

City of Sand Point Council Meeting



Workshop: Tuesday, February 9, 2016 – 2:00 p.m.

Meeting: Tuesday, February 9, 2016 – 7:00 p.m.

CALL TO ORDER

ROLL CALL

CITY OF SAND POINT

(packet will be available on website February 5,
2016 www.sandpointak.com)



MAYOR

Mayor Glen Gardner Jr. - Office Exp. 2017

COUNCIL MEMBERS

Danny Cumberlidge	Seat A - Exp. 2016
Allan Starnes	Seat B - Exp. 2017
Shirley Brown	Seat C - Exp. 2016
Jack Foster Jr.	Seat D - Exp. 2017
Marita Gundersen	Seat E - Exp. 2018
Emil Mobeck	Seat F - Exp. 2018

SAND POINT CITY COUNCIL MEETING AGENDA CITY CHAMBERS

Regular Meeting

Tuesday, February 9, 2016 7:00 pm

CALL TO ORDER

ROLL CALL

APPROVAL OF AGENDA

CONSENT AGENDA:

1. Minutes: Minutes of Regular Meeting on January 12, 2016

REPORTS:

1. Finance Officer
2. Administrator
3. DPS Director
4. Fire Chief
5. Public Works Director
6. Harbor Master
7. Student Representative

HEARINGS, ORDINANCES AND RESOLUTIONS:

1. Ordinance 2016-01: ATV Regulations – 1st Reading
2. Ordinance 2016-02: Sales Tax Clarification – 2nd Reading

OLD BUSINESS:

NEW BUSINESS

1. Janice Shuravloff Memorial Easter Egg Hunt Donation Request
2. QTT Imagination Library Donation Request
3. Update: Annexation
4. Update: Airport Re-certification
5. SWAMC

PUBLIC COMMENTS

COUNCIL COMMENTS

ADJOURNMENT

THERE IS A WORKSHOP FOR THIS MEETING AT 2 P.M. – SAME DAY IN CITY CHAMBERS

POSTED 02/03/16

CALL TO ORDER:

The regular meeting of the Sand Point City Council was held Tuesday, January 12, 2016 in the Sand Point Council Chambers. Mayor Glen Gardner, Jr. called the meeting to order at 7:05 p.m.

ROLL CALL:

Glen Gardner, Jr.	Mayor	Present
Danny Cumberlidge	Seat A	Absent - excused
Allan Starnes	Seat B	Present
Shirley Brown	Seat C	Present
Jack Foster, Jr.	Seat D	Present
Marita Gundersen	Seat E	Present

A quorum was established.

Staff in attendance:

Andy Varner, Administrator
Shannon Sommer, City Clerk

APPROVAL OF AGENDA:

Mayor Glen Gardner, Jr. requested a motion to approve the agenda.

MOTION: Councilperson Marita Gundersen made a motion to adopt the agenda.

SECOND: Councilperson Shirley Brown seconded the motion.

VOTE: Motion passed unanimously.

APPROVAL OF CONSENT AGENDA:

1. Minutes of October 13, 2015 Regular Meeting Minutes.
2. Minutes of December 8, 2015 Regular Meeting Minutes.

Mayor Glen Gardner, Jr. requested a motion to approve the consent agendas.

MOTION: Councilperson Shirley Brown made a motion to adopt the consent agendas.

SECOND: Councilperson Marita Gundersen seconded the motion.

VOTE: Motion passed unanimously.

REPORTS:

Finance Officer- Krista Galvin

Finance Officer Krista Galvin reported that as of October 2015, we received \$76,878.70 in Raw Fish Tax and \$71,821.64 in Sales Tax. In November 2015, we received \$3,770.50 in Raw Fish Tax and \$32,919.37 in Sales Tax. She included a bank balance and expenditure and revenue guidelines.

Administrator - Andy Varner

Administrator Andy Varner reported he met with DOT Aviation Commissioner and PenAir and went over the airport re-certification, Lobbyist Mark Hickey is also working on the subject. Due to the work involved DOT wanted to push the certification date to July 1, 2016. He has been pursuing the annexation petition; the City will need pass a resolution to formally submit the petition. Varner said he received a small quote of \$500-\$800 to determine the GIS coordinates of the new annexation territory, and the Council approved that amount. CRW made a visit to Sand Point to work on the water/sewer master plan. Their work is being paid for by a USDA grant, with the City providing a 25% match. PND was hired for the dock replacement design, Administrator Varner will include their full schedule at the February 2016 report. Telalaska, Inc. finished the rewiring project and debuted 3G mobility in Sand Point on that day. Accountant Irina Morozova finished the sales tax report.

Mayor - Glen Gardner, Jr

Mayor Glen Gardner, Jr. reported the sand building walls have blown off, Public Works Director David Stokes will get a quote for siding and a door. Administrator Varner will follow up with Xerox and OfficeTech about the copy machine. Administrator Varner, Public Works Director Stokes and himself will meet to find a solution to the water drainage problem by the Gundersen/Spjut residence.

Administrator Varner stated Ernie Weiss and NPFMC staff members will have a meeting in Sand Point the following week. Amy Foster stated for them look behind her home for the water drainage solution.

Department of Public Safety - Chief John Lucking, Jr.

Manager of Public Safety John Lucking, Jr. report included in packet.

Public Works Director – David Stokes

Mayor Gardner gave a quick update from Public Works Director David Stokes.

Harbor Master - Richard Kochuten, Sr.

Harbor Master Richard Kochuten Sr. report included in packet.

Student Representative – Colten Mack

Student Representative Colten Mack reported they held a winter formal, it currently was basketball spirit week, they continue to work on the region circles for the gym, the resolution they submitted to the council, they are working on starting a Pennies for Patients project and they will have an anti-drug potluck.

HEARINGS, ORDINANCES, AND RESOLUTIONS:

1. Ordinance 2016-01: ATV Regulations – 1ST Reading

Ordinance 2016-01: ATV Regulations Ordinance was changed at the workshop and tabled until February's agenda.

2. Ordinance 2016-02: Sales Tax Clarification – 1st Reading

Administrator Varner stated this ordinance relates to transactions being made outside city boundaries and Humboldt harbor and haven't been taxed. The proposed ordinance change could also incorporate some of the goals of the annexation process, and clarifies there is an exemption on Sand Point fishermen and processors already paying a sales tax.

MOTION: Councilperson Shirley Brown made the motion to put Ordinance 2016-02: Sales Tax Clarification on the floor for 1st reading.

SECOND: Councilperson Emil Mobeck seconded the motion.

VOTE: Motion passed unanimously.

3. Resolution 16-01: Shared Fisheries Business Tax Application

MOTION: Councilperson Shirley Brown made a motion to adopt Resolution 16-01: Shared Fisheries Business Tax Application.

SECOND: Councilperson Jack Foster, Jr. seconded the motion.

VOTE: Motion passed unanimously.

OLD BUSINESS:

1. URS and R&M Harbor Settlements

Administrator Varner stated the small boat harbor project was completed 2 years ago this March, URS agreed to go into mediation and R&M declined. Instead R&M agreed "write off" over \$12,000 in outstanding invoiced services since our last payment. URS/AECOM, on the other hand, had a "good faith" offer of or \$36,000 in professional services instead of mediation.

Council directed Administrator Varner to accept the \$36,000 off from URS as a final settlement, minus any agree-upon costs they had related to inspecting the billets in Summer 2015.

NEW BUSINESS:

1. Tax and Licensing Database Software

City Clerk Shannon Sommer gave a quick description of the software.

MOTION: Councilperson Shirley Brown made a motion to approve the Tax and Licensing Software purchase.

SECOND: Councilperson Allan Starnes seconded the motion.

VOTE: Motion passed unanimously.

2. Student Council Request to Amend Airport Road Speed Limit

Student Representative Mack stated the student council created this resolution to help slow vehicle accidents on the Spit road.

Council gave direction to the Administration and Public Works to change the speed limit to 35mph for certain areas on the Airport Road, especially on the hill near the spit.

PUBLIC COMMENTS:

Amy Foster asked Administrator Varner if there will be a public meeting about the annexation and stated she would like to know more information about proposed city boundary map. Administrator Varner replied the map was introduced during this meeting, and that there will be future public meetings related to annexation. This was the first time the Council had discussed the issue. Mayor Gardner stated this project is meant to collect tax revenue to recoup costs related to the Rainmaker, among other things.

COUNCIL COMMENTS:

ADJOURNMENT:

MOTION: Councilperson Marita Gundersen made a motion to adjourn.

SECOND: Councilperson Emil Mobeck seconded the motion.

The meeting adjourned at 7:39 PM.

Glen Gardner, Jr., Mayor

ATTEST:

Shannon Sommer, City Clerk

REPORTS

FINANCE OFFICER

**City of Sand Point
Raw Fish Tax Revenue**

	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>	<u>FY16</u>
June	89,371.73	217,340.55	July	98,195.23	156,655.84	121,976.31	110,509.71
July	128,368.96	139,818.08	August	68,242.04	137,107.36	48,575.15	94,822.69
August	78,457.48	117,033.81	September	71,393.24	53,307.44	64,362.76	62,297.79
September	80,983.80	79,043.91	October	74,240.08	41,610.64	32,213.32	76,878.70
October	46,603.74	74,929.24	November	5,675.98	22,386.53	7,214.11	3,770.50
November	8,421.65	10,518.19	December	1,305.30	5,337.01	372.97	735.79
December	6.03	92.61	January	39,379.85	43,650.07	25,670.23	
January	70,721.63	61,025.94	February	33,190.81	53,363.98	37,309.68	
February	91,693.11	80,458.14	March	78,691.30	65,073.23	88,220.14	
March	79,640.86	103,148.90	April	24,930.11	36,514.38	15,613.35	
April	25,898.74	29,908.61	May	16,846.94	21,292.12	25,246.23	
May	<u>59,813.76</u>	<u>26,019.65</u>	June	<u>129,015.93</u>	<u>64,462.43</u>	<u>68,319.25</u>	<u>-</u>
Total	759,981.49	939,337.63		641,106.81	700,761.03	535,093.50	349,015.18

Sales Tax Revenue

	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>	<u>FY16</u>
June	73,942.45	96,304.83	July	101,206.98	82,934.73	104,201.30	88,780.27
July	76,586.24	98,121.00	August	76,571.79	73,136.15	88,102.34	92,491.15
August	59,031.08	77,436.07	September	194,900.07	75,647.72	116,436.20	95,569.47
September	66,560.56	89,882.29	October	85,720.47	69,251.83	81,510.79	71,821.64
October	55,806.67	93,787.49	November	90,575.50	46,816.20	43,535.59	35,841.10
November	37,712.73	34,431.36	December	44,723.29	52,116.25	44,980.97	48,357.80
December	46,246.45	59,315.91	January	62,428.48	80,977.40	66,575.33	
January	51,438.40	72,690.48	February	57,547.22	84,035.36	69,895.86	
February	66,045.08	68,392.21	March	75,307.36	126,325.95	105,731.28	
March	109,345.24	83,181.02	April	65,117.67	86,407.71	58,562.79	
April	59,248.18	72,659.25	May	58,775.64	70,189.92	52,976.00	
May	<u>50,158.53</u>	<u>56,084.05</u>	June	<u>80,381.46</u>	<u>98,758.26</u>	<u>96,824.06</u>	<u>-</u>
Total	752,121.61	902,285.96		993,255.93	946,597.48	929,332.51	432,861.43
					TDX Fines	(150,000.00)	
						779,332.51	

City of Sand Point
Bank Balance

Date

Balance

Date

Bank	Account Number	End of December
Key Bank	50-20-500-0025757	2,196,454.94
Wells Fargo - General	4121344139	258,984.27
Wells Fargo - Bingo Fund	4121344147	225,385.18
Wells Fargo - Silver Salmon Fund	4121344154	42,157.94
AlaskaUsa Federal Credit Union CD	1957756	401,355.87

CITY OF SAND POINT
***Expenditure Guideline-No Enc Sum©**

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Current Period: DECEMBER 15-16

	15-16 YTD Budget	15-16 YTD Amt	DECEMBER MTD Amt	15-16 YTD Balance	% of YTD
GENERAL FUND					
LEGISLATIVE	\$138,000.00	\$75,731.69	\$12,918.31	\$62,268.31	54.88%
ADMINISTRATION	\$995,754.00	\$537,144.59	\$67,512.91	\$458,609.41	53.94%
PARKS AND RECREATION	\$28,000.00	\$13,671.27	\$3,884.20	\$14,328.73	48.83%
ANIMAL CONTROL	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
PUBLIC SAFETY	\$602,750.00	\$266,324.61	\$62,264.52	\$336,425.39	44.18%
PUBLIC WORKS	\$646,910.00	\$297,924.41	\$56,877.79	\$348,985.59	46.05%
FACILITIES	\$371,850.00	\$97,332.72	\$22,281.15	\$274,517.28	26.18%
<i>Total GENERAL FUND</i>	<u>\$2,783,264.00</u>	<u>\$1,288,129.29</u>	<u>\$225,738.88</u>	<u>\$1,495,134.71</u>	46.28%
BINGO FUND					
ADMINISTRATION	\$474,100.00	\$400,701.26	\$41,236.06	\$73,398.74	84.52%
<i>Total BINGO FUND</i>	<u>\$474,100.00</u>	<u>\$400,701.26</u>	<u>\$41,236.06</u>	<u>\$73,398.74</u>	84.52%
SILVER SALMON DERBY					
FIRE	\$19,250.00	\$1,404.68	\$0.00	\$17,845.32	7.30%
OTHER	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
<i>Total SILVER SALMON DERBY</i>	<u>\$19,250.00</u>	<u>\$1,404.68</u>	<u>\$0.00</u>	<u>\$17,845.32</u>	7.30%
CLINIC OPERATIONS/MAINTENANCE					
ADMINISTRATION	\$32,777.00	\$0.00	\$0.00	\$32,777.00	0.00%
<i>Total CLINIC OPERATIONS/MAINTENANCE</i>	<u>\$32,777.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$32,777.00</u>	0.00%
WATER/SEWER OPERATIONS					
WATER/SEWER	\$284,600.00	\$116,721.24	\$22,715.66	\$167,878.76	41.01%
<i>Total WATER/SEWER OPERATIONS</i>	<u>\$284,600.00</u>	<u>\$116,721.24</u>	<u>\$22,715.66</u>	<u>\$167,878.76</u>	41.01%
HARBOR/PORT OPERATIONS					
HARBOR	\$557,487.00	\$294,075.84	\$68,138.71	\$263,411.16	52.75%
<i>Total HARBOR/PORT OPERATIONS</i>	<u>\$557,487.00</u>	<u>\$294,075.84</u>	<u>\$68,138.71</u>	<u>\$263,411.16</u>	52.75%
REFUSE COLLECTION					
PUBLIC WORKS	\$156,094.00	\$75,174.89	\$17,761.76	\$80,919.11	48.16%
<i>Total REFUSE COLLECTION</i>	<u>\$156,094.00</u>	<u>\$75,174.89</u>	<u>\$17,761.76</u>	<u>\$80,919.11</u>	48.16%
SCHOOL LOOP ROAD & PAVING PROJ					
ADMINISTRATION	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
<i>Total SCHOOL LOOP ROAD & PAVING PROJ</i>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	0.00%
HARBOR CONSTRUCTION					
HARBOR	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
<i>Total HARBOR CONSTRUCTION</i>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	0.00%
Report Total	<u>\$4,307,572.00</u>	<u>\$2,176,207.20</u>	<u>\$375,591.07</u>	<u>\$2,131,364.80</u>	50.52%

CITY OF SAND POINT
***Revenue Guideline-Alt Code©**

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Current Period: DECEMBER 15-16

		15-16	15-16	DECEMBER	15-16	% of
		YTD Budget	YTD Amt	MTD Amt	YTD Balance	YTD
GENERAL FUND						
Active	R 01-024 INTEREST INCOME	\$0.00	\$896.26	\$0.00	-\$896.26	0.00%
Active	R 01-200 INTEREST/RESTRICTED	\$2,000.00	\$457.07	\$304.85	\$1,542.93	22.85%
Active	R 01-201 INTEREST INCOME	\$0.00	\$18.00	\$18.00	-\$18.00	0.00%
Active	R 01-202 FINES AND PENALTYS	\$500.00	\$36.44	\$35.00	\$463.56	7.29%
Active	R 01-203 OTHER REVENUE	\$45,000.00	\$27,943.76	\$457.54	\$17,056.24	62.10%
Active	R 01-205 4% SALES TAX	\$850,000.00	\$477,075.41	\$35,841.10	\$372,924.59	56.13%
Active	R 01-213 RAW FISH TAX	\$600,000.00	\$416,598.64	\$3,770.50	\$183,401.36	69.43%
Active	R 01-214 FINE-LATE SALES TAX	\$1,000.00	\$1,574.66	\$0.00	-\$574.66	157.47%
Active	R 01-217 7% B & B Tax	\$16,500.00	\$6,878.11	\$415.29	\$9,621.89	41.69%
Active	R 01-225 PAYMENT IN LIEU OF TAX	\$150,000.00	\$0.00	\$0.00	\$150,000.00	0.00%
Active	R 01-226 EVENT COSTS	\$4,500.00	\$0.00	\$0.00	\$4,500.00	0.00%
Active	R 01-229 EASTER EGG HUNT	\$0.00	\$667.00	\$0.00	-\$667.00	0.00%
Active	R 01-230 DONATIONS	\$0.00	\$3,190.00	\$0.00	-\$3,190.00	0.00%
Active	R 01-231 INSURANCE REFUND	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 01-232 EMS FUND	\$0.00	\$200.00	\$0.00	-\$200.00	0.00%
Active	R 01-233 BUSINESS LIC. FEE	\$2,500.00	\$50.00	\$0.00	\$2,450.00	2.00%
Active	R 01-234 SB 46 PERS RELIEF	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 01-235 TRANSFER IN	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 01-236 SAND POINT SWEATSHIR	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 01-238 ANCHORAGE OFFICE	\$20,000.00	\$0.00	\$0.00	\$20,000.00	0.00%
Active	R 01-240 GRANT REVENUE RASMU	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 01-241 GRANT REVENUE APEI	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 01-242 ROAD MAINTENANCE REV	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 01-250 STATE REVENUE SHARIN	\$138,000.00	\$134,653.00	\$0.00	\$3,347.00	97.57%
Active	R 01-256 REVENUE--STATE OF ALA	\$7,500.00	\$0.00	\$0.00	\$7,500.00	0.00%
Active	R 01-260 STATE BUSINESS LICENS	\$4,600.00	\$0.00	\$0.00	\$4,600.00	0.00%
Active	R 01-265 STATE PROCESSORS TAX	\$35,000.00	\$0.00	\$0.00	\$35,000.00	0.00%
Active	R 01-266 EXT FISH TAX SHARING	\$250,000.00	\$37,902.60	\$37,902.60	\$212,097.40	15.16%
Active	R 01-285 EQUIPMENT RENTAL	\$15,000.00	\$8,706.00	\$0.00	\$6,294.00	58.04%
Active	R 01-291 BUILDING RENTALS	\$135,000.00	\$73,267.94	\$15,092.37	\$61,732.06	54.27%
Active	R 01-293 LIBRARY GRANT	\$6,650.00	\$0.00	\$0.00	\$6,650.00	0.00%
Active	R 01-297 POLICE MISC REVENUE	\$35,000.00	\$1,623.65	\$350.00	\$33,376.35	4.64%
Active	R 01-298 EMS MISC REVENUE	\$500.00	\$0.00	\$0.00	\$500.00	0.00%
Active	R 01-299 GAIN/LOSS DISPOSITION	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	Total	\$2,319,250.00	\$1,191,738.54	\$94,187.25	\$1,127,511.46	51.38%
	Total GENERAL FUND	\$2,319,250.00	\$1,191,738.54	\$94,187.25	\$1,127,511.46	51.38%
BINGO FUND						
Active	R 02-051 TRANSFER OUT	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 02-052 TRANSFER TO OTHER FU	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 02-202 FINES AND PENALTYS	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 02-234 SB 46 PERS RELIEF	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 02-235 TRANSFER IN	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 02-294 BINGO REVENUE	\$45,000.00	\$29,661.50	\$5,857.25	\$15,338.50	65.91%
Active	R 02-295 PULL TAB REVENUE	\$470,000.00	\$442,126.20	\$35,134.00	\$27,873.80	94.07%
Active	R 02-863 CONCESSIONS	\$300.00	\$0.00	\$0.00	\$300.00	0.00%
	Total	\$515,300.00	\$471,787.70	\$40,991.25	\$43,512.30	91.56%
	Total BINGO FUND	\$515,300.00	\$471,787.70	\$40,991.25	\$43,512.30	91.56%
SILVER SALMON DERBY						

CITY OF SAND POINT
***Revenue Guideline-Alt Code©**

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Current Period: DECEMBER 15-16

		15-16	15-16	DECEMBER	15-16	% of
		YTD Budget	YTD Amt	MTD Amt	YTD Balance	YTD
Active	R 03-004 SILVER SALMON DERBY	\$18,250.00	\$24,014.12	\$0.00	-\$5,764.12	131.58%
Active	R 03-230 DONATIONS	\$1,000.00	\$0.00	\$0.00	\$1,000.00	0.00%
Active	R 03-292 SILVER SALMON DERBY	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	Total	\$19,250.00	\$24,014.12	\$0.00	-\$4,764.12	124.75%
	Total SILVER SALMON DERBY	\$19,250.00	\$24,014.12	\$0.00	-\$4,764.12	124.75%
CLINIC OPERATIONS/MAINTENANCE						
Active	R 10-257 REVENUE--FEDERAL GOV	\$32,777.00	\$16,388.34	\$2,731.39	\$16,388.66	50.00%
	Total	\$32,777.00	\$16,388.34	\$2,731.39	\$16,388.66	50.00%
	Total CLINIC OPERATIONS/MAINTENANCE	\$32,777.00	\$16,388.34	\$2,731.39	\$16,388.66	50.00%
WATER/SEWER OPERATIONS						
Active	R 61-052 TRANSFER TO OTHER FU	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 61-202 FINES AND PENALTYS	\$2,000.00	\$2,417.19	\$124.56	-\$417.19	120.86%
Active	R 61-203 OTHER REVENUE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 61-206 WATER/SEWER REVENUE	\$180,000.00	\$119,217.58	\$24,547.49	\$60,782.42	66.23%
Active	R 61-234 SB 46 PERS RELIEF	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 61-235 TRANSFER IN	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	Total	\$182,000.00	\$121,634.77	\$24,672.05	\$60,365.23	66.83%
	Total WATER/SEWER OPERATIONS	\$182,000.00	\$121,634.77	\$24,672.05	\$60,365.23	66.83%
HARBOR/PORT OPERATIONS						
Active	R 62-201 INTEREST INCOME	\$4,000.00	\$2,688.99	\$537.85	\$1,311.01	67.22%
Active	R 62-203 OTHER REVENUE	\$0.00	\$5,700.00	\$3,200.00	-\$5,700.00	0.00%
Active	R 62-210 HARBOR/MOORAGE	\$200,000.00	\$154,434.66	\$31,947.78	\$45,565.34	77.22%
Active	R 62-211 HARBOR/TRAVELLIFT	\$90,000.00	\$54,177.26	\$5,841.27	\$35,822.74	60.20%
Active	R 62-212 BOAT HARBOR/RENTS	\$100,000.00	\$17,044.20	\$1,090.70	\$82,955.80	17.04%
Active	R 62-215 HARBOR/WHARFAGE	\$65,000.00	\$13,649.65	\$1,529.70	\$51,350.35	21.00%
Active	R 62-219 HARBOR ELEC SERVICE F	\$8,000.00	\$4,607.94	\$671.24	\$3,392.06	57.60%
Active	R 62-220 HARBOR/ELEC DEPOSIT	\$2,500.00	\$614.65	\$100.00	\$1,885.35	24.59%
Active	R 62-221 HARBOR/VAN STORAGE	\$18,000.00	\$17,718.58	\$1,575.00	\$281.42	98.44%
Active	R 62-222 HARBOR/STALL ELECTRIC	\$35,000.00	\$23,715.63	\$2,122.88	\$11,284.37	67.76%
Active	R 62-223 HARBOR/ELECTRICITY	\$4,000.00	\$707.66	\$61.35	\$3,292.34	17.69%
Active	R 62-224 GEARSHED LOCKER REN	\$13,000.00	\$7,759.98	\$5,659.98	\$5,240.02	59.69%
Active	R 62-234 SB 46 PERS RELIEF	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 62-237 HARBOR STORAGE	\$3,200.00	\$2,949.32	\$501.00	\$250.68	92.17%
Active	R 62-285 EQUIPMENT RENTAL	\$25,000.00	\$23,879.04	\$1,499.76	\$1,120.96	95.52%
Active	R 62-299 GAIN/LOSS DISPOSITION	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	Total	\$567,700.00	\$329,647.56	\$56,338.51	\$238,052.44	58.07%
	Total HARBOR/PORT OPERATIONS	\$567,700.00	\$329,647.56	\$56,338.51	\$238,052.44	58.07%
REFUSE COLLECTION						
Active	R 65-052 TRANSFER TO OTHER FU	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 65-202 FINES AND PENALTYS	\$1,200.00	\$1,349.49	\$41.69	-\$149.49	112.46%
Active	R 65-204 REFUSE COLLECTION	\$140,000.00	\$88,389.84	\$19,833.80	\$51,610.16	63.14%
Active	R 65-234 SB 46 PERS RELIEF	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 65-235 TRANSFER IN	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	Total	\$141,200.00	\$89,739.33	\$19,875.49	\$51,460.67	63.55%
	Total REFUSE COLLECTION	\$141,200.00	\$89,739.33	\$19,875.49	\$51,460.67	63.55%
SCHOOL LOOP ROAD & PAVING PROJ						

CITY OF SAND POINT
***Revenue Guideline-Alt Code©**

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Current Period: DECEMBER 15-16

		15-16	15-16	DECEMBER	15-16	% of
		YTD Budget	YTD Amt	MTD Amt	YTD Balance	YTD
Active	R 70-256 REVENUE--STATE OF ALA	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 70-262 STATE OF ALASKA/SAND	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Total		\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Total SCHOOL LOOP ROAD & PAVING PROJ		\$0.00	\$0.00	\$0.00	\$0.00	0.00%
HARBOR CONSTRUCTION						
Active	R 79-256 REVENUE--STATE OF ALA	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 79-258 REVENUE--ALEUTIANS EA	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Total		\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Total HARBOR CONSTRUCTION		\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Report Total		\$3,777,477.00	\$2,244,950.36	\$238,795.94	\$1,532,526.64	59.43%

CITY OF SAND POINT

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***Fund Summary -
Budget to Actual©**

DECEMBER 15-16

	15-16 YTD Budget	DECEMBER MTD Amount	15-16 YTD Amount	15-16 YTD Balance	15-16 % YTD Budget
FUND 01 GENERAL FUND					
Revenue	\$2,319,250.00	\$94,187.25	\$1,191,738.54	\$1,127,511.46	51.38%
Expenditure	\$2,783,264.00	\$225,738.88	\$1,288,129.29	\$1,495,134.71	46.28%
		-\$131,551.63	-\$96,390.75		
FUND 02 BINGO FUND					
Revenue	\$515,300.00	\$40,991.25	\$471,787.70	\$43,512.30	91.56%
Expenditure	\$474,100.00	\$41,236.06	\$400,701.26	\$73,398.74	84.52%
		-\$244.81	\$71,086.44		
FUND 03 SILVER SALMON DERBY					
Revenue	\$19,250.00	\$0.00	\$24,014.12	-\$4,764.12	124.75%
Expenditure	\$19,250.00	\$0.00	\$1,404.68	\$17,845.32	7.30%
		\$0.00	\$22,609.44		
FUND 10 CLINIC OPERATIONS/MAINTENANCE					
Revenue	\$32,777.00	\$2,731.39	\$16,388.34	\$16,388.66	50.00%
Expenditure	\$32,777.00	\$0.00	\$0.00	\$32,777.00	0.00%
		\$2,731.39	\$16,388.34		
FUND 61 WATER/SEWER OPERATIONS					
Revenue	\$182,000.00	\$24,672.05	\$121,634.77	\$60,365.23	66.83%
Expenditure	\$284,600.00	\$22,715.66	\$116,721.24	\$167,878.76	41.01%
		\$1,956.39	\$4,913.53		
FUND 62 HARBOR/PORT OPERATIONS					
Revenue	\$567,700.00	\$56,338.51	\$329,647.56	\$238,052.44	58.07%
Expenditure	\$557,487.00	\$68,138.71	\$294,075.84	\$263,411.16	52.75%
		-\$11,800.20	\$35,571.72		
FUND 65 REFUSE COLLECTION					
Revenue	\$141,200.00	\$19,875.49	\$89,739.33	\$51,460.67	63.55%
Expenditure	\$156,094.00	\$17,761.76	\$75,174.89	\$80,919.11	48.16%
		\$2,113.73	\$14,564.44		
FUND 70 SCHOOL LOOP ROAD & PAVING PROJ					
Revenue	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Expenditure	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
		\$0.00	\$0.00		
FUND 79 HARBOR CONSTRUCTION					
Revenue	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Expenditure	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
		\$0.00	\$0.00		
Report Total		-\$136,795.13	\$68,743.16		

TO: Mayor Gardner
City Council Members

FROM: Andy Varner
City Administrator

DATE: February 4, 2016

SUBJ: Monthly Report for February 2016

Here are a few issues and items of note we've been working on since the last report:

MARIJUANA

- We have not discussed at the Council level whether or not the City of Sand Point will allow retail marijuana businesses in the community. If we do nothing else, then I would presume Council members will honor the voters' wishes and allow establishments, given that they are feasible and pass legal muster. With that in mind, the Council may want to consider including a separate tax level for marijuana, as other communities are doing. For instance, Fairbanks voters passed a 5% tax, while it was 15% in Bethel. Any tax change would require a vote on the ballot. FYI, the City of Unalaska is holding second reading on an ordinance on Feb. 9 to ban all commercialization of marijuana in town.

DOCK REPLACEMENT

- According to my last conversation with DOT's project manager, they finished the contract negotiations with PND and are now waiting for the protest period to conclude before issuing them the Notice To Proceed. The protest period ends February 8. There weren't any schedule updates since they haven't begun the design process yet. PND will start by revisiting the alternatives to nail down whether we replace the dock in the existing location or build it adjacent. They'll have a scoping meeting with the City to discuss shortly. PND will also be working on the geotech exploration plan and study concurrently with preliminary design. The project continues to be on the Statewide Transportation Improvement Plan for an obligation this year and DOT remains confident at this point that they can meet that schedule.

JUNEAU TRIP

- Mayor Gardner and I are going to Juneau next week to meet with various legislators and Commissioners. Topics to address include dock replacement progress, annexation, airport certification, fisheries, new State taxation proposals, and more. We will attempt a short meeting with the Governor to invite him out for a 50th anniversary celebration of City incorporation later this summer. You can find a legislative report from Mark Hickey under FYI.

TDX/SAND POINT GENERATING

- TDX last year received a grant to install electric boilers at the school and clinic to provide "excess" wind-powered heat to those locations. The concept was part of their original project plans with the wind installation but only recently got funded. As the clinic owners we will need to be involved with their installation plans, and the new equipment could lead to more training and maintenance needs for Ken. It's something we will discuss with EAT as well as part of our maintenance agreement.
- In the latest round of the State's renewable energy funding, the TDX project application in Sand Point had the second highest score statewide. If the Legislature allocates *any* money to the fund this year that project could likely get funding. The project is a "high

penetration” wind system, essentially a new generator and controls that would allow diesel gensets to be turned off completely when the wind blows steadily.

ALEUTIAN FIBER

- I am helping to spearhead an effort to bring higher speed broadband to the Aleutians, and you can see a summary under FYI that partners are taking to DC and Juneau to help spread the word.

EAT- OXFORD HOUSE

- According to EAT’s Executive Director Jennifer Harrison, the EAT board decided to move forward with the Oxford House in Sand Point. Since their Behavioral Health Aide (BHA) resigned in December, they are going to use her salary money and look for a man in recovery to be their House Coordinator/BHA. That person should be willing to go to Anchorage for 3-6 months to live in an Oxford House and then go to Sand Point to get it started. EAT are still trying to get State grant monies, and Jennifer recently met with the Director of the Division of Behavioral Health, but EAT can at least start the Oxford House with existing funds. The trick is finding the House Coordinator/BHA, and they’re looking for assistance in trying to identify that person.

YEARLY COSTS

- I’ve attached copies of our Anchorage office costs and our legal expenses for the year of 2015. If any Council members want to see prior years just let me know.

HEALTH INSURANCE

- Twelve employees have opted out of the City’s health insurance plan. With a difference between the monthly insurance premium (\$1035) per employee and the monthly stipend (\$480) in lieu of insurance being \$555, this will save the City over \$6600 on health insurance costs each month.

Anchorage Office Expense 2015

Date	Office Rent	Copier	Supplies	Fax/Phone	Postage	Refuse	Cable	Water	Misc.	Tech. Support	Credit	Total
Jan-15	\$761.54			\$99.25				\$4.36				\$865.15
Feb-15	\$761.54			\$23.08				\$4.36				\$788.98
Mar-15	\$761.54			\$23.90				\$4.36				\$789.80
Apr-15	\$761.54			\$24.87				\$3.55				\$789.96
May-15	\$761.54			\$23.32								\$784.86
Jun-15	\$761.54			\$28.79	\$26.97							\$817.30
Jul-15	\$761.54			\$27.73								\$789.27
Aug-15	increase* \$779.68							\$11.93				\$791.61
Sep-15	\$779.68							\$5.97				\$785.65
Oct-15	\$779.68			\$77.14				\$4.36				\$861.18
Nov-15	\$779.68							\$5.16				\$784.84
Dec-15	\$779.68			\$49.15	\$12.44			\$4.36				\$845.63
2015 Totals	\$9,229.18	\$0.00	\$0.00	\$377.23	\$39.41	\$0.00	\$0.00	\$48.41	\$0.00	\$0.00	\$0.00	\$9,694.23

*>> \$779.68

2015 Legal Expenses

	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Totals
General Counsel	\$92.50	\$74.00			\$410.00	\$168.00				\$454.50		\$786.00	\$1,985.00
Sales Tax				\$37.00						\$252.00		\$777.00	\$1,066.00
Marijuana	\$63.00	\$1,321.00											\$1,384.00
Harbor	\$63.00	\$84.00	\$963.00	\$1,050.00	\$1,050.00	\$352.00				\$399.00		\$315.00	\$4,276.00
Labor/Personnel	\$6,718.50	\$4,226.00				\$44.74							\$10,989.24
Other													\$0.00
Expenses	\$3,217.01	\$1,401.52	\$0.11	\$3.12	\$0.72					\$5.04		\$3.36	\$4,630.88
TOTAL:	\$10,154.01	\$7,106.52	\$963.11	\$1,090.12	\$1,460.72	\$564.74	\$0.00	\$0.00	\$0.00	\$1,110.54	\$0.00	\$1,881.36	\$24,331.12

Covers July thru October



JOHN H. LUCKING, JR
CHIEF OF POLICE

SAND POINT DEPARTMENT of PUBLIC SAFETY

Post Office Box 423
Sand Point, Alaska 99661
EMAIL: sppd@arctic.net



TEL: (907)383-3700
FAX:(907)383-5496

MEMORANDUM

To: Honorable Glen Gardner, Mayor, City of Sand Point
Mr. Andy Varner, City Administrator, City of Sand Point
Mr. Danny Cumberlandidge, City Councilperson, City of Sand Point
Mr. Allan Starnes, City Councilperson, City of Sand Point
Ms. Shirley Brown, City Councilperson, City of Sand Point
Mr. Jack Foster Jr, City Councilperson, City of Sand Point
Ms. Marita Gundersen, City Councilperson, City of Sand Point
Mr. Emil Mobeck, City Councilperson, City of Sand Point

From: John H. Lucking, Jr., Public Safety Manager

Date: February 5, 2016

Ref: Department of Public Safety's Monthly Report for January 2016

Police Department

Public Safety Manager

- John H. Lucking, Jr.

Police Officers

- Michael Chiesa, Sergeant
- Eric Tupper, Police Officer II
- Efen Thao, Police Officer

Administrative Assistant

- Denise Mobeck/Day Dispatcher

Dispatchers

- Alfred 'Jesse' Pesterkoff, 911 Dispatcher
- Christine Nielsen, 911 Dispatcher

Police Division Activity

JANUARY 2016

8 cases were generated

- 1 Criminal mischief
- 1 Moving vehicle accident
- 1 Theft
- 1 Eluding
- 2 DUIs
- 1 Assault 4th degree, resisting arrest and failure to stop at the direction of an officer
- 1 Criminal Trespass

There were 5 persons jailed

- 1 Criminal mischief
- 1 Eluding
- 2 DUIs
- 1 Assault 4th degree, resisting arrest and failure to stop at the direction of an officer

There were 51 calls to 911

- 14 Medic on Call requests
- 3 ambulance requests
- 19 hang up or mis-dial calls
- 4 misc officer assistance requests
- 1 stolen vehicle report
- 1 reckless driving report
- 1 noise complaint
- 3 bar fight reports
- 1 animal control assist
- 1 DUI complaint
- 1 trespass complaint
- 2 drunken disturbances calls

Officer Calls for Service, Non 911

- Request for assistance with a patient at the clinic
- Miscellaneous drug intel information calls
- Vehicles in ditch calls
- Assistance needed at school/threatening student
- Report of firearm theft

Other Officer Activity

- Miscellaneous ongoing investigations
- 3 Courtesy transports
- Bar checks
- Paper services
- Welfare checks
- Trespass warnings
- Abandoned vehicle follow-ups

5 traffic stops

- 2 warnings for equipment violation
- 1 4-wheeler moving and equipment violations
- 1 4-wheeler juveniles being on road
- 1 DUI investigation

EMS Division

Chief of EMS Division:

- Denise Mobeck, EMS Coordinator

EMS Activity:

Rescue 1 transported 3 patients to the clinic

Rescue 1 transported 2 patients to airport for medevacs

EMS crew maintained a standby for New Years Eve

Other EMS Activity:

Basic Life Support Ambulance annual certification reinstated.

EAT co-ops in ambulance billing and previously uncollected ambulance fees.

The EMS Department is planning on holding ETT/EMT certification classes the beginning of May. Anyone interested in becoming ETT certified and being a part of the EMS team please call Denise Mobeck at 383-3700.

Fire Division

Chief of Fire Division:

- Vacant, administrative duties being fulfilled by DPS Director and supported by DPS and DPW staff.

Activity:

- Recruitment efforts continue as the department seeks to fill the vacant fire chief position.
- All monthly incident reports were filed with the State Fire Marshal's Office meeting obligations and maintaining agency certification.
- Annual Fire report and registration completed.

On November 10, 2015 Ofc. Efen Thao and Ofc. Michael Chiesa visited the first and second grade class at Sand Point School after being invited into the classroom by the teacher, Mrs. Elizabeth Chiesa. After having a delicious school lunch, Ofc. Thao and Ofc. Chiesa introduced themselves to the students in the classroom. The students learned about the many duties of a police officer and the training and education a police officer must receive to learn their jobs.

Ofc. Thao and Ofc. Chiesa also discussed safety with the students including bicycle and pedestrian safety. It was a positive, interactive session between the officers and students with lots of questions asked and answered. The visit concluded with a tour of a police vehicle. Before Ofc. Thao and Ofc. Chiesa departed they gave all of the students and the teacher an official Sand Point Police Junior Police Officer sticker.

Mrs. Chiesa later brought Ofc. Thao and Ofc. Chiesa handwritten "thank you" cards from the students that are now proudly displayed in the officers' office at the police station.

Ofc. Thao and Ofc. Chiesa thoroughly enjoyed their visit with the students and look forward to seeing them around the community.



January 2016 Public Works Report

Shop

- Graded Roads
- Plowed Snow
- Sanded Roads
- Hauled 150yards of rock to trident container yard
- Ditched apartment hill and playground
- Serviced used oil burners in shop and recycle center
- Removed abandoned skiff at landfill gate
- Fixed landfill explorer electrical problem
- Changed out cat steering pump in grader
- Changed out transmission on cop car
- Public works flatbed transmission changed
- Brakes repaired on recycling truck
- Installed new blades on graders
- Repaired 10" water main leak and installed thrust blocks

Landfill

- Fixed bucket on skidsteer

Recycling

- Fixed and serviced oil burner

Water & Sewer

- See attached

Sand Point Boat Harbor

02-04-2016

Crew making dump runs on regular basis.

Servicing vehicles and equipment on regular basis.

Hauled used oils to public works shop.

Hauling and storing boats, zilch.

Crew busy building boat stands.

That's all I have to report.

Richard Kochuten, Sr.

Harbor Master

W&S January 2016

1. Fixed leak in 10" line that leaves the water plant and runs up to the 500,000 gallon water tank. Thanks to Dave and all of the Public Works employees for all their help!
2. Replaced flush valve at Nagai lift station and put pump #2 back in service.
3. Received rebuilt Trident lift station pump from Alaska Pump. Problem was damage from a green industrial mop head according to technician at Alaska Pump. The mop head had spun up around the pump impeller and caused a leak that allowed water to get to the electrical windings of the motor.
4. Replaced the floats in the Jumps lift station
5. Repaired leak on water supply line to the old post office in Russian Town. Thanks again for the help from the Public Works employees.

STUDENT REPRESENTATIVE

HEARINGS, ORDINANCES AND RESOLUTIONS

ORDINANCE 2016-01: ATV
REGULATIONS-1ST
READING

Memo

To: Mayor Gardner
From: Andy Varner, Administrator
cc: City Council
Date: February 1, 2016
Re: ATV Ordinance Change

The attached draft ordinance includes the discussion points the Council considered at our January meeting. Since we made a few revisions to the original proposed ordinance change last month, this ordinance is up for first reading in February.

The proposed changes are relatively minor, and summarized below:

- **ATV definition:** I made a few minor changes and added back in that the term includes those vehicles defined as off-highway vehicles.
- **Section 3. Repeal of Section 12.30.040:** This removes the vehicle registration requirement.
- **Section 4. Repeal of Section 12.30.050:** This removes the vehicle registration fee.
- **Section 5. Repeal of Section 12.30.062(d):** This removes the prohibition of passengers on ATVs, provided other parts of the law are in compliance.
- **12.30.063(a):** This simplifies the code and goes back to original language, where operator must be above 16 years of age.
- **12.30.063(c):** Tried to say the same with fewer words.
- **12.30.063(e):** The change is to the substance, and struck language related to operators under age of 16.

City of Sand Point



ORDINANCE 2016-01

AN ORDINANCE OF THE SAND POINT CITY COUNCIL AMENDING CODE OF ORDINANCES OF THE CITY OF SAND POINT CHAPTER 12.30 – TRAFFIC CONTROL AS IT RELATES TO ATV USE

BE IT ENACTED by the City Council of the City of Sand Point:

Section 1. Form. This is a Code ordinance.

Section 2. Amendment of Section 12.30.030. Chapter 12.30, Section .030 of the Code of Ordinances of the City of Sand Point, Alaska, is hereby amended to read as follows [deleted language is ~~struck~~, added language is underlined]:

§ 12.30.030. DEFINITIONS.

Definitions. Unless the context clearly indicates a different meaning was intended, the following words and phrases used in this chapter shall have the meanings set out in this section.

ALL-TERRAIN VEHICLE and ***ATV.*** ~~Includes off highway vehicles, snowmobiles, and motor vehicles commonly known as "three wheelers" and "four wheelers."~~ A motorized all-terrain vehicle primarily designed for off-road use. The term includes "four wheelers," snowmachines, golf carts, tractors, six- and eight-wheeled vehicles such as an ARGO, UTV (side-by-side), a Max, and six-wheeled vehicles that are configured the same as a "four wheeler" or "three wheeler" as well as Off-Highway Vehicles.

HIGHWAY. The entire width between the boundary lines of every way that is publicly maintained when a part of it is open to the public for vehicular travel, including, but not limited to, all city streets and alleys, but not including vehicular ways or areas.

MOTOR VEHICLE. A vehicle which is self-propelled except a vehicle moved by human or animal power.

MOTORCYCLE. A vehicle having a seat or saddle for the use of the rider and designed to travel on not more than three wheels in contact with the ground. The term does not include a tractor.

MOTOR-DRIVEN CYCLE. A motorcycle, motor scooter, motorized bicycle or similar conveyance with a motor attached and having an engine with 50 or less cubic centimeters of displacement.

OFF-HIGHWAY VEHICLE. A motor vehicle designed or adapted for cross-country operation over unimproved terrain, ice or snow and which has been declared by its owner at the time of registration and determined by the Alaska Department of Public Safety to be unsuitable for general highway use, although the vehicle may make incidental use of a highway as provided by Alaska Uniform Vehicle Code or this chapter; it includes snowmobiles but does not include implements of husbandry and special mobile equipment.

SNOWMOBILE. A motor vehicle designed to travel over ice or snow, and supported in part by skis, belts, cleats or low-pressure tires.

VEHICULAR WAY OR AREA. A way, path or area, other than a highway or private property, which is designated by official traffic control devices or customary usage and which is open to the public for purposes of pedestrian or vehicular travel, and which way or area may be restricted in use to pedestrians, bicycles or other specific types of vehicles as determined by the city or other governmental agency having jurisdiction over the way, path or area.

Section 3. Repeal of Section 12.30.040. The Code of Ordinances of the City of Sand Point, Alaska, is hereby amended by the repeal of Section 12.30.040.

Section 4. Repeal of Section 12.30.050. The Code of Ordinances of the City of Sand Point, Alaska, is hereby amended by the repeal of Section 12.30.050.

Section 5. Repeal of Subsection 12.30.062(d). The Code of Ordinances of the City of Sand Point, Alaska, is hereby amended by the repeal of Subsection 12.30.062(d).

Section 6. Amendment of Section 12.30.063. Chapter 12.30, Section .063 of the Code of Ordinances of the City of Sand Point, Alaska, is hereby amended to read as follows [deleted language is ~~struck~~, added language is underlined]:

§ 12.30.063. REGULATIONS CONCERNING OPERATION OF ALL-TERRAIN VEHICLES UPON THE PUBLIC STREETS AND ROADWAYS OF THE CITY OF SAND POINT.

All-terrain vehicles may operate on the public streets and roadways of the City of Sand Point, subject to the following conditions:

(a) *License.* The person operating the all-terrain vehicle must be a duly licensed driver in the State of Alaska and at least 16 years of age, ~~except that persons who are 14 years of age before the effective date of this section shall be authorized to operate all-terrain vehicles within the City of Sand Point, provided said persons are duly licensed with a State of Alaska drivers instruction permit.~~

(b) *Safety Equipment.* The all-terrain vehicle must be equipped with the appropriate safety equipment, including headlights, taillights, mufflers, fenders, and brakes all in operating order and which meet or exceed state or local regulations. Headlights must be illuminated between one-half hour after sunset and one-half hour before sunrise, and at any other time when, because of insufficient light or other atmospheric conditions, persons or vehicles on the highway are not clearly discernable at a distance of 1,000 feet.

(c) *Protective Equipment.* ~~An~~ Operators and passengers under the age of 18 ~~and any passenger~~ must wear protective headgear and an eye-protective device that meet the requirements of 13 AAC 04.350.

(d) *Traffic Laws.* The operator of an all-terrain vehicle must observe all state and city traffic laws and codes which pertain to the operation of motor vehicles upon a highway.

(e) *Hours of Operation.* Persons over 16 years of age but under 18 years of age are prohibited from using all-terrain vehicles on the public streets and roadways of the City of Sand Point from 10:00 p.m. until 6:00 a.m. the following morning on Sundays through Thursdays and from 12:00 a.m. until 6:00 a.m. on Saturdays and Sundays.

~~———— (1) All terrain vehicles shall be permitted to operate on the public streets and roadways of the City of Sand Point only during the following times: All terrain vehicles may be operated on public streets and roadways by persons 14 to 17 years of age from 6:00 a.m. to 10:00 p.m. Sunday through Thursday, and 6:00 a.m. to 12:00 a.m. Friday and Saturday.~~

~~———— (2) Operation of all terrain vehicles at all other times is prohibited except in an emergency or when other circumstances exist which justify an exception because operation of the all-terrain vehicle was necessary or unavoidable. Exceptions are limited to non-recreational use of all-terrain vehicles.~~

Section 7. Amendment of Subsection 12.30.067(a). Section 12.30.067, Subsection (a) of the Code of Ordinances of the City of Sand Point, Alaska, is hereby amended to read as follows [deleted language is ~~struck~~, added language is underlined]:

(a) A police officer may issue a citation to the operator or owner of an all-terrain vehicle, which is not in safe mechanical condition or properly equipped as required by Title 28 of the Alaska Statutes, Title 13 of the Alaska Administrative Code, or the safety provisions of this chapter. A citation issued under this section shall specify the repair or adjustment to be made.

Section 8. Effective Date. This ordinance shall be effective upon adoption.

PASSED AND ADOPTED BY A DULY CONSTITUTED QUORUM OF THE SAND POINT CITY COUNCIL THIS _____ DAY OF _____, 2016.

CITY OF SAND POINT

Glen Gardner Jr., Mayor

ATTEST:

Shannon Sommer, City Clerk

DRAFT

ORDINANCE 2016-02:
SALES TAX
CLARIFICATION-2ND
READING

BOYD, CHANDLER & FALCONER, LLP
Attorneys At Law
Suite 302
911 West Eighth Avenue
Anchorage, Alaska 99501
Telephone: (907) 272-8401
Facsimile: (907) 274-3698
bcf@bcfaklaw.com

MEMORANDUM

TO: Andy Varner
City Administrator



FROM: Brooks Chandler

DATE: January 5, 2016

RE: Sale Within the City Amendment

You have asked whether the fact deliveries of seafood from Fishermen's Finest vessels to trampers anchored within city boundaries is a taxable sale of processed seafood. In our opinion, the answer is YES. However we believe the city code could be clearer on whether a sale made as a result of an order received outside the city (Fishermen's Finest main office is in Washington state) from a buyer located outside the city (most Fishermen's Finest customers are in Asia) for seafood caught outside the city is made "within the city" because the product is delivered to a trumper anchored within city boundaries. In addition, there is a substantial legal issue about whether such sales are made in foreign commerce and therefore not subject to local tax under the Federal Constitution. This will turn on such details as whether a buyer's agent inspects the seafood in Alaska prior to consummation of the sale, whether the trumper is properly registered for export services and whether Fishermen's Finest has proper export documentation for these sales.

Regardless of whether these particular sales are taxable we believe the sales tax code would be improved by a more specific description of what constitutes a sale made within the city. That is

Mr. Andy Varner
January 5, 2016
Page 2 of 2

the purpose of the enclosed ordinance. The ordinance provides that whenever any “significant” aspect of a sale occurs within Sand Point, including delivery of the goods sold, the sale is considered to have been made within the city and is subject to sales tax. A similarly broad definition of “within the city” will apply to services. This will include professional services done from Anchorage related to building projects in Sand Point (if the buyer is not tax exempt) in many cases.

If you have any questions about the draft ordinance let me know.

City of Sand Point



ORDINANCE 2016-02

AN ORDINANCE OF THE SAND POINT CITY COUNCIL AMENDING CODE OF ORDINANCES OF THE CITY OF SAND POINT CHAPTER 6.10 TO ADD A CLARIFYING SECTION DESCRIBING THE PLACE OF SALE AND TO ADD AN EXEMPTION FOR CERTAIN SALES OF PROCESSED SEAFOOD

BE IT ENACTED by the City Council of the City of Sand Point:

Section 1. Legislative Findings. The City Council finds that Chapter 6.10 does not contain language describing when a sale of goods or services occurs within the city. This ordinance is adopted to provide that specific language. This is not done to change or expand existing code provisions. Rather it is done to clarify the application of current code provisions which levy a general sales tax on sales made within the City. This could be done by the Mayor under Section 6.10.210 subject to revision or repeal by the City Council but the city council believes it is preferable to make this change by ordinance. The City Council hereby finds that Section 3 of this ordinance reflects the intent of how the city sales tax ordinance applies and has applied to sales of goods, services and rentals since adoption of Ordinance 93-4.

Section 2. Classification. This is a Code ordinance.

Section 3. Amendment of Chapter 6.10. Chapter 6.10 of the Code of Ordinances of the City of Sand Point, Alaska, is hereby amended by addition of a new section 6.10.120 to read as follows :

6.10.120 Place of sale, rental or service.

(a) Unless otherwise provided in this Chapter, a taxable sale of tangible or intangible property occurs if any significant element of the making or performance of the sale agreement occurs within the City during the tax year, including, but not limited to, the offer to sell or buy and its receipt, the acceptance of the offer or the agreement to buy or sell, the delivery of any part of the property to either the buyer or to any person transporting the property to the buyer, transfer of title and possession to the buyer or to any person transporting the property to the buyer and the payment or partial payment for the property.

Introduction and 1st Reading January 12, 2016
Adoption and 2nd Reading February 9, 2016

(b) Unless otherwise provided in this Chapter, a taxable rental occurs if any significant element of the making or performance of the rental agreement occurs within the City during the tax year, including, but not limited to, the completion of the execution of the rental agreement, the making of an oral rental agreement, the delivery of the fully executed rental agreement, the transfer or relinquishment of possession of the rented space or property to the lessee or renter, the possession or use of the rented space or property regardless of when the rental agreement was made or the use or possession of the space or property began and shall be taxable for the portion of the rental period that occurs during the tax year.

(c) Unless otherwise provided in this Chapter, a taxable sale or performance of a service occurs when any significant element of the sale or performance of the service occurs within the City during the tax year, including the offer and acceptance, the delivery to the purchaser or to the person who is to provide a service of a ticket, coupon or other instrument entitling a holder to a service, the commencement of the performance of a service, the completion of the performance of a service, and the performance of any part of a service. The sale within the City of a service is taxable without regard to where the service is or is to be performed. Unless otherwise provided by law, the entire value of an unsegregated service is taxable if any part of the service is performed within the City during the tax year. The performance of a service is not taxable if the tax under this chapter was paid on the sale of the service. If a service sold outside the City is to be performed in part or in whole inside the City, the person providing the service is the seller under this chapter and shall be liable for the collection and remittance of the tax.

Section 4. Amendment of Section 6.10.050. Section 6.10.050 of the Sand Point Code of Ordinances is hereby amended by adding a new subsection (t) to read as follows:

(t) Sales of processed seafood products made by a seller who has; (1) collected a raw seafood tax on the purchase of the same seafood prior to processing; and (2) has entered into a payment in lieu of taxes agreement with the city.

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

PASSED AND ADOPTED BY A DULY CONSTITUTED QUORUM OF THE SAND POINT CITY COUNCIL THIS _____ DAY OF _____, 2016.

Introduction and 1st Reading January 12, 2016
Adoption and 2nd Reading February 9, 2016

Glen Gardner, Jr., Mayor

ATTEST:

Shannon Sommer, City Clerk

DRAFT

Introduction and 1st Reading January 12, 2016
Adoption and 2nd Reading February 9, 2016

OLD BUSINESS

None at this time.

NEW BUSINESS

Janice Shuravloff Memorial
Easter Egg Hunt
C/O City of Sand Point
P.O. Box 249
Sand Point, AK 99661

January 22, 2016

To Whom It May Concern:

Our highly anticipated annual Janice Shuravloff Memorial Easter Egg Hunt is coming up in Sand Point! Rain or shine, we always have a great turnout of children of all ages: from babies to high school students. Much of this is made possible from donations from our local and regional entities.

This year, the egg hunt will be held on the afternoon of Saturday, March 26, 2016. We hide golden eggs and plastic eggs with goodies in them for all the kids. For the children that find the golden eggs, we have 8 Easter baskets per age group for 0-6th grade (totaling 32 baskets). The 7th-12th graders receive gift cards. All the participants receive a bag of candy following the event.

We are asking for a donation to help with the cost of this event, any amount would be greatly appreciated. To donate, please make a check out to the City of Sand Point with a Memo: Easter Egg Hunt. If you have any questions or need more information, please call me at (907)386-6165 or Krista Galvin at the City Office at (907)383-2696. Thank you for your consideration.

Sincerely,

Jade Cromer
Jade Cromer

\$300
2015





QAGAN TAYAGUNGIN TRIBE
P.O. BOX 447
SAND POINT, ALASKA 99661
PHONE (907) 383-5616
FAX (907) 383-5814



January 18, 2016

City of Sand Point
P.O. Box 249
Sand Point, AK 99661

RECEIVED
JAN 20 2016
Glen
City of Sand Point

Dear Mayor Glen,

Give the gift of reading and change a life.

Teachers will tell you that the single best thing a parent can do to prepare their son or daughter for school is to read to them. **Dolly Parton's Imagination Library puts a brand new, age-appropriate book into the homes of more than 23,000 Alaska children each month from birth to age five – at no cost to their families.** Since 2014, with support from businesses like yours, over 930 books have been given to children in Sand Point!

This unique program helps...

- **Create a literacy-rich environment** in which children can learn and grow.
- **Prepare children for school** by setting them on the road to reading.
- **Engage families in meaningful time together** spent reading and talking about books.

Please consider making a donation today to help our youngest Alaskans develop strong language and literacy skills – and a lifelong love of reading. Your gift will provide...

- A monthly book to a local child for one full year for just \$30
- A monthly book to a local child for five years (from birth to age 5) for just \$150
- A monthly book to everyone child on the program for one month for just \$110

I hope you will join me in supporting our Imagination Library and the many young readers it is helping to create.

Sincerely,

Tiffany Jackson
Executive Director

P.S. You are key to our success. Thank you for supporting our Imagination Library.

UPDATE: ANNEXATION

Memo

To: Mayor Gardner
From: Andy Varner, Administrator
cc: City Council
Date: February 3, 2016
Re: Update on Annexation

The next step for filing an annexation petition is to go through a pre-submission hearing in Sand Point prior to submitting the document to the Local Boundary Commission (LBC). I heard about that regulation only after returning to Anchorage last month, and 30 days of advance public notice is required prior to that hearing. So the notice is posted and we can schedule the pre-submission hearing in conjunction with the March City Council meeting. There is LBC protocol to follow in these hearings, including submitting the audio recording and written proceedings along with our petition. The Mayor will have to conduct that meeting for it to be official, and I will work with you on the script and the necessary outcomes to make sure we follow everything correctly. The proposed boundary map and a few of the sections describing the nature of the annexation petition and the reasons for the request are attached to this memo in summary form. The same summary document, along with the full petition, are available in the Clerk's office for public viewing. The full petition will also be available at the pre-submission hearing next month. If things are on track after that March pre-submission meeting then in April the Council would have to pass a resolution in favor of submitting the petition to the LBC, which starts the clock for their procedures.

- Summary of the City of Sand Point annexation petition. This summary includes four sections:*
- A. Synopsis of applicable Local Boundary Commission standards relevant to the proposed annexation*
 - B. Summary of reasonably anticipated effects of annexation*
 - C. Summary of the transition plan*
 - D. Map of the territory proposed for city annexation*

A. Standards

Petition

to the Local Boundary Commission to

Annex Approximately 245 Square Miles of Popof Island and its Surrounding Waters to the City of Sand Point

By the Legislative Review Method

General Description of the Nature of the Proposed Boundary Change. 3 AAC

110.420(b)(4).

This petition, initiated by the City under the authority of 3 AAC 110.410(a)(4), requests that the Local Boundary Commission authorize the annexation of territory generally described as Popof Island and surrounding and submerged waters to the City under the legislative review method.

General Description of the Territory Proposed for Annexation. 3 AAC 110.420(b)(5).

The City of Sand Point sits on the western portion of Popof Island, one of a group of 20 landmasses in the Shumagin Islands located in the Aleutians East Borough. This group of islands is situated directly south of the Alaska Peninsula and roughly 600 air miles from Anchorage.

The territory proposed for annexation is approximately 245 square miles. The proposed area encompasses all of Popof Island, the eastern border of Unga Island, the southern border of Korovin Island, and several small, uninhabited islands, all within Popof Strait, Korovin Strait, and a portion of West Nagai Strait.

The proposed annexation territory presently has zero residents. The municipal landfill and a rock quarry are within the Popof territory. Additional terrestrial uses on Popof Island are primarily recreational and subsistence activities including a buffalo hunt, ATV riding, berry

picking, hiking, boating, and fishing. Many Sand Point residents travel to nearby Unga Island for subsistence uses, hiking, berry picking, kayaking, and fishing.

There is commercial and subsistence fishing activity in the immediate off-shore waters of Popof Island, Unga Island, and Korovin Island. Prospective development on Popof Island includes hiking trails, tourism, mining (gold and silver), and further infrastructure development such as roadways, culverts, and related appurtenances. Mining and tourism opportunities exist on Unga Island as well, although this annexation proposal only pertains to the water between Popof Island and Unga Island and has no impact to land activities on Unga Island.

Reasons for the Proposed Boundary Change. 3 AAC 110.420(b)(6).

The reasons for the proposed boundary change include extraterritorial powers available to the City in the form of taxation authority, in addition to anticipated economic development and anticipated health and safety concerns. An attendant objective of the proposal is for cultural and Native preservation between the Sand Point and Unga Island communities.

A primary purpose for the proposed change is to address inequities in our tax system by distributing more tax dollars from Sand Point resident fishermen into the community to help pay for public services that the fishing fleet and its families presently consume. Currently, some Sand Point harvesters in select fishing areas around Popof Island and the surrounding waters may deliver to a tender vessel that takes the raw fish (salmon and some groundfish) to another community for processing. In those instances, the raw fish tax dollars flow to another community, rather to Sand Point where the fishermen reside and depend on public services. Annexing the entire island and surrounding waters will incorporate those tendering transactions, making them eligible for raw fish taxation to the Sand Point community. There have also been instances where transfers of raw and processed seafood products around Popof Island have occurred, but the City had no authority or mechanism to tax those transactions. This petition would also allow the City to tax any seafood harvested and processed on board the same vessel, provided that activity occurred within municipal boundary waters.

Additionally, Sand Point residents (and visitors) have always explored the landscapes of Popof Island, year-round, whether through buffalo hunts in the hills, the Silver Salmon Derby around Red Cove, or beachcombing, paddling, berry picking and hiking on the back trails. A goal of the City and the tribes of Sand Point has been to develop those access routes more fully, either through formal roads or developed trail systems. The City could apply for transportation funding

if those routes were within municipal boundaries. Encompassing this land as part of the municipality will also enable the City to provide effective emergency response capabilities and other public services in broader swaths of the island, especially if established transportation corridors exist.

Similarly, Sand Point residents have traditionally travelled back and forth between Popof Island and nearby Unga Island, just several hundred meters from town. Community members traverse the small channel between the two islands to hike, fish, kayak, beachcomb, hunt, explore the rare petrified tree stumps, and participate in other cultural activities. Sand Point fishermen also commercial fish in the waters surrounding Unga Island.

Annexation will also address the exposure created by the expended resources in extraterritorial emergency responses outside the current boundaries. The City of Sand Point's Department of Public Safety and our trained volunteers operate the *Rainmaker*, a 32' aluminum fireboat equipped to respond to emergencies on the waters surrounding Sand Point. Over the past decade, our EMS volunteers have used the boat and our EMS/Public Safety crews to respond to emergencies all over the proposed annexation territory. Some of these events include: fire responses in the villages of Unga and Squaw Harbor; emergencies in nearby Baralof Bay and Delarof Harbor on eastern Unga; fire responses on the eastern (back) side of Popof Island, in addition to a missing person search in that area stretching from Pirate Cove to Simeon Bight; stranded vessel responses several miles north of Danger Point, in the Korovin Strait; and a sinking vessel response all the way over to Korovin Bay and east of Cape Devine. Those and all instances deprive Sand Point residents of services that otherwise would be required when an emergency occurs in our current boundaries, but are redirected elsewhere. The City pays for insurance, fuel, training, maintenance, and other operating expenses in order to keep the *Rainmaker* and our crews emergency-ready at all times.

Moreover, through the past few decades many families have migrated over to Sand Point from the communities of Unga and Squaw Harbor, both located on the eastern portion of Unga Island. Both Unga and Squaw Harbor are now ghost towns, but were once flourishing fishing villages with year-round populations. Once the economies of those communities slowed and became uninhabited, many of the residents and their families moved over to Sand Point, just several miles away. The Unga Tribe and Unga Corporation have their offices in Sand Point. Absorbing the eastern seaboard of Unga Island into the Sand Point municipality would maintain the "community fabric" of these very similar places, while not affecting land ownership issues on Unga. Likewise,

many villagers that used to inhabit Korovin Island (on the NE boundary of the proposed annexation) migrated to Sand Point once those villages became uninhabited.

Lastly, there are prospective mining claims on Popof Island near Red Cove. If those claims were ever developed, the City would have no way of receiving royalties or extraction taxes without an annexation of the island. Sand Point would no doubt be affected by such development, and annexation would help the City in cost recovery in this instance.

Size of the Territory Proposed for Annexation. 3 AAC 110.420(b)(8).

- a) The existing city proposing annexation encompasses 29 square miles.
- b) The territory encompasses 245 square miles.
- c) The city after the proposed annexation would encompass 274 square miles.

Data Estimating the Population of the Territory Proposed for Annexation. 3 AAC 110.420(b)(9).

- a) The estimated population within the current boundaries of the city is 946 .
- b) The estimated population of the territory is 0 .
- c) The estimated population of the city after the proposed annexation is 946 .

Tax Data. 3 AAC 110.420(b)(12).

- a) **The assessed or estimated value of taxable property in the territory proposed for annexation** (for any existing municipality for which a change is proposed that currently levies or proposes to levy property taxes).

Real property	\$	<u> 0 </u>
Personal property	\$	<u> 0 </u>
Total	\$	<u> 0 </u>

- b) **Projected taxable sales in the territory proposed for annexation** (for any existing municipality for which a change is proposed that currently levies or proposes to levy sales taxes).

The City of Sand Point assesses a 4% sales tax and a 2% raw fish tax. Based on discussions and data from the Alaska Department of Fish & Game and the Commercial Fisheries Entry Commission (CFEC), we estimate an additional \$3,000,000 in annual salmon deliveries in the new territory, and \$400,000 in annual groundfish/other species

deliveries in the new territory. This amounts to \$3,400,000 total delivery value, and taxed at 2%, represents approximately \$68,000 in projected annual raw fish sales tax revenues in the territory.

Additionally, some catcher/processor vessels conduct sales just outside of current municipal territory. Based on similar discussions with CFEC, we project the value of taxable sales within the new territory to be \$300,000. At a rate of 4% on processed product, projected annual sales tax revenues in the territory will be \$12,000.

c) Taxes currently levied by municipal governments within the territory proposed for annexation. List the type and rate of each tax currently levied by any municipal government within the territory:

The Aleutians East Borough is not a municipality but levies a 2% tax on the sale of raw seafood within the proposed territory.

The City of King Cove (80 miles away) also levies a 2% raw fish tax, and if harvesters around Popof Island deliver their catch to a tender within the proposed territory for eventual processing in King Cove, their tax would apply to those sales.

B. Anticipated Effects

The effects of annexation to residents, businesses, and tribes will be minimal since there are no residents in the proposed territory. The annexation should generate net revenue for the City government, which could lead to more services or help offset potential revenue losses such as Community Revenue Sharing from the State.

C. Transition Plan

The City has the capacity to assume the relevant powers and duties of appropriate public service in the proposed area. There are currently no residents nor public services available in this territory and that is unlikely to change in the event of annexation. Since this annexation would have no real or practical effect on any other government bodies- local, State, Tribal, or Federal- there are no assets/liabilities to transfer or integrate. The City will coordinate and cooperate with the Borough and Shumagin, Unga, and Aleut Corporations throughout the annexation process to ensure it is open and transparent.

Memo

To: Mayor Gardner
From: Andy Varner, Administrator
cc: City Council
Date: February 2, 2016
Re: Update: Airport Re-Certification

Since the last meeting I met with DOT to go over re-certification options. Currently, DOT is proposing to enter into a Reimbursable Maintenance Agreement (RMA) between their Department and the City of Sand Point, as opposed to a contract. For one, they want to avoid putting the position out to bid and just have the City take the responsibility.

We countered that our preferred option is to have this become a DOT position, such as in Cold Bay, Unalaska, Adak, and elsewhere. These positions are called *Rural Airport Foreman*. Not surprisingly, the people we've been talking to balked at that idea as they don't want to be seen as "growing government" in the eyes of the Legislature.

Nevertheless, we're going to meet with Aviation folks and the DOT Commissioner next week in Juneau to discuss our options and see what makes the most sense for the City and our own budget. Danny Seybert of PenAir is going to join us. In short, we're all still going back and forth on the certification particulars, but in the end, certification is not something the City *has* to do. It is more in others' best interest for it to happen, and while a benefit to the community, growing our own government to an unreasonable extent is not in our best interests.

PUBLIC COMMENTS

COUNCIL COMMENTS

ADJOURNMENT

FYI



P.O. Box 196613 • Anchorage, Alaska 99519 • www.alaskausa.org

STATEMENT OF ACCOUNT

ACCOUNT 1957756
 STATEMENT PERIOD
 FROM 01-01-16
 THROUGH 01-31-16
 PAGE 1

=====
 CITY OF SAND POINT, ALASKA
 PO BOX 249
 SAND POINT AK 99661-0249

ACCOUNT SUMMARY

SHARE ACCOUNTS		DIVIDENDS YEAR-TO-DATE	WITHHOLDING YEAR-TO-DATE	PREVIOUS BALANCE	NEW BALANCE
10	SHARE SAV	0.00	0.00	0.00	0.00
80	CERTIFICATE	152.79	0.00	201,002.58	201,155.37
81	CERTIFICATE	152.30	0.00	200,353.29	200,505.59
TOTAL SHARE ACCOUNTS					401,660.96

SHARE SAV - 10

Effective	Posted	TRANSACTION DESCRIPTION	AMOUNT	BALANCE	EXPANDED TRANSACTION DESCRIPTION
		PREVIOUS BALANCE		0.00	
		NEW BALANCE		0.00	
		DIVIDEND YEAR TO DATE	0.00		

CERTIFICATE - 80 (MATURITY DATE 12-11-2016) DIV RATE 0.895%

Effective	Posted	TRANSACTION DESCRIPTION	AMOUNT	BALANCE	EXPANDED TRANSACTION DESCRIPTION
		PREVIOUS BALANCE		201002.58	
01-31	01-31	DEPOSIT DIVIDEND 0.895%	152.79	201155.37	ANNUAL PERCENTAGE YIELD EARNED 0.90% FROM 01/01/16 THROUGH 01/31/16 BASED ON AVERAGE DAILY BALANCE OF 201,002.58
		NEW BALANCE		201155.37	
		DIVIDEND YEAR TO DATE	152.79		

CERTIFICATE - 81 (MATURITY DATE 04-21-2017) DIV RATE 0.895%

Effective	Posted	TRANSACTION DESCRIPTION	AMOUNT	BALANCE	EXPANDED TRANSACTION DESCRIPTION
		PREVIOUS BALANCE		200353.29	
01-31	01-31	DEPOSIT DIVIDEND 0.895%	152.30	200505.59	ANNUAL PERCENTAGE YIELD EARNED 0.90% FROM 01/01/16 THROUGH 01/31/16 BASED ON AVERAGE DAILY BALANCE OF 200,353.29
		NEW BALANCE		200505.59	
		DIVIDEND YEAR TO DATE	152.30		

END OF STATEMENT

LEGISLATIVE REPORT #16-01

By Mark Hickey, Hickey & Associates – January 31, 2016

2nd Regular Session Starts

Governor Addresses Pending Fiscal Challenge!



Governor Walker unveiled his New Sustainable Alaska Plan during his State of the State address to open the second session of the 29th Alaska State Legislature. It consists of three pieces: (1) working to make more spending cuts; (2) using a large portion of the Permanent Fund earnings to fund critical services; and (3) generate new revenue by changing oil tax credits and enacting a number of modest tax increases.

Most legislators reacted positively to the governor's

speech, and appear serious about taking meaningful action this session. The combination recently of oil prices going down as low as \$26 per barrel and the decision by Standard & Poor's to downgrade the state's credit rating from "stable" to "negative", is likely helping create real urgency to the need to act this session.

Details about each agency's FY 17 operating budget proposals can be found at [FY17 Agency Operating Budget Reports](#).

SPECIAL ORDERS

Revenue Sharing

The governor will ask for \$35 million in the FY 16 supplemental to build the fund back to \$150 million. This means \$50 million available for FY 17, a reduction of 9% compared to FY 16. No deposit made for future years.

K-12 Education Funding

Governor Walker's FY 17 budget fully funds the K-12 public education budget, including the increase of \$50 in the Base Student Allocation provided by HB 278 passed in 2014. Talk so far from the majorities on both sides suggest more cuts will be made, which likely means an attempt to cut education funding.

Tax Increases

The governor's plan includes 6 tax increase proposals – a 1% income tax on the average Alaskan, increased tobacco, alcohol and motor fuel taxes, and modest changes to fishery, mining and cruise ship head taxes.

Permanent Fund Plan

Funds dividend checks at \$1,000 per person in the first year, does not cap the dividend, increases what is deposited into the Fund, and starts using a substantial portion of annual earnings for public services.

Today marks the 13th day of the Second Regular Session of the 29th Alaska State Legislature.

Other Happenings!

A new coalition called "Alaska's Future" recently formed to lobby in support of taking meaningful action this session and that use of Permanent Fund earnings will need to be part of any solution.

Members include businesses like GCI and Lynden, NANA and CIRI Regional Corporations, labor unions such as AFL-CIO and NEA-Alaska and many others. [Alaska's Future](#) is a link to its website.

Other critical measures this session include Medicaid expansion, cost containment and reform, and full implementation of the marijuana initiative approved by the voters in 2014. The next legislative step to move the Alaska LNG Project forward is expected to require approval of a constitutional amendment to implement fiscal terms, which is expected to be addressed in a special session later this year.

Summary of State Legislation of Interest



*Check out what your legislators are up to in Juneau! New bills appear in **BLUE**, while any change in status will be in **RED**.*

Each report lists legislative measures of interest, divided into five topics: fiscal plan measures, general municipal issues, education measures, fishery & resource issues, and energy matters. **Legislation enacted last year has been removed.**

House measures are first, followed by Senate measures. Companion bills (measures in both bodies) are usually listed together, with priority to bills sponsored by majority members.

More information about these measures and other information about the legislature can be found at [Alaska State Legislature](#).

Fiscal Plan Measures

HJR2 by Hawker	Proposes a constitutional amendment to manage the Permanent Fund with a "Percent of Market Value" or POMV methodology.	Pending House State Affairs
HB 182 by Seaton	Establishes a statewide individual income tax and capital gains tax.	Pending House Finance
HB 224 by Hawker	Requires the governor to submit to the legislature a projection of the fiscal year end surplus or deficit. If it is a deficit, then governor shall submit proposal to increase state revenue or reduce spending. The bill also sets limits for the PFD.	Referred to House Finance
HB 245/SB 128 by governor	Implements the Alaska Permanent Fund Protection Act. Funds dividend checks at \$1,000 per person in the first year, does not cap the dividend, increases what is deposited into the Fund, and starts using a substantial portion of annual earnings for public services.	HB 245 referred to House Finance SB 128 referred to Senate State Affairs and Finance

Continued on page 3

HB 248/SB 131 by governor	Proposes an increase on the state's alcohol tax by doubling it from 10 cents to 20 cents a drink.	Referred to respective L&C and Finance Committees
HB 249/SB 132 by governor	Increases the state tax on motor fuel from 8 to 16 cents on all motor fuel except: (1) aviation gas tax from 4.7 to 10 cents; (2) watercraft motor fuel tax from 5 to 10 cents; and (3) other aviation fuel tax from 3.2 to 10 cents.	Referred to respective TRA and Finance Committees HB 249 heard and held in House TRA on 1/28 Hearing scheduled for 2/1
HB 250/SB 134 by governor	Reestablishes an individual income tax at six percent of the federal income tax for all residents and nonresidents with income from a source in the state.	HB 250 referred to House FIN SB 134 referred to Senate L&C and Finance
HB 251/SB 135 by governor	Increases the fisheries business tax from 4.5 to 5% for shore-based canned processing, from 3 to 4% for shore-based processing, and from 5 to 6% for floating processing. Also increases the fishery resource landing tax from 3 to 4%.	HB 251 referred to House Fisheries and Finance SB 135 referred to Senate Resources and Finance
HB 252/SB 136 by governor	Eliminates an existing port fees credit deduction as part of the cruise ship head tax, thereby providing a modest increase in revenue.	Referred to respective L&C and Finance Committees
HB 253/SB 137 by governor	Increases the mining license tax from 7 to 9% on net income in excess of \$100,000. Establishes a license fee of \$50 for any application or renewal.	Referred to Senate Resources and Finance
SJR 1 by Wielechowski	Proposes a constitutional amendment to restructure the permanent fund earnings reserve, including adding the POMV methodology.	Pending Senate State Affairs
SB 114 by McGuire	Restructures the Permanent Fund, including an annual transfer of 5% of the POMV earnings from the preceding five years to the general fund.	Referred to Senate State Affairs & Finance
SB 133 by governor	Increases the state tax on cigarettes from \$2 to \$3 per pack, and the tax on other tobacco products (OTP) from 75% to 100% of wholesale price. Also adds electronic smoking devices into the OTP tax.	Referred to Senate L&C and Finance

General Municipal Issues

HCR 1 by Edgmon	Urges the Governor to acknowledge officially the sovereignty of Alaska tribal governments.	Pending House Rules
HJR 3 by Edgmon	Urges the Congressional delegation to introduce legislation similar to the Alaska Safe Families and Villages Act of 2013, and support tribal courts.	Pending House Rules
HJR 21 by Reinbold	Proposes amendments to the Alaska Constitution that would limit the terms of state legislators.	Pending House State Affairs
HB 21 by Josephson	Authorizes the creation of regional transit authorities.	Pending House Transportation
HB 47 by Foster	Provides relief for local PERS contribution by municipalities in which the population decreased by 25% between 2000 and 2010.	Pending House FIN
HB 59 by Seaton	Defines marijuana concentrates and requires the state to adopt implementation regulations.	Pending House Judiciary
HB 64 by Hawker SB 6 by MacKinnon SB 11-Wielechowski	Exempts Alaska from the requirement to observe daylight savings time. Requests US Dept. of Transportation to hold hearings to effect this change.	SB 6 pending in House STA SB 6 work session on 10/30/15 Other two bills pending in respective State Affairs Cmtes.
HB 65 by Hawker	Changes the required annual APOC financial disclosures for legislators and public officials from March 15 to May 15.	Pending Senate Judiciary
HB 68 by Kreiss-Tompkins	Requires state agencies to post reports on the Alaska Online Public Notice System.	Passed House on 4/11/15 Pending Senate State Affairs
HB 75 by House C&RA	Adds new authority for municipal regulation of marijuana. C&RA CS allows a village to prohibit marijuana establishments by voter initiative.	Passed House on 4/2/15 Failed passage in Senate on 4/19/15; Returned to Rules
HB 77 by Thompson	Proposes disability training for village public safety officers and other public safety officers.	Pending House Finance

Continued on page 5

HB 79 by Judiciary SB 30 by Judiciary	Implements the initiative to legalize and regulate marijuana. SB 30 opts out the unorganized borough, while adding authority for muni's & certain unincorporated communities to opt in.	Both bills pending House Judiciary
HB 84 by Reinbold	Requires state agencies, municipalities, and REAA's to report on federal receipts.	Pending House Finance
HB 95 by Tuck	Proposes several measures relating to election registration and voting, including online and same day voter registration.	Pending House State Affairs
HB 96 by Thompson	Establishes rules for collecting biometric information. Applies to municipalities.	Pending House State Affairs
HB 125 by Millett	Restricts the sale of products containing dextromethorphan (cough suppressants) and prohibits regulation by municipalities.	Pending House Rules
HB 127 by Vazquez	Requires public libraries that provide access to the Internet to install software filters that block certain sites including pornography.	Pending House Education
HB 133 by House C&RA	Stipulates how municipalities may process applications for various marijuana businesses or prohibit such facilities, and how to tax. Villages may act to prohibit activities by voter initiative.	Pending House L&C
HB 142 by Foster	Establishes an Elder's Day to be celebrated on the winter solstice of each year.	Pending Senate Rules
HB 148/SB 78 by governor	Allows for the Medicaid program expansion in Alaska, which includes eligibility for coverage, reform and cost containment measures.	HB 148 pending House Finance SB 78 heard and held in Senate Finance on 1/27
HB 160 by Gattis	Repeals art in public buildings requirement, including schools.	Pending House State Affairs
HB 208 by Edgmon	Amends the community revenue sharing program to grandfather the minimum payment versus a proration when funding is reduced.	Pending House Finance
HB 209 by Foster	Creates a Water and Sewer Advisory Committee under the auspices of the legislative branch.	Pending House C&RA

Continued on page 6

SSHJR 27 by Claman	Proposes amendments to the Alaska Constitution on the convening date of the regular session and calling for adjournment after ninety days.	Referred to House State Affairs, Judiciary, and Finance
HB 223 by Kito	Calls for the repeal of the ninety-day session in statute. This in effect will return the duration of the regular session to 121 days.	Referred to House State Affairs and Finance
HB 255/SB 138 by governor	Capital Budget – Very barebones submittal. Governor also plans to propose GO bond bill to fund critical capital needs.	Referred respective Finance Committees
HB 256/SB 139 by governor	Operating Budget – Fully funds K-12 Base Student Allocation, including \$50 increase provided by HB 278 (which passed in 2014).	Referred respective Finance Committees
HB 275 - Drummond SB 159 by D. Olson	Establishing the second Monday of October of each year as Indigenous Peoples Day.	Referred to respective State Affairs Committees
SJR 9 by Gardner HJR 12 by Josephson	Urges federal government to seek enforcement of additional Exxon Valdez oil spill damages under “reopener for unknown injury” provision.	Pending respective Resources Committees
SJR 15 by Stoltze HJR 14 by Hughes SCR 4 by Stoltze HCR 4 by Hughes	Calls for a convention of the states to propose a “countermand” amendment to the Constitution of the US, which allows the states to nullify and repeal federal statutes, executive orders, and judicial and regulatory decisions.	Senate bills pending Judiciary HJR 14 pending House Rules HCR 4 pending House Finance
SB 1 by Micciche	Proposes a comprehensive, statewide ban on smoking in work places and public places.	Pending Senate Finance
SB 13 by Wielechowski	Prohibits the state and municipalities from using assets to assist in warrantless searches of electronic data.	Pending Senate C&RA
SB 22 by Giessel	Reduces the state share from 8% to 5.5% to collect municipal motor vehicle registration taxes.	Pending Senate Finance
SB 36 by Giessel	Authorizes electronic publication of certain municipal notices.	Pending Senate State Affairs
SB 45 by Giessel	Allows parks and recreation service areas to include lots partially within these areas.	Pending Senate C&RA

Continued on page 7

SB 62 by Judiciary	Establishes the framework for a commercial marijuana industry in Alaska, which includes taxation. Similar to HB 133.	Pending Senate State Affairs
SB 74 by Kelly	Redesigns the current Alaska Medicaid program to allow for reform and cost containment. Managed care, payment redesign, telemedicine, and privatization studies will all be explored.	Heard and held Senate Finance on 1/27
SB 75 by Stevens	Allows for federally recognized tribal governments to receive contributions from the permanent fund dividend through the application process.	Pending Senate Finance
SB 87 by Meyer	Adds language for the exemption or deferral of payment of municipal taxes on deteriorated "residential" property.	Pending Senate C&RA
SB 88 by Egan HB 280 by Kito	Provides a new benefit tier in the PERS and TRS systems with an option to select a defined benefit plan, versus continuing with the current defined contribution plan.	Pending Senate C&RA HB 280 referred to House State Affairs, L&C and Finance
SB 93 by McGuire	Establishes a means of online voter registration and clarifies when and where absentee ballot voting stations will be open.	Pending Senate State Affairs
SB 115 by Senate Judiciary	Replaces the Alaska Public Offices Commission with a Public Integrity Commission of Alaska.	Pending Senate State Affairs

Earlier attempts by Alaska's leaders to solve the state's fiscal challenges!



Education Measures

HCR 8 by Gara	Designates Sept. 1-7, 2015 as Quality Pre-K through High School Week	Pending House Education
HJR 11 by Gara SJR 6 - Wielechowski	Urges Congress to enact measures to prohibit outside, unlimited independent campaign expenditures.	Pending respective State Affairs Committees
HB 2 by Lynn	Exempts students from overtime who are working an unpaid practicum as a postsecondary student.	Pending House L&C
HB 30 by Keller	Requires completion of American constitutionalism curriculum by all districts.	Pending House Finance
HB 36 by Kawasaki, Gara and 7 others	Requires prekindergarten programs in school districts and establishment of a statewide early childhood education plan.	Pending House Education
HB 63 by Gara and Ortiz	Provides a reduction in interest on postsecondary education loans for residents.	Pending House Education
HB 66 By Millett	Provides medical insurance coverage under TRS & PERS for the surviving spouse and dependent children of a deceased teacher if eligible to receive a survivor's pension under AS 14.25.157.	Heard & held House L&C 4/13
HB 80 by Gattis	Repeals requirement for secondary students to take college and career readiness assessments.	Passed House 4/18/15 Referred Senate EDU & FIN
HB 82 by Foster	Permits retroactive, supplemental funding for Internet services at certain rural school districts.	Passed House EDU 4/11/15 Pending House Finance
HB 85 by Reinbold	Makes secondary requirement to take college & career readiness assessments voluntary; restricts collection, storage and handling of student data.	Passed House EDU 4/14/15 Pending House Finance
HB 89 by Keller	Adds requirement for secondary students to pass a civics exam to gain a diploma.	Pending House EDU
HB 90 by Millett SB 83 by McGuire	Allows firefighters, peace officers, DPS personnel and support staff to participate in hybrid defined benefit/defined contribution retirement plan.	HB 90 pending House L&C SB 83 heard & held Senate State Affairs 4/9/15

Continued on page 9

HB 97 by Colver	Removes requirement to file a FAFSA under the Alaska performance scholarship program.	Pending House EDU
HB 98 by Colver	Amends existing law to allow any teacher to opt out of jury duty during the school term.	Pending House EDU
HB 102 by House EDU	Requires school districts to provide funding to residential psychiatric treatment centers for educational services.	Pending House EDU Hearing scheduled for 2/1
HB 107 by Gattis	Amends membership of UA Board of Regents of to broaden geographic representation.	Passed House 4/14/15 Referred to Senate Education
HB 113 by Josephson	Provides PERS credit & state defined contribution deposits for peace officer or firefighter on workers' comp caused by an on-the-job injury.	Pending House L&C
HB 156 by Keller	Amends law to rely less on federal funding, increase local control and require a new accountability system for public schools.	Heard & held House EDU 4/13/15
HB 157 by Kreiss-Tompkins SB 84 by Olson	Establishes new compliance requirements, standards-based assessments, and teacher certification for language immersion charter schools.	SB 84 heard & held Senate EDU 4/14/15 HB 157 scheduled House EDU 2/1
HB 176 by House FIN	Repeals state employee salary schedule increases by 2%.	Returned to Senate in June 2015, rescinded passage and returned Senate RLS
HB 198 by Gara	Proposes to inflation proof the Base Student Allocation (BSA) with an increase of \$149 for FY 2016. Also proposes additional BSA funding or one-time grant money in FY 2016.	Pending House EDU
HB 203 by Foster	Adds new education tax credit for contributions to a nonprofit for vocational or higher education.	Pending House EDU
HB 204 by Josephson	Extends the school term from 180 days to 190 days.	Pending House EDU
HB 211 by Kawasaki	Proposes a retirement incentive program (RIP) for both TRS and PERS members of the defined benefit plan.	Pending House State Affairs

Continued on page 10

HB 232 by Colver	Prohibits use of AMP test by DEED, requiring use of MAP student assessments or a substantially similar system.	Referred House Education and Finance
HB 261/SB 146 by governor	Proposes using a Percent of Market Value (POMV) approach for the Public School Trust Fund established under AS 37.14.110.	Referred to House Education and Finance
HB 264 by Wilson	Requires repayment of Alaska performance scholarships and education grants if the post-secondary program is not completed within 6 years from receipt of funds.	Referred to House Education and Finance
HB 265 by Wilson	Terminates the Alaska technical and vocational education program and increases STEP funding.	Referred to House L&C and Finance
HB 285 by Josephson	Requires school districts, private schools and postsecondary institutions to protect privacy of students' social media accounts.	Referred House Education and Judiciary
SCR 1 by Stevens	Creates an 11-member legislative task force on civics education.	Passed Senate 4/13/15 Scheduled House EDU 2/3
SJR 2 by MacKinnon	Proposes a constitutional amendment to permit bonding for postsecondary student loans.	Passed Senate 4/13/15 Pending House EDU
SB 3 by Stevens	Addresses collection, storage and handling of student data by school districts.	Pending Senate Education
SB 44 by Giessel	Amends Public Employment Relations Act to permit employees using the religious exemption to direct the required charitable contribution.	Pending Senate JUD
SB 61 by Stevens HB 52 by Herron	Establishes a museum construction matching grant program in Commerce.	SB 61 pending Senate L&C HB 52 pending House FIN
SB 79 by Dunleavy HB 172 by Gattis	Allows a reemployed teacher who retired under a DB plan to continue their retirement benefits.	SB 79 pending Senate C&RA HB 172 pending House L&C
SB 80 by Dunleavy	Increases legislative oversight of DEED's acceptance of federal funds. Requires DEED to review standards and assessments every 5 years.	Pending Senate Education
SB 89 by Dunleavy HB 192 by Keller	Expands a parent's authority to object and withdraw their child from school activities, classes, tests, surveys and programs	SB 89 pending Senate Rules HB 192 pending House EDU
SB 116 by Stevens	Establishes a new secondary school civics exam as a graduation requirement.	Pending Senate Education

Fishery & Resource Issues

HJR 20 by Neuman	Urges the US Congress to enact legislation to clarify and recognize an individual state's authority to manage its own fish and wildlife.	Pending House Rules
HJR 23 by Tuck	Urges the US Congress to finalize an agreement with the Russian Federation to address illegal, unreported, and unregulated crab fishing.	Pending House Fisheries
HJR 28 by Tarr	Opposes the US FDA approval of genetically engineered salmon and urges Congress to require labeling with the words "Genetically Modified."	Referred to House Fisheries and L&C
HB 41 by Tilton and Munoz	Creates a new sport fishing services licensing and regulatory program.	Heard & held Senate FIN 4/18/15
HB 53 by Kreiss-Tompkins	Restricts the use of pesticides and broadcast chemicals near certain fish habitat, water and state lands.	Pending House Transportation
HB 103 by Wilson	Eliminates authority for the Boards of Fisheries and of Game to adopt, amend or repeal a regulation unless recommended by other entities or individuals first.	Pending House Fisheries
HB 108 by Wilson	Prohibits a state agency from adopting, administering, or enforcing a regulation, or construing state statutes, to exceed the corresponding law or standards as set by the Environmental Protection Agency (EPA).	Pending House State Affairs
HB 112 by Stutes	Eliminates the Alaska Commercial Fisheries Entry Commission (CFEC), and transfers its duties to a new division within the Department of Fish and Game.	Pending House Resources
HB 119 by Josephson	Amends recently passed initiative regarding large-scale mining in the Bristol Bay Fisheries Reserve by clarifying the meaning of "fisheries" and the terms "permits and authorizations".	Pending House Resources
HB 128 by Edgmon	Establishes August 10 th as Alaska Wild Salmon Day.	Pending Senate State Affairs

Continued on page 12

HB 134 by Ortiz	Keeps language determining that a salmon seine vessel may not be longer than 58 feet in overall length. Strikes all other exceptions from statute.	Pending House Fisheries
HB 137 by Talerico	Increases all fees for hunting, sport fishing, and trapping licenses and tags. Increases the age for a permanent ID card from age 60 to 65.	Passed House on 4/15/15 Referred Senate Resources & Finance
HB 150 by Josephson	Adds criteria for Board of Game appointments to ensure at least one member is predominately a non-consumptive user of game resources.	Pending House Resources
HB 152 by Josephson	Removes language from the big game tags section for nonresidents and aliens, which in effect requires those classes to have wolf tags.	Pending House Resources
HB 177 by Keller	Directs the Dept. of Fish & Game to produce a king salmon stamp and tag design that would also be appropriate for limited edition prints.	Pending House Resources
HB 179 by Kreiss-Tomkins	Allows for the donation of fish, game, and other traditional foods to various food service programs if properly processed.	Pending House Resources
HB 220 by Talerico	Establishes a fisheries enhancement permit to allow a person to remove fish from state water and place fertilized eggs or hatched fish in the same or other state water.	Referred to House Fisheries and Resources
HB 241 by Millett	Establishes a nonresident surcharge for commercial fishing permits based on individuals not eligible to receive a PFD.	Referred to House Fisheries and Finance
HB 254 by Stutes	Extends the termination date of the Big Game Commercial Services Board to June 20, 2019.	Referred to House Resources and Finance
HB 258 by Tarr	Prohibits the sale of a genetically modified fish or fish product and defines both of the terms.	Referred to House Fisheries and L&C
HB 266 by Wilson	Modifies the Board of Game's authority to adopt, amend, or repeal certain regulations and provides for expanded notice of such a proposal.	Referred to House Resources

Continued on page 13

HB 267 by Wilson	Exempts certain mining activities and processes from state water standards that establish a more stringent water quality requirement than federal law.	Referred to House Resources
HB 286/SB 164 by governor	Increases sport fishing, hunting, trapping, and commercial fishing violations and restitution for certain offenses.	Referred to respective Resources and Judiciary Committees
SB 42 by Stoltze HB 110 by Neuman	Establishes a priority for personal use fishing for a fishery that is restricted to achieve a management goal. Provides subsistence exception.	SB 42 pending Senate RES HB 110 pending House Fisheries
SB 48 by Stedman	Reduces the fee for a nonresident hunting or fishing license, and a big game tag for a qualifying former state resident.	Pending Senate Resources
SB 68 by Giessel	Addresses how Board of Game can handle emergency closures for antlerless moose.	Pending Senate Resources



Competing gear types!

Energy Matters

HB 58 by Kreiss-Tompkins	Makes federally recognized tribes eligible for a loan from the Alaska energy efficiency revolving loan program.	Pending House Finance
HB 78 by Wilson	Proposes the "Alaska Competitive Energy Act of 2015" to increase competitive and nondiscriminatory procurement of electrical energy. Gives investigative authority to the Regulatory Commission of Alaska (RCA) on these matters.	Pending House Energy
HB 118/SB 56 by governor	Authorizes municipalities to establish programs to impose assessments for energy improvements.	HB 118 pending House Finance SB 56 pending Senate Finance
HB 138 by Talerico	Mandates development of state emission standards that comply with the federal Clean Air Act.	Pending House Resources
SJR 4 by Giessel HJR 8 by Talerico	Urges the federal government to allow states to regulate access to affordable and reliable electrical generation.	SJR 4 pending Senate Energy HJR 8 pending House Rules
HB 169 by House L&C	Directs the Regulatory Commission of Alaska (RCA) to provide a report to the Legislature about electrical transmissions in certain areas.	Pending House L&C
HB 187 by H. Energy SB 105 by McGuire	Creates the Railbelt Electrical Transmission Authority and establishes the parameters for membership and their powers and duties.	HB 187 pending House Energy SB 105 pending Senate Energy



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Council Moves Forward With Ban on Retail Marijuana

By GRETA MART (/PEOPLE/GRETA-MART) • JAN 27, 2016

Twitter (<http://twitter.com/intent/tweet?url=http%3A%2F%2Fwww.tinyurl.com%2Fjpwz4zy&text=Council%20Moves%20Forward%20With%20Ban>)



(http://mediad.publicbroadcasting.net/p/kucb2/files/styles/x_large/public/201602/screen_shot_2016-02-02_at_1.25.56_pm.jpg)

The Bel Mar in Bellevue, an affluent Seattle suburb, is one example of a Washington state retail marijuana store.

CREDIT COURTESY OF BELMARSTORE.COM

The Unalaska City Council is moving forward on enacting a total ban on retail marijuana stores on the island.

After considering three possible local ordinances regulating legal pot sales, the one the council approved for a second reading calls for prohibiting all commercialization of marijuana.

Council members Johnson, Kelty, and Rowland voted in favor of the ban ordinance and Gregory, Leclere, and Tungul voted against. Mayor Shirley Marquardt broke the tie with a vote in favor of the ban.

Assistant City Manager Erin Reinders said that a second reading of the ban ordinance is scheduled for the Feb. 9 city council meeting. If a majority of the council votes in favor of the ordinance at that meeting, the ban goes into effect immediately.

In anticipation of the council prohibiting retail pot stores, a group of local residents are organizing an effort to sponsor a ballot initiative. Sponsors would need to gather at least 167 signatures in order for the measure to appear before voters.

According to city staff, a majority of Unalaska residents voted in favor of Prop 2, the 2014 statewide law that legalized recreational use of marijuana. Prop 2 is officially described as "an act to tax and regulate the production, sale, and use of marijuana." In Unalaska, 271 residents voted against legalization. 369

residents voted yes on Prop. 2.

City Clerk Cat Hazen said a measure initiated by voters is placed on the ballot during the next regular election. Or it can go before voters in an already scheduled special election, as long as that election happens at least 60 days after the voter-initiated ballot measure is certified.

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Aleutian Fiber

A brief discussion with anyone from Chignik to Adak quickly reveals that internet services in the Aleutian region and Alaska Peninsula are critically poor, and “broadband” by definition is only available to those entities with heavy subsidies. Even then, the usage restrictions and data bottlenecks of satellite make many modern work tasks challenging in the region, especially as satellite coverage thins further out the Chain. Slow internet is not a problem unique to the Aleutian region, of course, but the investment and efforts required to tackle the issue have yet to materialize in Aleut territory.

In the last five years, several hundred million dollars have been spent on fiber buildout across Alaska. A lot of that investment is taking place in western/northern Alaska, and continues in several other pockets of the state as well. Thus far, however, the Aleutian and Pribilof regions have not been part of any concrete development plans, although there has been discussion for years to link a fiber line into Unalaska or the western Aleutians if the *Arctic Fibre* and *Quintillion* projects ever emerge.

Undoubtedly, a considerable investment is required to bring fiber to our area, owing to the relative isolation, smaller populations, and geographical challenges that are typical of the Aleutians. However, it behooves us to make the pitch to the telecommunications industry, legislators (both State and Federal), the FCC and other agencies that the Aleutian region is full of vibrant communities with a strong economic backbone in the commercial fishing industry. We also have great schools that could only be made stronger, a health care system that begs for modernization, a network of successful Tribal organizations, a strategic geopolitical position of national and international importance, and lots of small businesses and industry support sectors that can only dream of the technological advantages their counterparts enjoy in the digital world. In terms of productivity, it is difficult to quantify the lost hours and wages that every business and government office in the region suffers due to poor internet, while contemporary terms like streaming and cloud-computing are foreign concepts in the Aleutians.

In order to meet these challenges and collaborate on a truly regional development project, a grassroots working group has started an “**Aleutian Fiber**” campaign to create awareness and make the case that fiber in our region makes good business sense. The Aleutian Fiber Working Group is a cross section of public, private, and NGO stakeholders from the region with the purpose of doing the hard work and research necessary to bring fiber to our resilient corner of the state. However, a small working group alone can’t provide the muscle to bring a project like this to fruition; it truly will have to be a regional effort.

The Working Group has identified several elements of Aleutian Fiber that could contribute to a successful project:

- The Aleutians represent one of the last true areas of the state with no fiber backbone connection (no middle mile, no microwave, etc). The lessons learned, cost efficiencies, and project solutions displayed in other fiber projects across Alaska could pay dividends toward Aleutian Fiber and help dampen construction costs and keep rates low.
- Federal subsidies, such as the Rural Health Care program and the recently “modernized” E-Rate program could go toward special construction of fiber, especially if those cost support structures are aggregated across the region in a consortium approach.
- An emphasis on connecting Rural America at the Federal administrative levels could help prioritize the project in one of the most underserved areas of the country.
- As the State faces severe budget challenges and the struggle for service delivery continues, more distance education and telemedicine resources may require delivery via broadband. That is simply not possible in our current environment.

- The region has a stable and world-renowned economic base in the seafood industry, where some of the nation's largest ports and shore-based processors reside. Moving from the *Dial-Up Age* and into the *Digital Age* can only help add to profit margins.
 - There are more than 10,000 full time jobs in the seafood industry in the Bering Sea/Aleutian Island (BSAI) region
 - Total annual labor income derived from commercial fishing in the region amounts to nearly \$700 million
 - In 2014, the harvest value in the BSAI region was more than \$1 billion, while wholesale value in the processing sector was nearly \$2.5 billion. Each of those sectors represent more than 50% of Alaska's total seafood value¹
- The opening Arctic, increased shipping activity, and a strong US Coast Guard and military presence in the BSAI area make the Aleutian region one of critical importance to national security and international relations. Emergencies and defense missions are hamstrung by a lack of high-speed communication resources.

An ideal network scenario would involve a fiber ring around the Aleutian/Peninsula region, tying into existing fiber in the Bristol Bay and Kodiak regions. To complete the loop, a new fiber line would be required between Homer and Bristol Bay, thus creating redundancy and more capacity in the system with a multi-thread configuration.

Aleutian Fiber is a great candidate for a public/private venture. Broadband is increasingly seen as a fundamental public service- much like electricity and sanitation- while the region's economy offers the potential for a healthy return on a capital investment.



Underserved Aleutian Market, from *Connect Alaska's Statewide Broadband Report*. July 2014

¹ *The Economic Value of Alaska's Seafood Industry*, McDowell Group report prepared for ASMI.

http://ebooks.alaskaseafood.org/ASMI_Seafood_Impacts_Dec2015/#/4/

Renewable Energy Fund: Round 9 Application Summaries



Sand Point High Penetration Wind System

App #1237

Standard Application

Project Type: Wind

Energy Region: Aleutians

Applicant: Sand Point Generating, LLC - TDX Power, Inc.

Proposed Phase(s): Design, Construction

Applicant Type: Utility

Recommended Phase(s): Design, Construction

Project Description

Sand Point Generating LLC (SPG) proposes a high penetration wind diesel operation for the City of Sand Point. The proposed system will utilize a high speed low load generator. This unit can run at 10% of its 600KW rating continuously. The power converter, which is integral to the Innovus IP MVS 600 variable speed generator proposed, can operate even when its diesel engine is turned off. Ultra-capacitors on the DC Bus provide short term electrical storage to facilitate load pick up and diesel starting sequence. The IP MVS 600 power converter and ultracapacitor energy storage can and will be used to maintain the frequency and voltage of the wind turbines, allowing (during steady wind) the Utility to power City loads with only wind power (diesels off).

DNR/DMLW Feasibility Comments

The previous comment from 2014 is unchanged: No SCRO involvement.

Financing Opportunities/Limitations

Innovus has made offers to provide project financing based upon performance. Innovus's offer would reduce the front end payments significantly and require regular payments as fuel saving as documented by the utility. Firm negotiations on this point have not begun.

Renewable Energy Fund: Round 9 Application Summaries



Sand Point High Penetration Wind System

App #1237

Standard Application

Stage 3 Scoring Summary

Criterion (Max Score)	Score	Feasibility Analysis	
1. Cost of Energy (35)	24.76	Stage 2 Tech & Econ Score (100)	83.33
2. Matching Resources (15)	15.00	Benefit/Cost Ratio	2.19
3. Stage 2 Feasibility (20)	14.44		
4. Project Readiness (5)	3.50	Project Rank	
5. Benefits (15)	12.25	Statewide (of 38 Standard applications)	2
6. Local Support (5)	4.00	Regional (of all applications)	1
7. Sustainability (5)	4.67	Stage 3 Ranking Score (100)	78.62
Total Stage 3 Score (100)	78.62		

Funding & Cost	Requested	Recommended		
Total Cost Through Construction	\$1,072,305	\$1,067,309	Cost of Electricity	\$0.62/kWh
REF9 Grant Funds	\$649,030	\$649,030	Price of Fuel	\$5.52/Gal
Matching Funds	\$423,275	\$423,275	Household Energy Cost	\$10,793

AEA Review Comments & Recommendation

Full Funding

The proposed system offers a new option in balancing diesel generation with variable wind energy generation. Reduced diesel loading is possible without damaging under loading that is seen with standard fixed-RPM gensets. The ultra-capacitor bridging allows the system to provide spinning reserve while keeping voltage and frequency within spec. The system will allow for significant periods of diesel-off operation and the generator's power converter doubles as a grid-forming inverter during periods when the wind turbines are the sole power generator on the system. The applicant has a good track record with wind energy projects in Sand Point and Saint Paul and is very cooperative in providing high-resolution operational data for those systems.

Recommend full funding.

REF ROUND IX RECOMMENDED PROJECTS RANK LIST

Blue cells indicate a standard electric generation application
 Orange cells indicate a heat project application

Count	Recommended Projects										Project Cost			Recommendation			
	Energy Region	ID	Project Name	Applicant	Energy Source	B/C Ratio	Impacted Pop.	Household Energy Cost	Tech/ Econ Score	State-wide Rank	Project Cost Through Construction	Applicant Grant Requested	Applicant Match Offered	Recommended Phase(s)	AEA Recommnd	Recommended Funding	Cumulative Funding
1	Copper River/Chugach	1226	Fivemile Creek Hydroelectric Project	Chitina Electric Inc. (CEI)	Hydro	1.71	116	\$12,269	75.67	1	\$6,589,090	\$3,400,000	\$2,600,000	Constr	Full	\$3,400,000	\$3,400,000
2	Aleutians	1237	Sand Point High Penetration Wind System	Sand Point Generating, TDX	Wind	2.19	946	\$10,793	83.33	2	\$1,067,309	\$649,030	\$423,275	Design, Constr	Full	\$649,030	\$4,049,030
3	Bering Straits	1234	Wales Water System Heat Recovery	City of Wales	Heat Recovery	1.44	146	\$17,269	72.50	3	\$653,277	\$650,047	\$6,566	Design, Constr	Full	\$650,047	\$4,699,077
4	Aleutians	1245	Adak Hydro Power Generator	TDX Adak Generating, TDX	Hydro	1.75	247	\$14,961	59.50	4	\$1,750,000	\$294,102	\$126,044	Feas	Partial	\$19,600	\$4,718,677
5	Bering Straits	1238	Koyuk Water System Heat Recovery	City of Koyuk	Heat Recovery	1.06	321	\$18,742	61.50	8	\$695,269	\$688,386	\$6,884	Design	Partial	\$90,922	\$4,809,599
6	Bering Straits	1223	Shishmaref Wind Feasibility & Conceptual Design	Alaska Village Electric Coop	Wind	0.93*	607	\$15,812	52.50	18	\$2,529,400	\$152,000	\$8,000	Feas	Full SP	\$152,000	\$4,961,599
7	Y-K/Upper Tanana	1233	Grayling Water System Heat Recovery	City of Grayling	Heat Recovery	0.98*	191	\$12,652	54.50	21	\$431,982	\$427,705	\$4,277	Design	Partial	\$38,401	\$5,000,000
7	Y-K/Upper Tanana	1233	Grayling Water System Heat Recovery	City of Grayling	Heat Recovery	0.98*	191	\$12,652	54.50	21	\$431,982	\$427,705	\$4,277	Design	Partial	\$11,599	\$5,011,599
8	Railbelt	1242	Heat Pump System for City of Seward	City of Seward	Heat Pump	1.97	2,768	\$9,005	83.17	5	\$955,458	\$725,000	\$125,000	Design, Constr	Full	\$725,000	\$5,736,599
9	Southeast	1244	IPEC Gunnuk Creek Hydro Rehab in Kake	Inside Passage Electric Coop	Hydro	2.23	1,913	\$10,561	73.00	6	\$5,715,000	\$3,920,000	\$1,545,000	Constr	Full SP	\$3,920,000	\$9,656,599
10	Lower Yukon-Kuskokwim	1224	Mountain Village-St. Mary's Wind Intertie	Alaska Village Electric Coop	Trans, Wind	1.00	1,524	\$12,362	66.00	7	\$6,196,000	\$3,196,000	\$3,000,000	Design, Constr	Full SP	\$3,196,000	\$12,852,599
11	Southeast	1250	Elfin Cove Hydroelectric Permitting	Elfin Cove Utility Commission	Hydro	1.22	16	\$12,008	67.33	9	\$3,705,000	\$88,000	\$22,000	Design	Full	\$88,000	\$12,940,599
12	Northwest Arctic	1216	Shungnak Wind-Diesel Conceptual Design	Native Village of Shungnak	Wind	1.04	460	\$17,752	50.00	10	\$5,598,500	\$135,000	\$39,000	Feas	Full SP	\$135,000	\$13,075,599
13	Lower Yukon-Kuskokwim	1222	Bethel Power Plant Heat Recovery Module	Alaska Village Electric Coop	Heat Recovery	2.16	6,241	\$10,766	71.67	11	\$8,233,369	\$2,555,489	\$283,943	Constr	Full SP	\$2,555,489	\$15,631,088
14	Bristol Bay	1247	Chignik Hydroelectric Dam Project	City of Chignik	Hydro	1.86	96	\$8,746	73.67	12	\$7,783,428	\$1,025,175	\$60,251	Design	Full	\$1,025,175	\$16,656,263
15	Kodiak	1221	Old Harbor Hydro Geotech & Final Design	Alaska Village Electric Coop	Hydro	1.38	213	\$12,095	68.50	13	\$9,317,500	\$1,092,500	\$57,500	Design	Partial	\$792,500	\$17,448,763
16	Kodiak	1202	Upper Hidden Basin Geotech Investigation	Kodiak Electric Association	Hydro, Storage	4.24	8,465	\$7,047	79.00	14	\$79,247,000	\$750,000	\$750,000	Feas	Full	\$750,000	\$18,198,763
17	Southeast	1249	Indian River Hydroelectric Project - Construction	Tenakee Springs Electric	Hydro	0.94*	128	\$11,498	56.33	15	\$5,473,280	\$809,000	\$1,115,280	Constr	Full	\$809,000	\$19,007,763
18	Northwest Arctic	1212	Cosmos Hills Hydro Design & Permitting	NANA Regional Corporation	Hydro	1.08	734	\$15,410	40.50	16	\$50,797,871	\$341,335	\$37,200	Design	Full	\$341,335	\$19,349,098
19	Lower Yukon-Kuskokwim	1214	Eek Water System Heat Recovery	City of Eek	Heat Recovery	1.01	349	\$12,572	59.50	17	\$311,394	\$308,311	\$3,083	Design	Partial	\$50,000	\$19,399,098
20	Southeast	1211	Sitka Wastewater Plant Effluent Heat Pump	City and Borough of Sitka	Heat Pump	1.13	9,061	\$6,991	72.50	19	\$826,067	\$667,000	\$113,000	Design, Constr	Full	\$667,000	\$20,066,098
21	Y-K/Upper Tanana	1207	Yerrick Creek Hydro Construction	Upper Tanana Energy	Hydro	1.23	1,539	\$7,963	57.17	20	\$20,744,264	\$4,000,000	\$15,000,000	Constr	Full SP	\$3,925,000	\$23,991,098
22	Southeast	1205	Neck Lake Hydropower Project: Phases II-III	Alaska Power Company	Hydro	1.21	39	\$9,630	63.17	22	\$3,016,475	\$395,200	\$98,800	Feas, Design	Full	\$395,200	\$24,386,298
23	Lower Yukon-Kuskokwim	1235	Scammon Bay Hydroelectric Project	City of Scammon Bay	Hydro	1.25	528	\$12,698	49.67	23	\$4,283,056	\$305,000	\$3,050	Feas	Partial	\$90,000	\$24,476,298
24	Y-K/Upper Tanana	1215	Huslia Water & Clinic Biomass Boiler	City of Huslia	Biomass	0.72*	338	\$13,795	44.67	24	\$496,526	\$491,610	\$4,916	Design	Partial	\$53,116	\$24,529,414
25	Aleutians	1219	False Pass Hydro Feasibility & Conceptual Design	City of False Pass	Hydro	1.87	34	\$8,145	73.67	25	\$4,380,000	\$187,000	\$33,000	Feas	Full	\$187,000	\$24,716,414
26	Aleutians	1246	St. Paul Island 80% Renewable Energy Feasibility	TDX Power, Inc.	Other, Wind	1.66	436	\$8,560	48.83	26	\$5,731,500	\$265,200	\$66,300	Recon, Feas	Full	\$265,200	\$24,981,614
27	Northwest Arctic	1213	Ambler Washeteria and City Office Biomass Heating	City of Ambler	Biomass	1.06	274	\$11,345	49.17	27	\$484,691	\$429,892	\$54,799	Design, Constr	Full SP	\$429,892	\$25,411,506
28	North Slope	1232	Atkasuk Transmission Line Design and Permitting	North Slope Borough	Trans, Other	2.02	4,698	\$3,417	78.00	28	\$32,840,509	\$2,017,818	\$201,782	Design	Full	\$2,017,818	\$27,429,324
29	Southeast	1218	Saxman Low-Rent Multifamily Air Source Heat Pump	Tlingit-Haida RHA	Heat Pump	0.93*	8,314	\$6,194	60.83	29	\$438,341	\$296,038	\$213,193	Design, Constr	Full	\$296,038	\$27,725,362
30	Aleutians	1201	Unalaska Water Treatment Inline Micro Turbines	City of Unalaska	Hydro	1.24	4,689	\$7,677	58.00	30	\$1,340,000	\$1,100,000	\$240,000	Feas, Design	Partial	\$144,000	\$27,869,362
31	Southeast	1208	Ketchikan High School Biomass Boiler	Ketchikan Gateway Borough	Biomass	1.33	8,314	\$6,194	82.67	31	\$1,365,890	\$1,251,000	\$0	Constr	Full	\$1,251,000	\$29,120,362
32	Southeast	1217	Klawock School Biomass Fuel Boiler Project	Klawock City School District	Biomass	1.38	802	\$7,488	59.67	32	\$858,556	\$833,556	\$25,000	Design	Partial	\$111,986	\$29,232,348
33	Copper River/Chugach	1248	Crater Lake Power and Water Project	Cordova Electric Cooperative	Hydro, Storage	0.91*	2,286	\$11,122	45.17	33	\$17,306,696	\$1,227,000	\$420,680	Design	Full SP	\$1,227,000	\$30,459,348
34	Railbelt	1210	Chugach Electric Solar Project	Chugach Electric Association	Solar	0.36*	172,380	\$3,751	59.67	34	\$1,814,049	\$100,000	\$100,000	Feas	Partial	\$50,000	\$30,509,348
35	Railbelt	1225	Grant Lake Hydroelectric Project	Kenai Hydro LLC	Hydro	1.10	49,918	\$6,643	56.67	35	\$58,936,366	\$4,000,000	\$875,528	Design	Full	\$4,000,000	\$34,509,348
36	Kodiak	1239	Ouzinkie Hydroelectric Power Project	City of Ouzinkie	Hydro	0.73*	171	\$7,460	40.67	36	\$4,603,385	\$397,427	\$4,014	Design, Constr	Full SP	\$397,427	\$34,906,775
37	Aleutians	1220	Waterfall Creek Hydro Construction	City of King Cove	Hydro	0.72*	905	\$6,054	41.83	37	\$6,874,498	\$675,000	\$5,525,000	Constr	Full	\$675,000	\$35,581,775
38	North Slope	1231	Kaktovik Wind Diesel Design	North Slope Borough	Wind	0.79*	251	\$6,293	58.17	38	\$7,606,795	\$440,000	\$44,000	Design	Full	\$440,000	\$36,021,775
39	Southeast	1209	Ketchikan Schools Recreation Heating Plant	Ketchikan Gateway Borough	Biomass	N/A ¹	8,314	\$6,194	62.00	39	\$2,600,000	\$220,000	\$0	Feas	Partial	\$40,000	\$36,061,775
Sub Totals, All Recommended Projects											\$374,029,773	\$40,933,526	\$33,240,642	\$36,061,775			

See page 14 for table notes

Individual project summaries are available on AEA's website