

**ASSEMBLY MEETING MINUTES**  
**AUGUST 7, 2006**

I. Call to Order: The Regular Assembly Meeting of August 7, 2006 was called to order by Mayor Michael S. Swain, Sr. at 7:33 p.m. The meeting was held in the Assembly Chambers of the Borough Building, Naknek, Alaska.

II. Roll Call: Present: Assemblymen Shelby Boothe, Eddie Clark, and Carvel Zimin, Jr. Russell Phelps arrived at 7:35 p.m. Absent: Mel Coghill, Jr. who was out of town.

Also present: Mayor Michael Swain, Sr., Borough Manager Fred Pike and Borough Clerk Betty Bonin.

III. Consent Agenda: CARVEL ZIMIN, JR. MADE A MOTION TO APPROVE THE CONSENT AGENDA AS PRESENTED. MOTION WAS SECONDED BY EDDIE CLARK.

A. Non-Action Agenda:

1. Mayor
2. Manager – Shelby Boothe commented on the Solid Waste Fees in the Manager’s Report. He can’t believe the Air Force doesn’t have any Funds appropriated, they have only been doing for 10 years. Fred Pike stated that was correct and they are in the process of appropriating funds at this time. He has been working with Jack Holman.

Eddie Clark inquired about the dog catcher position. Fred Pike stated there are no applications to date. Some people would rather be just dispatcher or just animal control office, but not both at half & half.

Eddie Clark asked how much did the transformer at the Dock cost? Fred Pike stated we have not been billed yet.

3. Police Department
4. Fire/EMS Coordinator
5. Lobbyist
6. Pool
7. Library
8. Public Works Department
9. Port Department
10. Planning & Zoning

11. Treasurer – Shelby Boothe inquired about a 22% increase in lieu of taxes, is that correct? Lotta Hines stated that was for 2 years.
  12. Health Commission
  13. Other Reports
- B. Action Items
1. Minutes of June 5, 2006
  2. Finance Report-Check Registers for June & July 2006
  3. Resolution No. 2006-11 – AML/JIA Loss Control Incentive Program

MOTION PASSED UNANIMOUSLY ON THE CONSENT AGENDA.

IV. Approval of Agenda:

EDDIE CLARK MOVED TO APPROVE THE AGENDA AND IT WAS SECONDED BY SHELBY BOOTHE. Shelby Boothe would like to add to Old Business, Item E: Bad Debt Policy. Carvel Zimin, Jr. would like to add to New Business, Item E: Surplus Property List. There is a stove in the at the South Naknek Cafeteria that people have inquired about and thinks it should be put on the bid list since it is no longer being used. MOTION PASSED UNANIMOUSLY ON AMENDED AGENGA.

V. Persons to be Heard:

Izetta Chambers – thanked the Assembly for allowing her to speak to them tonight. On July 7<sup>th</sup> Northern Dynasty stated they are going to have an open pit mine. Because the Borough was founded on fisheries, she is worried that an open pit mine will destroy the fisheries. She read an insert from Lucy Weedman that was published in the newspaper. She cautioned the Assembly voting on this issue since members were paid to attend Northern Dynasty's meetings in Anchorage and got paid cash for attending. She had heard that Eddie Clark attended these meetings.

Carvel Zimin, Jr. stated the Borough attends meetings to keep informed. Izetta Chambers stated that she has attended meetings and the information changes at every meeting. In the beginning Northern Dynasty stated they would use an organic soluble solution at the mine and now they are going to use cyanide. There is a big difference between the two. This is going to be a mine within a complex watershed.

She is still a resident of Naknek and pays taxes in the Borough. She is away during the winter attending law school. She urges the Borough to take a stance against the Pebble Mine.

Mayor Swain thanked Izetta for her opinion.

VI. Communications & Appearance Requests:

A. Center of Attention: Derek Hildreth passed out an Expense/Income Sheet for 2007 along with the 2007 Budget. They are short by \$4879.00 on their budget. They have a business license and are a non-profit organization. He described the type of

equipment and programs they have available at the “gym” in King Salmon. They would like to expand their program. There is no community center in King Salmon since the Air Force base is no longer available. They also have AA and Overeaters Anonymous meetings, potlucks, and other gatherings going on. Sandy Bryant still has physical therapy 3 times a week plus she is the janitor. She is paying \$100 per month and their membership fees are \$35 per month. Once a week they have open gym for free and are trying to get the elders involved at no charge. They are requesting funding assistance for this year to get the ball rolling.

Ron Squibb – It’s nice to have a gym in King Salmon at the other end of the road. It’s also good to maintain that building so it doesn’t deteriorate.

Alice – She teaches Yoga and over 20 people show up for classes. She doesn’t charge for the classes and it’s something for the membership.

Evan Franulovich – he and his wife use the gym a couple of times a week and it’s a social atmosphere. It would be great if the Borough can help out and keep the gym open.

Cheryl Madden – this was started for people to watch their weight, and diabetes awareness. Having this facility available enables people to do a little more exercise.

Marjorie Patten-Hewlett – She has gotten back into Yoga and is really enjoying it. Any help would be appreciated.

B. Allen Kemplen, DOT Area Planner: Allen Kemplen passed out an outline of Projects in Bristol Bay Borough (attached). He went through the projects and discussed them with the Assembly.

Carvel Zimin, Jr. stated the problem now is how do we maintain the Naknek and South Naknek Airports prior to the bridge being built? We need to keep a safe airport with the children flying back and forth for school.

Allen Kemplen stated DOT requested \$9 million dollars for projects and the Legislature funded \$3 million which is 1/3 of their request. He stated it’s important for the Borough to be an advocate to cover the gap before the bridge. \$200,000 was appropriated for the South Naknek Airport and that will fix some of the problems.

Eddie Clark stated the East-West Runway at the Naknek Airport is in need for repairs also. There is a soft spot and water settles in it.

Allen Kemplen stated he would send a Resolution to address the maintenance concerns between now and construction of the bridge. In the resolution state that the conditions are marginal and have a game plan. We need to talk about it and get the issues on the table.

Fred Pike inquired about liabilities for the State with the DOT Leases in King Salmon without Septic Systems. There are no facilities there whatsoever. He would like to see more than just engineering since a lot of people are using those leased properties. The State should come up with some funding there since they lease that land out.

Allen Kemplen stated there is nothing about lavatory facilities in the leases. If a water and sewer system was implemented, all lessees are required to pay their share.

Eddie Clark – he is a user of the Naknek Runway and he doesn't want any surprises by having the runway shut down. If DOT has concerns, let them know.

Carvel Zimin, Jr. – has a concern about the airports with children flying back and forth to school. It's a good idea to send a Resolution.

Eddie Clark – the trees were suppose to cut down but that hasn't happened. Allen Kemplen stated he was told that did happen. He will check into it and will also take Some pictures so of the soft spot on the Naknek Runway.

Mayor Swain thanked Allen Kemplen for coming out to give the Assembly an update.

Correspondence:

- C. Letters of Appreciation, Borough Library, Nancy Blakey & Bill Laing
- D. Thank You Letter, Middle School Basketball
- E. Letter Opposing Aquatic Farm Structures
- F. Dept. of Natural Resources, Alaska Coastal Management Program, Randy Bates
- G. ISO, Public Fire Protection Letter
- H. Thank You to Processors, Borough Mayor
- I. Senate Bill 231, Governor Frank H. Murkowski – Shelby Boothe inquired this letter. Manager Fred Pike stated that \$750,000 goes to NEA for Energy Development Investigations.

VII. Hearings, Ordinances and Resolutions:

- A. Ordinance No. 2006-05 – Amending Borough Code 14.06.055, Sewer Service Fees, Second Reading and Public Hearing: Mayor Swain stated this was the second reading and public hearing and opened it up for public comments. There were no comments so the public hearing was closed. SHELBY BOOTHE MADE A MOTION TO ADOPT ORDINANCE NO. 2006-05 AND IT WAS SECONDED BY EDDIE CLARK. Fred Pike stated this will make it the same as users currently on the system. MOTION PASSED UNANIMOUSLY.

B. Ordinance No. 2006-06 – Establishing a Motor Vehicle Registration Tax, Second Reading and Public Hearing: Mayor Swain stated this was the second reading and final public hearing. He then opened the public hearing and there were no comments. Public Hearing was closed. CARVEL ZIMIN, JR. MADE A MOTION TO ADOPT ORDINANCE NO. 2006-06 AND IT WAS SECONDED BY RUSSELL PHELPS. Shelby Boothe is wondering how this was going to work? Fred Pike stated it would reduce the price of tax per vehicle but all vehicles will be taxed when they register their vehicle at DMV. There was a lengthy discussion about the tax. Shelby Boothe thinks the Borough will be losing money. MOTION PASSED 3-1 WITH SHELBY BOOTHE BEING OPPOSED.

C. Ordinance No. 2006-07 – Amending Borough Code Chapter 2.16, Term of Borough Mayor, Introduction and Second Reading: CARVEL ZIMIN, JR. MADE A MOTION TO INTRODUCE ORDINANCE 2006-07 AND TO SET FOR PUBLIC HEARING ON SEPTEMBER 5, 2006. RUSSELL PHELPS SECONDED THE MOTION. Mayor Swain stated that he tried to get this past a couple of years ago. If the Assembly members don't want this Ordinance, don't vote for it since it will affect Resolution No. 2006-10. MOTION PASSED UNANIMOUSLY.

D. Resolution No. 2006-10 – Prescribing Rules for General Election October 3, 2006: CARVEL ZIMIN, JR. MADE A MOTION TO ADOPT RESOLUTION NO. 2006-10 AND IT WAS SECONDED BY SHELBY BOOTHE. MOTION PASSED UNANIMOUSLY.

VIII. Old Business:

A. Surplus House Bid Opening: Betty Bonin stated there was one bid and she opened it. It was from Douglas Finney for \$120,000. CARVEL ZIMIN, JR. MADE A MOTION TO ACCEPT THE BID FROM DOUGLAS FINNEY FOR \$120,000. RUSSELL PHELPS SECONDED THE MOTION AND IT PASSED UNANIMOUSLY.

B. Proposal to Increase Base Pay on Pay Charts 2% Retroactive to July 1, 2006: SHELBY BOOTHE MADE A MOTION TO ADOPT THE PROPOSAL TO INCREASE BASE PAY ON PAY CHARTS 2% RETROACTIVE TO JULY 1, 2006. CARVEL ZIMIN, JR. SECONDED THE MOTION. Shelby Boothe stated the salary Employees got 2% across the board but the hourly did not. He thinks it's not fair to hourly employees. There was a lengthy discussion about the pay chart, hourly vs. salary, 2% across the board and 2% on the base pay.

Fred Pike stated the cost difference on wages at 2% across the board would be \$40,000 And the total cost budgeted is around two million. Treasurer Lotta Hines stated while she was doing the budget she had figured in 3% so there are funds already budgeted.

Shelby Boothe stated there were people that were downgraded a step and that is not right. Manager Fred Pike stated he spoke to those 5 individuals and they had no problem with the step change, they did not lose any dollar amount. This was to get the wage scale on the right track.

SHELBY BOOTHE MADE A MOTION TO THE AMEND THE PAY CHART AND GIVE EVERYONE 2% ACROSS THE BOARD WITH NO DOWNGRADES RETROACTIVE FROM JULY 1, 2006. RUSSELL PHELPS SECONDED THE MOTION AND THE AMENDMENT PASSED UNANIMOUSLY.

VOTING ON THE MAIN MOTION AS AMENDED, MOTION PASSED UNANIMOUSLY.

Carvel Zimin, Jr. apologized, but he had to fly back to South Naknek. It was 10:00 p.m. and that was the pilot's deadline.

C. School Projects – Sprinkler System, Library/Computer Room Renovation: Fred Pike introduced Woody Wilson, the new school superintendent. Fred Pike stated the Borough's share would be \$648,685. This would include sprinkler system, library and computer room relocation and remodel.

Eddie Clark stated he had requested from the past superintendent a list of priorities supported by the School Board Members. Eddie suggested Mr. Wilson contact the Lake & Peninsula School District and see how they feel about sprinkler systems.

Mr. Wilson stated he's had experience with sprinkler systems when he was in Tok along with broken pipes. He will also discuss the priority list with the School Board and get back to the Assembly at the next meeting. Mr. Wilson also thanked the Assembly for their assistance, their support of a fine school district.

D. School Fire Alarm System Repair Proposal: Fred Pike stated that Nate Skinner checked it out. Mayor Swain stated this was something that is needed and should be done before School started in 3 weeks. SHELBY BOOTHE MADE A MOTION TO APPROPRIATE \$33,620 FOR FIRE ALARMS AT THE SCHOOL. EDDIE CLARK SECONDED THE MOTION AND IT PASSED UNANIMOUSLY.

E. Bad Debt Policy: Shelby Boothe stated that going through the reports there was a \$127,000 worth of bad debts. They as Assembly members are accountable for the Borough's funds and they should approve bad debts to be written off.

Fred Pike stated he talked to the Attorney about this today. In Kenai they have a limit that can be written off by the Finance Department without the Assembly's approval and if it's over so much, then it needs approval of the Assembly.

SHELBY BOOTHE MADE A MOTION TO DEVELOP SOME SORT OF A BAD DEBT POLICY. EDDIE CLARK SECONDED THE MOTION AND IT PASSED UNANIMOUSLY.

SHELBY BOOTHE MADE A MOTION TO SUSPEND THE RULES TO ADD AN EXECUTIVE SESSION TO THE AGENDA AS THE NEXT ORDER OF BUSINESS.

THE REASON WOULD BE TO DISCUSS LEGAL AND PERSONNEL ISSUES.  
RUSSELL PHELPS SECONDED THE MOTION AND IT PASSED UNANIMOUSLY.

F. Executive Session – Legal & Personnel Matters: SHELBY BOOTHE MADE A MOTION TO GO INTO EXECUTIVE SESSION AT 10:20 P.M. MOTION WAS SECONDED BY EDDIE CLARK. The Assembly went into Executive Session at 10:20 p.m. and reconvened at 10:50 p.m. Mayor Swain stated they discussed Legal and Personnel Matters and NO ACTION WAS TAKEN.

IX. New Business:

A. South Naknek Sewer Request: Fred Pike stated the South Naknek Village Council is requesting the Assembly to reinstate the sewer mill rate levy reimbursement. Mayor Swain recommended we table this until Carvel Zimin, Jr. can have some input. RUSSELL PHELPS MADE A MOTION TO TABLE THIS REQUEST UNTIL THE NEXT MEETING. EDDIE CLARK SECONDED THE MOTION AND IT PASSED UNANIMOUSLY.

B. Tax Penalty Letter for Kelly Oblad: There was a light discussion. There was a fax log copy where the fax was sent on 1-13-06 but Rosie Johnson did not receive it. SHELBY BOOTHE MADE A MOTION TO FORGIVE ANY PENALTY NOT TO EXCEED \$161.46. RUSSELL PHELPS SECONDED THE MOTION AND IT PASSED UNANIMOUSLY.

SHELBY BOOTHE MADE A MOTION TO EXTEND THE MEETING UNTIL 11:30 P.M.  
RUSSELL PHELPS SECONDED THE MOTION AND IT PASSED UNANIMOUSLY.

C. Yardarm Knot Ways – Discussion for Port Expansion: Yvonne Kopy passed out a map of where the current ways is and where the new proposed ways would go. She stated she has discussed this with Al Chaffee and they would give us the land if we built them a new ways at their indicated location.

Mayor Swain suggested we look at it with the design options with our engineers.

D. Gaming Permit Application – Bristol Bay Elders Action Group: SHELBY BOOTHE MADE A MOTION TO APPROVE THE GAMING PERMIT APPLICATION FOR BRISTOL BAY ELDERS ACTION GROUP. RUSSELL PHELPS SECONDED THE MOTION AND IT PASSED UNANIMOUSLY.

E. Surplus Property List: Mayor Swain doesn't think we should start stripping our facilities in South Naknek. SHELBY BOOTHE MADE A MOTION TO TABLE THIS MATTER UNTIL THE NEXT MEETING. RUSSELL PHELPS SECONDED THE MOTION AND IT PASSED UNANIMOUSLY.

X. Assembly Member Comments:

Russell Phelps – he would like the Borough to take a stand on over escapement of the Naknek River. It's effected us economically as the Borough and as a harvester for the

past two years. We need to write a formal letter to the State with our displeasure.

Eddie Clark agrees with Russell. He also commends the PD, EMS/Fire Department and the Dock for a good job this past summer.

Shelby Boothe – glad to see lots of grants being applied for. For the past 3-4 years there has been someone else's equipment in the gravel pit. Fred Pike stated Bristol Bay Contractors have been contacted to remove it from the pit.

Shelby Boothe - Kudos to the girls at the Library. Every month we get compliments about our Library. The clinic needs immediate attention. The Medical contractor's contract expires in October. Fred Pike stated he is working on the contract now.

There was a light discussion about the HRSA grant and Health Commission. More members are needed for the Board.

Shelby Boothe stated we need a clinic director. HRSA thinks we should pay \$80,000-\$90,000 per year.

XI Adjournment: By general consensus the meeting adjourned at 11:20 p.m.

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Michael S. Swain, Sr., Mayor

ATTEST:

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Betty J. Bonin, CMC, Borough Clerk