

ASSEMBLY MEETING MINUTES
JUNE 1, 2009

- I. Call to Order:** The regular Assembly meeting of June 1, 2009, was called to order by Mayor Daniel J. O'Hara at 7:32 p.m. The meeting was held in the Assembly Chambers of the Borough Building, Naknek, Alaska.
- II. Roll Call:** Present: Shelby Boothe, J.C. Tudor, Bill Hester, Carvel Zimin, Jr. and The Mayor Dan O'Hara.

Excused Absence: Eddie Clark

Also Present: Marv Smith, Borough Manager and Tami Johnson, Clerk

III. Consent Agenda:

A. Non-Action Agenda: SHELBY BOOTHE MADE A MOTION TO APPROVE ITEMS 1-12 AND SECONDED BY J.C. TUDOR. MOTION PASSED UNANIMOUSLY.

1. Mayor
2. Manager
3. Police Department
4. Fire Department
5. Lobbyist
6. Pool
7. Library
8. Public Works Department
9. Port Department
10. Planning & Zoning
11. Treasurer
12. Other Reports

B. Action Items

1. Minutes of May 4, 2009 – Regular Assembly Meeting: J.C. TUDOR MADE A MOTION TO APPROVE THE MINUTES OF MAY 4, 2009 AND SECONDED BY BILL HESTER. MOTION PASSED UNANIMOUSLY.

2. Finance Report – Check Register – April Amended, 2009

May 2009: CARVEL ZIMIN, JR.
MADE A MOTION TO APPROVE THE AMENDED APRIL 2009 CHECK REGISTER AND APPROVE THE MAY CHECK REGISTER AT THE NEXT REGULAR MEETING AND SECONDED BY J.C. TUDOR. MOTION PASSED UNANIMOUSLY.

IV. **Approval of Agenda:** Mayor Dan O’Hara stated that under New Business – E. Letter from Northland Services and item F. Port Foreman and G. AML Conference of Mayors. BILL HESTER MADE A MOTION TO APPROVE THE AGENDA AS AMENDED AND SECONDED BY J.C. TUDOR. MOTION PASSED UNANIMOUSLY.

V. **Persons to be Heard**

Slim Morstad resides in King Salmon and is here tonight to update the Assembly on the King Salmon gym and how they are doing. This past winter with Yvonne’s help, they had applied for a grant through the Rasmussen Foundation. They ended up getting \$15,000.00. They bought four brand new commercial grade; two treadmills, a stair stepper and an elliptical machine. They also challenged the gym to raise money and that they would match them dollar for dollar, up to \$2500.00. Slim stated that they are up to about \$2300.00 so far. Slim wanted to thank the Assembly, Mayor and the Manager for all the support they have given them the past three years, helping them to get on their feet. Slim invited all to come on down and use the equipment.

Fred Pike stated he finds it strange that the Assembly and Management want to increase the raw fish tax at this time for the building of a freight dock. He thinks the way the Assembly has acted in the past few years, not able to find support or opposition to the Pebble Mine Project. The Mayor supporting the offshore oil drilling and using his position, speaking in a manner that is not of the Assembly’s formal condition, also the Manager wearing a support for oil offshore drilling at meetings, where the local residents don’t see this. Then you come back and expect the fishermen to pay for a project that in

every sense, isn't going to benefit the commercial fishermen. We've lost what we had and Fred doesn't see any gain in the future with the port expansion project. You have a sales tax of 3% right now and there are items that have been exempted. This is a sales tax, let's get these items, take the exemption away from everything and put the ones on everyone in the Borough, not just the fishermen. Fred, challenges the Assembly to look hard and deep at what they're doing. Fred thanked the Assembly. Shelby Boothe had one comment, the biggest product that goes across the dock is fish, by a large quantity. Probably 80% of what goes across the dock is fish and the citizens of this Borough are putting almost two million dollars of their money into the dock project. Shelby thinks it only fair that the fishermen help pay for that. There was a short discussion. Fred stated that in reply to Assemblyman Boothe, the commercial fishermen contribute on average a million dollars a year towards the revenue for the Borough.

VI. Communications and Appearance Requests

- A. Thank You from Native Youth Olympics
- B. Letter from SAVEC: Carvel Zimin, Jr. asked if the \$20,000 had been budgeted for? Yes

VII. Hearings, Ordinances and Resolutions

- A. Ordinance No. 2009-06, An Ordinance of the Bristol Bay Borough Amending Chapter 2.12, Section 2.12.010 and Section 2.12.040 to add: in Person or by Teleconference; Second Reading and Public Hearing: Dan O'Hara opened up the public hearing for comment, hearing none, it was closed. SHELBY BOOTHE MADE A MOTION TO APPROVE ORDINANCE NO. 2009-06 AND SECONDED BY J.C. TUDOR. There was a brief discussion. CARVEL ZIMIN, JR. MADE AN AMENDMENT TO ORDINANCE NO. 2009-06, UNDER SECOND PARAGRAPH; 2.12.040 QUORUM, FOURTH LINE; **ALL ASSEMBLYMEN *PRESENT IN PERSON OR BY TELECONFERENCE FOR SPECIAL OR EMERGENCY MEETINGS SHALL VOTE*** UNLESS THE ASSEMBLY FOR SPECIAL REASONS PERMITS A MEMBER TO ABSTAIN, EXCEPT NO ASSEMBLYMAN MAY VOTE ON A QUESTION IN WHICH HE HAS A SUBSTANTIAL DIRECT OR INDIRECT FINANCIAL INTEREST AND SECONDED BY J.C. TUDOR AS AMENDED.

QUESTION WAS CALLED FOR ON THE AMENDMENT. MOTION PASSED UNANIMOUSLY.

J.C. TUDOR MADE A MOTION TO APPROVE ORDINANCE NO. 2009-06 AS AMENDED AND SECONDED BY CARVEL ZIMIN, JR. MOTION PASSED UNANIMOUSLY.

B. Ordinance No. 2009-07, An Ordinance of the Bristol Bay Borough Amending Chapter 18, Section 18.08.80, Section 18.11.20, Section 18.11.30 and Section 18.11.40, Proposed Changes to Naknek River Subdivision Development Ordinances: Second Reading and Public Hearing: Carvel Zimin, Jr. stated that this would strike limitations and restraints on this subdivision. Now as it stands, persons are limited to only one parcel. We have been sitting on this land for thirty years and not all of it is sold. If somebody has enough money to buy a lot they should be able to and not be restrained from doing so.

J.C. Tudor wished to speak as a member of the public. He agrees with $\frac{3}{4}$ of this, the only part is that we should keep the land usage as it was originally intended. Lot 2, should remain as public grounds.

Fred Pike agrees with J.C., that that lot was listed as public lot set for a park originally according to the original lottery pamphlet. Fred thinks those lots should be identified as such. When lot 2 was listed as a residential, it was an error and not caught by the Assembly or the Planner at the time and Fred thinks you should refer to the original handout and go with those.

Mayor Dan O'Hara closed the public hearing portion. SHELBY BOOTHE MADE A MOTION TO APPROVE ORDINANCE NO. 2009-07 AND SECONDED BY CARVEL ZIMIN, JR. SHELBY ADDRESSED HIS MOTION; LOT 2 IS CLEARLY DESIGNED AS A RESIDENTIAL LOT, IT IS COMPARABLE IN SIZE TO THE LOT NEXT TO IT. THERE IS PLENTY OF LOTS IN THE BOROUGH SUBDIVISION FOR A PARK. THIS IS PROBABLY THE LAST RIVERFRONT LOT THAT THE BOROUGH OWNS WITH ROAD ACCESS. ROLL CALL VOTE: SHELBY BOOTHE AYE, J.C. TUDOR NAY, BILL HESTER AYE, CARVEL ZIMIN, JR. AYE. MOTION PASSES.

C. Ordinance No. 2009-08, An Ordinance Amending Section 3.16.020 “Tax Levied”, of Chapter 3.16 of the Bristol Bay Borough Code, Entitled “Sales Tax on Raw Fish” Introduction and First Reading: Marv Smith stated that the Assembly had asked this be put on the agenda. BILL HESTER MADE A MOTION TO INTRODUCE ORDINANCE NO. 2009-08 AND SECONDED BY SHELBY BOOTHE. Bill Hester stated he and the Manager started talking about this several months ago and Bill suggested a possibility of putting a sunset clause on the Ordinance. If this is to help with the port and things related to the port, when that’s all done it should drop back down to 3% and that shows the Assemblies intent to specifically use this to help with the fishing industry and when this helps and is satisfied, then this goes away. Bill hadn’t come up with a timeframe yet, 3-5 years, this will let the public know we’re not just trying to tax them to death, we need a little more support from the fishermen because indeed the port does 80% of their fish and with the expanded port we’ll be able to do even more fish. The records show that the amount of fish is increasing every year. What we have right now is maxed out. Shelby Boothe stated that remember on the ballot in October, there is an Ordinance that is going before the voters to increase the real property tax exemption from \$10,000.00 to \$20,000.00 along with this if it passes. If the homestead exemption passes which he believes will, we will lose revenue and the raw fish tax will barely break us even. If we give something away we need to replace it. Bill Hester stated he believes there are 77 residents that would qualify for the additional \$10,000.00 exemption, which comes up to \$130.00 additional, times 77, that’s the loss to the Borough. J.C. Tudor stated that most of the property taxes are paid by the businesses. It’s hard to budget on fishing, it goes up and down. If there’s lots of fish 3% is enough, if no fish show up then 4% is not enough. Carvel Zimin, Jr. agrees with J.C., it’s hard to budget when you’ve had a bunch of bad years struggling. Carvel thinks it’s a bad time to be taxing the people in a recession like this. Marv Smith stated we had just gone through a budget cycle, when we started the budget, we were in the hole a million dollars. If you look at our infrastructure we are what’s called capital decay because we do not have capital to do maintenance to the building, maintenance to equipment or roads. We have items that we deferred on this year’s budget that we need to have a plan to take care of. If we don’t, it will continue to deteriorate. Marv stated that 80% is paid for by non-residents of this state. We are trying to give a break on property tax for year round residents. Carvel Zimin, Jr. asked Marv if he knew how many of the fishermen were drifters or set netters? This 1% will impact every set netter that lives here greatly. Bill Hester stated he will not vote on this if there isn’t a sunset clause. This is just a temporary shot in the arm to put a little more money back into the budget over the next few years. As far as capital decay,

Bill agrees with Marv, this will help. We are going to need equipment and work on the roads. We are going to be in dire need soon. This will give some relief from the pinch we have put ourselves in, trying to build the port. There was a short discussion. QUESTION WAS CALLED. THERE WERE THREE YES VOTES AND ONE NO. MOTION PASSED.

VIII. Old Business

A. Opening of Surplus Bid Items and Awarding: Tami Johnson opened the envelopes and they were listed as A, B and C bidders. Tami read each bidders item amount for the 4 items that were listed as surplus. The final outcome is as follows:

SHELBY BOOTHE MADE A MOTION TO ACCEPT BIDDER "A" FOR ITEM NUMBER 1, PUMPER TRUCK IN THE SUM OF \$7,000.00 AND SECONDED BY J.C. TUDOR. MOTION PASSED UNANIMOUSLY.

CARVEL ZIMIN, JR. MADE A MOTION TO ACCEPT BIDDER "A" FOR ITEM NUMBER 2, UTILITY TRUCK IN THE SUM OF \$2700.00 AND SECONDED BY BILL HESTER. MOTION PASSED UNANIMOUSLY.

J.C. TUDOR MADE A MOTION TO ACCEPT BIDDER "B" FOR ITEM NUMBER 3, GMC JIMMY 4X4 IN THE SUM OF \$1100.00 AND SECONDED BY SHELBY BOOTHE. MOTION PASSED UNANIMOUSLY.

SHELBY BOOTHE MADE A MOTION TO ACCEPT BIDDER "A" FOR ITEM NUMBER 4, A BUILDING IN THE SUM OF \$1,000.00 SINCE IT'S THE ONLY BID AND SECONDED BY J.C. TUDOR. MOTION PASSED UNANIMOUSLY.

B. Lake Camp Road: Shelby Boothe stated he had asked to put this on the agenda because he had talked to Peter Fields and he reminded Shelby that there are two years left on the five year appropriation for the road and would like Assembly to come up with a plan for the remaining two years, \$500,000.00 a year for two years. The stipulation is that we have to come up with 8% of matching funds. There was a short discussion. Rosie Fay the Community Development Coordinator was directed to delve into this and ask the Planning and Zoning Commission to come up with some ideas.

C. Naknek Bridge: Marv Smith stated an e-mail came in from John Walsh and there is around \$2 million dollars left and can only be used for the bridge. There was a short discussion. Carvel Zimin, Jr. stated that there is a new gravel find at Savinoski hill, they say that it's the premium gravel and holds more gravel than all of Naknek and King Salmon combined. If it were developed then we have a road in South Naknek to the gravel source and a much easier position for the bridge. There was a short discussion Carvel Zimin, Jr. stated that maybe we should write letters requesting a tie in with the bridge to the gravel source and a road that could possibly be on the horizon, say we have the money sitting there. By documenting it in a letter maybe it would look like it was going to be used, and directed the Manager to do this. Carvel stated that he and Marv could talk to John Walsh and find out if he could inquire about plans with BBNC and the Village Councils and the people of South Naknek about their desire to have a road and the bridge.

D. Port Update: Marv Smith stated that Grant from PND is here tonight. PND has been managing this for us and the last two weeks the contractor has had some challenges with cell number seven. There was a lengthy discussion. The contractor does not start up again until August 16, 2009, at which time PND will have an engineer watching over the project, if the contractor works twenty-four hours we will have an engineer there twenty-four hours. There was a lengthy discussion.

IX. New Business

A. Naknek Camai Dental Lease Renewal: Marv Smith stated that the new lease is in the Assembly packet and the changes are in red. There was a short discussion. J.C. TUDOR MADE A MOTION TO DIRECT THE BOROUGH MANAGER TO NEGOTIATE THE LEASE WITH NAKNEK CAMAI DENTAL LLC. AND SECONDED BY BILL HESTER. MOTION PASSED UNANIMOUSLY.

B. Employee Waiver: J.C. TUDOR MADE A MOTION TO APPROVE THE EMPLOYEE WAIVER FOR BEN HESTER AND SECONDED BY CARVEL ZIMIN, JR. BILL HESTER ABSTAINED. MOTION PASSED UNANIMOUSLY.

D. Property Request: SHELBY BOOTHE MADE A MOTION TO SUSPEND THE RULES AND ADDRESS THE PROPERTY REQUEST BEFORE CARVEL HAD TO

LEAVE AND SECONDED BY BILL HESTER. MOTION PASSED UNANIMOUSLY.

Marv Smith stated that Miss Betty Bonin has requested possibly purchasing a piece of property that the Borough owns. It is about a quarter of an acre and equates to roughly \$1636.23, it is triangular in shape and is of no use to the Borough. There was a short discussion. Shelby Boothe stated that in the interest that we do things properly to have the Borough attorney advise and address this at the August meeting.

C. Northwest Strategies – Public Relations Proposal Outline: Marv Smith stated that when he was in Anchorage he met with Tim the owner and his wife. John Walsh and Marv discussed that it has been challenging in trying to get money for the port. This company would help with strategies on portraying ourselves with publicity. There are several proposals presented in your packets. Marv is not trying to sway or dissuade. He has spent all winter trying to get pennies. This company would do a short video that we could present or give away to let people know who we are and what we're trying to do. Dan O'Hara excused himself and directed Shelby Boothe to chair this portion of the meeting due to a direct conflict. There was a short discussion. Shelby Boothe stated that if we had a 5-10 minute video or power point presentation, the saying "A picture is worth a thousand words," comes to play. Marv stated we have gone to D.C. and Juneau and have handed out some folders filled with pictures and statistics and has helped. Shelby stated that the handouts we had were good, but to make someone read something is hard, if you have something on a screen, they have to look at it. There was a short discussion. Bill Hester stated that if there is some merit with this and the planner sees this, come back with something and present it to the Assembly.

E. Letter from Northland: Marv stated that he received this letter today at about 5:30 p.m. Northland is concerned that a barge may bump into the cell number seven at the dock and may do damage and don't want to be held responsible for that and want Marv to sign. Marv stated he didn't want to sign unless the Assembly wanted him to. There was a short discussion. Marv stated he would run it by the attorney to review.

F. Port Foreman: Marv Smith stated that the original position that Joe filled, was a seasonal position and did not have full benefits. Marv would like to make the new position a full time position with benefits. There was a short discussion. Marv stated that in winter the job would be other duties as assigned. BILL HESTER MADE A MOTION

TO APPROVE THE CHANGE ON THE PORT FOREMAN JOB DESCRIPTION AND SECONDED BY J.C. TUDOR. MOTION PASSED UNANIMOUSLY.

G. AML/JIA Conference of Mayors: Mayor Daniel J. O'Hara stated that this something he would like to attend in August. The Assembly encouraged him to attend.

X. Managers Comments:

Marv stated it has been a challenging month and thanked the Assembly for their support.

XI. Assembly Members Comments:

Shelby Boothe hopes the fish come in an orderly manner and keep coming and keep coming and everyone catches a whole bunch of them.

XII. Adjournment

THE MEETING WAS ADJOURNED AT 9:25 P.M. BY GENERAL CONSENSUS.

Daniel J. O'Hara, Mayor

ATTEST:

Tami Johnson, Clerk