign and submit an amended annexation petition substantially in the form attached to this Resolution with additional exhibits as required.

PASSED and ADOPTED by the Dillingham City Council on _____.

Alice Ruby, Mayor

ATTEST:

[SEAL]

Janice Williams, City Clerk

City of Dillingham Information Memorandum

Agenda of: January 15, 2015

Attachment to:

Ordinance No. _____ / Resolution No. 2014-57 (AM)

Subject:

A Resolution of the Dillingham City Council authorizing the Mayor to submit a petition to the Alaska Boundary Commission for annexation of the Nushagak Commercial Salmon District and Wood River Sockeye Salmon Special Harvest Area by legislative review method

City Manager: Recommend Approval

Signature: Carol Shade, Acting

Route to	Department Head	Signature	Date
X	Finance Director	<i>Carol Shade</i>	<i>12/30/14</i>
X	City Clerk	<i>J. Williams</i>	<i>12/30/14</i>

Fiscal Note: Yes No

Funds Available: Yes No

Other Attachments:

- copy of draft petition dated October 16, 2014, with a revision to page 21, Council members, revised December 23, 2014

Summary Statement:

The amended Resolution No. 2014-57 (AM) includes additional whereas clauses in recognition of the meetings held and action on Resolution No. 2014-57 postponed to a future meeting, since Resolution No. 2014-57 was presented for adoption October 2, at a Regular Council Meeting.



Ordinance No. _____ / Resolution No. 2014-57 (AM)

Summary Statement continued:



PETITION

to the Local Boundary Commission

for

ANNEXATION

OF

Nushagak Commercial Salmon District waters and Wood River
Sockeye Salmon Special Harvest area waters,
together consisting of approximately 396 square miles of water
and 3 square miles of land (small islands)

TO THE

City of Dillingham
By the Legislative Review Method

October 16, 2014

Approved by City of Dillingham Resolution Nos. 2010-85; 2014-42

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INTRODUCTION

On June 14, 2010 the City of Dillingham petitioned to annex the territory that is the subject of this petition using the “local option” method. The Local Boundary Commission approved that petition on December 14, 2011 following an extensive public process. The Commission’s decision is attached as **Exhibit I** to this petition. On April 10, 2012, Dillingham voters approved this annexation.

In accordance with court orders entered in the case Ekuk v. Local Boundary Commission, Case No. 3DI-12-00022 CI, on June 11, 2014 the Commission adopted Resolution 14-01. Resolution 14-01 ordered the City of Dillingham to refile the June 14, 2010 petition “in accordance with the requirements for legislative review if the City desires to proceed with its petition.” The City does desire to proceed with its petition.

Therefore, the Petitioner City of Dillingham hereby requests that the Local Boundary Commission grant this Petition for annexation under the “legislative review” requirements pursuant to under Article X, Section 12 of the Constitution of the State of Alaska, AS 29.06.040(a and b), AS 44.33.812(a)(3), 3 AAC 110.140, 3 AAC 110.090-135 and 3 AAC 110.610(b). All exhibits attached to this petition are incorporated by reference.

SECTION 1. NAME OF THE PETITIONER. 3 AAC 110.420(b)(1).

The City incorporates by reference all information contained in Section 1 of the petition submitted June 14, 2010. For the convenience of the Commission this material is in full below. There is no supplemental material.

The name of the Petitioner is the City of Dillingham. The City of Dillingham is hereafter referred to as the “Petitioner.”

SECTION 2. PETITIONER’S REPRESENTATIVE. 3 AAC 110.420(b)(2).

The City incorporates by reference all information contained in Section 2 of the petition submitted June 14, 2010 regarding petitioner’s representative. For the convenience of the Commission this material is in full below, but with an **UPDATE** to who is serving as the Alternative Petitioner.

The Petitioner designates the following individual to serve as its representative in all matters concerning this annexation proposal:

Name: Alice Ruby, Mayor
Physical Address: City Hall, Dillingham Alaska
Mailing Address: P.O. Box 889
Dillingham, AK 99576
Telephone number: (907) 842-5211
Fax number: (907) 842-5691
E-mail address: mayor@dillinghamak.us

Alternative Petitioner's Representative

The Petitioner designates the following person to act as alternate representative in matters regarding the annexation proposal in the event that the primary representative is absent, resigns, or fails to perform his or her duties:

Name: Rose Loera, City Manager
Physical Address: City Hall, Dillingham Alaska
Mailing Address: P.O. Box 889
Dillingham, AK 99576
Telephone number: (907) 842-5211
Fax number: (907) 842-2060
E-mail address: manager@dillinghamak.us

SECTION 3. NAME AND CLASS OF THE CITY FOR WHICH A CHANGE IS PROPOSED. 3 AAC 110.420(b)(3).

The City incorporates by reference all information contained in Section 3 of the petition submitted June 14, 2010. For the convenience of the Commission this material is in full below. There is no supplemental material.

The name and class of the city proposing annexation is listed below:

Name: City of Dillingham
Class: 1st class City

SECTION 4. GENERAL DESCRIPTION OF THE NATURE OF THE PROPOSED BOUNDARY CHANGES. 3 AAC 110.420(b)(4).

The City replaces the information contained in Section 4 of the petition submitted June 14, 2010 with what appears below.

This petition, initiated by the City under the authority of 3 AAC 110.410(a)(4), requests the Local Boundary Commission authorize the following boundary change: annexation of territory generally described as Wood River and Nushagak Bay to the City under the Legislative Review method provided for in AS 29.06.040(a-b) and 3 AAC 110.140.

SECTION 5. GENERAL DESCRIPTION OF THE TERRITORY PROPOSED FOR ANNEXATION. 3 AAC 110.420(b)(5).

The City incorporates by reference all information contained in Section 5 of the petition submitted June 14, 2010. For the convenience of the Commission this material is in full below. There is no Supplemental material attached.

The territory proposed for annexation is the Nushagak Commercial Salmon District with approximately 390.95 square miles of water and 2.83 square miles of land (Grassy Island), and, the Wood River Sockeye Salmon Special Harvest area with approximately 4.89 square miles of water and

0.41 square miles of land (Sheep island and small island to north), together totaling 399.08 square miles of which 395.84 (99.2%) is water.

SECTION 6. REASONS FOR THE PROPOSED BOUNDARY CHANGES. 3 AAC 110.420 (b)(6).

The City incorporates by reference all information contained in Section 6 of the petition submitted June 14, 2010 as corrected by the City’s errata dated September 21, 2010. For the convenience of the Commission this material is in full below, *with supplemental material in bold italics inserted into the original June 14, 2010 narrative.*

The reason for the proposed boundary change is to more fairly distribute the costs for providing, operating, and maintaining the public facilities and services supporting commercial fishing in Nushagak Bay. Currently, a significant number of non-residents receive the benefit of these services that directly assist them in their fishing business without contributing equitably to operation and maintenance of the city services and facilities. As an example, in the Dillingham Harbor in 2013 and 2014, 57-56 percent (respective years) of the vessels belong to people who are not Dillingham residents (this includes both skiffs and commercial fishing vessels). While everyone pays harbor use fees, this revenue does not equal the city’s costs for operating and maintaining the services and infrastructure Dillingham provides to the fleet and related processors. For example, in 2013, \$75,000 was transferred from the Dock Special Revenue Fund to harbors to make up the difference between harbor fees and revenue.

2014 Dillingham City Harbor Permits	All Harbor Permits	Transient Moorage	Total	% of Total
Dillingham resident	252	0	252	44%
Local Villages resident	34	4	38	7%
Other Alaskan resident	95	10	105	19%
Out of State resident	164	7	171	30%
Out of Country resident	2	0	2	0% (Negligible)
Total	547	21	568	100%

Source: Dillingham Harbors

Like most places in Bristol Bay, fishery resources and the commercial fishing and seafood processing industries are the backbone of Dillingham’s economy and integral to many residents’ livelihoods and way of life. Dillingham, with its population of about 2,350 **2,395 (ADOLWD, July 2013)**, is the economic, transportation and public service center for western Bristol Bay. The region’s hospital, airport, University campus, public boat harbor, all-tide dock, boat launches, its regional health, housing, community development quota (CDQ), Native for and not-for profit organizations, and more are all located in Dillingham.

The City of Dillingham’s population is estimated at times to almost double during the peak fisheries months of May through August as summer residents or visitors come to town to commercial fish in Nushagak Bay and other places in Bristol Bay or work in Dillingham-based seafood processing plants. Commercial fishermen use the City-maintained harbor, docks, boat ramps, parking areas, restrooms,

bathroom, and benefit from trash-hauling, street maintenance, etc. Fishermen harvesting in the Nushagak district use the Dillingham harbor to moor vessels, between openings, haul their vessels in and out for servicing and repair, and to get fresh water or ice. On a bad weather day, in-between longer fishery openings there can be as many as 700 vessels using the City's small boat harbor.

There were 807 unique individuals with landings in the Nushagak Commercial Salmon district in 2008, yet only 155 (19 percent) were Dillingham residents and 35 percent were non-Alaskans. In 2008, only 20 percent of the vessels with commercial fish harvest in the Nushagak District were registered to Dillingham residents and 40 percent were registered to non-Alaskans.¹

There were 729 unique individuals with landings in the Nushagak Commercial Salmon district in 2012, yet only 138 (19 percent) were Dillingham residents and 280 (38 percent) were non-Alaskans. In 2012, only 17 percent of the gill net fleet vessels with commercial fish harvest in the Nushagak District were registered to Dillingham residents and 39 percent were registered to non-Alaskans.

There were 675 unique individuals with landings in the Nushagak Commercial Salmon district in 2013, yet only 143 (21 percent) were Dillingham residents and 243 (36 percent) were non-Alaskans. In 2013, 19 percent of the gill net fleet vessels with commercial fish harvest in the Nushagak District were registered to Dillingham residents and 35 percent were registered to non-Alaskans.

This annexation and the accompanying local severance and sales tax on raw fish will provide more revenue to the City of Dillingham to help pay for services and facilities that the region's commercial fishermen and fleet use while in town and will help make the community more financially sustainable.

Data shows that in 2004 through 2008 between 56 to 66 percent of the salmon harvest in Nushagak Bay each year was delivered outside Nushagak Bay for processing. ***In 2013, the percent of Nushagak Bay salmon delivered outside of the bay for processing was 46 percent***². The proposed local severance and sales tax on raw fish will allow Dillingham to collect revenue from this portion of the region's primary economic resource. Currently, neither Dillingham nor any other community in the bay area receives any State business fishery tax from the harvest of Nushagak Bay fish that is processed elsewhere, yet Dillingham is certainly bearing costs to provide services and support for the harvest of this fishery resource.

Dillingham's per capita tax burden is ranked 21st **12th** highest out of just over 80 **120** reporting municipalities (2009 Alaska Taxable, **2013 Alaska Taxable, Table 3A**) that levy a tax. Yet, the fees and taxes paid to the City of Dillingham by its resident and summer fisheries-related visitors are not

¹ Source: CFEC gross earnings files and CFEC Vessel files. Note that a 2014 update to this data, prepared by CFEC for this revised petition, applied a slightly different methodology so that: "In 2008, only 18 percent of the commercial gillnet vessels with commercial fish harvest in the Nushagak District were registered to Dillingham residents and 38 percent were registered to non-Alaskans."

² Source: An analysis of 2004-2008 ADF&G fish ticket & COAR data, **and 2009-2013 fish ticket and COAR data**, ADF&G, Division of Commercial Fisheries.

commensurate with the cost to the City to provide services and facilities that support area commercial fisheries. Every year Dillingham uses general operating fund money (76 percent of general operating fund revenue is from local property and sales tax revenue) to help subsidize services and infrastructure that support regional fisheries³.

Following are some examples that demonstrate the expenses that Dillingham is incurring as it continues to support the regional Nushagak fisheries and fishing fleet, related processing activity, and the influx of fishery related summer visitors. These expenses demonstrate the services Dillingham provides and why it needs additional revenue from commercial fishing related activity of non-residents, a primary reason for this annexation.

Following are some examples that account for a minimum of \$330,000 in Dillingham FY 2009 to help serve the regional fisheries. ***Following are some examples that account for a minimum of \$404,000 in Dillingham FY 2013 in direct fisheries-related support and many additional equipment expenditures that support that are used by or support regional fisheries part of the time.***

Harbors

- In Fiscal Year (FY) 09 approximately \$110,000 from Dillingham's general operating fund was transferred to harbors to make up the difference between harbor fees and actual harbor annual operating expenses which do not include the cost of contributed administrative services from the City of Dillingham paid for from the General Operating Fund. ***In FY 13, \$74,337 from Dillingham's Dock Special Revenue Fund was transferred to harbors to make up the difference between harbor fees received and harbor annual operating expenses.***
- ***In the Dillingham Harbor in 2013, 57 percent of the vessels belong to people who are not Dillingham residents (this includes both skiffs and commercial fishing vessels). Of this, 28 percent are non-Alaskans and 19 percent are from outside the Bristol Bay region.***
- ***In 2012, Dillingham purchased a Hyster 1050 H Large Forklift for approximately \$582,000. We keep two of these at the Dock primarily to move container vans around the yard. Many of our container vans are from Peter Pan and Icicle Seafood for shipping out salmon. Whether equipment purchases are direct funded by Dillingham (such as the Forklift) or grant-funded (such as the new Fire Tender truck now being constructed for \$405,000) Dillingham will pay operating and maintenance on this equipment.***
- ***In 2012, Dillingham had a strong southeast wind and high tide, which caused significant erosion in the Harbor. We had to put in over approximately \$46,000 of rock in the harbor to shore up areas that eroded because of the wind and tide.***
- ***The Harbor has three collection sites for waste oil from the fishing fleet.***
- ***In April 2014 the City of Dillingham purchased a new loader for \$294,000; this is the only piece of equipment that it has to put the harbor floats into and out of the water. The old one broke***

³ ***In 2013, 62 percent of the general operating fund revenue was from property or sales taxes (excluding Nushagak Fish Tax and bonds reimbursement from the state).***

down in March and there was a scramble to find another one to get on the first barge so that we could be ready for the 2014 fishing season.

Landfill

- Six large dumpsters are installed at the harbor or city dock and generally emptied twice a day, adding about 25% to the volume of trash hauled during those months. In 2009, this cost \$9,000, paid from the general operating fund (local taxes). In FY 2009, the City of Dillingham also transferred over \$200,000 of general operating fund money to the landfill to cover costs that exceeded fee revenue. This payment does not include the cost of contributed administrative services from the City of Dillingham paid for from the General Operating Fund. ***In the summer months to accommodate the fishing fleet, five large dumpsters are installed at the harbor and two at the city dock that are generally emptied twice a day, adding about 20% to the volume of trash hauled during those months. In FY 13 this cost to the city for fishery related trash hauling was approximately \$44,000, part of a larger General Fund \$220,000 transfer to cover landfill operating costs.***
- ***In FY 2014 the City is being required by the State of Alaska Department of Environmental Conservation to stop open burning of its municipal waste. As of July 1, 2014, Dillingham has had to bury, compact and cover the garbage at an additional expense of approximately \$200,000. The City is in the process of purchasing a thermal oxidation system to dispose of municipal waste. Due to the increase in municipal waste in the summer months we had to purchase a larger system than what is needed in the winter months. The total cost of this system and the building to house it will be approximately \$1.2 million, paid from grant funds.***
- ***The City of Aleknagik closed their South Shore landfill and residents that live on the South Shore are now bringing their garbage to the Dillingham landfill. In 2014, during Dillingham's annual community clean-up the City of Aleknagik also cleaned up its community and brought two trucks loads of garbage to the dumpsters at the Harbor. This is a new, but just one more, example of how Dillingham infrastructure and services help serve a regional role.***

Public Safety (police, fire, EMS)

- Ten percent of 2009's total calls for service (Dillingham city dispatch) are from the fishery-related areas including the boat harbor, Wood River boat launch, city dock or processing plants. Twenty percent of all calls for service in June and July are from these areas. Ten percent of the FY 2010 public safety budget, or \$211,990. There is no additional public safety staff in summer.
- ***In 2013, seven percent of total calls for service (Dillingham Police Dispatch) are from the fishery-related areas (boat harbor, Wood River boat launch, canneries, and dock area). In June and July 2013, 13 percent of all calls for service are from fishery-related areas. Using seven percent of the public safety budget as a reasonable estimate of the approximate cost of providing public safety services linked to the fishing activity in town, yields \$162,000 in 2013. As seen on the lower table below, the bulk of area public safety service is provided by the City of Dillingham.***
- ***The Dillingham Police Department was part of a mutual response with the Alaska State Troopers on 37 occasions between May 2012 and April 2013 in the annexed waterways or the areas bordering the waterways (Ekuk, Clark's Point, Igushik, Wood River lands).***

2013 Public Safety Calls for Service													
2013 Dillingham Dispatch Data	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	total
Total Calls for Service	431	418	442	480	576	606	705	599	585	524	434	468	6268
Number in fishery related areas	17	25	24	43	34	79	92	51	32	16	17	25	455
Percent of total in fishery related areas	4%	6%	5%	9%	6%	13%	13%	9%	5%	3%	4%	5%	7%

2013 Calls for Service Percentage by Agency	Police	Fire	EMS	Alaska State Troopers	Total
January	77%	1%	2%	20%	431
February	80%	1%	4%	15%	418
March	80%	1%	4%	15%	442
April	79%	1%	4%	16%	480
May	84%	1%	4%	11%	576
June	82%	1%	6%	11%	606
July	86%	1%	3%	11%	705
August	83%	1%	4%	12%	599
September	78%	1%	4%	17%	585
October	82%	1%	3%	14%	524
November	82%	1%	3%	14%	434
December	79%	1%	3%	17%	468
				Year Total	6268

Source: Dillingham Police Department

- ***In 2013, the Public Safety Department purchased Personal Floatation Devices for all their officers and equipped all their vehicles with floating discs to throw to someone in need in the water. The total approximate cost was \$1,000.***
- ***The City received a bid from Spill Shield for oil containment equipment for approximately \$35,000 and is working to complete this purchase.***

Department of Motor Vehicles

- ***The average number of monthly transactions at the Dillingham DMV is 215. During the months of June and July the average amount of transactions is 416. (The City supports the building and staff for DMV.)***

Water and Sewer

- ***The City provides drinking water and public sewer service to the Peter Pan processing plant. Each summer between 400 and 500 workers live at the plant. The City's public utility infrastructure must be sized to accommodate this seasonal influx of temporary residents without whom the fish caught by permit holders would not be able to be processed. Currently the City is undertaking a major upgrade to its wastewater treatment plant in part to increase the capability of the plant to treat sewage. The cost is estimated at approximately \$4 million. In 2012 and 2013, the City of Dillingham spent approximately \$1.56 million and \$1.68 million respectively on upgrades to its wastewater system. It still has projects that need to be completed. In total, approximately \$6.8 million will be invested. Fortunately, much of this is grant funded, however, Dillingham pays for the day-to day operation and maintenance.***
- ***The City's drinking water supply facility was upgraded in 2010 at a cost of \$1 million. Icicle Seafoods is a new seafood processor in town (2014) and has indicated that its wells are not***

sufficient to meet its processing needs and would like to connect to city water. The city is currently investigating options. This is another of the many examples of how the city continually upgrades its facilities to serve the region's commercial fishing industry. The city is not complaining, but merely wishes to receive a fairer share (as many other places in the Bristol Bay region do through a local fish tax) of the revenue being generated in the Nushagak from those who live outside of Dillingham- including those from outside Alaska - to help provide this infrastructure and services.

Revenue resulting from this annexation will allow Dillingham to help cover the costs listed above and others. It will allow Dillingham to provide better service to its own and neighboring community fishermen and fish processors as well as those from outside the area and state who use the City-maintained harbor, docks, boat ramps, restrooms, bathhouse, and benefit from trash-hauling, street maintenance, etc. Revenues from this annexation will also allow some improvements that will benefit all who use Dillingham's harbor related facilities. In addition added revenue will allow enhanced coordination with the Alaska State Troopers, local search and rescue volunteers and others who together enact public safety response in Dillingham. The Alaska State Troopers will continue to be the primary first responders in Nushagak River and Bay as they are now, though the City will be better able to partner and assist when appropriate (refer to the Transition Plan). The City will also provide enhanced environmental protection through an added oil spill response cache, ***to be acquired shortly.***

Totaling the expenditures from Dillingham's FY 13 General Operating Budget that are attributable to serving the commercial fishing fleet yields a minimum of \$404,000. The 2.5 % Nushagak Fish Tax generated \$848,910 that year. After the general fund expenses related to commercial fishing and other fishery and committed tax relief efforts were funded, \$364,000 remained to help pay for future commercial fishing related improvements. The 2.5% Nushagak Fish Tax is allowing Dillingham to more readily pay for these services and thus provide better service to its own and neighboring community fishermen as well as those from outside the area and state who use the City-maintained harbor, docks, boat ramps, restrooms, bathhouse, and benefit from local processors, trash-hauling, street maintenance, etc.

Dillingham FY 13 Operating & Special Revenue Fund Expenditures Directly Attributable to Serving Commercial Fishing Fleet, to support and Benefit Fisheries, Commercial Fishermen, and Processors	
General Fund Comm. Fish Related Expenditure: Harbors	\$196,651
General Fund Comm. Fish Related Expenditure: Landfill	\$44,000
General Fund Comm. Fish Related Expenditure: Public Safety Response	\$162,400
General Fund Comm. Fish Related Expenditure: Public Safety: Personal Floating Devices	\$1,000
Total Expenditures, From General Fund	\$404,051
Other: 2014 Oil Containment Equipment⁴	\$35,000
Nushagak Fish Tax Expenditure: Transfer to General Fund (to help pay \$404,051 in expenses listed above)	\$400,920
Nushagak Fish Tax Expenditure: Property Tax Payer Refund	\$10,833
Nushagak Fish Tax Expenditure: Low Income Fisher Refund	\$1,798
Nushagak Fish Tax Expenditure: Transfer to Fisheries Infrastructure Fund	\$46,422
Nushagak Fish Tax Expenditure: Transfer to Borough Study Fund	\$24,853
Total Expenditures, from Nushagak Fish Tax	\$484,826
FY 2013 2.5% Nushagak Fish Tax Revenue	\$848,910
Nushagak Fish Tax Balance, at end of FY 13, for Future Commercial Fishery Related Improvements	\$362,468

Other municipalities in this part of Alaska, which are likewise fiscally dependent on fisheries revenue also include adjacent commercial fishing district waters within their corporate boundaries. This has been explicitly permitted by the Local Boundary Commission (“Commission” or “LBC”) either as a part of initial municipal incorporation or through annexation.

For example, in 1995 the LBC approved incorporation of the City of Egegik with 105 square miles of water to include the Egegik fishing district; in 1991, the LBC approved incorporating the City of Pilot Point with 115 square miles of water in the Ugashik commercial fishing district; in 1986 the LBC approved annexation of approximately 194 square miles of commercial fishing waters into the City of St. Paul; and in 1985 the LBC approved annexation of 183 square miles of water to the City of Togiak to bring in the Togiak Bay and its commercially fished waters into the City’s corporate boundary.

⁴ In 2014 the City received a bid from Spill Shield for oil containment equipment for approximately \$35,000. It was the City’s intention to purchase this equipment for the 2014 summer and have it ready to present to the City. Then the annexation was remanded. The City has applied for a grant with Homeland Security Program and included a request for this equipment in July 2014.

These communities also levy a local raw fish tax (sales or severance), including several that are within a borough where both a local city and a borough raw fish is levied and collected. Local municipalities levying a raw fish tax include Saint Paul, Unalaska, Akutan, Togiak, King Cove, Sand Point, Chignik, Pilot Point, Egegik, Aleutians East Borough, Kodiak Island Borough, Bristol Bay Borough, Lake and Peninsula Borough, and City and Borough of Yakutat (see map, Exhibit E-Supporting Brief).

The proposed annexation is in the best interest of the State, as it will promote maximum local self-government and the long-term economic vitality of the City of Dillingham, a regional hub in western Bristol Bay, Alaska, ***as previously expressly found by the Local Boundary Commission in its decision of December 14, 2011 (pages 13-14). In particular, the Commission has already determined:***

“That all of the relevant standards and requirements for annexation of the territory (the Nushagak Bay Commercial Fishing Districts) are satisfied by the City of Dillingham’s petition.” Also, refer to Exhibit E - Supporting Brief, for additional detail on the reasons and justification for this annexation.

SECTION 7. LEGAL DESCRIPTIONS, MAPS, AND PLATS. 3 AAC 110.420(b)(7).

The City incorporates by reference all information contained in Section 7 of the petition submitted June 14, 2010. For the convenience of the Commission this material is in full below. There is no supplemental information.

1. **Legal Description of the Territory Proposed for Annexation.** Exhibit A-1 provides a written metes and bounds legal description of the territory proposed for annexation.
2. **Legal Description of Existing City’s Boundaries.** Exhibit A-2 provides a legal metes and bounds description of the existing city’s boundaries.
3. **Legal Description of Proposed Post-Annexation Boundaries.** Exhibit A-3 provides a legal metes and bounds description of the proposed post-annexation boundaries of the city.
4. **Maps and Plats.** Exhibit A-4 provides a map showing the existing boundaries of the city and the boundaries of the territory proposed for annexation. Any plats required by the Department of Commerce, Community, and Economic Development to demonstrate the accuracy of the legal descriptions in Exhibits A-1, A-2 or A-3 are included with the map in Exhibit A-4.

SECTION 8. SIZE OF THE TERRITORY PROPOSED FOR ANNEXATION. 3 AAC 110.420(b)(8).

The City incorporates by reference all information contained in Section 8 of the petition submitted June 14, 2010. For the convenience of the Commission this material is in full below. There is no supplemental information.

1. The existing city proposing annexation encompasses 33.6 square miles of land and 2.1 square miles of water.

2. The territory proposed for annexation encompasses approximately 395.84 square miles of water and 3.24 square miles of land (islands).
3. The existing city after the proposed annexation encompasses 36.84 square miles of land and approximately 397.94 square miles of water.

SECTION 9. DATA ESTIMATING THE POPULATION OF THE TERRITORY PROPOSED FOR ANNEXATION. 3 AAC 110.420(b)(9).

The City incorporates by reference all information contained in Section 9 of the petition submitted June 14, 2010. For the convenience of the Commission this material is in full below, ***with supplemental material in bold italics inserted within the original June 14, 2010 narrative.***

1. The population of the territory proposed for annexation is estimated to be 1,230 **1,000** seasonal transient fishermen and crew working on (and in some cases living on) fishing vessels. ***(Based on 520+ non-Dillingham unique fishermen fishing in Nushagak Bay in 2013 and assuming 1 crew per fisherman).***
2. The population within the current boundaries of the city is estimated to be 2,347 **2,395** (ADOLWD, 2008, **2013**). The summer seasonal workforce in Dillingham is estimated to be approximately 700 **820 for the two canneries and other seasonal workers from BBEDC not including fishermen (Dillingham est.).**
3. The permanent population of the existing city after the proposed annexation is estimated to be 2,347 **2,395**. The seasonal increase in population is estimated to be approximately 1,930 **1,820 (1,000+820=1,820)**. The estimated total population in the summer (combined permanent and seasonal) after annexation is 4,277 **4,215**.

SECTION 10. INFORMATION RELATING TO PUBLIC NOTICE AND SERVICE OF THE PETITION. 3 AAC 110.420(b)(10)

The City incorporates by reference all information contained in Section 10 of the petition submitted June 14, 2010. However, this section has been replaced with the following updated information.

This public notice information regarding this annexation petition is provided in **Exhibit B**.

Since the area proposed for annexation is identical to the area described in the June 14, 2010 the public notice and service of the June 14, 2010 petition is properly considered part of the entire public process related to the proposed annexation. This is described on pages 2 and 3 of the Commission's December 14, 2011 decision attached as **Exhibit I** and in the consultation report attached as **Exhibit J**. Information specific to notice of the pre-filing public hearing held as required by 3 AAC 110.425(e) is provided in **Exhibit K**.

SECTION 11. TAX DATA. 3 AAC 110.420(b)(12).

The City incorporates by reference all information contained in Section 11 of the petition submitted June 14, 2010. For the convenience of the Commission this material is in full below, **with supplemental material in bold italics inserted into the original June 14, 2010 narrative, to update it to 2013.**

1. The assessed or estimated value of taxable property in the territory proposed for annexation. This only applies for any proposed or existing municipal government for which a change is proposed that currently levies or proposes to levy property taxes.

- a. This subsection lists estimates or actual figures concerning the value of taxable real property in the existing city.

ASSESSED OR ESTIMATED VALUE OF TAXABLE REAL PROPERTY WITHIN THE EXISTING CITY		
Borough, City, or Service Area	Estimated or Locally Assessed Value	Estimated or Actual Full and True Value
Dillingham (as of Jan. 1, 2009)	\$111,780,4777	\$129,270,800
Source: 2009 Alaska Taxable		
Total (areawide)	\$111,780,4777	\$129,270,800

ASSESSED OR ESTIMATED VALUE OF TAXABLE REAL PROPERTY WITHIN THE EXISTING CITY		
Borough, City, or Service Area	Estimated or Locally Assessed Value	Estimated or Actual Full and True Value
<i>Dillingham (as of Jan. 1, 2013)</i>	<i>\$121,447,150</i>	<i>\$152,374,500</i>
<i>Source: 2013 Alaska Taxable</i>		
<i>Total (areawide)</i>	<i>\$121,447,150</i>	<i>\$152,374,500</i>

- b. This subsection lists estimates or actual figures concerning the value of taxable personal property in the existing city.

ASSESSED OR ESTIMATED VALUE OF TAXABLE PERSONAL PROPERTY WITHIN THE EXISTING CITY		
Borough, City, or Service Area	Estimated or Locally Assessed Value	Estimated or Actual Full and True Value
Dillingham (as of Jan. 1, 2009)	\$36,190,636	\$47,733,700
Source: 2009 Alaska Taxable		
Total (areawide)	\$36,190,636	\$47,733,700

ASSESSED OR ESTIMATED VALUE OF TAXABLE PERSONAL PROPERTY WITHIN THE EXISTING CITY		
Borough, City, or Service Area	Estimated or Locally Assessed Value	Estimated or Actual Full and True Value
<i>Dillingham (as of Jan. 1, 2013)</i>	<i>\$40,425,968</i>	<i>\$53,643,100</i>
<i>Source: 2013 Alaska Taxable</i>		
<i>Total (areawide)</i>	<i>\$40,425,968</i>	<i>\$53,643,100</i>

- c. This subsection lists estimates or actual figures concerning the value of taxable real property in the territory proposed for annexation.

ASSESSED OR ESTIMATED VALUE OF TAXABLE REAL PROPERTY WITHIN THE TERRITORY PROPOSED FOR ANNEXATION		
Borough, City, or Service Area	Estimated or Locally Assessed Value	Estimated or Actual Full and True Value
Area for annexation to Dillingham	\$0.00	\$0.00
Total (areawide)	\$0.00	\$0.00

d. This subsection lists estimates or actual figures concerning the value of taxable personal property in the territory proposed for annexation.

ASSESSED OR ESTIMATED VALUE OF TAXABLE PERSONAL PROPERTY WITHIN THE TERRITORY PROPOSED FOR ANNEXATION		
Borough, City, or Service Area	Estimated or Locally Assessed Value	Estimated or Actual Full and True Value
Area for annexation to Dillingham	\$0.00	\$0.00
Total (areawide)	\$0.00	\$0.00

e. This subsection lists estimates or actual figures concerning the value of taxable real property within existing city after the proposed annexation.

ASSESSED OR ESTIMATED VALUE OF TAXABLE REAL PROPERTY WITHIN THE EXISTING CITY AFTER THE PROPOSED ANNEXATION		
Borough, City, or Service Area	Estimated or Locally Assessed Value	Estimated or Actual Full and True Value
Dillingham (as of Jan. 1, 2009)	\$111,780,477	\$129,270,800
Source: 2009 Alaska Taxable		
Total (areawide)	\$111,780,477	\$129,270,800

ASSESSED OR ESTIMATED VALUE OF TAXABLE REAL PROPERTY WITHIN THE EXISTING CITY AFTER THE PROPOSED ANNEXATION		
Borough, City, or Service Area	Estimated or Locally Assessed Value	Estimated or Actual Full and True Value
<i>Dillingham (as of Jan. 1, 2013)</i>	<i>\$121,447,150</i>	<i>\$152,374,500</i>
<i>Source: 2013 Alaska Taxable</i>		
<i>Total (areawide)</i>	<i>\$121,447,150</i>	<i>\$152,374,500</i>

f. This subsection lists estimates or actual figures concerning the value of taxable personal property in the existing city after the proposed annexation.

ASSESSED OR ESTIMATED VALUE OF TAXABLE PERSONAL PROPERTY WITHIN THE EXISTING CITY AFTER THE PROPOSED ANNEXATION		
Borough, City, or Service Area	Estimated or Locally Assessed Value	Estimated or Actual Full and True Value
Dillingham (as of Jan. 1, 2009)	\$36,190,636	\$47,733,700
Source: 2009 Alaska Taxable		
Total (areawide)	\$36,190,636	\$47,733,700

ASSESSED OR ESTIMATED VALUE OF TAXABLE PERSONAL PROPERTY WITHIN THE EXISTING CITY AFTER THE PROPOSED ANNEXATION		
Borough, City, or Service Area	Estimated or Locally Assessed Value	Estimated or Actual Full and True Value
<i>Dillingham (as of Jan. 1, 2013)</i>	<i>\$40,425,968</i>	<i>\$53,643,100</i>
<i>Source: 2013 Alaska Taxable</i>		
<i>Total (areawide)</i>	<i>\$40,425,968</i>	<i>\$53,643,100</i>

2. Projected taxable sales in the territory proposed for change.

- a. The projected value of taxable sales within the existing city is estimated to be \$41,166,667 for general sales, \$600,000 for transient sales, \$2,380,000 for liquor sales, and \$1,450,000 for gaming sales (FY 10 Dillingham revised budget)
- At the general sales tax rate of 6%, it is projected that general sales tax revenues of the existing city will equal approximately \$2,470,000 annually; (FY 10 Dillingham budget)
 - At the bed (lodging) sales tax rate of 10%, it is projected that bed sales tax revenues of the existing city will equal approximately \$60,000 annually; (FY 10 Dillingham budget)
 - At the liquor sales tax rate of 10%, it is projected that liquor sales tax revenues of the existing city will equal approximately \$238,000 annually; (FY 10 Dillingham budget)
 - At the general gaming tax rate of 6%, it is projected that gaming sales tax revenues of the existing city will equal approximately \$87,000 annually; (FY 10 Dillingham budget)
- b. The projected value of taxable severance or sale of raw fish within the territory proposed for annexation is estimated to be \$28,435,335 (2000, 2005, 2008 COAR and fish ticket data, ADF&G). At a severance or sales tax rate of 2.5%, it is projected that revenues from the severance or sale of raw fish within the annexed territory will equal approximately \$710,883 annually. This tax will be structured similar to others in the region where a fish buyer (or harvester) is only responsible for paying a local raw fish tax once, either as a severance tax or as a sales tax.

At a severance tax rate of 2.5%, the tax revenue from the severance or sale of raw fish within the territory annexed is known to be \$79,523 (FY 12, fishing that occurred subsequent to the April 2012 elections), \$848,910 (FY 2013, for the June-August 2012 fishing season), and \$414,313 (FY 14, for the June, July, August 2013 fishing season prior to remand).

From these totals, \$10,833 and \$15,293 was refunded to Dillingham property owners in FY 13 and FY 14 (respectively), and \$1,998 and \$2,464 was refunded to low income participants harvesting fish subject to the severance tax in FY 13 and FY 14 (respectively).

- c. The projected value of all taxable sales within the existing city after the proposed annexation is estimated to be \$74,032,002. At the tax rates of 6% general sales, 10% bed tax sales, 10% liquor tax sales, 6% gaming tax sales and 2.5% raw fish severance or sales tax, it is projected that sales and severance tax revenues of the existing city after the proposed annexation will equal approximately \$3,575,883 each year. ***The value of all taxable sales within the existing city after the proposed annexation is known to be (FY 13) \$84,815,450, based on the tax rates of 6% general sales, 10% bed tax sales, 10% liquor tax sales, 6% gaming tax sales, and 2.5% raw fish severance or sales tax. These taxable sales generated \$5.56 million in FY 13.***

3. Taxes currently levied by municipal governments within the territory proposed for annexation.

- a. The type and rate of each tax currently levied by municipal governments within the territory proposed for annexation is listed below:

Borough, City, or Service Area	Property tax (mills)	General sales Tax (%)	Transient sales tax (%)	Liquor sales tax (%)	Gaming sales tax (%)	Severance or Raw Fish Sales Tax (%) <u>New (with annexation)</u>
Dillingham	13.00	6%	10%	10%	6%	2.5%

SECTION 12. BUDGET INFORMATION. 3 AAC 110.420(b)(13)(B).

The City incorporates by reference all information contained in Section 12 of the petition submitted June 14, 2010. However, this information is replaced and updated in **Exhibits C-1, C-2, and C-3.**

1. Projected revenue for the period extending one fiscal year beyond the reasonably anticipated date of 3 AAC 110.420(b)(13)(A)-(C) for any existing municipality for which a change is proposed is presented in **Exhibit C-1.**
2. Operating expenditures for the period extending one fiscal year beyond the reasonably anticipated date of 3 AAC 110.420(b)(13)(A)-(C) for any existing municipality for which a change is proposed is presented in **Exhibit C-2.**
3. Capital expenditures for the period extending one fiscal year beyond the reasonably anticipated date of 3 AAC 110.420(b)(13)(A)-(C) for any existing municipality for which a change is proposed is presented in **Exhibit C-3.**
4. For subsections 1 through 3 above if 3 AAC 110.420(b)(13)(A)-(C) are not applicable then only one fiscal year is required.

SECTION 13. EXISTING LONG TERM MUNICIPAL DEBT. 3 AAC 110.420(b)(14).

The City incorporates by reference all information contained in Section 13 of the petition submitted June 14, 2010 and Exhibit D. ***In this revised petition, Exhibit D has been eliminated and the information is presented below (identical to what was in the Exhibit D of the June 10, 2014 petition).***

<u>NAME/TYPE OF BOND</u>	<u>PURPOSE OF BOND</u>	<u>DATE FULLY PAID</u>
General Obligation School Bond Series A 2008	School Remodel	Fully paid \$15,105,000 in 2028 Annual debt service is \$1,200,000 (State reimburses City for 69% per Alaska Legislature approved School Construction Debt Reimbursement)

SECTION 14. MUNICIPAL POWERS AND FUNCTIONS. 3 AAC 110.420(b)(15).

The City incorporates by reference all information contained in Section 14 of the petition submitted June 14, 2010 and Exhibit E. ***In this revised petition, Exhibit E has been eliminated and the information is presented below (identical to what was in the Exhibit E of the June 10, 2014 petition).***

Municipal Powers and Functions of Any Existing Municipality for Which Change Is Proposed Before the Proposed Change

Powers currently exercised by the City of Dillingham are the following: Police/E911/Jail/Animal Control; Planning & Zoning/Platting/Land Use Regulation/Building Codes; Library/Museum; Utilities; Ports & Harbors; Economic Development; Education; Taxation; Streets and Street Maintenance; Parks and Recreation. Dillingham may exercise all powers not expressly prohibited by other provisions of state or federal law.

Municipal Powers and Functions of Any Existing Municipality for Which Change Is Proposed After The Proposed Change

There are no new powers or functions. However, as a result of annexation, the City of Dillingham, will change some existing powers and functions as follows:

- 1) Levy and collect a raw fish severance and sales tax;
- 2) Provide increased environmental protection within City boundaries by purchasing and maintaining an oil spill response cache at the City Boat Harbor and possibly in other areas; and
- 3) Enhance public safety response and coordination by better support for volunteer search and rescuers, enhanced coordination with Alaska State Troopers, and cross-training and use procedures between harbor and police for the city skiff. While the City intends to continue to assist and sometimes take the lead on public safety incident response within one-quarter to one mile off shore, the Alaska State Troopers will retain jurisdiction as the primary first responders in Nushagak River and Bay.

Current Alternative Service Providers in The Territory Proposed for Annexation

Provider	Service or Function
Alaska State Troopers	Public Safety Fish and Wildlife Enforcement

SECTION 15. TRANSITION PLAN. 3 AAC 110.420(b)(16).

The City incorporates by reference all information contained in Section 15 of the petition submitted June 14, 2010. For the convenience of the Commission this material is in full below, *with supplemental material in Exhibit D in bold italics inserted into the original June 14, 2010 narrative, to update it to 2013.*

As provided for in 3 AAC 100.900, **Exhibit D** presents a practical plan for the transfer and integration of all relevant and appropriate assets and liabilities in the territory proposed for annexation to the existing city:

1. A practical plan that demonstrates the capability of the existing city to extend essential municipal services (as determined under 3 AAC 110.970) into the territory proposed for

annexation within the shortest practical time after the effective date of the proposed change (not to exceed two years).

2. A practical plan to assume all relevant and appropriate powers, duties, rights, and functions presently exercised by an existing borough, city, unorganized borough service area, or other appropriate entity located in the territory proposed for annexation. The plan must be prepared in consultation with the officials of each existing borough, city, and unorganized borough service area and must be designed to affect an orderly, efficient, and economical transfer within the shortest practical time, not to exceed two years after the effective date of the proposed change.
3. A practical plan to transfer and integrate all relevant and appropriate assets and liabilities of an existing borough, city, unorganized borough service area, and other entity located within the boundaries proposed for change. The plan must be prepared in consultation with the officials of each existing borough, city, and unorganized borough service area and must be designed to affect an orderly, efficient, and economical transfer within the shortest practical time, not to exceed two years after the effective date of the proposed change. The plan must specifically address procedures that ensure that the transfer and integration occur without loss of value in assets, loss of credit reputation, or a reduced bond rating for liabilities.
4. The transition plan must state the names and titles of all officials of each existing borough, city, and unorganized borough service area that the Petitioner consulted. The dates on which that consultation occurred and the subject addressed during that consultation must also be listed.
 - a. If a prospective Petitioner has been unable to consult with officials of an existing borough, city, or unorganized borough service area because those officials have chosen not to consult or were unavailable during reasonable times to consult with a prospective Petitioner, the prospective Petitioner may request that the commission waive the requirement to consult those officials. The request for a waiver must document all attempts by the prospective Petitioner to consult with officials of each existing borough, city, or unorganized borough service area. If the commission determines that the prospective Petitioner acted in good faith and that further efforts to consult with the officials would not be productive in a reasonable period of time the commission may waive the requirement to consult.

SECTION 16. COMPOSITION AND APPORTIONMENT OF THE CITY COUNCIL. 3 AAC 110.420(b)(17).

The City incorporates by reference all information contained in Section 16 of the petition submitted June 14, 2010 and Exhibit G. ***In this revised petition, Exhibit G has been eliminated and the information is presented below. It is updated to list the 2014 City Council.***

Describe the composition and apportionment of the city council of the city proposing annexation, both before and after the proposed change.

Current Composition of City Council

Alice Ruby, Mayor
Holly Johnson
Chris Maines
Misty Salvo
Curt Armstrong
Tracy Hightower
Paul Liedberg

The annexation will cause no change to the composition of the City Council or apportionment. The City of Dillingham Council is composed of a Mayor and six Council members, all of whom are elected from the city at large. The Mayor is also elected for a term of three years.

SECTION 17. SUPPORTING BRIEF. 3 AAC 110.420(b)(19).

The City incorporates by reference all information contained in Section 17 of the petition submitted June 14, 2010. For the convenience of the Commission this material is in full below. ***Supplemental material is in bold and italics and added to the original June 14, 2101 narrative in Exhibit E.***

Exhibit E presents a supporting brief providing a detailed explanation of how the proposed annexation serves the best interests of the state and satisfies each constitutional, statutory, and regulatory standards set out in Article I, Section 1 and Article X of the Constitution of the State of Alaska; AS 44.33.812; AS 29.06.040(b); 3 AAC 110.090 – 3 AAC 110.140; 3 AAC 110.400 – 3 AAC 110.700; and 3 AAC 110.900 – 3 AAC 110.990, and any other pertinent laws, that are relevant to the proposed annexation.

SECTION 18. CIVIL AND POLITICAL RIGHTS INFORMATION. 3 AAC 110.420(b)(18).

The City incorporates by reference all information contained in Section 18 of the petition submitted June 14, 2010. For the administrative convenience of the Commission this material is set forth in full below. No Supplemental material is attached.

Information regarding any effect of the proposed annexation upon civil and political rights for purposes of the federal Voting Rights Act of 1965 (42. U.S.C. 1971 - 1974) is provided in **Exhibit F**. The proposed change will not deny any person the enjoyment of any civil or political right, including voting rights, because of race, color, creed, sex or national origin.

SECTION 19. DOCUMENTATION DEMONSTRATING THAT THE PETITIONER IS AUTHORIZED TO FILE THE PETITION UNDER AAC 110.410. - 3 AAC 110.420(b)(20).

The City incorporates by reference all information contained in Section 19 of the petition submitted June 14, 2010. For the convenience of the Commission this material is in full below. However, **Exhibit G** is replaced with a current updated Resolution.

A certified copy of the ordinance or resolution adopted by the City Council to authorize the filing of this Petition is provided as **Exhibit G**

SECTION 20. PETITIONER'S AFFIDAVIT. 3 AAC 110.420(b)(22).

The City incorporates by reference all information contained in Section 20 of the petition submitted June 14, 2010. For the convenience of the Commission this material is in full below. However, **Exhibit H** is replaced with a current updated version.

An affidavit from the petitioner's representative that, to the best of the representative's knowledge, information, and belief, formed after reasonable inquiry, the information in the petition is true and accurate is provided in **Exhibit H**

EXHIBIT A-1. PROPOSED FOR ANNEXATION

This is the same as Exhibit A-1 in the June 14, 2010 petition; there has been no change.

1. Beginning at the point where the mean high tide line is on the west bank of the Wood River intersects the north boundary of Section 35, T12S, R55W, R55W, Seward Meridian (S.M.);
2. Thence, meandering north and northwesterly along a line paralleling the mean high tide line of the west bank of the Wood River to the intersection with 59 degrees 12.11 minutes North Latitude and 158 degrees 33.38 minutes West Longitude;
3. Thence, east across the Wood River to mean high tide line on the east bank of the Wood River at 58 degrees 12.11 minutes North Latitude and 158 degrees 33.11 minutes West Longitude;
4. Thence, meandering south and southeasterly along a line paralleling the mean high tide line of the east shore of the Wood River and the northeastern shore of the Nushagak River to the intersection with R55W, S.M.;
5. Thence, south along the eastern boundary of Sections 12, 13 and 24, T13N, R55W, S.M. to the intersection with mean high tide line on the southern shore of Nushagak River;
6. Thence, meandering southerly along a line paralleling the mean high tide line of the southeastern shore of Nushagak River and Nushagak Bay, including Grass Island, and excluding the corporate boundaries of the 2nd class city of Clark's Point (as shown on certificate recorded May 11, 1971, in Book XVII, Page 299, Records of the Bristol Bay Recording District, Third Judicial District), to a point at 58 degrees 39.37 minutes North Latitude and 158 degrees 19.31 minutes West Longitude;
7. Thence, southwesterly to 58 degrees 33.92 minutes North Latitude and 158 degrees 24.94 minutes West Longitude;
8. Thence, southwesterly to 58 degrees 29.27 minutes North Latitude and 158 degrees 41.78 minutes West Longitude at the mean high tide line along the eastern shore of Nushagak Bay;
9. Thence, meandering northerly along a line paralleling the mean high tide line to a point at the intersection of mean high tide line and the Igushik River at 58 degrees 43.841 minutes North Latitude and 158 degrees 53.926 minutes West Longitude;
10. Thence, easterly across the Igushik River to a point at the intersection of the Igushik River's mean high tide line on its eastern shore at 58 degrees 43.904 minutes North Latitude and 158 degrees 52.818 minutes West Longitude;
11. Thence, meandering northerly along a line paralleling the mean high tide line of Nushagak Bay to a point at the intersection of mean high tide line and the western shore of the Snake River at 58 degrees 52.879 minutes North Latitude and 158 degrees 46.710 minutes West Longitude;

12. Thence, easterly across the Snake River to a point at the intersection of the Snake River's mean high tide line on its eastern shore at 58 degrees 52.988 minutes North Latitude and 158 degrees 46.030 minutes West Longitude;
13. Thence, meandering northerly along a line paralleling the mean high tide line of the east shore of the Nushagak Bay, to the intersection of mean high tide line and the southwest boundary of the current City of Dillingham boundary at 59 degrees and 00 minutes North Latitude;
14. Thence, meandering in a northeasterly direction along a line 1,000 feet east of and paralleling the mean low tide line on the west banks of the Nushagak and Wood Rivers to the Point of Beginning, containing approximately 399.08 square miles (of which 395.84 is water), all within in the Third Judicial District, Alaska.

EXHIBIT A-2. LEGAL METES AND BOUNDS DESCRIPTION OF THE EXISTING CITY

This is the same as Exhibit A-2 in the June 14, 2010 petition; there has been no change.

1. Beginning at the northwest corner of protracted Section 31, T12S, R56W, Seward Meridian (S.M.);
2. Thence, east to a point 1,000 feet east of the mean low water line on the west bank of the Wood River at 59 degrees 12.11 minutes North Latitude and 158 degrees 33.38 minutes West Longitude;
3. Thence, meandering in southeasterly, southerly and southwesterly directions along a line 1,000 feet east of and paralleling the mean low water line on the west banks of the Wood and Nushagak Rivers to a point at 59 degrees 00 minutes North Latitude;
4. Thence, west to the intersection with the line common to Sections 3 and 4, T14S, R56W, S.M.;
5. Thence, north to the northwest corner of Section 3, T13S, R56W, S.M.;
6. Thence, west to the southwest corner of Section 31, T12S, R56W, S.M.;
7. Thence, north to the northwest corner of Section 31, T12S, R56W, S.M., the point of beginning, containing 33.6 square miles of land and 2.1 square miles of water, all within in the Third Judicial District, Alaska.

EXHIBIT A-3. LEGAL METES AND BOUNDS DESCRIPTION OF THE EXISTING CITY POST-ANNEXATION

This is the same as Exhibit A-3 in the June 14, 2010 petition; there has been no change.

Notes: A. All latitude and longitudes are in the NAD83 Geographic Coordinate System

B. This boundary was emailed to LBC staff as a GIS shapefile on April 27, 2010.

1. Beginning at the northwest corner of protracted Section 31, T12S, R55W, Seward Meridian (S.M.) (Map of USGS Quad Dillingham A-7, 1952);
2. Thence, east to the mean high tide line on the west bank of the Wood River;
3. Thence, meandering north and northwesterly along a line paralleling the mean high tide line of the west bank of the Wood River to the intersection with 59 degrees 12.11 minutes North Latitude and 158 degrees 33.38 minutes West Longitude;
4. Thence, east across the Wood River to mean high tide line on the east bank of the Wood River at 59 degrees 12.11 minutes North Latitude and 158 degrees 33.11 minutes West Longitude;
5. Thence, meandering south and southeasterly along a line paralleling the mean high tide line of the east shore of the Wood River and the northeastern shore of the Nushagak River to the intersection with R55W, S.M.;
6. Thence, south along the eastern boundary of protracted Sections 12, 13, and 24, T13N, R55W, S.M. to the intersection with mean high tide line on the southern shore of Nushagak River;
7. Thence, meandering southerly along a line paralleling the mean high tide line of the southeastern shore of Nushagak River and Nushagak Bay, including Grass Island, and excluding the corporate boundaries of the 2nd class city of Clark's Point (as shown on certificate recorded May 11, 1971, in Book XVII, Page 299, Records of the Bristol Bay Recording District, Third Judicial District), to a point at 58 degrees 39.37 minutes North Latitude and 158 degrees 19.31 minutes West Longitude;
8. Thence, southwesterly to 58 degrees 33.92 minutes North Latitude and 158 degrees 24.94 minutes West Longitude;
9. Thence, southwesterly to 58 degrees 29.27 minutes North Latitude and 158 degrees 41.78 minutes West Longitude at mean high tide line along the east shore of Nushagak Bay;

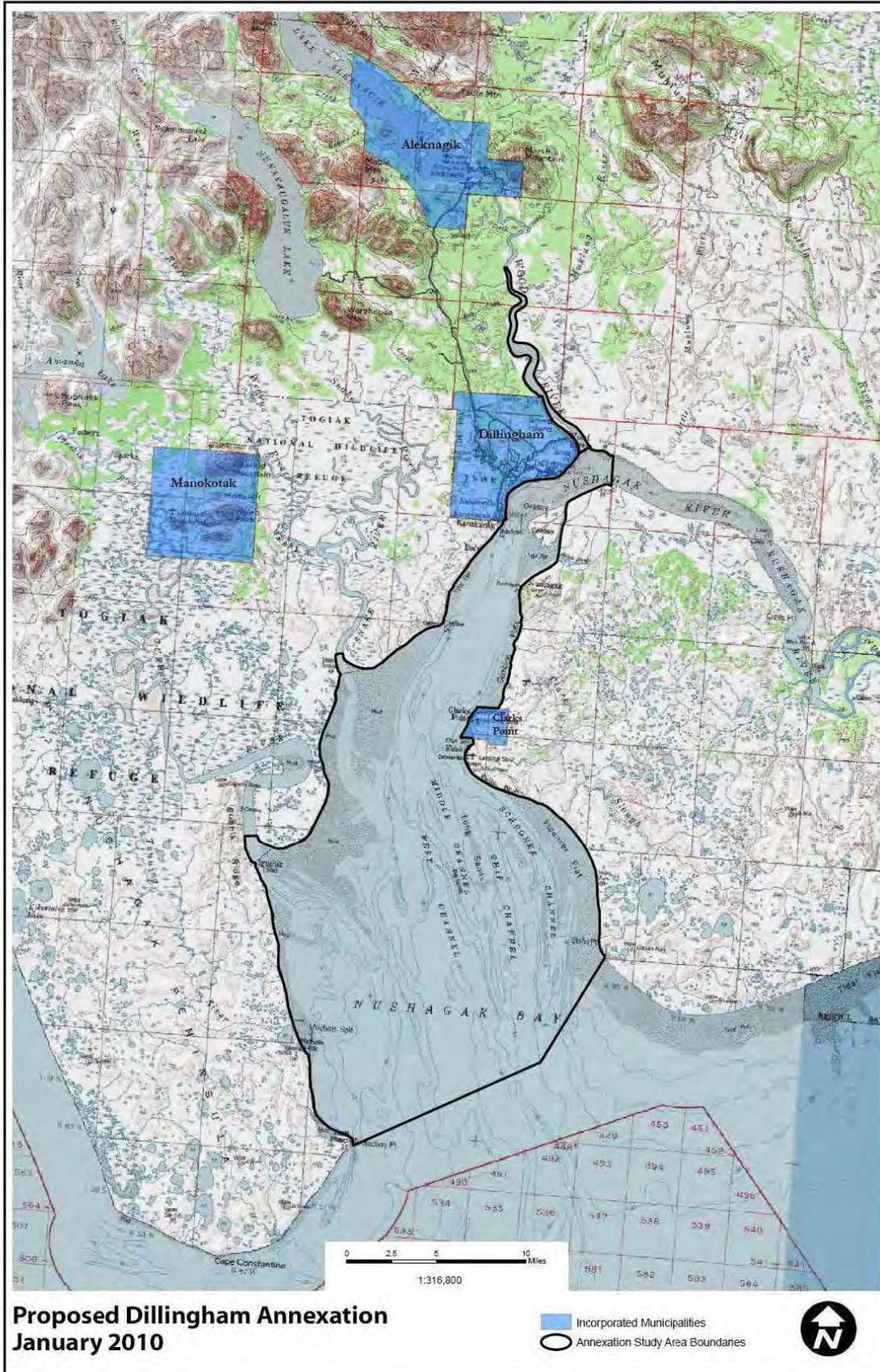
10. Thence, meandering northerly along a line paralleling the mean high tide line to a point at the intersection of mean high tide line and the Igushik River at 58 degrees 43.841 minutes North Latitude and 158 degrees 53.926 minutes West Longitude;
11. Thence, easterly across the Igushik River to a point at the intersection of the Igushik River's mean high tide line on its eastern shore at 58 degrees 43.904 minutes North Latitude and 158 degrees 52.818 minutes West Longitude;
12. Thence, meandering northerly along a line paralleling the mean high tide line of Nushagak Bay to a point at the intersection of mean high tide line and the western shore of the Snake River at 58 degrees 52.879 minutes North Latitude and 158 degrees 46.710 minutes West Longitude;
13. Thence, easterly across the Snake River to a point at the intersection of the Snake River's mean high tide line on its eastern shore at 58 degrees 52.988 minutes North Latitude and 158 degrees 46.030 minutes West Longitude;
14. Thence, meandering north easterly along a line paralleling the mean high tide line of Nushagak Bay to the intersection with the line common to the northwest corner of protracted T14S, R56W, S.M. (USGS map of Quad Nushagak Bay D-2, 1952, minor revision 1985);
15. Thence, west along the northern boundary of protracted Sections 1, 2, and 3, T14N, R56W, S.M. (USGS map of Quad Nushagak Bay D-2, 1952, minor revision 1985) to the northwest corner of Section 3;
16. Thence, north to the northwest corner of protracted Section 3, T13S, R56W, S.M. (USGS map of Quad Nushagak Bay D-2, 1952, minor revision 1985);
17. Thence, west to the protracted southwest corner of Section 31, T12S, R56W, S.M. (USGS map of Quad Dillingham A-7, 1952);
18. Thence, north to the northwest corner of protracted Section 31, T12S, R56W, S.M., the point of beginning, containing approximately 33.6 square miles of land and 390 square miles of water, more or less, all within in the Third Judicial District, Alaska (USGS map of Quad Dillingham A-7, 1952).

EXHIBIT A-4. MAPS AND PLATS

This is the same as Exhibit A-4 in the June 14, 2010 petition; there has been no change.

Five maps are included in this Exhibit. A map showing the area proposed for annexation, a map showing the current boundaries of the City of Dillingham, a map showing the current boundaries of the City of Clarks Point, a map showing the Nushagak Commercial Salmon District, and a map of the Wood River Special Sockeye Harvest area.

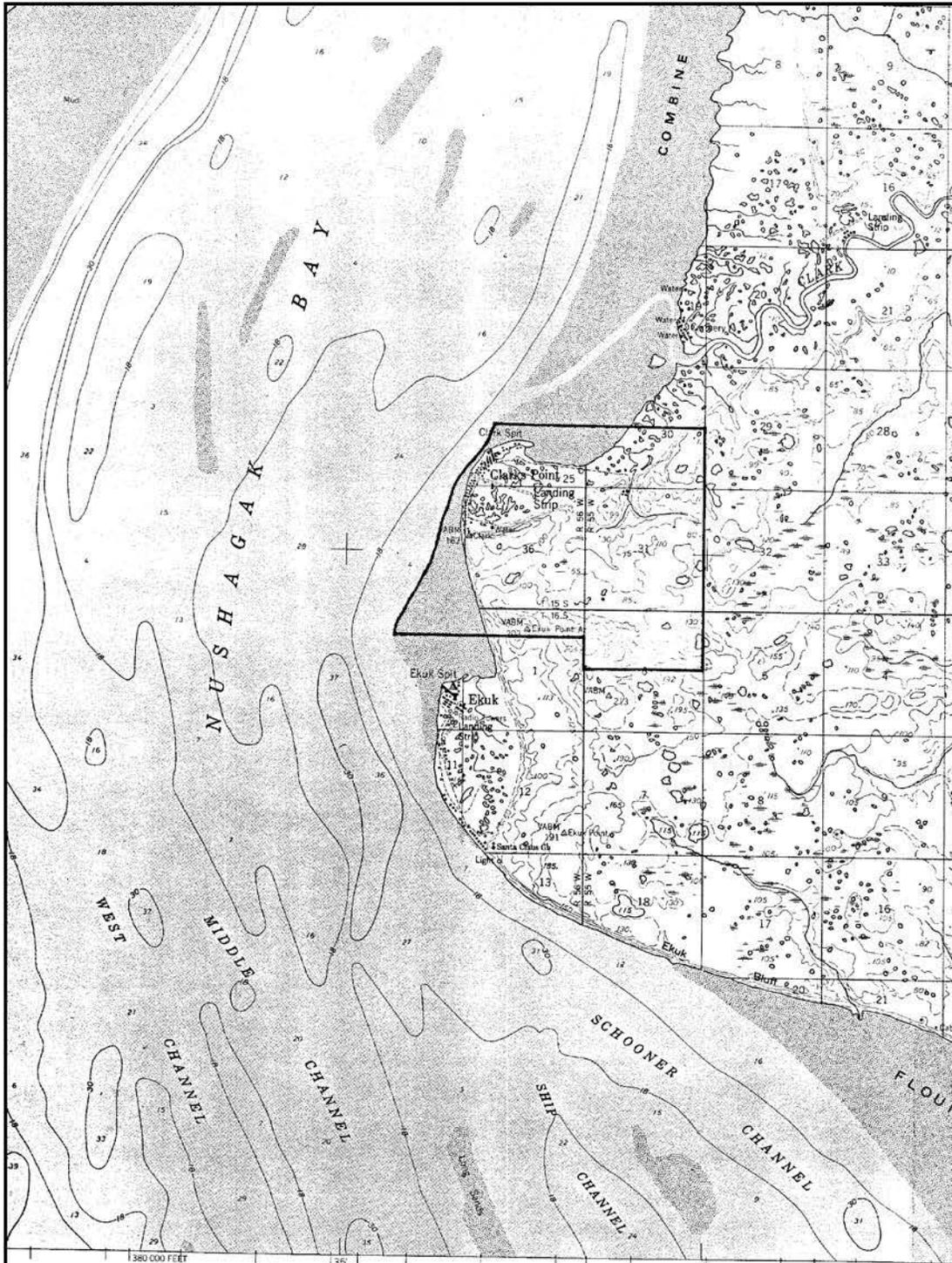
Proposed Annexation



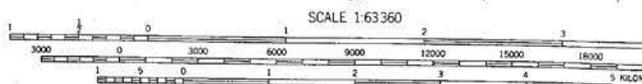
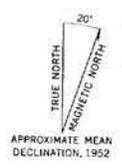
Current City of Dillingham

**Area approved by LBC in
1988 annexation**

Current City of Clark's Point



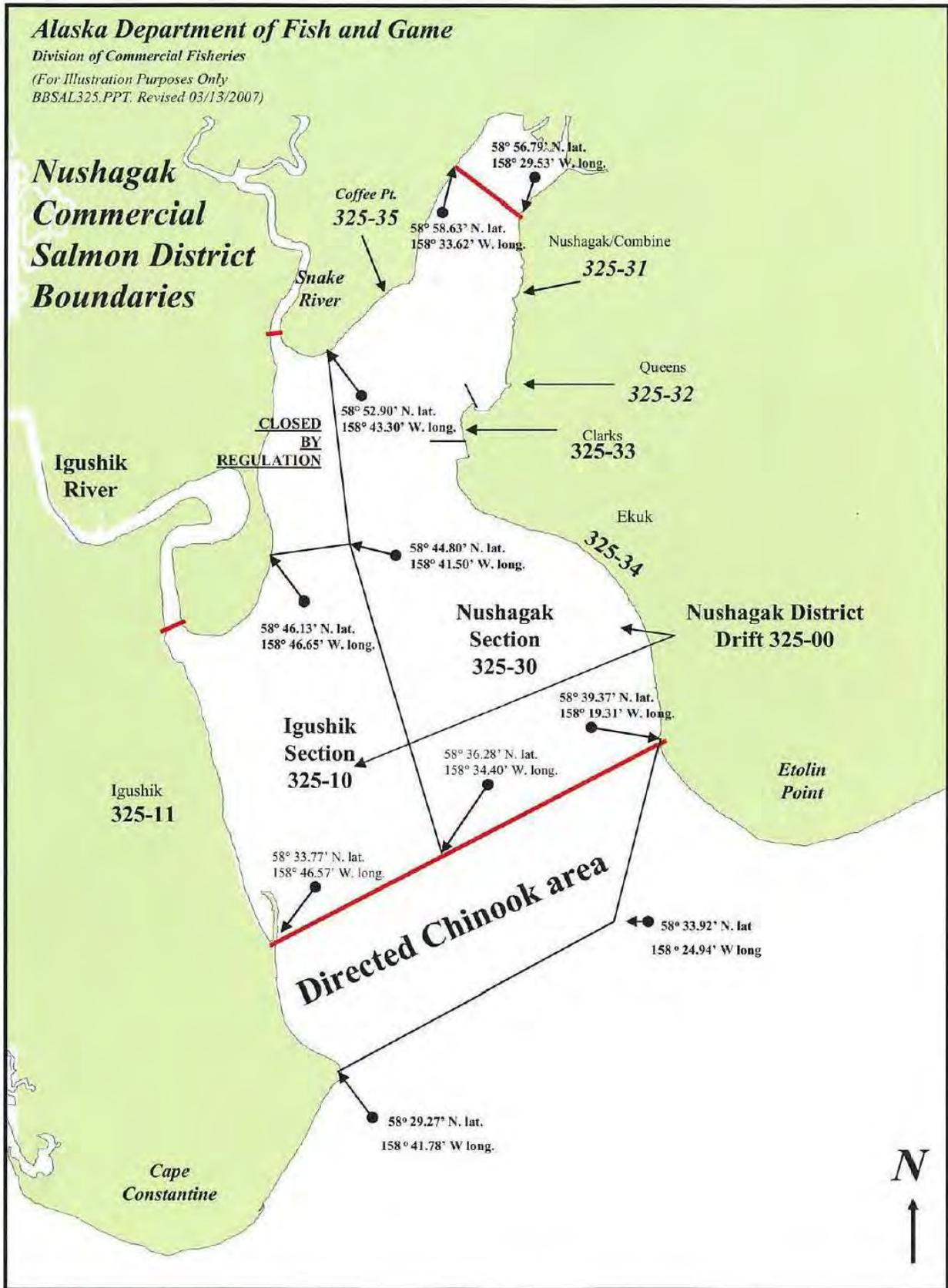
Prepared by the Defense Mapping Agency
 and published by the Geological Survey
 by NOS/NOAA, and USCE
 by photogrammetric methods from aerial photographs
 1951, field annotated 1952. Map not field checked
 hydrographic data compiled from NOS/NOAA
 6322 (1976)
 information is not intended for navigational purposes
 and 1000-meter grid ticks shown in blue:
 al Transverse Mercator, zone 4
 0-foot grid ticks based on Alaska coordinate
 zone 6. 1927 North American Datum
 ce on the predicted North American Datum 1983 move
 ection lines 83 meters north and 135 meters east
 nes represent unsurveyed and unmarked locations
 etermined by the Bureau of Land Management
 -19, Seward Meridian



SCALE 1:63360
 CONTOUR INTERVAL 50 FEET
 DOTTED LINES REPRESENT 25-FOOT CONTOURS
 NATIONAL GEODETIC VERTICAL DATUM OF 1929
 DEPTH CURVES AND SOUNDINGS IN FEET-DATUM IS MEAN LOWER LOW WATER
 SHORELINE SHOWN REPRESENTS THE APPROXIMATE LINE OF MEAN HIGH WATER
 THE MEAN RANGE OF TIDE IS APPROXIMATELY 15 FEET

FOR SALE BY U. S. GEOLOGICAL SURVEY
 FAIRBANKS, ALASKA 99701, DENVER, COLORADO 80225, OR RESTON, VIRGINIA 22092
 A FOLDER DESCRIBING TOPOGRAPHIC MAPS AND SYMBOLS IS AVAILABLE ON REQUEST

Nushagak Commercial Salmon District



Wood River Sockeye Special Harvest Area

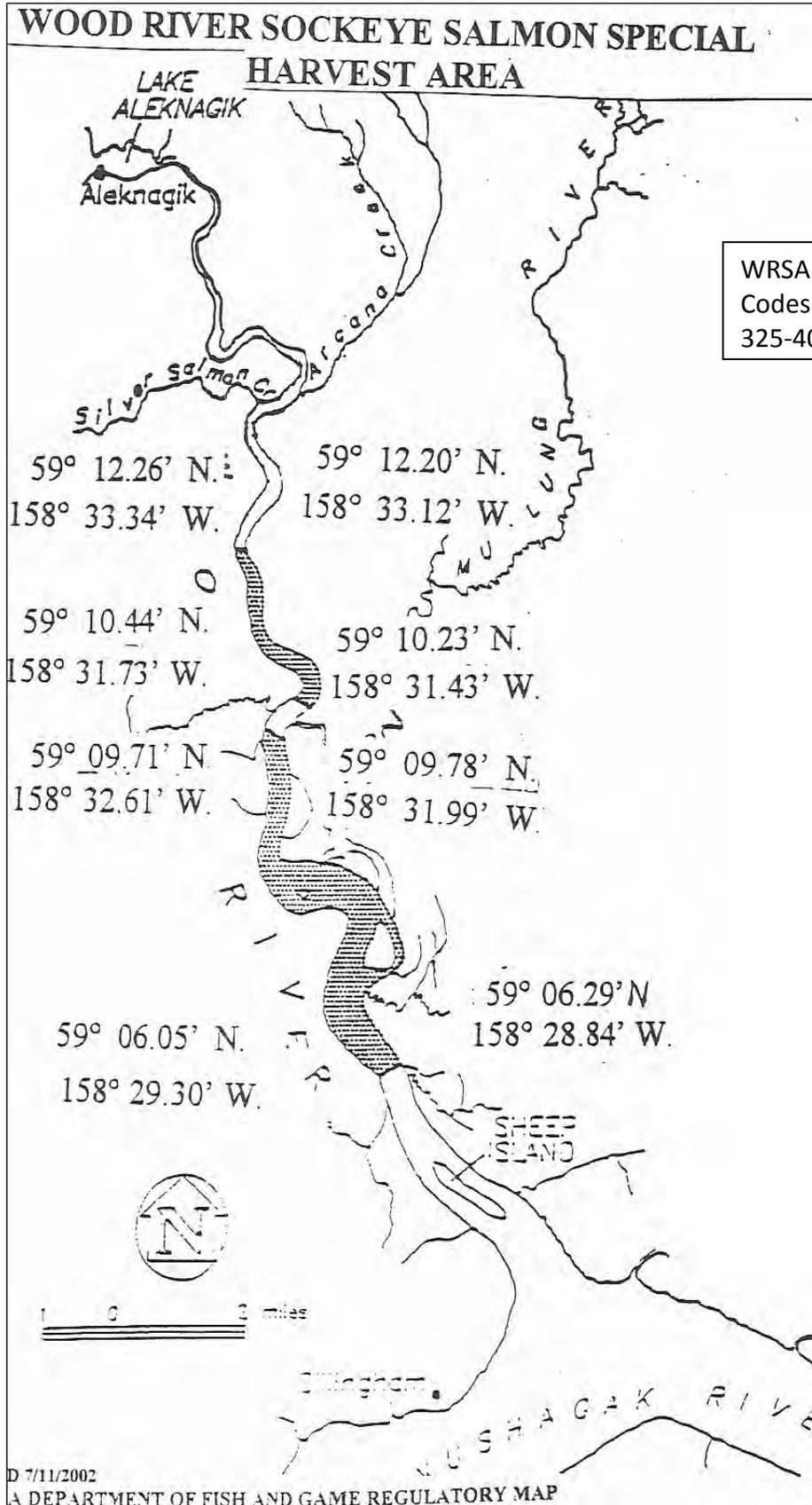


EXHIBIT B. INFORMATION RELATING TO PUBLIC NOTICE AND SERVICE OF THE PETITION

Exhibit B is revised and updated from the June 14, 2010 Petition.

This exhibit provides information relevant to public notice of this annexation petition per 3 AAC 110.450 and 3 AAC 110.460. The information includes local media; places recommended to post notices; adjacent municipalities; persons who may warrant individual notice of the filing of the petition because of their interest in this matter, and location(s) where the Petition may be viewed.

Local media

The following lists the principal news media serving the territory within the current and proposed boundaries of the city:

Newspaper(s):

Name: Bristol Bay Times (Alaska Media LLC)
Physical address: 500 W. International Road, Suite F Anchorage, AK 99518
Mailing address: PO Box 241582 Anchorage, AK 99524
Telephone number: (907) 770-0820 Fax (907) 770-0822
Email address: ads@reportalaska.com

Radio and television station(s):

Name: KDLG Public Radio
Physical address: 135 Main Street Dillingham, AK 99576
Mailing address: PO Box 670 Dillingham, AK 99576
Telephone number: (907) 842-5281 Fax (907) 842-5645
Email address: kdlg@dlgsd.org

Name: Nushagak Cooperative
Physical address: 557 Kenny Wren Road Dillingham, AK 99576
Mailing address: PO Box 350 Dillingham, AK 99576
Telephone number: (907) 842-5251 Fax (907) 842-2799
Email address: nushtel@nushtel.com

Three or more prominent places readily accessible to the public and within or near the boundaries proposed for change to post notices concerning this annexation petition:

Clark's Point - Clark's Point Village Council Office, Post Office
Aleknagik - City Office, Native Village of Aleknagik Office, Post Office
Manokotak - City Office, Village Council Office, Post Office
Dillingham - City Hall, Library, Harbor, Senior Center, City's website, Curyung Tribal Council, Ekuk Village Council

Adjacent municipalities (including service areas) whose boundaries extend within twenty miles of the current or proposed boundaries of the city:

City of Clark's Point	PO Box 110	Clarks Point, AK	99569
City of Manokotak	PO Box 170	Manokotak, AK	99628-0170
City of Aleknagik	PO Box 33	Aleknagik, AK	99555
Bristol Bay Borough	PO Box 189	Naknek, AK	99633
Lake and Peninsula Borough	PO Box 495	King Salmon, AK	99613

Location(s) where the petition materials will be available for public review:

Location and address	Days and times open to the public
Dillingham City Hall 889 Main St Dillingham, AK 99576	8 am-5 pm - M-F
Dillingham Library 306 D St. Dillingham, AK 99576	10 am-5 pm - M, T, TH 10 am-6 pm - W 12 pm-7 pm - F 10 am-2 pm - SA
Dillingham Senior Center 515 1 st Ave. E. Dillingham, AK 99576	8 am-4 pm – M-F
Harbor Office 235 Harbor Rd. Dillingham, AK 99576	8 am -5 pm – M-F
City website / www.dillinghamak.us	24/7
Curyung Tribal Council, 390 D Street, Dillingham, AK 99576	8 am-4:30 pm – M-F
City of Aleknagik, City Office, Aleknagik, AK 99555	9 am-4 pm – M-F
City of Manokotak, City Office, Manokotak, AK 99628	9 am-5 pm – M-F
Village of Aleknagik, Village Office, Aleknagik, AK 99555	9 am-5 pm – M-F
Village of Clarks Point, Village Office, Clarks Point, AK 99569	9 am-4:30 pm – M-F
Ekuk Village Council, 372 Aleknagik Lake Road, Dillingham, AK 99576	8 am-4:30 pm – M-F
Village of Manokotak, Village Office, Manokotak, AK 99628	9 am-5 pm – M-F
Bristol Bay Borough, Borough Office, Box 189, Naknek, AK 99633	8 am- 4:30 pm – M-F
Lake and Peninsula Borough Office, City Clerk's Office, King Salmon, AK 99613	8 am-5 pm – M-F
City of Ekwok, City Office, PO Box 49 Ekwok, AK, 99580-0049	10 am-5 pm - M-F
City of New Stuyahok, City Office, PO Box 10 New Stuyahok, AK 99636	8 am- 3 pm – M-F

New Koliganek Village Council, Village Office,
PO Box 5057 Koliganek, AK 99576-5057

8 am-4:30 pm – M-F

Individuals and entities whose potential interest in the annexation proceedings may warrant individual notice of the filing of the annexation petition.

Name	Address	Email Address
Peter Pan Seafoods Attn: Yvonne Cole	2200 6 th Ave. Suite 1000 Seattle, WA 98121-1820	yvonnec@ppsf.com
Peter Pan Seafoods Attn: Tom Whinihan	PO Box 410 Dillingham, AK 99576	tomw@ppsf.com
Leader Creek Fisheries Attn: Charlie Hensel	112 North 84 th Street Seattle, WA 98103	charlesh@leadercreekfisheries.com
Ocean Beauty Seafoods Attn: Mike Robison	PO Box 70739 Seattle, WA 98127	mike.robison@oceanbeauty.com
Arctic Wild Salmon Attn: Albert Ball Jr.	12110 Business Blvd Suite 6, PMB 416 Eagle River, AK 99577	arcticwildsalmon@gmail.com
Friedman Family Fisheries Attn: Avi Friedman	6109 Pimlico Road Baltimore, MD 21209	
Pederson Point Attn: Amanda Torres	PO Box 31179 Seattle, WA 98103	AmandaB@npsi.us
FAVCO Attn: Greg Favretto	1205 W 29 th Avenue Anchorage, AK 99503	kristy@favco.net
Red Salmon Cannery Attn: Tim Attleson	PO Box 31179 Seattle, WA 98103	tima@npsi.us
Icicle Seafoods Attn: Irene Ekstrand	PO Box 79003 Seattle, WA 98119	irenee@icicleseafoods.com
Ekuk Fisheries Attn: Tom Simpson	2442 NW Market St. #625 Seattle, WA 98107	t.simpson@comcast.net
Copper River Seafoods Attn: Shelly Lamb	1118 E. 5 th Avenue Anchorage, AK 99678	slamb@crsalaska.com
Trident Seafoods Corp. Attn: Christine Yaun	5303 Shilshole Ave. NW Seattle, WA 98107	cyaun@tridentseafoods.com
Norm Van Vactor c/o Bristol Bay Economic Development Corporation	PO Box 1464 Dillingham, AK 99576	norm@bbedc.com
Bristol Bay Native Association c/o Ralph Andersen	PO Box 310 Dillingham, AK 99576	randersen@bbna.com
AK. DCCED Attn: Susan Bell, Commissioner	P.O. Box 110800 Juneau, Alaska 99811-0800	susan.bell@alaska.gov
AK. DNR Attn: Joe Balash, Commissioner	550 W. 7 th Ave. Suite 1260 Anchorage, AK 99501	joe.balash@alaska.gov
Alaska State Troopers Attn: Sgt. Tim Tuckwood	PO Box 950 Dillingham, AK 99576	tim.tuckwood@alaska.gov
Alaska State Troopers	5700 E. Tudor Road	dps.ast.directors.office@alaska.gov

Attn: Col. James Cockrill, Director	Anchorage, AK 99507	
Alaska State Troopers Attn: Gary Folger, Commissioner	5700 East Tudor Road Anchorage, Alaska 99507- 1225	gary.folger@alaska.gov
Ekuk Village Council Attn: Robert Heyano, President	PO Box 530 Dillingham, AK 99576	evc@ekukvc.net
Manokotak Village Council Attn: Moses Toyukuk, Sr.	PO Box 169 Dillingham, AK 99576	kmo_villagecouncil@yahoo.com
Clark's Point Village Council Attn: Betty Gardiner, President	PO Box 9 Clarks Point, AK 99569	clp_villagecouncil@yahoo.com
Aleknagik Traditional Council Attn: Margie Aloysius, President	PO Box 115 Aleknagik, AK 99555	aleknagiktraditional@yahoo.com
Ekwok Village Council Attn: Luki Akelkok Sr., President	PO Box 70 Ekwok, AK 99580	king2rick@yahoo.com
New Koliganek Village Council Attn: Herman Nelson Sr., Pres.	PO Box 5057 Koliganek, AK 99576-5057	newkgkvc@hotmail.com
New Stuyahok Traditional Council Attn: Dennis Andrew Sr.	PO Box 49 New Stuyahok, AK 99636	newstutribe@hotmail.com
City of Ekwok Attn: Luki Akelkok, Sr.	PO Box 49 Ekwok, AK 99580-0049	king2rick@yahoo.com
City of New Stuyahok Attn: Randy Hastings, Mayor	PO Box 10 New Stuyahok, AK 99636	cityofnewstuyahok@hotmail.com
Aleknagik Natives Ltd. Attn: Fred Nishimura, Manager	PO Box 1630 Aleknagik, AK 99555	frednishimura@hotmail.com
Curyung Tribal Council Attn: Dorothy Larson, Tribal Administrator	PO Box 216 Dillingham, AK 99576	dorothy@curyungtribe.com
Kathy Ann O'Connell co/ Matt O'Connell	PO Box 331 Dillingham, AK 99576	
Paul Friis-Mikkelsen	PO Box 276 Dillingham, AK 99576	
Southwest Region School District ATTN Kay Andrews	PO Box 90 Dillingham, AK 99576	
Bristol Bay Area Health Corporation ATTN: Robert Clark	PO Box 130 Dillingham AK 99576	
Bristol Bay Housing Authority, ATTN: Brenda Akelkok	PO Box 50 Dillingham AK 99576	

EXHIBIT C-1. PROJECTED REVENUES

Exhibit C-1 is revised and updated from the June 14, 2010 Petition. That was a hypothetical annexation budget. Since the annexation was approved we now have actuals showing the effect of annexation.

CITY OF DILLINGHAM GENERAL FUND REVENUES		Year 1	Year 2	Year 3	Year 4
		Annexation	Annexation	Annexation	Annexation
		(Audited Actuals)	(Audited Actuals)	(Unaudited Actuals, remanded 5/12/14)	(Remanded Budget)
Operating Revenue		FY 2012	FY 2013	FY 2014	FY 2015
LOCAL					
1	PERSONAL PROPERTY TAX	\$484,505	\$521,464	\$524,511	\$500,000
2	REAL PROPERTY TAX	\$1,554,387	\$1,482,503	\$1,578,248	\$1,503,500
3	6% SALES TAX	\$2,555,633	\$2,713,102	\$2,629,448	\$2,700,000
4	10% TRANSIENT LODGING TAX	\$102,317	\$84,771	\$80,306	\$85,000
5	10% ALCOHOL SALES TAX	\$247,219	\$346,744	\$277,757	\$300,000
6	6% GAMING TAX	\$103,508	\$79,532	\$49,509	\$78,000
7	TRANSFER FROM NUSHAGAK FISH TAX		\$400,920	\$400,920	\$0
8	<i>subtotal, local taxes</i>	<i>\$5,047,569</i>	<i>\$5,629,036</i>	<i>\$5,540,700</i>	<i>\$5,166,500</i>
9	PENALTY AND INTEREST	\$68,422	\$99,603	\$85,487	\$73,000
10	<i>subtotal penalties re: taxes</i>	<i>\$68,422</i>	<i>\$99,603</i>	<i>\$85,487</i>	<i>\$73,000</i>
11	AMBULANCE FEES	\$52,088	\$34,988	\$48,980	\$55,000
12	ADMINISTRATIVE OVERHEAD	\$288,962	\$356,504	\$348,137	\$375,029
13	<i>subtotal, other local user fees and revenue</i>	<i>\$341,050</i>	<i>\$391,492</i>	<i>\$397,117</i>	<i>\$430,029</i>
14	subtotal, all local revenue	\$5,457,041	\$6,120,131	\$6,023,304	\$5,669,529
STATE					
15	SHARED FISHERIES BUSINESS	\$48,256	\$32,207	\$28,769	\$30,000
16	TELEPHONE CO-OP	\$76,532	\$73,328	\$75,000	\$75,000
17	RAW FISH TAX	\$446,588	\$339,410	\$276,513	\$350,000
18	REVENUE SHARING	\$282,381	\$300,237	\$210,963	\$208,636
19	JAIL CONTRACT GRANT	\$480,417	\$480,417	\$641,300	\$641,300
20	DMV COMMISSION REVENUE & VEHICLE TAX	\$72,333	\$67,497	\$65,908	\$77,000
21	LIBRARY	\$17,631	\$8,000	\$13,380	\$12,000
22	INTEREST REVENUE	\$35,712	\$21,234	\$48,092	\$30,000
23	EQUIPMENT SALES	\$55,518	\$3,012	\$4,059	\$10,000
24	STATE PERS ON BEHALF	\$278,850	\$321,501	\$378,411	\$294,526
25	PROPERTY SALES	\$335,909	\$0	\$35,906	\$20,000
26	MISC REVENUE	\$186,534	\$202,311	\$104,274	\$189,450
27	subtotal, all state revenue	\$2,316,661	\$1,849,154	\$1,882,575	\$1,937,912
FEDERAL					
28	PAYMENT IN LIEU OF TAXES	\$421,879	\$429,642	\$422,987	\$420,000
29	subtotal, all federal revenue	\$421,879	\$429,642	\$422,987	\$420,000
Operating Revenue		FY 2012	FY 2013	FY 2014	FY 2015
SPECIAL REVENUE FUNDS (fish tax, water & sewer, ports & docks, harbors, landfill etc.)					
30	NUSHAGAK FISH TAX 2.5% (see note 1)	\$79,523	\$848,910	\$414,313	
31	SPECIAL REVENUE FUND GRANTS, FEES, ETC. Includes state's 70% bond reimbursement	\$3,477,273	\$3,301,949	\$4,191,317	\$3,686,600
32	subtotal, special revenue	\$3,556,796	\$4,150,859	\$4,605,630	\$3,686,600
33	Total Revenue	\$11,752,377	\$12,549,786	\$12,934,494	\$11,714,041

NOTE 1 - Revenues are related to the fishing that occurred subsequent to the April 2012 elections. For example, FY12 was for the fishing season June 2012. Then FY13 was for June, July, August 2012, and FY14 was for June, July, August 2013. Also FY 14 includes some revenue attributed in audit to FY 15.

EXHIBIT C-2. PROJECTED EXPENDITURES

Exhibit C-2 is revised and updated from the June 14, 2010 Petition. That was a hypothetical annexation budget. Since the annexation was approved we now have actuals showing the effect of annexation.

CITY OF DILLINGHAM GENERAL FUND EXPENDITURES		Year 1	Year 2	Year 3	Year 4
		Annexation	Annexation	Annexation	Annexation
		(Audited Actuals)	(Audited Actuals)	(Unaudited Actuals, remanded 5/12/14)	(Remanded Budget)
Operating Expenses		FY 2012	FY 2013	FY 2014	FY 2015
34	CITY COUNCIL	\$59,235	\$65,390	\$58,472	\$86,864
35	ADMINISTRATION	\$409,483	\$288,677	\$283,812	\$309,809
36	FISHERY ADVISORY CONSULTANT/ENFORCEMENT			\$0	\$0
37	CITY CLERK	\$120,827	\$133,059	\$126,724	\$130,310
38	FINANCE	\$568,603	\$609,948	\$579,171	\$619,503
39	LEGAL	\$252,615	\$139,440	\$73,997	\$77,000
40	INSURANCE	\$96,626	\$92,501	\$101,396	\$110,618
41	CITY SCHOOL	\$1,350,000	\$1,300,000	\$1,300,000	\$1,300,000
42	NON-DEPARTMENTAL	\$269,960	\$316,445	\$198,219	\$185,400
43	PLANNING	\$134,123	\$136,532	\$156,128	\$142,563
44	PUBLIC SAFETY ADMIN		\$152,713	\$192,730	\$200,056
45	DISPATCH	\$534,688	\$450,311	\$414,277	\$468,894
46	PATROL	\$1,160,112	\$723,772	\$731,385	\$831,789
47	CORRECTIONS	\$613,531	\$559,524	\$650,272	\$692,590
48	DMV	\$93,955	\$85,241	\$119,597	\$134,171
49	FIRE	\$304,549	\$217,321	\$221,252	\$294,448
50	ANIMAL	\$130,110	\$131,647	\$118,839	\$113,326
51	BUILDINGS AND GROUNDS	\$498,152	\$338,258	\$338,952	\$300,566
52	SHOP	\$258,417	\$159,948	\$169,100	\$162,018
53	STREETS	\$599,192	\$587,522	\$592,543	\$659,803
54	PUBLIC WORKS ADMIN	\$146,067	\$175,781	\$169,290	\$201,794
55	COMMUNITY SERVICES (LIBRARY, MISC)	\$163,043	\$129,856	\$124,665	\$138,797
56	subtotal, general expenses	\$7,763,288	\$6,793,886	\$6,720,822	\$7,160,319
BOND RELATED					
57	BOND DEBT SERVICE PAYMENT	\$545,000	\$570,000	\$576,090	\$576,090
57	BOND INTEREST PAYMENT	\$631,840	\$604,590	\$600,000	\$600,000
58	bond total	\$1,176,840	\$1,174,590	\$1,176,090	\$1,176,090
General Fund Transfers to Support Special Revenue Funds					
59	TRANSFER TO WATER & WASTEWATER		\$35,382	\$42,594	\$39,825
60	TRANSFER TO LANDFILL	\$278,820	\$219,686	\$282,937	\$333,677
61	TRANSFER TO HARBOR	\$102,595	\$0 ⁵	\$0	\$0
62	TRANSFER TO DEBT SERVICE	\$253,249	\$352,581	\$351,602	\$351,602

⁵ In FY 13 transfer to the Harbor was from the Dock Special Revenue Fund.

CITY OF DILLINGHAM GENERAL FUND EXPENDITURES		Year 1	Year 2	Year 3	Year 4
		Annexation (Audited Actuals)	Annexation (Audited Actuals)	Annexation (Unaudited Actuals, remanded 5/12/14)	Annexation (Remanded Budget)
Operating Expenses		FY 2012	FY 2013	FY 2014	FY 2015
63	TRANSFER TO SENIOR CENTER	\$252,640	\$271,563	\$210,324	\$222,827
64	TRANSFER TO AMBULANCE RESERVE	\$45,903	\$65,735	\$45,191	\$50,000
65	TRANSFER TO EQUIPMENT REPLACEMENT	\$100,000	\$0	\$470,000	\$50,000
66	TRANSFER TO CAPITAL PROJECT PLANNING		\$20,000	\$20,000	\$20,000
67	TRANSFER TO GRANTS		\$15,549	\$9,950	
68	Total Transfers	\$1,033,207	\$980,496	\$1,432,598	\$1,067,931
Special Revenue Fund Expenditures					
69	NUSHAGAK FISH TAX EXPENSES⁶				
70	PROPERTY TAX PAYER REFUND		\$10,833	\$15,293	\$0
71	LOW INCOME FISHER REFUND		\$1,798	\$2,464	\$0
72	TRANSFER TO GENERAL FUND		\$400,920	\$400,920	\$0
73	TRANSFER TO EQUIPMENT REPLACEMENT FUND		\$0	\$31,000	\$0
74	TRANSFER TO FISHERIES INFRASTRUCTURE FUND		\$46,422	\$20,029	\$0
75	TRANSFER TO BOROUGH STUDY FUND		\$24,853	\$12,018	\$0
76	Total Nushagak Fish Tax Expenses		\$484,826	\$481,724	\$0
77	OTHER SPECIAL REVENUE FUND EXPENSES	\$2,859,638	\$2,189,356	\$3,678,179 ⁷	\$2,815,561
78	TOTAL EXPENDITURES	\$12,832,973	\$11,138,328	\$13,007,688	\$12,219,901
79	OVERALL SURPLUS / DEFICIT	-1,080,596	1,411,458	-73,194	-505,860

⁶ For FY12, we received a very little amount of fish tax from the annexation. In FY13, the run was historically early and we received over \$800,000 and spent and allocated funds per the column. In FY14 those expenses are related to the fishing season that occurred in July and August of 2013.

⁷ The Special Revenue Fund Expenses will be updated to include some year-end expenses that are not entered yet and some posting transfers from the General Fund to the Special Revenue Funds.

EXHIBIT C-3. PROJECTED CAPITAL EXPENDITURES.

Exhibit C-3 is revised and updated compared to the June 14, 2010.

The only capital expenditure immediately associated with the annexation is the purchase and installation of an oil spill equipment cache. In 2014, the City received a bid from Spill Shield for oil containment equipment for approximately \$35,000 and is working to complete this purchase.

EXHIBIT D. TRANSITION PLAN

Supplemental material in Exhibit D is in bold italics inserted into the original June 14, 2010 narrative, to update it to 2013.

The City of Dillingham powers and functions that will change as a result of annexation are:

- 1) Levy and collect a raw fish severance and sales tax;
- 2) Provide increased environmental protection within City boundaries by purchasing and maintaining an oil spill response cache at the City Boat Harbor and possibly in other areas; and
- 3) Enhance public safety response and coordination by better support for volunteer search and rescuers, enhanced coordination with Alaska State Troopers, and cross-training and use procedures between harbor and police staffs for use of the City skiff. While the City intends to continue to assist and sometimes take the lead on public safety incident response within one-quarter to one mile off shore, the Alaska State Troopers will retain jurisdiction as the primary first responders in all of Nushagak River and Bay.

No assets or liabilities will be transferred or integrated as a result of the proposed annexation.

A step-by-step guide to the orderly assumption of these powers and services is provided below.

	Task	Timing	Responsible Party
1	Selecting Preferred Fish Tax Structure and Implementation Method		
	Talk with city finance officers, managers and attorneys from other municipalities in region that levy a raw fish severance, sales or flat tax. Include Lake and Peninsula Borough, Bristol Bay Borough, Aleutians East Borough, Kodiak Island Borough, Togiak, Egegik, Sand Point, Chignik, Pilot Point and others. <ul style="list-style-type: none"> • Collect ordinances, forms, and procedures for administering local raw fish severance and sales taxes. 	Apr 2010	City Manager ^{8**}
	Prepare cross reference table to compare.	Apr 2010	City Manager**
	Council work session(s) to confirm best method for Dillingham.	Apr-Jul 2010	City Manager**
	Prepare ordinance to codify. Prepare forms and public information materials.	Jun-Jul 2010	City Clerk, Finance and Attorney**

^{8 **}= Consultant Assistance

	Task	Timing	Responsible Party
	Identify a fisheries advisor/enforcement consultant.	Prior to LBC approval (expected approx 6-10 months after petition submitted)	City Council
2	Local Election on Annexation		
	Prepare public information material.	May - June 2010	City Clerk & Manager**
	Attend neighborhood and community meetings to explain petition, answer questions.	2010	City Council
	Hold local election.	Within 45 days of LBC approval (tentative election date is June 2011) <i>Election held April 10, 2012</i>	City Clerk
3	Initiate Raw Fish Taxes		
	Finance department builds database of fishermen and processors. <i>Hired a consultant who assisted in preparing all this information after the election.</i>	Within 30 days of election (tentatively due by July 2011)	Dillingham Finance and Clerk
	<i>Established a fish tax refund programs for those already paying Dillingham property tax, and those with low income (regardless of residency). Established Fisheries Infrastructure Fund.</i>		
	Initiate public information campaign to let fishermen and processors know about new taxes.	Within 30 days of election (tentatively due by July 2011)	Dillingham Finance and Clerk
	Distribute registration and collection forms.	Within 30 days of election (tentatively due by July 2011)	Dillingham Finance and Clerk
4	Public Safety		
	Host pre-vote coordination meeting with Dillingham dispatch director, police and fire chiefs, port director, city manager and Alaska State Troopers. Discuss coordination and any change in procedures for public safety in areas to be within city after annexation. Expected scenarios: 1. Alaska State Troopers to retain primacy on	Fall 2010	Dillingham Police (lead) parties to include are Alaska State Troopers, Dillingham Fire Chief, Dillingham Snow Machine Club, Dillingham

	Task	Timing	Responsible Party
	<p>Search and Rescue operations in all areas.</p> <p>2. <i>In early 2013, the City of Dillingham met with Alaska State Trooper Sgt. Tuckwood about developing a Mutual Aide Agreement on Search and Rescue operations in the newly annexed area. The State Troopers would not sign the agreement.</i></p> <p><i>In early February 2014, a discussion took place in Juneau with Commissioner Folger regarding the State Troopers not retaining primacy of the annexed area.</i></p> <p><i>In mid-February 2014, the City revisited the issue with AST Colonel James Cockrell.</i> Progress in this area stopped due to the remand and will resume once the annexation petition is approved</p> <p>3. Alaska State Troopers retain all fish and wildlife powers and enforcement.</p> <p><i>In 2013, the City applied but did not receive a grant for a new boat through Homeland Security for use by Public Safety and the Boat Harbor. The City has since reapplied. Public Safety does use the harbor's current boat as needed when operational.</i></p> <p>4. Develop protocol for communication between harbor and police so that the city skiff (now exclusively used by harbor) is also available for public safety.</p> <p>5. Determine whether there is any combination of area (e.g. one quarter mile from former City boundary shoreline) or incident (e.g. public inebriation in a vessel) where public safety first responder responsibilities should shift between Alaska State Troopers to City of Dillingham police, with AST back-up.</p>		Port Director, etc.

	Task	Timing	Responsible Party
	<p>Coordination meeting with police-dispatch-fire-harbor- troopers-other IF any transfer of responsibilities is to take place to affirm procedures and protocols</p> <p><i>In the summer of 2013, the AST Dillingham Post declined to be the first responder at emergencies in the annexed waterways. However, AST brought Dillingham police officers to the scene utilizing State boats.</i></p>	<p>Within 6 months after annexation approved (tentatively due by Dec 2011)</p>	
	<p>Identify and implement training schedule (harbor, police) relative to boat use and safety</p> <p><i>In early 2013, the US Fish and Wildlife put on a motor boat operations training attended by US Fish and Wildlife personnel, 50% of the Dillingham Police Officers, and Alaska State Troopers. The Harbor was invited but it conflicted with their schedule. US Fish & Wildlife provides this training every 2 years.</i></p> <p><i>In the summer of 2013, Dillingham Police applied for a State Homeland Security grant to purchase a response boat for use by police, fire/EMS, and the port. The grant application was denied. In 2014, the same grant was applied for again for a response boat. The grant is pending.</i></p>	<p>Within 6 months after annexation approved (tentatively due by Dec 2011)</p> <p>2013</p>	<p>Dillingham police, harbor, others</p>
	<p><i>Identify and purchase a container van and emergency response equipment to be stored at the Dillingham Boat Harbor.</i></p>	<p><i>Within 1 year after annexation approved (tentatively early 2017)</i></p>	<p><i>Dillingham police, harbor, others</i></p>
5	Oil Spill Protection		
	<p>Identify whether a City oil spill response cache is needed in any area in addition to the boat harbor.</p> <p><i>Nushagak Electric and Delta Western have in their possession oil spill response equipment, which the City has used when needed. It was determined after the annexation that the City needed its own equipment.</i></p>	<p>Within 6 months after annexation approved (tentatively due by Dec 2011)</p>	<p>Port Director</p>

	Task	Timing	Responsible Party
	Identify and purchase needed gear; locate cache. <i>The City received a bid from Spill Shield for oil spill response equipment, and a container for about \$35,000. Funding and purchase is pending.</i>	Within 6 months after annexation approved (tentatively due by Dec 2011)	City Council, Port Director
	Continue annual joint response exercises. Program practice responses in at-risk or environmentally sensitive areas in Wood River and Nushagak Bay.	ongoing	Port Director

OFFICIALS CONSULTED FOR THE TRANSITION PLAN			
Name	Title & Organization	Date Consulted	Subject Discussed
<i>Rose Loera</i>	Dillingham City Manager	Throughout Nov 2009 – Feb 2010	All
Jean Barrett	Dillingham Port Director	Dec 2010- Feb 2010	Boat harbor services
Dan Pasquariello	Dillingham Police Chief	Jan-Feb 2010	Public safety
Sergeant Randy McPherron **	Alaska State Trooper, Dillingham	Jan-Feb 2010	Public safety
Carol Shade	Dillingham Finance Officer	Throughout Nov 2009-Feb 2010	All
<i>Alaska State Trooper Sgt. Tuckwood, Public Safety Commissioner Folger, AST Colonel James Cockrell</i>	<i>Alaska State Troopers & Public Safety Commissioner</i>	<i>2012-2014</i>	<i>Public Safety</i>
<i>Lilly Capell</i>	<i>Consultant</i>	<i>Spring 2012</i>	<i>Fish Tax Refunds, Proceeds, Administration</i>
Jody Seitz**	Dillingham Planning Director	Jan-Feb 2010	All

** This person was a source of information, they did not review the Transition Plan.

EXHIBIT E. SUPPORTING BRIEF

This Exhibit consists of a supporting brief that provides a detailed explanation of how the proposed annexation satisfies each constitutional, statutory, and regulatory standard that is relevant to the proposed annexation. The factual analysis in the Petition will be summarized to provide the analysis with reference to the main text. To avoid repetition, references are made to the appropriate section of the Petition. Much of this information is identical to what was submitted in June of 2010. ***Additional information provided in 2014 is in bold and italics.*** In a few places outdated information was simply deleted.

Most importantly, this Commission has already determined that proposed annexation of this territory to the City of Dillingham meets each and every applicable regulatory standard. See, Local Boundary Commission Decision Approving Petition of the City of Dillingham to annex approximately 396 square miles of submerged land and 3 square miles of land dated December 14, 2011 (“LBC Decision”)⁹. Relevant language from the LBC Decision is referenced throughout this supporting brief and is in bold, italics and underlined.

The regulations adopted by the Local Boundary Commission (“Commission” or “LBC”) are contained in the Alaska Administrative Code, § 3 AAC 110.090-150.¹⁰ These standards are discussed sequentially and include the factors to be considered according to the regulations.

⁹The Commission is bound by its earlier decision and cannot reverse those findings in this proceeding. The Commission may consider whether any distinct requirements applicable to a legislative review petition have been satisfied including whether the City properly noticed and held the pre-filing public hearing required by 3 AAC 110.425. 3 AAC 110.140 does apply specifically to legislative review petitions, however, it does not establish substantively different standards from those contained in 3 AAC 110.090-150 addressed previously by the Commission.

¹⁰ Article X of the Alaska Constitution was enacted to provide for the maximum local self-government with a minimum of local government units, and to prevent duplication of tax-levying jurisdiction. Powers of local governmental units shall be given a liberal construction. See Alaska Constitution, Art. X, §1.

The Local Boundary Commission was created by the Alaska Constitution, Art. X, § 12. The commission is to consider proposed local government boundary change and present the proposed change to the legislature. The commission may establish procedures whereby boundaries may be adjusted by local action.

Alaska Statute 44.33.812 implements the constitution and authorizes the Local Boundary Commission to adopt regulations providing standards and procedures for municipal annexation. The Local Boundary Commission may consider, amend, or impose conditions on any proposed municipal boundary change. The commission is also charged with establishing procedures for annexation by municipalities by local action. AS 29.06.040.

A. PER 3 AAC 110.090(a), THE TERRITORY PROPOSED FOR ANNEXATION EXHIBITS A REASONABLE NEED FOR CITY GOVERNMENT.

3 AAC 110.090 Need.

a) The territory must exhibit a reasonable need for city government. In this regard, the commission may consider relevant factors, including:

(1) existing or reasonably anticipated social or economic conditions, including the extent to which residential and commercial growth of the community has occurred or is reasonably expected to occur beyond the existing boundaries of the city during the 10 years following the effective date of annexation;

The existing economic condition of the territory proposed for annexation is based on a sustainable seasonal harvest of salmon. The economics of local fisheries are subject to fluctuations based on the health and management of fishery resources and the world market for wild Alaska salmon. It is reasonably anticipated that typical fluctuation in these economic conditions will occur during the next ten years. There will not be any residential growth in the area proposed for annexation. It is not practical for persons to live on the islands within the territory proposed for annexation. Economic activity in the form of commercial fishing and harvesting is addressed in 3 AAC 110.090 (a)(3) and 3 AAC 110.090(a)6).

(2) Existing or reasonably anticipated health, safety, and general welfare conditions;

Health, safety and general welfare conditions are directly related to city owned and operated port and harbor facilities that support commercial fishing. It is anticipated that the fishing industry will continue to need port and harbor facilities, will continue to need roads over which to travel to vessels using those ports and harbor facilities, and will continue to desire emergency response and rescue operations to be available.

The City intends to enhance public safety response and coordination by: 1) Better support for volunteer search and rescuers (There currently is an all-volunteer group not associated with the City. The City does not intend to 'take on' search and rescue, however the City will look to more actively support these volunteers who assist the Alaska State Troopers on Search and Rescue operations); 2) Enhanced coordination with Alaska State Troopers; and 3) Cross-training and developing use procedures between harbor and police staffs for use of the City skiff. While the City intends to continue to assist and sometimes take the lead on public safety incident response within one-quarter mile of shore and to assist in incident response to areas further offshore within the territory to be annexed, the Alaska State Troopers will retain jurisdiction over these areas and will remain the primary first responders in all of Nushagak River and Bay. In the territory proposed for annexation, Alaska State Troopers (AST) report that in 2008, AST

had no public safety responses and in 2009, there were four calls for assistance in these areas of which three were search and rescue¹¹.

increased responsibilities in the harbor and adjacent offshore areas along with increased revenue will allow the City to purchase and maintain an oil spill response cache in the harbor to enhance environmental protection in the commercial fishing waters. Please refer to the Transition Plan (Exhibit D).

When reviewing the Dillingham Police Department's total calls for service, between May 2012 and April 2013, they had active responses, either independently or as part of a mutual response, on 37 occasions to the annexed waterways, boat harbor, City dock, canneries, or Wood River boat launch; 12 of these were search and rescue responses involving Dillingham Dispatch coordinating with Alaska State Troopers in the areas bordering the waterways (Ekuk, Clark's Point, Igusiak, Wood River lands).

(3) Existing or reasonably anticipated economic development;

Commercial fish harvest, processing and provisioning in Nushagak Bay, and at times in Wood River, is expected to continue. A stronger financial picture for the City of Dillingham as a result of annexation will allow it to better assist and support this economic development through improved facilities and services (see section (6) below for detail).

In 2012 the City leased two lots at the Dillingham Boat Harbor. One lot was leased to the owner of the NAPA store which provides parts, supplies and equipment for boats and automobiles. The other lot was leased to a business which provides mechanical and welding services. This business is planning to expand his lot for year round service and boat storage.

In 2013 the City of Dillingham took steps to attract larger vessels to "winter over" in Dillingham in an effort to foster development of a local vessel repair, storage and maintenance industry. The City passed an ordinance, capping the assessed valuation of commercial vessels for personal property tax purposes at \$300,000.

(4) Adequacy of existing services;

Existing service to the commercial fishing waters proposed for annexation and resource users therein is adequate, but can be improved. Currently user fees are not commensurate with the cost of providing facilities and services at the boat harbor, city dock and boat ramps that the commercial fishing fleet uses (see section (6) below for detail).

¹¹ Personal communications and research, January 2010, Sergeant Randall McPherron, Alaska State Troopers, Dillingham.

(5) Extraterritorial powers available to the city to which the territory is proposed to be annexed and extraterritorial powers of nearby municipalities;

The City does not exercise extraterritorial powers in the territory proposed for annexation nor do any other municipalities. Such powers are “available” under AS 29.35.020, however, the City has not sought to exercise power outside municipal boundaries. Annexation and full inclusion into the City is preferable to an extraterritorial or service area relationship. See, Alaska Constitution, Art. X, Sec. 5 (“[a] new service area shall not be established if, consistent with the purposes of this article, the new service can be provided by . . . annexation to a city”).

(6) Whether residents or property owners within the territory receive, or may be reasonably expected to receive, directly or indirectly, the benefit of services and facilities provided by the annexing city.

There are no permanent residents or **real** property owners within the territory. Seasonal population within the area proposed for annexation are commercial fishermen and fish buyers during May through September. ***The property owned by these persons are the limited entry permits and their fishing vessels.*** This population currently receives, directly and indirectly, the benefit of services and facilities provided by the City of Dillingham in the form of port and harbor facilities and related services. These services will continue to be provided and will be enhanced as identified previously. Services and facilities include, but are not limited to, a small boat harbor, an all-tide dock, boat launch ramps, parking, water and ice availability at the harbor, trash collection at the harbor and dock areas, access to a full complement of vessel repair, equipment and storage businesses as well as seafood processing facilities, and access to a regional hospital and airport and to commercial stores for provisioning. Dillingham also provides public safety, utilities, and road maintenance services to both permit holders transiting through Dillingham on their way to the fishing grounds and to protect the shore-based fish processing facilities critical to purchase and sale of salmon harvested by permit holders in the territory to be annexed.

The City of Dillingham provides the listed services and facilities to many non-residents, reflecting the regional nature of the support Dillingham provides. These seasonal residents generally transit through Dillingham, often several times during a season as they move to and from the Nushagak fishing grounds.

The reason for the proposed boundary change is to more fairly distribute the costs for providing, operating, and maintaining the public facilities and services supporting commercial fishing in Nushagak Bay. Currently, a significant number of non-residents receive the benefit of these services that directly assist them in their fishing business without contributing equitably to operation and maintenance of the city services and facilities. As an example, in the Dillingham Harbor in 2013 and 2014, 57-56 percent (respective years) of the vessels belong to people who are not Dillingham residents (this includes both skiffs and commercial fishing vessels). While everyone pays harbor use fees, this revenue does not equal the city’s costs for operating and maintaining the services and infrastructure Dillingham provides to the

fleet and related processors. For example, in 2013, \$75,000 was transferred from the Dock Special Revenue Fund to harbors to make up the difference between harbor fees and revenue.

2014 Dillingham City Harbor Permits	All Harbor Permits	Transient Moorage	Total	% of Total
Dillingham resident	252	0	252	44%
Local Villages resident	34	4	38	7%
Other Alaskan resident	95	10	105	19%
Out of State resident	164	7	171	30%
Out of Country resident	2	0	2	0% (Negligible)
Total	547	21	568	100%

Source: Dillingham Harbors

Like most places in Bristol Bay, fishery resources and the commercial fishing and seafood processing industries are the backbone of Dillingham’s economy and integral to many residents’ livelihoods and way of life. Dillingham, with its population of about 2,395 (ADOLWD, July 2013), is the economic, transportation and public service center for western Bristol Bay. The region’s hospital, airport, University campus, public boat harbor, all-tide dock, boat launches, its regional health, housing, community development quota (CDQ), Native for and not-for profit organizations, and more are all located in Dillingham.

The City of Dillingham’s population is estimated at times to almost double during the peak fisheries months of May through August as summer residents or visitors come to town to commercial fish in Nushagak Bay and other places in Bristol Bay or work in Dillingham-based seafood processing plants. Commercial fishermen use the City-maintained harbor, docks, boat ramps, parking areas, restrooms, bathhouse, and benefit from trash-hauling, street maintenance, etc. Fishermen harvesting in the Nushagak district use the Dillingham harbor to moor vessels, between openings, haul their vessels in and out for servicing and repair, and to get fresh water or ice. On a bad weather day, in-between longer fishery openings there can be as many as 700 vessels using the City’s small boat harbor.

There were 729 unique individuals with landings in the Nushagak Commercial Salmon district in 2012, yet only 138 (19 percent) were Dillingham residents and 280 (38 percent) were non-Alaskans. In 2012, only 17 percent of the gill net fleet vessels with commercial fish harvest in the Nushagak District were registered to Dillingham residents and 39 percent were registered to non-Alaskans.

There were 675 unique individuals with landings in the Nushagak Commercial Salmon district in 2013, yet only 143 (21 percent) were Dillingham residents and 243 (36 percent) were non-Alaskans. In 2013, 19 percent of the gill net fleet vessels with commercial fish harvest in the Nushagak District were registered to Dillingham residents and 35 percent were registered to non-Alaskans.

This annexation and the accompanying local severance and sales tax on raw fish will provide more revenue to the City of Dillingham to help pay for services and facilities that the region's commercial fishermen and fleet use while in town and will help make the community more financially sustainable.

Data shows that in 2013, the percent of Nushagak Bay salmon delivered outside of the bay for processing was 46 percent¹². The proposed local severance and sales tax on raw fish will allow Dillingham to collect revenue from this portion of the region's primary economic resource. Currently, neither Dillingham nor any other community in the bay area receives any State business fishery tax from the harvest of Nushagak Bay fish that is processed elsewhere, yet Dillingham is certainly bearing costs to provide services and support for the harvest of this fishery resource.

Dillingham's per capita tax burden is ranked 12th highest out of just over 120 reporting municipalities (2009 Alaska Taxable, 2013 Alaska Taxable, Table 3A) that levy a tax. Yet, the fees and taxes paid to the City of Dillingham by its resident and summer fisheries-related visitors are not commensurate with the cost to the City to provide services and facilities that support area commercial fisheries. Every year Dillingham uses general operating fund money (76 percent of general operating fund revenue is from local property and sales tax revenue) to help subsidize services and infrastructure that support regional fisheries¹³.

Following are some examples that demonstrate the expenses that Dillingham is incurring as it continues to support the regional Nushagak fisheries and fishing fleet, related processing activity, and the influx of fishery related summer visitors. These expenses demonstrate the services Dillingham provides and why it needs additional revenue from commercial fishing related activity of non-residents, a primary reason for this annexation.

Following are some examples that account for a minimum of \$430,000 in Dillingham FY 2013 expenditures to help serve the regional fisheries:

Harbors

- In Fiscal Year (FY) 09 approximately \$110,000 from Dillingham's general operating fund was transferred to harbors to make up the difference between harbor fees and actual harbor annual operating expenses. In FY 13, \$74,337 from Dillingham's Dock Special Revenue Fund was transferred to harbors to make up the difference between harbor fees received and harbor annual operating expenses.***

¹² Source: An analysis of 2004-2008 ADF&G fish ticket & COAR data, and 2009-2013 fish ticket and COAR data, ADF&G, Division of Commercial Fisheries.

¹³ ***In 2013, 62 percent of the general operating fund revenue was from property or sales taxes (excluding Nushagak Fish Tax and bonds reimbursement from the state).***

- *In the Dillingham Harbor in 2013, 57 percent of the vessels belong to people who are not Dillingham residents (this includes both skiffs and commercial fishing vessels). Of this, 28 percent are non-Alaskans and 19 percent are from outside the Bristol Bay region.*
- *In 2012, Dillingham purchased a Hyster 1050 H Large Forklift for approximately \$582,000. We keep two of these at the Dock primarily to move container vans around the yard. Many of our container vans are from Peter Pan and Icicle Seafood for shipping out salmon. Whether equipment purchases are direct funded by Dillingham (such as the Forklift) or grant-funded (such as the new Fire Tender truck now being constructed for \$405,000) Dillingham will pay operating and maintenance on this equipment.*
- *In 2012, Dillingham had a strong southeast wind and high tide, which caused significant erosion in the Harbor. We had to put in over approximately \$46,000 of rock in the harbor to shore up areas that eroded because of the wind and tide.*
- *The Harbor has three collection sites for waste oil from the fishing fleet.*
- *In April 2014 the City of Dillingham purchased a new loader for \$294,000; this is the only piece of equipment that it has to put the harbor floats into and out of the water. The old one broke down in March and there was a scramble to find another one to get on the first barge so that we could be ready for the 2014 fishing season.*

Landfill

- *In the summer months to accommodate the fishing fleet, five large dumpsters are installed at the harbor and two at the city dock that are generally emptied twice a day, adding about 20% to the volume of trash hauled during those months. In FY 13 this cost to the city for fishery related trash hauling was approximately \$44,000, part of a larger General Fund \$220,000 transfer to cover landfill operating costs.*
- *In FY 2014 the City is being required by the State of Alaska Department of Environmental Conservation to stop open burning of its municipal waste. As of July 1, 2014, Dillingham has had to bury, compact and cover the garbage at an additional expense of approximately \$200,000. The City is in the process of purchasing a thermal oxidation system to dispose of municipal waste. Due to the increase in municipal waste in the summer months we had to purchase a larger system than what is needed in the winter months. The total cost of this system and the building to house it will be approximately \$1.2 million, paid from grant funds.*
- *The City of Aleknagik closed their South Shore landfill and residents that live on the South Shore are now bringing their garbage to the Dillingham landfill. In 2014, during Dillingham's annual community clean-up the City of Aleknagik also cleaned up its community and brought two trucks loads of garbage to the dumpsters at the Harbor. This is a new, but just one more, example of how Dillingham infrastructure and services help serve a regional role.*

Public Safety (police, fire, EMS)

- *Ten percent of 2009's total calls for service (Dillingham city dispatch) are from the fishery-related areas (the boat harbor, Wood River boat launch, city dock or processing plants). Twenty percent of all calls for service in June and July are from these areas*
- *In 2013, seven percent of total calls for service (Dillingham Police Dispatch) are from the fishery-related areas (boat harbor, Wood River boat launch, canneries, and dock area). In June and July 2013, 13 percent of all calls for service are from fishery-related areas. Using seven percent of the public safety budget as a reasonable estimate of the approximate cost of providing public safety services linked to the fishing activity in town, yields \$162,000 in 2013. As seen on the lower table below, the bulk of area public safety service is provided by the City of Dillingham.*
- *The Dillingham Police Department was part of a mutual response with the Alaska State Troopers on 37 occasions between May 2012 and April 2013 in the annexed waterways or the areas bordering the waterways (Ekuk, Clark's Point, Igushik, Wood River lands).*

2013 Public Safety Calls for Service													
2013 Dillingham Dispatch Data	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	total
Total Calls for Service	431	418	442	480	576	606	705	599	585	524	434	468	6268
Number in fishery related areas	17	25	24	43	34	79	92	51	32	16	17	25	455
Percent of total in fishery related areas	4%	6%	5%	9%	6%	13%	13%	9%	5%	3%	4%	5%	7%

2013 Calls for Service Percentage by Agency	Police	Fire	EMS	Alaska State Troopers	Total
January	77%	1%	2%	20%	431
February	80%	1%	4%	15%	418
March	80%	1%	4%	15%	442
April	79%	1%	4%	16%	480
May	84%	1%	4%	11%	576
June	82%	1%	6%	11%	606
July	86%	1%	3%	11%	705
August	83%	1%	4%	12%	599
September	78%	1%	4%	17%	585
October	82%	1%	3%	14%	524
November	82%	1%	3%	14%	434
December	79%	1%	3%	17%	468
Year Total					6268

Source: Dillingham Police Department

- *In 2013, the Public Safety Department purchased Personal Floatation Devices for all their officers and equipped all their vehicles with floating discs to throw to someone in need in the water. The total approximate cost was \$1,000.*
- *The City received a bid from Spill Shield for oil containment equipment for approximately \$35,000 and is working to complete this purchase.*

Department of Motor Vehicles

- *The average number of monthly transactions at the Dillingham DMV is 215. During the months of June and July the average amount of transactions is 416.*

Water and Sewer

- *The City provides drinking water and public sewer service to the Peter Pan processing plant. Each summer between 400 and 500 workers live at the plant. The City's public utility infrastructure must be sized to accommodate this seasonal influx of temporary residents without whom the fish caught by permit holders would not be able to be processed. Currently the City is undertaking a major upgrade to its wastewater treatment plant in part to increase the capability of the plant to treat sewage. The cost is estimated at approximately \$4 million. In 2012 and 2013, the City of Dillingham spent approximately \$1.56 million and \$1.68 million respectively on upgrades to its wastewater system. It still has projects that need to be completed. In total, approximately \$6.8 million will be invested. Fortunately, much of this is grant funded, however, Dillingham pays for the day-to-day operation and maintenance.*
- *The City's drinking water supply facility was upgraded in 2010 at a cost of \$1 million. Icicle Seafoods is a new seafood processor in town (2014) and has indicated that its wells are not sufficient to meet its processing needs and would like to connect to city water. The city is currently investigating options. This is another of the many examples of how the city continually upgrades its facilities to serve the region's commercial fishing industry. The city is not complaining, but merely wishes to receive a fairer share (as many other places in the Bristol Bay region do through a local fish tax) of the revenue being generated in the Nushagak from those who live outside of Dillingham- including those from outside Alaska - to help provide this infrastructure and services.*

Revenue resulting from this annexation will allow Dillingham to help cover the costs listed above and others. It will allow Dillingham to provide better service to its own and neighboring community fishermen and fish processors as well as those from outside the area and state who use the City-maintained harbor, docks, boat ramps, restrooms, bathhouse, and benefit from trash-hauling, street maintenance, etc. Revenues from this annexation will also allow some improvements that will benefit all who use Dillingham's harbor related facilities. In addition added revenue will allow enhanced coordination with the Alaska State Troopers, local search and rescue volunteers and others who together enact public safety response in Dillingham. The Alaska State Troopers will continue to be the primary first responders in Nushagak River and Bay as they are now, though the City will be better able to partner and

assist when appropriate (refer to the Transition Plan). The City will also provide enhanced environmental protection through an added oil spill response cache, to be acquired shortly.

Totaling the expenditures from Dillingham’s FY 13 General Operating Budget that are attributable to serving the commercial fishing fleet yields a minimum of \$404,000. The 2.5 % Nushagak Fish Tax generated \$848,910 that year. After the general fund expenses related to commercial fishing and other fishery and committed tax relief efforts were funded, \$364,000 remained to help pay for future commercial fishing related improvements. The 2.5% Nushagak Fish Tax is allowing Dillingham to more readily pay for these services and thus provide better service to its own and neighboring community fishermen as well as those from outside the area and state who use the City-maintained harbor, docks, boat ramps, restrooms, bathhouse, and benefit from local processors, trash-hauling, street maintenance, etc.

Dillingham FY 13 Operating & Special Revenue Fund Expenditures Directly Attributable to Serving Commercial Fishing Fleet, to support and Benefit Fisheries, Commercial Fishermen, and Processors	
General Fund Comm. Fish Related Expenditure: Harbors	\$196,651
General Fund Comm. Fish Related Expenditure: Landfill	\$44,000
General Fund Comm. Fish Related Expenditure: Public Safety Response	\$162,400
General Fund Comm. Fish Related Expenditure: Public Safety: Personal Floating Devices	\$1,000
Total Expenditures, From General Fund	\$404,051
Other: 2014 Oil Containment Equipment¹⁴	\$35,000
Nushagak Fish Tax Expenditure: Transfer to General Fund (to help pay \$404,051 in expenses listed above)	\$400,920
Nushagak Fish Tax Expenditure: Property Tax Payer Refund	\$10,833
Nushagak Fish Tax Expenditure: Low Income Fisher Refund	\$1,798
Nushagak Fish Tax Expenditure: Transfer to Fisheries Infrastructure Fund	\$46,422
Nushagak Fish Tax Expenditure: Transfer to Borough Study Fund	\$24,853
Total Expenditures, from Nushagak Fish Tax	\$484,826
FY 2013 2.5% Nushagak Fish Tax Revenue	\$848,910
Nushagak Fish Tax Balance, at end of FY 13, for Future Commercial Fishery Related Improvements	\$362,468

¹⁴ *In 2014 the City received a bid from Spill Shield for oil containment equipment for approximately \$35,000. It was the City’s intention to purchase this equipment for the 2014 summer and have it ready to present to the City. Then the annexation was remanded. The City has applied for a grant with Homeland Security Program and included a request for this equipment in July 2014.*

Other municipalities in this part of Alaska, which are likewise fiscally dependent on fisheries revenue also include adjacent commercial fishing district waters within their corporate boundaries. This has been explicitly permitted by the Local Boundary Commission (“Commission” or “LBC”) either as a part of initial municipal incorporation or through annexation.

For example, in 1995 the LBC approved incorporation of the City of Egegik with 105 square miles of water to include the Egegik fishing district; in 1991, the LBC approved incorporating the City of Pilot Point with 115 square miles of water in the Ugashik commercial fishing district; in 1986 the LBC approved annexation of approximately 194 square miles of commercial fishing waters into the City of St. Paul; and in 1985 the LBC approved annexation of 183 square miles of water to the City of Togiak to bring in the Togiak Bay and its commercially fished waters into the City’s corporate boundary.

These communities also levy a local raw fish tax (sales or severance), including several that are within a borough where both a local city and a borough raw fish is levied and collected. Local municipalities levying a raw fish tax include Saint Paul, Unalaska, Akutan, Togiak, King Cove, Sand Point, Chignik, Pilot Point, Egegik, Aleutians East Borough, Kodiak Island Borough, Bristol Bay Borough, Lake and Peninsula Borough, and City and Borough of Yakutat (see map, Exhibit E-Supporting Brief).

The proposed annexation is in the best interest of the State, as it will promote maximum local self-government and the long-term economic vitality of the City of Dillingham, a regional hub in western Bristol Bay, Alaska, as previously expressly found by the Local Boundary Commission in its decision of December 14, 2011 (pages 13-14). In particular, the Commission has already determined:

“That all of the relevant standards and requirements for annexation of the territory (the Nushagak Bay Commercial Fishing Districts) are satisfied by the City of Dillingham’s petition.”

Detail on Dillingham Harbor, Launch and Port Facilities serving the Commercial Fisheries Fleet

The Dillingham small boat harbor was constructed in 1960 as a half tide harbor. It is used as a commercial fishing base by Dillingham and surrounding community’s residents, and plays a large role in the economic base of the community. Both the harbor staff and police dispatch monitor VHF Channel 16, 24 hours a day to provide public safety services to the fishing fleet. The harbor department has a 22 ft. skiff with multiple engines available for its use. Within the City, the police and fire departments provide emergency response and outside the City, the Alaska State Troopers are the primary responders.

The Dillingham boat harbor has two seasonal floats located on the east and south harbor banks. During the summer and non-ice months, vessels (when not fishing) are commonly rafted to one another and to the seasonal floats. Many live aboard their vessels during fishing season. The

lighted small boat harbor offers safe haven and access to town, the airport and hospital. Services available at the harbor include a crane, 20-ton ice machine, new bathhouse and showers, limited electricity available onshore, potable water available on each float, and garbage and oil collection. Other City of Dillingham services that significantly increase in the summer to help support the fishing fleet and processing industry include police, fire and EMS calls, use of the hospital and medical clinic, and increased streets, grounds and facility maintenance.

Deposition from the silty Nushagak River requires dredging of the Dillingham small boat harbor every year. After the ice is out and beginning about May 15 each year the Corps of Engineers funds a full month of 24 hours a day/7 days a week dredging to lower the harbor to -2 ft. below sea level. Erosion of the harbor's banks and walls is occurring throughout. Erosion at the west bank of the harbor entrance is jeopardizing a major fuel distribution center. Erosion along the east bank is eliminating parking, affecting operation of the floats, reducing the access road width, and jeopardizing electrical and water service.

The City of Dillingham has implemented steady upgrades to the harbor. During 2008-2009, improvements included:

1. installation of a new north boat ramp of interlocking precast concrete planks,
2. addition of an 0.8 acre parking area,
3. addition of 150 ft. of shoreline protection,
4. float extensions installed along the east side of the harbor,
5. installation of a tote dumper and hopper system, and
6. new concrete pads for the south boat ramp.

During summer of 2010 improvements included:

1. a 250 ft. long sheetpile bulkhead extension,
2. fill will be installed at the north end,
3. a new crane that will allow up to ½ ton of ice at a time to be lowered onto boats.

Many of these improvements are funded by federal or state grants, however, the cost of maintaining the expanded facilities will fall entirely on the City.

The operations and maintenance costs are significant. For example, in August 2012 a portion of the "All-Tide Dock" owned and operated by the City failed. The cost of emergency and long term repairs exceeded \$400,000. Some but not all of this was covered by insurance (itself an ongoing recurring expense). None of the cost was paid by a state grant. This is a glimpse of Dillingham's future. Even grant funded infrastructure requires ongoing city-funded repairs, operation and maintenance.

In 2012, the City leased two lots at the Dillingham Boat Harbor. One lot was leased to the owner of the NAPA store which provides parts, supplies and equipment for boats and automobiles. The other lot was leased to Motive Power Marine, which provides mechanical

and welding services and is planning to expand to lease additional property for year round service and boat storage.

In 2013, the City of Dillingham passed an ordinance, for boats used for commercial purposes, the amount of the assessed valuation over \$300,000 is not taxable. A local business proposed this to the council to be able to haul larger vessels onto their property over the winter, which could bring more work for local businesses.

The harbor still needs several improvements to include:

1. Continuing installation (beyond the 250 ft. accomplished in 2010) of a sheetpile bulkhead around the north, east and south sides of the harbor would create a true basin and contain erosion and siltation.
2. Bulkhead installation along the east side should be accompanied by electrical and water upgrades and sewer installation.
3. Existing utilities are now in jeopardy of exposure due to erosion and are also subject to freeze/thaw problems.
4. Fire hydrants should be installed or upgraded.
5. Upgrade and installation of utilities along the east side of the harbor is also needed where there is strong interest in making lots available for lease.
6. In addition to utilities, the property boundary on the east end of the harbor needs better definition, possibly accompanied by relocating the access road and PAF Marine easterly.
7. New floats designed to rise and drop with the tides, rather than the pivoting arm design now employed, should be installed to allow boats to get closer to the bulkhead. This will increase the number of vessels that can safely moor and will provide more secure vessel loading and unloading.
8. There is also interest in installation of a 24 by 100 ft. grid for working on boats on the east side of the new bulkhead at the north end of the harbor. This would allow users to repair or service vessels during low tides without having to pull the boat completely out of the water and onto shore.
9. Another potential improvement to assist with boat repair and maintenance would be installation of a facility to allow a vessel to tie to a bulkhead and sit evenly on its keel as tides change.

The Corps of Engineers has completed design and permitting for an Emergency Bank Stabilization project necessary to protect from wave action from the bay and increasing erosion inside the harbor. The project would entail the installation of a rock revetment to prevent erosion on the south side of the harbor adjacent to the Bristol Alliance tank farm. The anticipated cost of the project is \$21.5 million. The Corps of Engineers was going to fund the project, but after Hurricane Katrina the Corp instituted a 25% match to their fund, which at \$5.4 million, is greater than the City can raise through general fund revenue. The harbor is the cornerstone of local and regional economic development and has been the City's top federal funding priority for many years.