

City of Sand Point Council Meeting



Workshop: Tuesday, October 10, 2017 – 2:00 p.m.

Meeting: Tuesday, October 10, 2017 – 7:00 p.m.

CALL TO ORDER

ROLL CALL

CITY OF SAND POINT

(packet will be available on website October 6, 2017
www.sandpointak.com)



MAYOR

Mayor Glen Gardner Jr. - Office Exp. 2017

COUNCIL MEMBERS

| | |
|-------------------|--------------------|
| Danny Cumberlidge | Seat A - Exp. 2019 |
| Allan Starnes | Seat B - Exp. 2017 |
| Shirley Brown | Seat C - Exp. 2019 |
| 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, October 10, 2017 7:00 pm

**CALL TO ORDER
ROLL CALL
APPROVAL OF AGENDA
CERTIFICATION OF ELECTION/OATH OF OFFICE**

CONSENT AGENDA:

1. Minutes: Minutes of Regular Meeting on September 5, 2017

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:

OLD BUSINESS:

1. Airport FAA 139 Certification

NEW BUSINESS:

1. QTT Christmas Potluck Donation Request
2. Building Permit: Bruce Foster Jr.
3. Phone Poll: Brechan Construction Rock Purchase

**PUBLIC COMMENTS
COUNCIL COMMENTS
ADJOURNMENT**

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

POSTED: 10/04/17

**CERTIFICATION OF
ELECTION/OATH OF
OFFICE**

City of Sand Point



General Election-October 3, 2017

FINAL RESULTS

MAYOR

| | |
|-------------------------|------------|
| Glen Gardner Jr. | 107 |
| Dick Jacobsen | 41 |
| Emil Mobeck | 22 |
| Don Eubank | 33 |
| Write-ins | 6 |
| Spoiled | 1 |
| Blank | 2 |

SEAT B

| | |
|----------------------|------------|
| Allan Starnes | 189 |
| Write-ins | 15 |
| Blank | 8 |

SEAT D

| | |
|------------------------|------------|
| Jack Foster Jr. | 184 |
| Write-ins | 16 |
| Blank | 12 |

I, Shannon Sommer, Election Supervisor, hereby certify that the above election results
Of the City of Sand Point's General Election
Held October 3, 2017, have been correctly tabulated.

Shannon Sommer
Shannon Sommer

10/06/17
Date

CALL TO ORDER:

The regular meeting of the Sand Point City Council was held Tuesday, September 5, 2017 in the Sand Point Council Chambers. Mayor Glen Gardner, Jr. called the meeting to order at 7:02 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 |
| Emil Mobeck | Seat F | Absent - excused |

A quorum was established.

Staff in attendance:

- Andy Varner, Administrator via teleconference
- Shannon Sommer, City Clerk
- Krista Galvin, Finance Officer
- David Stokes, Public Works Director
- Richard Kochuten Sr., Harbor Master
- Hal Henning, Police Chief

APPROVAL OF AGENDA:

- Mayor Glen Gardner, Jr. requested a motion to approve the agenda.
- MOTION: Councilperson Shirley Brown made a motion to approve the agenda.
- SECOND: Councilperson Marita Gundersen seconded the motion.
- VOTE: Motion passed unanimously.

APPROVAL OF CONSENT AGENDA:

- 1. Minutes of the July 12, 2017, 2017 Regular Meeting.
- Mayor Glen Gardner, Jr. requested a motion to approve the consent agenda.
- MOTION: Councilperson Jack Foster Jr. made a motion to adopt the consent agenda.
- SECOND: Councilperson Allan Starnes seconded the motion.
- VOTE: Motion passed unanimously.

REPORTS:

Finance Officer- Krista Galvin

Finance Officer Krista Galvin reported for the month of July 2017 Raw Fish Tax was \$142,500.10 and Sales Tax was \$79,691.25.

Administrator - Andy Varner

Administrator Andy Varner reported he met with Danny Seybert, Pen Air is still planning to bring the Saab 2000 to Sand Point as soon as the airport is certified. During their Chapter 11 reorganization, Pen Air pulled back 2 of their Saab 340's from the lower 48 routes to help with their Alaska coverage, including Sand Point. The new AARF truck will arrive in Sand Point on September 9, 2017 on a Brechan Construction barge. He worked with Mayor Glen Gardner to file an Informal Complaint with the Regulatory Commission of Alaska regarding the power issues with TDX. According to Jennifer Harrison of EAT, the City will see an increase of \$59,628 of Village Built Clinic funding from HIS for this year. Administrator Varner brought up the idea of a special Alcohol Tax to the Council,

any new generated revenue from the excise tax could go directly to Public Safety and Health Services. Many Communities across the state are looking at raising such taxes, and it is an issue we can revisit in 2018 for a potential ballot initiative.

Mayor Gardner stated Administrator Varner is working with Brooks Chandler about negligent and nuisance properties in the trailer court. Sand Dollar road is in the design phase, led by Pauloff Harbor Tribe. Western Marine Constructions will be working in Chignik, so the Rock Quarry will be busy providing rock for that project.

DPS Police Chief - Hal Henning

Police Chief Hal Henning reported there is statistical information included in his report. He gave an update on the Police Officer employment status and he introduced himself to the council.

Public Works Director - David Stokes

Public Works Director David Stokes reported they worked on the harbor Gehl. They prepped the City shop floor for it to be paved. They changed tires on the lowboy and fixed a tire on the Forklift. They swept and graded roads. They assisted with a water leak in the boat harbor and by the trailer court. They fueled all buildings. They worked on the Rock Crusher. They hauled tin for the sand shed building at the airport. They installed floor drains in the City shop floor and worked on the skid steer.

Landfill

They cleaned up around dumpsters and landfill and welded the Skid Steer bucket.

Recycling

Recycling center is running fine. They dropped off oil drums at the recycling center.

Water and Sewer - Allen Hill

Water/Sewer Supervisor Allen Hill's report included in packet.

Harbor Master - Richard Kochuten, Sr.

Harbor Master Richard Kochuten Sr. reported they month of August had been busy, the crew hauled a total of 38 boats, storing the majority of them. They helped set up for the Silver Salmon Derby. They made dump runs on a daily basis. They oiled chains and greased the equipment. They hauled used oils to the City shop. They placed an order for the boat lift parts and they are awaiting delivery.

Student Representative - Peyton Stroud

Student Representative Peyton Stroud reported the Student Council will be opening the Student Store and are open to suggestions for items. Some upcoming school events will be Spirit Week, Pep Assembly and a dance for Cross Country runners.

HEARINGS, ORDINANCES, AND RESOLUTIONS:

1. Resolution 17-04: Western Pioneer Land Donation

MOTION: Councilperson Jack Foster Jr. made a motion to adopt Resolution 17-04: Western Pioneer Land Donation.

SECOND: Councilperson Allan Starnes seconded the motion.

VOTE: Motion passed unanimously.

2. Resolution 17-05: Permanent Fund Asset Allocation

MOTION: Councilperson Shirley Brown made a motion to adopt Resolution 17-05: Permanent Fund Asset Allocation.

SECOND: Councilperson Jack Foster Jr. seconded the motion.

VOTE: Motion passed unanimously.

3. Resolution 17-06: Appointing Election Judges

MOTION: Councilperson Marita Gundersen made a motion to adopt Resolution 17-06: Appointing Election Judges.

SECOND: Councilperson Allan Starnes seconded the motion.

VOTE: Motion passed unanimously.

OLD BUSINESS: None.

NEW BUSINESS:

1. QTT End of Summer Clean Up Donation Request

MOTION: Councilperson Shirley Brown made a motion to donate 4 - \$50 gift cards to the QTT End of Summer Clean Up.

SECOND: Councilperson Allan Starnes seconded the motion.

VOTE: Motion passed unanimously.

PUBLIC COMMENTS:

Douglas Holmberg asked the Council to find a way to cut the over grown alders along certain roads. Mayor Gardner replied the City will look into hiring students for a possible employment opportunity next summer. Mr. Holmberg stated the City should look into protecting Sand Point's fishing spots, against Chignik's petition to close down some of Area M. Mr. Holmberg suggested the City post the speed limit in the harbor. Mayor Gardner stated the City will look into it.

COUNCIL COMMENTS: None.

ADJOURNMENT:

MOTION: Councilperson Marita Gundersen made a motion to adjourn.

SECOND: Councilperson Shirley Brown seconded the motion.

The meeting adjourned at 7:41 PM.

Glen Gardner, Jr., Mayor

ATTEST:

Shannon Sommer, City Clerk

REPORTS

FINANCE OFFICER

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

| | <u>FY13</u> | <u>FY14</u> | <u>FY15</u> | <u>FY16</u> | <u>FY17</u> | <u>FY18</u> |
|--------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| July | 98,195.23 | 156,655.84 | 121,976.31 | 110,509.71 | 129,882.77 | 142,500.10 |
| August | 68,242.04 | 137,107.36 | 48,575.15 | 94,822.69 | 42,576.34 | 139,542.35 |
| September | 71,393.24 | 53,307.44 | 64,362.76 | 62,297.79 | 63,622.18 | - |
| October | 74,240.08 | 41,610.64 | 32,213.32 | 76,878.70 | 59,854.60 | - |
| November | 5,675.98 | 22,386.53 | 7,214.11 | 3,770.50 | 6,757.09 | - |
| December | 1,305.30 | 5,337.01 | 372.97 | 735.79 | - | - |
| January | 39,379.85 | 43,650.07 | 25,670.23 | 21,798.52 | 8,015.18 | - |
| February | 33,190.81 | 53,363.98 | 37,309.68 | 47,098.16 | 47,058.04 | - |
| March | 78,691.30 | 65,073.23 | 88,220.14 | 69,354.74 | 95,569.42 | - |
| April | 24,930.11 | 36,514.38 | 15,613.35 | 23,493.50 | 5,984.43 | - |
| May | 16,846.94 | 21,292.12 | 25,246.23 | 16,091.74 | 20,790.33 | - |
| June | <u>129,015.93</u> | <u>64,462.43</u> | <u>68,319.25</u> | <u>78,884.08</u> | <u>109,955.05</u> | <u>-</u> |
| Total | 641,106.81 | 700,761.03 | 535,093.50 | 605,735.92 | 590,065.43 | 282,042.45 |

Sales Tax Revenue

| | <u>FY13</u> | <u>FY14</u> | <u>FY15</u> | <u>FY16</u> | <u>FY17</u> | <u>FY18</u> |
|--------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| July | 101,206.98 | 82,934.73 | 104,201.30 | 88,780.27 | 75,255.42 | 79,691.25 |
| August | 76,571.79 | 73,136.15 | 88,102.34 | 92,491.15 | 64,147.25 | 77,015.98 |
| September | 194,900.07 | 75,647.72 | 116,436.20 | 95,569.47 | 80,332.82 | - |
| October | 85,720.47 | 69,251.83 | 81,510.79 | 71,821.64 | 62,727.84 | - |
| November | 90,575.50 | 46,816.20 | 43,535.59 | 35,841.10 | 36,741.45 | - |
| December | 44,723.29 | 52,116.25 | 44,980.97 | 48,357.80 | 37,647.73 | - |
| January | 62,428.48 | 80,977.40 | 66,575.33 | 60,942.89 | 58,373.49 | - |
| February | 57,547.22 | 84,035.36 | 69,895.86 | 60,702.43 | 59,618.34 | - |
| March | 75,307.36 | 126,325.95 | 105,731.28 | 81,364.98 | 77,700.11 | - |
| April | 65,117.67 | 86,407.71 | 58,562.79 | 53,394.08 | 52,535.54 | - |
| May | 58,775.64 | 70,189.92 | 52,976.00 | 44,528.77 | 45,569.00 | - |
| June | <u>80,381.46</u> | <u>98,758.26</u> | <u>96,824.06</u> | <u>80,350.37</u> | <u>78,996.36</u> | <u>-</u> |
| Total | 993,255.93 | 946,597.48 | 929,332.51 | 814,144.95 | 729,645.35 | 156,707.23 |
| | | | | TDX Fines | (150,000.00) | |
| | | | | | 579,645.35 | |

City of Sand Point
Bank Balance

Date

| | Balance | |
|-----------------------------------|---------------|------------|
| Bank | End of AUGUST | Date |
| Key Bank | 1,787,538.10 | 10/5/2017 |
| Wells Fargo - General | 440,001.60 | 433,460.82 |
| Wells Fargo - Bingo Fund | 113,606.82 | 117,063.36 |
| Wells Fargo - Silver Salmon Fund | 20,803.25 | 8,128.06 |
| AlaskaUsa Federal Credit Union CD | 406,209.09 | 406,507.90 |
| Charles Schwab | 500038.36 | |

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

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Current Period: AUGUST 17-18

| | 17-18 YTD Budget | 17-18 YTD Amt | AUGUST MTD Amt | 17-18 YTD Balance | % of YTD |
|--|---------------------|------------------|-------------------|----------------------|-------------|
| GENERAL FUND | | | | | |
| LEGISLATIVE | \$134,200.00 | \$6,846.48 | \$3,427.26 | \$127,353.52 | 5.10% |
| ADMINISTRATION | \$987,300.00 | \$265,093.56 | \$58,091.94 | \$722,206.44 | 26.85% |
| PARKS AND RECREATION | \$24,000.00 | \$3,766.97 | \$1,830.10 | \$20,233.03 | 15.70% |
| PUBLIC SAFETY | \$546,500.00 | \$94,200.19 | \$59,204.84 | \$452,299.81 | 17.24% |
| PUBLIC WORKS | \$585,600.00 | \$145,455.52 | \$49,416.38 | \$440,144.48 | 24.84% |
| FACILITIES | \$292,350.00 | \$31,378.61 | \$15,680.26 | \$260,971.39 | 10.73% |
| <i>Total GENERAL FUND</i> | \$2,569,950.00 | \$546,741.33 | \$187,650.78 | \$2,023,208.67 | 21.27% |
| BINGO FUND | | | | | |
| ADMINISTRATION | \$535,850.00 | \$124,251.14 | \$64,068.55 | \$411,598.86 | 23.19% |
| <i>Total BINGO FUND</i> | \$535,850.00 | \$124,251.14 | \$64,068.55 | \$411,598.86 | 23.19% |
| SILVER SALMON DERBY | | | | | |
| FIRE | \$30,000.00 | \$6,382.28 | \$6,382.28 | \$23,617.72 | 21.27% |
| <i>Total SILVER SALMON DERBY</i> | \$30,000.00 | \$6,382.28 | \$6,382.28 | \$23,617.72 | 21.27% |
| CLINIC OPERATIONS/MAINTENANCE | | | | | |
| ADMINISTRATION | \$36,412.00 | \$0.00 | \$0.00 | \$36,412.00 | 0.00% |
| <i>Total CLINIC OPERATIONS/MAINTENANCE</i> | \$36,412.00 | \$0.00 | \$0.00 | \$36,412.00 | 0.00% |
| ROCK CRUSHER ENTERPRISE FUND | | | | | |
| PUBLIC WORKS | \$40,500.00 | \$38,464.76 | \$38,464.76 | \$2,035.24 | 94.97% |
| <i>Total ROCK CRUSHER ENTERPRISE FUND</i> | \$40,500.00 | \$38,464.76 | \$38,464.76 | \$2,035.24 | 94.97% |
| WATER/SEWER OPERATIONS | | | | | |
| WATER/SEWER | \$271,500.00 | \$36,214.59 | \$16,806.99 | \$235,285.41 | 13.34% |
| <i>Total WATER/SEWER OPERATIONS</i> | \$271,500.00 | \$36,214.59 | \$16,806.99 | \$235,285.41 | 13.34% |
| HARBOR/PORT OPERATIONS | | | | | |
| HARBOR | \$580,500.00 | \$81,245.07 | \$45,969.16 | \$499,254.93 | 14.00% |
| <i>Total HARBOR/PORT OPERATIONS</i> | \$580,500.00 | \$81,245.07 | \$45,969.16 | \$499,254.93 | 14.00% |
| REFUSE COLLECTION | | | | | |
| PUBLIC WORKS | \$168,350.00 | \$22,958.82 | \$13,481.67 | \$145,391.18 | 13.64% |
| <i>Total REFUSE COLLECTION</i> | \$168,350.00 | \$22,958.82 | \$13,481.67 | \$145,391.18 | 13.64% |
| Report Total | \$4,233,062.00 | \$856,257.99 | \$372,824.19 | \$3,376,804.01 | 20.23% |

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

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Current Period: AUGUST 17-18

| | | 17-18 | 17-18 | AUGUST | 17-18 | % of |
|--------------------------------------|--|-----------------------|---------------------|---------------------|-----------------------|---------------|
| | | YTD Budget | YTD Amt | MTD Amt | YTD Balance | YTD |
| GENERAL FUND | | | | | | |
| Active | R 01-201 INTEREST INCOME | \$10,000.00 | \$3,967.43 | \$2,024.79 | \$6,032.57 | 39.67% |
| Active | R 01-202 FINES AND PENALTYS | \$2,000.00 | \$77.64 | \$68.64 | \$1,922.36 | 3.88% |
| Active | R 01-203 OTHER REVENUE | \$70,000.00 | -\$472.00 | (\$1,262.00) | \$70,472.00 | -0.67% |
| Active | R 01-205 4% SALES TAX | \$850,000.00 | \$158,687.61 | \$79,691.25 | \$691,312.39 | 18.67% |
| Active | R 01-213 RAW FISH TAX | \$620,000.00 | \$252,455.15 | \$142,500.10 | \$367,544.85 | 40.72% |
| Active | R 01-214 FINE-LATE SALES TAX | \$1,000.00 | \$459.11 | \$270.72 | \$540.89 | 45.91% |
| Active | R 01-217 7% B & B Tax | \$14,000.00 | \$1,843.41 | \$1,414.84 | \$12,156.59 | 13.17% |
| 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 | \$12,000.00 | \$0.00 | \$0.00 | \$12,000.00 | 0.00% |
| Active | R 01-229 EASTER EGG HUNT DONA | \$0.00 | \$0.00 | \$0.00 | \$0.00 | 0.00% |
| Active | R 01-230 DONATIONS | \$2,500.00 | \$0.00 | \$0.00 | \$2,500.00 | 0.00% |
| Active | R 01-231 INSURANCE REFUND | \$0.00 | \$0.00 | \$0.00 | \$0.00 | 0.00% |
| Active | R 01-233 BUSINESS LIC. FEE | \$4,000.00 | \$75.00 | \$25.00 | \$3,925.00 | 1.88% |
| Active | R 01-234 SB 46 PERS RELIEF | \$40,000.00 | \$0.00 | \$0.00 | \$40,000.00 | 0.00% |
| Active | R 01-238 ANCHORAGE OFFICE | \$20,000.00 | \$0.00 | \$0.00 | \$20,000.00 | 0.00% |
| Active | R 01-250 STATE REVENUE SHARIN | \$87,700.00 | \$88,129.00 | \$0.00 | -\$429.00 | 100.49% |
| Active | R 01-256 REVENUE--STATE OF ALA | \$7,500.00 | \$0.00 | \$0.00 | \$7,500.00 | 0.00% |
| Active | R 01-257 REVENUE--FEDERAL GOV | \$0.00 | \$0.00 | \$0.00 | \$0.00 | 0.00% |
| Active | R 01-260 STATE LIQUOR SHARE TA | \$3,500.00 | \$0.00 | \$0.00 | \$3,500.00 | 0.00% |
| Active | R 01-265 STATE PROCESSORS TAX | \$38,000.00 | \$0.00 | \$0.00 | \$38,000.00 | 0.00% |
| Active | R 01-266 ExT FISH TAX SHARING | \$250,000.00 | \$0.00 | \$0.00 | \$250,000.00 | 0.00% |
| Active | R 01-285 EQUIPMENT RENTAL | \$20,000.00 | \$0.00 | \$0.00 | \$20,000.00 | 0.00% |
| Active | R 01-291 BUILDING RENTALS | \$140,000.00 | \$17,082.89 | \$14,385.55 | \$122,917.11 | 12.20% |
| Active | R 01-293 LIBRARY GRANT | \$4,200.00 | \$0.00 | \$0.00 | \$4,200.00 | 0.00% |
| Active | R 01-297 POLICE MISC REVENUE | \$50,000.00 | \$0.00 | \$0.00 | \$50,000.00 | 0.00% |
| Active | R 01-298 EMS MISC REVENUE | \$5,000.00 | \$0.00 | \$0.00 | \$5,000.00 | 0.00% |
| Active | R 01-990 F/V DESTINATION SWEAT | \$0.00 | \$80.00 | \$80.00 | -\$80.00 | 0.00% |
| | Total | \$2,401,400.00 | \$522,385.24 | \$239,198.89 | \$1,879,014.76 | 21.75% |
| | Total GENERAL FUND | \$2,401,400.00 | \$522,385.24 | \$239,198.89 | \$1,879,014.76 | 21.75% |
| BINGO FUND | | | | | | |
| Active | R 02-203 OTHER REVENUE | \$5,000.00 | \$0.00 | \$0.00 | \$5,000.00 | 0.00% |
| Active | R 02-294 BINGO REVENUE | \$40,000.00 | \$6,918.00 | \$3,112.00 | \$33,082.00 | 17.30% |
| Active | R 02-295 PULL TAB REVENUE | \$550,000.00 | \$126,845.00 | \$59,628.00 | \$423,155.00 | 23.06% |
| | Total | \$595,000.00 | \$133,763.00 | \$62,740.00 | \$461,237.00 | 22.48% |
| | Total BINGO FUND | \$595,000.00 | \$133,763.00 | \$62,740.00 | \$461,237.00 | 22.48% |
| SILVER SALMON DERBY | | | | | | |
| Active | R 03-230 DONATIONS | \$3,000.00 | \$0.00 | \$0.00 | \$3,000.00 | 0.00% |
| Active | R 03-292 SILVER SALMON DERBY | \$0.00 | \$0.00 | \$0.00 | \$0.00 | 0.00% |
| | Total | \$3,000.00 | \$0.00 | \$0.00 | \$3,000.00 | 0.00% |
| | Total SILVER SALMON DERBY | \$3,000.00 | \$0.00 | \$0.00 | \$3,000.00 | 0.00% |
| CLINIC OPERATIONS/MAINTENANCE | | | | | | |
| Active | R 10-257 REVENUE--FEDERAL GOV | \$36,412.00 | \$5,462.78 | \$2,731.39 | \$30,949.22 | 15.00% |
| | Total | \$36,412.00 | \$5,462.78 | \$2,731.39 | \$30,949.22 | 15.00% |
| | Total CLINIC OPERATIONS/MAINTENANCE | \$36,412.00 | \$5,462.78 | \$2,731.39 | \$30,949.22 | 15.00% |
| ROCK CRUSHER ENTERPRISE FUND | | | | | | |

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

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Current Period: AUGUST 17-18

| | | 17-18 | 17-18 | AUGUST | 17-18 | % of |
|---|--------------------------------|----------------|--------------|--------------|----------------|--------|
| | | YTD Budget | YTD Amt | MTD Amt | YTD Balance | YTD |
| Active | R 58-207 GRAVEL SALES | \$45,000.00 | \$0.00 | \$0.00 | \$45,000.00 | 0.00% |
| Total | | \$45,000.00 | \$0.00 | \$0.00 | \$45,000.00 | 0.00% |
| Total ROCK CRUSHER ENTERPRISE FUND | | \$45,000.00 | \$0.00 | \$0.00 | \$45,000.00 | 0.00% |
| WATER/SEWER OPERATIONS | | | | | | |
| Active | R 61-202 FINES AND PENALTYS | \$2,500.00 | \$318.67 | \$228.57 | \$2,181.33 | 12.75% |
| Active | R 61-206 WATER/SEWER REVENUE | \$210,000.00 | \$28,531.98 | \$16,898.98 | \$181,468.02 | 13.59% |
| Active | R 61-234 SB 46 PERS RELIEF | \$0.00 | \$0.00 | \$0.00 | \$0.00 | 0.00% |
| Active | R 61-235 TRANSFER IN | \$59,000.00 | \$0.00 | \$0.00 | \$59,000.00 | 0.00% |
| Active | R 61-243 USDA GRANT REVENUE | \$0.00 | \$23,516.00 | \$23,516.00 | -\$23,516.00 | 0.00% |
| Active | R 61-270 ON BEHALF REVENUE PE | \$0.00 | \$0.00 | \$0.00 | \$0.00 | 0.00% |
| Total | | \$271,500.00 | \$52,366.65 | \$40,643.55 | \$219,133.35 | 19.29% |
| Total WATER/SEWER OPERATIONS | | \$271,500.00 | \$52,366.65 | \$40,643.55 | \$219,133.35 | 19.29% |
| HARBOR/PORT OPERATIONS | | | | | | |
| Active | R 62-201 INTEREST INCOME | \$0.00 | \$647.21 | \$411.17 | -\$647.21 | 0.00% |
| Active | R 62-203 OTHER REVENUE | \$0.00 | \$0.00 | \$0.00 | \$0.00 | 0.00% |
| Active | R 62-210 HARBOR/MOORAGE | \$215,000.00 | \$37,656.99 | \$33,929.37 | \$177,343.01 | 17.51% |
| Active | R 62-211 HARBOR/TRAVELLIFT | \$95,000.00 | \$15,467.54 | \$10,411.02 | \$79,532.46 | 16.28% |
| Active | R 62-212 BOAT HARBOR/RENTS | \$85,000.00 | \$14,431.40 | \$13,840.70 | \$70,568.60 | 16.98% |
| Active | R 62-215 HARBOR/WHARFAGE | \$85,000.00 | \$2,593.98 | \$2,573.98 | \$82,406.02 | 3.05% |
| Active | R 62-219 HARBOR ELEC SERVICE F | \$8,000.00 | \$1,669.59 | \$1,319.57 | \$6,330.41 | 20.87% |
| Active | R 62-220 HARBOR/ELEC DEPOSIT | \$2,000.00 | \$11.27 | \$11.27 | \$1,988.73 | 0.56% |
| Active | R 62-221 HARBOR/VAN STORAGE | \$22,000.00 | \$3,548.33 | \$3,548.33 | \$18,451.67 | 16.13% |
| Active | R 62-222 HARBOR/STALL ELECTRIC | \$35,000.00 | \$2,017.90 | \$1,885.69 | \$32,982.10 | 5.77% |
| Active | R 62-223 HARBOR/ELECTRICITY | \$4,000.00 | \$937.68 | \$25.19 | \$3,062.32 | 23.44% |
| Active | R 62-224 GEARSHED LOCKER REN | \$15,000.00 | \$300.00 | \$0.00 | \$14,700.00 | 2.00% |
| Active | R 62-234 SB 46 PERS RELIEF | \$0.00 | \$0.00 | \$0.00 | \$0.00 | 0.00% |
| Active | R 62-235 TRANSFER IN | \$0.00 | \$0.00 | \$0.00 | \$0.00 | 0.00% |
| Active | R 62-237 HARBOR STORAGE | \$5,000.00 | \$132.30 | \$0.00 | \$4,867.70 | 2.65% |
| Active | R 62-270 ON BEHALF REVENUE PE | \$0.00 | \$0.00 | \$0.00 | \$0.00 | 0.00% |
| Active | R 62-285 EQUIPMENT RENTAL | \$25,000.00 | \$8,090.02 | \$5,509.89 | \$16,909.98 | 32.36% |
| Total | | \$596,000.00 | \$87,504.21 | \$73,466.18 | \$508,495.79 | 14.68% |
| Total HARBOR/PORT OPERATIONS | | \$596,000.00 | \$87,504.21 | \$73,466.18 | \$508,495.79 | 14.68% |
| REFUSE COLLECTION | | | | | | |
| Active | R 65-202 FINES AND PENALTYS | \$1,500.00 | \$170.12 | \$117.67 | \$1,329.88 | 11.34% |
| Active | R 65-204 REFUSE COLLECTION | \$160,000.00 | \$19,758.95 | \$12,775.03 | \$140,241.05 | 12.35% |
| Active | R 65-234 SB 46 PERS RELIEF | \$0.00 | \$0.00 | \$0.00 | \$0.00 | 0.00% |
| Active | R 65-235 TRANSFER IN | \$7,350.00 | \$0.00 | \$0.00 | \$7,350.00 | 0.00% |
| Active | R 65-270 ON BEHALF REVENUE PE | \$0.00 | \$0.00 | \$0.00 | \$0.00 | 0.00% |
| Total | | \$168,850.00 | \$19,929.07 | \$12,892.70 | \$148,920.93 | 11.80% |
| Total REFUSE COLLECTION | | \$168,850.00 | \$19,929.07 | \$12,892.70 | \$148,920.93 | 11.80% |
| Report Total | | \$4,117,162.00 | \$821,410.95 | \$431,672.71 | \$3,295,751.05 | 19.95% |

CITY OF SAND POINT

10/05/17 9:41 AM

Page 1

***Fund Summary -
Budget to Actual©**

AUGUST 17-18

| | 17-18 | AUGUST | 17-18 | 17-18 | 17-18 |
|--|----------------|--------------|--------------|----------------|--------------|
| | YTD Budget | MTD Amount | YTD Amount | YTD Balance | % YTD Budget |
| FUND 01 GENERAL FUND | | | | | |
| Revenue | \$2,401,400.00 | \$239,198.89 | \$522,385.24 | \$1,879,014.76 | 21.75% |
| Expenditure | \$2,569,950.00 | \$187,650.78 | \$546,741.33 | \$2,023,208.67 | 21.27% |
| | | \$51,548.11 | -\$24,356.09 | | |
| FUND 02 BINGO FUND | | | | | |
| Revenue | \$595,000.00 | \$62,740.00 | \$133,763.00 | \$461,237.00 | 22.48% |
| Expenditure | \$535,850.00 | \$64,068.55 | \$124,251.14 | \$411,598.86 | 23.19% |
| | | -\$1,328.55 | \$9,511.86 | | |
| FUND 03 SILVER SALMON DERBY | | | | | |
| Revenue | \$3,000.00 | \$0.00 | \$0.00 | \$3,000.00 | 0.00% |
| Expenditure | \$30,000.00 | \$6,382.28 | \$6,382.28 | \$23,617.72 | 21.27% |
| | | -\$6,382.28 | -\$6,382.28 | | |
| FUND 10 CLINIC OPERATIONS/MAINTENANCE | | | | | |
| Revenue | \$36,412.00 | \$2,731.39 | \$5,462.78 | \$30,949.22 | 15.00% |
| Expenditure | \$36,412.00 | \$0.00 | \$0.00 | \$36,412.00 | 0.00% |
| | | \$2,731.39 | \$5,462.78 | | |
| FUND 61 WATER/SEWER OPERATIONS | | | | | |
| Revenue | \$271,500.00 | \$40,643.55 | \$52,366.65 | \$219,133.35 | 19.29% |
| Expenditure | \$271,500.00 | \$16,806.99 | \$36,214.59 | \$235,285.41 | 13.34% |
| | | \$23,836.56 | \$16,152.06 | | |
| FUND 62 HARBOR/PORT OPERATIONS | | | | | |
| Revenue | \$596,000.00 | \$73,466.18 | \$87,504.21 | \$508,495.79 | 14.68% |
| Expenditure | \$580,500.00 | \$45,969.16 | \$81,245.07 | \$499,254.93 | 14.00% |
| | | \$27,497.02 | \$6,259.14 | | |
| FUND 65 REFUSE COLLECTION | | | | | |
| Revenue | \$168,850.00 | \$12,892.70 | \$19,929.07 | \$148,920.93 | 11.80% |
| Expenditure | \$168,350.00 | \$13,481.67 | \$22,958.82 | \$145,391.18 | 13.64% |
| | | -\$588.97 | -\$3,029.75 | | |
| Report Total | | \$97,313.28 | \$3,617.72 | | |

BANK STATEMENTS



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

STATEMENT OF ACCOUNT

ACCOUNT
 STATEMENT PERIOD
 FROM 09-01-17
 THROUGH 09-30-17
 PAGE 1

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

Get a discount when you combine your auto and home insurance policies with Alaska USA Insurance Brokers! For more information visit alaskausa.org/insurance or speak to a member service representative.

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 | 1,361.70 | 0.00 | 204,025.55 | 204,175.63 |
| 83 | CERTIFICATE | 1,349.39 | 0.00 | 202,183.54 | 202,332.27 |
| TOTAL SHARE ACCOUNTS | | | | | 406,507.90 |

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 06-11-2018) DIV RATE 0.895%

| Effective | Posted | TRANSACTION DESCRIPTION | AMOUNT | BALANCE | EXPANDED TRANSACTION DESCRIPTION |
|-----------|--------|-------------------------|---------|-----------|--|
| | | PREVIOUS BALANCE | | 204025.55 | |
| 09-30 | 09-30 | DEPOSIT DIVIDEND 0.895% | 150.08 | 204175.63 | ANNUAL PERCENTAGE YIELD EARNED 0.90% FROM 09/01/17 THROUGH 09/30/17 BASED ON AVERAGE DAILY BALANCE OF 204,025.55 |
| | | NEW BALANCE | | 204175.63 | |
| | | DIVIDEND YEAR TO DATE | 1361.70 | | |

CERTIFICATE - 83 (MATURITY DATE 12-15-2017) DIV RATE 0.895%

| Effective | Posted | TRANSACTION DESCRIPTION | AMOUNT | BALANCE | EXPANDED TRANSACTION DESCRIPTION |
|-----------|--------|-------------------------|---------|-----------|--|
| | | PREVIOUS BALANCE | | 202183.54 | |
| 09-30 | 09-30 | DEPOSIT DIVIDEND 0.895% | 148.73 | 202332.27 | ANNUAL PERCENTAGE YIELD EARNED 0.90% FROM 09/01/17 THROUGH 09/30/17 BASED ON AVERAGE DAILY BALANCE OF 202,183.54 |
| | | NEW BALANCE | | 202332.27 | |
| | | DIVIDEND YEAR TO DATE | 1349.39 | | |

END OF STATEMENT

ALASKA USA FEDERAL CREDIT UNION

PLEASE USE ALASKA USA'S ULTRABRANCH SERVICE
TO CONFIRM AUTOMATIC TRANSFERS AND DEPOSITS
alaskausa.org • (888) 258-7228 or (907) 258-7228

FOR OTHER QUESTIONS, CALL THE MEMBER SERVICE CENTER
(800) 525-9094 or (907) 563-4567 • TTY/Hearing Impaired (800) 742-7084
24 hours a day, 7 days a week

TO PROVIDE WRITTEN NOTICE REGARDING ERRORS OR QUESTIONS, SEND INQUIRIES TO:

Alaska USA Federal Credit Union
P.O. Box 196613
Anchorage, Alaska 99519-6613

- INCLUDE:
1. Your name and account number.
 2. The transaction involved, including the date and check number, if applicable.
 3. The dollar amount of the check, transaction, or suspected error.
 4. A detailed description of the question, error, or other problem.

- **In Case of Errors or Questions About Your Share Accounts:** Call us at the above number or write us at the above address as soon as you can if you think your statement is wrong or if you need more information about a transaction on the statement. You must notify Alaska USA of errors or other problems IN WRITING no later than sixty (60) days after the FIRST statement of account containing an error or problem is made available to you. However, if the error or problem involves more than one unauthorized signature or alteration by the same individual, you must notify Alaska USA IN WRITING no later than thirty (30) days after the FIRST statement containing the FIRST unauthorized transaction is made available to you. If you do not notify the credit union IN WRITING within these established time frames, you will have waived your right to assert any claim against Alaska USA for errors, unauthorized transactions or signatures, alterations or other problems; and Alaska USA shall not be liable for these or any related payments or charges made from or to your account.
- **In Case of Errors or Questions About Your Electronic Transfers:** Call us at the above number or write us at the above address as soon as you can if you think your statement or receipt is wrong or if you need more information about a transfer on the statement or receipt.

| | Consumer Accounts | Non-Consumer (Business) Accounts |
|-------------------------------|--|---|
| We must hear from you: | No later than sixty (60) days after the FIRST statement on which the error or problem occurred is made available to you. | No later than one (1) business day after the effective date of the transaction. |

We will investigate your complaint and will correct any error promptly. If we take more than ten (10) business days to do this, we will credit your account for the amount you think is in error so that you will have the use of the money during the time it takes us to complete our investigation. (Business days are Monday through Friday, excluding Federal holidays.)

- **In Case of Errors or Questions About Your Credit Line Loan Bill and Statement:** If you think your bill and statement is wrong, or if you need more information about a transaction on your bill and statement, WRITE us on a separate sheet at the above address as soon as you can. We must hear from you no later than sixty (60) days after the FIRST bill and statement on which the error or problem appeared is made available to you. You may call us, but doing so will not preserve your rights.

You do not have to pay any amount in question while we are investigating your claim, but you are still obligated to pay the parts of your bill that are not in question. During the investigation, we cannot report you as delinquent or take any action to collect the amount in question.

IMPORTANT INFORMATION REGARDING CREDIT LINE LOAN BILL AND STATEMENT

- **Outstanding Loan Balance:** The outstanding loan balance is the unpaid loan balance at the close of each calendar day after all payments and advances for the day have been posted to the account.
- **Finance Charges:** Finance charges are calculated whenever any change in the outstanding loan balance occurs by multiplying the outstanding loan balance by the annual percentage rate (calculated as daily factor) times the number of days the loan balance was outstanding since the last computation of finance charges. Finance charges are collected upon receipt of payments.
- **Late Fees:** Loans in default seven (7) days or more will be assessed a late fee of 20% of the interest due upon receipt of payment with a minimum of five (5) cents and a maximum of \$25.00. There is no maximum late fee on loans in default three (3) payments or more.
- **Minimum Payment:**
 - Unsecured credit line loans: A minimum scheduled payment is due each billing cycle, whether or not the loan was paid ahead or the balance increased during the cycle. This minimum payment shall be \$10.00 or 3% of the outstanding balance, whichever is greater, plus any amount in excess of the authorized credit limit at the time of billing.
 - Secured credit lines loans: A minimum scheduled payment is due each billing cycle, whether or not the loan was paid ahead or the balance increased during the cycle. The minimum payment shall be \$25.00 or 1.5% of the outstanding balance, whichever is greater, plus any amount in excess of the authorized credit limit at the time of billing.
- **Prepayments:** Credit line loans may be paid in full or prepaid in any amount at any time.



Schwab One® Account of
CITY OF SAND POINT

Statement Period
September 1-30, 2017

Need help reading this statement?
Visit www.schwab.com/StatementGuide for more information.

Market Monitor

| Rates | Yield |
|---|-------|
| Deposit Accounts: Interest Rate as of 09/29 ^Z | 0.10% |

| Indices | Year To Date Change |
|------------------------------|------------------------|
| Dow Jones Industrial Average | 13.37% |
| Standard & Poor's 500 Index® | 12.53% |
| Schwab 1000 Index® | 12.50% |
| NASDAQ Composite Index | 20.67% |

CITY OF SAND POINT
249 MAIN STREET
SAND POINT AK 99661

Your Independent Investment Manager and/or Advisor

ALASKA PERMANENT CAPITAL MANAG
900 W 5TH AVENUE
SUITE 601
ANCHORAGE AK 99501-2044
1 (907) 272-7575

The custodian of your brokerage account is: Charles Schwab & Co., Inc.
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Your Independent Investment Advisor is not affiliated with or an agent of Schwab and Schwab does not supervise or endorse your Advisor.

Account Value as of 09/30/2017: \$ 501,453.97

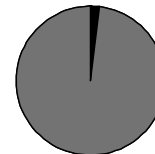
| Change in Account Value | This Period | Year to Date |
|---|----------------------|----------------------|
| Starting Value | \$ 500,038.36 | \$ 0.00 |
| Cash Value of Purchases & Sales | (492,416.67) | (492,416.67) |
| Investments Purchased/Sold | 492,416.67 | 492,416.67 |
| Deposits & Withdrawals | 0.00 | 500,000.00 |
| Dividends & Interest ^Z | 460.86 | 499.22 |
| Fees & Charges | 0.00 | 0.00 |
| Transfers | 0.00 | 0.00 |
| Income Reinvested | 0.00 | 0.00 |
| Change in Value of Investments | 954.75 | 954.75 |
| Ending Value on 09/30/2017 | \$ 501,453.97 | \$ 501,453.97 |
| Total Change in Account Value (Totals include Deposits & Withdrawals) | \$ 1,415.61 | \$ 501,453.97 |

Account Value (\$) Over Last 12 Months [in Thousands]



| Asset Composition | Market Value | % of Account Assets |
|--|----------------------|---------------------|
| Cash and Deposit Accounts ^{X,Z} | \$ 8,082.55 | 2% |
| Exchange Traded Funds | 493,371.42 | 98% |
| Total Assets Long | \$ 501,453.97 | |
| Total Account Value | \$ 501,453.97 | 100% |

Overview



- 2% Cash, Deposit Accounts [X,Z]
- 98% Exchange Traded Funds

Gain or (Loss) Summary

Realized Gain or (Loss) This Period

| | |
|------------|--------|
| Short Term | \$0.00 |
| Long Term | \$0.00 |

Unrealized Gain or (Loss)

| | |
|-----------------|----------|
| All Investments | \$954.75 |
|-----------------|----------|

Values may not reflect all of your gains/losses.



**ALASKA PERMANENT
CAPITAL MANAGEMENT**

Registered Investment Adviser

Your Independent Investment Advisor is not affiliated with or an agent of Schwab and Schwab does not supervise or endorse your Advisor.



| Income Summary | This Period | | Year to Date | |
|---------------------------|----------------------|-------------------|----------------------|-------------------|
| | Federally Tax-Exempt | Federally Taxable | Federally Tax-Exempt | Federally Taxable |
| Deposit Accounts Interest | 0.00 | 42.47 | 0.00 | 80.83 |
| Cash Dividends | 0.00 | 418.39 | 0.00 | 418.39 |
| Total Income | 0.00 | 460.86 | 0.00 | 499.22 |

Investment Detail - Cash and Deposit Accounts

| | Market Value | % of Account Assets |
|--|---------------------|----------------------------|
| Cash | | |
| Cash | 204.89 | <1% |
| Total Cash | 204.89 | <1% |
| Deposit Accounts | Market Value | % of Account Assets |
| Deposit Accounts ^{x,z} | 7,877.66 | 2% |
| Total Deposit Accounts | 7,877.66 | 2% |
| Total Cash and Deposit Accounts | 8,082.55 | 2% |

Investment Detail - Exchange Traded Funds

| | Quantity | Market Price | Market Value | % of Account Assets | Unrealized Gain or (Loss) | Estimated Yield | Estimated Annual Income |
|--------------------------------|-------------------|----------------|-------------------|---------------------|---------------------------|-----------------|-------------------------|
| Exchange Traded Funds | | | <i>Cost Basis</i> | | | | |
| E TRACS UBS BLOOMBERG | 1,050.0000 | 14.2617 | 14,974.79 | 3% | (97.66) | N/A | N/A |
| CMCI ETN | | | 15,072.45 | | | | |
| SYMBOL: UCI | | | | | | | |
| FLEXSHARES QUAL DIV ETF | 675.0000 | 42.4300 | 28,640.25 | 6% | 272.47 | 2.78% | 798.95 |
| SYMBOL: QDF | | | 28,367.78 | | | | |

Schwab has provided accurate gain and loss information wherever possible for most investments. Cost basis data may be incomplete or unavailable for some of your holdings. Please see "Endnotes for Your Account" section for an explanation of the endnote codes and symbols on this statement.



Investment Detail - Exchange Traded Funds (continued)

| | Quantity | Market Price | Market Value <i>Cost Basis</i> | % of Account Assets | Unrealized Gain or (Loss) | Estimated Yield | Estimated Annual Income |
|---|----------|--------------|-----------------------------------|---------------------------|------------------------------|--------------------|-------------------------------|
| Exchange Traded Funds | | | | | | | |
| ISHARES CORE MSCI EMERGING ETF SYMBOL: IEMG | 450.0000 | 54.0200 | 24,309.00 24,871.50 | 5% | (562.50) | 1.33% | 324.80 |
| ISHARES CORE MSCI EAFE ETF SYMBOL: IEFA | 850.0000 | 64.1700 | 54,544.50 54,319.78 | 11% | 224.72 | 3.00% | 1,640.04 |
| ISHARES CORE S&P MID CAP ETF SYMBOL: IJH | 225.0000 | 178.9000 | 40,252.50 39,622.93 | 8% | 629.57 | 1.41% | 570.73 |
| ISHARES CORE S&P SMALL CAP ETF SYMBOL: IJR | 275.0000 | 74.2200 | 20,410.50 19,572.58 | 4% | 837.92 | 1.21% | 248.84 |
| ISHARES SHORT TREASURY BOND ETF SYMBOL: SHV | 225.0000 | 110.3950 | 24,838.88 24,828.98 | 5% | 9.90 | 0.80% | 198.90 |
| SPDR S&P 500 ETF SYMBOL: SPY | 325.0000 | 251.2300 | 81,649.75 81,233.96 | 16% | 415.79 | 1.88% | 1,538.04 |
| VANGUARD REIT ETF SYMBOL: VNQ | 250.0000 | 83.0900 | 20,772.50 21,234.95 | 4% | (462.45) | 4.11% | 854.00 |
| VANGUARD SHRT INF PROT SEC INDEX ETF SYMBOL: VTIP | 800.0000 | 49.4500 | 39,560.00 39,660.15 | 8% | (100.15) | N/A | N/A |
| VANGUARD TOTAL INTERNATIONAL BND ETF SYMBOL: BNDX | 225.0000 | 54.5900 | 12,282.75 12,282.98 | 2% | (0.23) | 1.07% | 132.30 |

Schwab has provided accurate gain and loss information wherever possible for most investments. Cost basis data may be incomplete or unavailable for some of your holdings. Please see "Endnotes for Your Account" section for an explanation of the endnote codes and symbols on this statement.



Investment Detail - Exchange Traded Funds (continued)

| | Quantity | Market Price | Market Value | % of Account Assets | Unrealized Gain or (Loss) | Estimated Yield | Estimated Annual Income |
|---|-------------------|--------------|--------------------------|---------------------|---------------------------|-----------------|-------------------------|
| Exchange Traded Funds | | | <i>Cost Basis</i> | | | | |
| VANGUARD TOTAL BOND MARKET ETF SYMBOL: BND | 1,600.0000 | 81.9600 | 131,136.00 | 26% | (212.63) | 2.54% | 3,331.56 |
| | | | 131,348.63 | | | | |
| Total Exchange Traded Funds | 6,950.0000 | | 493,371.42 | 98% | 954.75 | | 9,638.16 |
| | | | Total Cost Basis: | | | | 492,416.67 |

Estimated Annual Income ("EAI") and Estimated Yield ("EY") calculations are for informational purposes only. The actual income and yield might be lower or higher than the estimated amounts. EY is based upon EAI and the current price of the security and will fluctuate. For certain types of securities, the calculations could include a return of principal or capital gains in which case EAI and EY would be overstated. EY and EAI are not promptly updated to reflect when an issuer has missed a regular payment or announced changes to future payments, in which case EAI and EY will continue to display at a prior rate.

| | |
|--------------------------------|-------------------|
| Total Investment Detail | 501,453.97 |
| Total Account Value | 501,453.97 |
| Total Cost Basis | 492,416.67 |

Transaction Detail - Purchases & Sales

Exchange Traded Funds Activity

| Settle Date | Trade Date | Transaction | Description | Quantity | Unit Price | Total Amount |
|-------------|------------|-------------|---|------------|------------|--------------|
| 09/20/17 | 09/18/17 | Bought | E TRACS UBS BLOOMBERG CMCI ETN: UCI | 1,050.0000 | 14.3500 | (15,072.45) |
| 09/20/17 | 09/18/17 | Bought | FLEXSHARES QUAL DIV ETF: QDF | 675.0000 | 42.0190 | (28,367.78) |
| 09/20/17 | 09/18/17 | Bought | ISHARES CORE MSCI EMERGING ETF: IEMG | 450.0000 | 55.2590 | (24,871.50) |



Transaction Detail - Purchases & Sales (continued)

Exchange Traded Funds Activity (continued)

| Settle Date | Trade Date | Transaction | Description | Quantity | Unit Price | Total Amount |
|-------------|------------|-------------|---|------------|------------|--------------|
| 09/20/17 | 09/18/17 | Bought | ISHARES CORE MSCI EAFE ETF: IEFA | 850.0000 | 63.8998 | (54,319.78) |
| 09/20/17 | 09/18/17 | Bought | ISHARES CORE S&P MID CAP ETF: IJH | 225.0000 | 176.0799 | (39,622.93) |
| 09/20/17 | 09/18/17 | Bought | ISHARES CORE S&P SMALL CAP ETF: IJR | 275.0000 | 71.1550 | (19,572.58) |
| 09/20/17 | 09/18/17 | Bought | ISHARES SHORT TREASURY BOND ETF: SHV | 225.0000 | 110.3290 | (24,828.98) |
| 09/20/17 | 09/18/17 | Bought | SPDR S&P 500 ETF: SPY | 325.0000 | 249.9354 | (81,233.96) |
| 09/20/17 | 09/18/17 | Bought | VANGUARD REIT ETF: VNQ | 250.0000 | 84.9200 | (21,234.95) |
| 09/20/17 | 09/18/17 | Bought | VANGUARD SHRT INF PROT SEC INDEX ETF: VTIP | 800.0000 | 49.5690 | (39,660.15) |
| 09/20/17 | 09/18/17 | Bought | VANGUARD TOTAL INTERNATIONAL BND ETF: BNDX | 225.0000 | 54.5690 | (12,282.98) |
| 09/20/17 | 09/18/17 | Bought | VANGUARD TOTAL BOND MARKET ETF: BND | 1,600.0000 | 82.0898 | (131,348.63) |

Total Exchange Traded Funds Activity (492,416.67)

Total Purchases & Sales (492,416.67)

Transaction Detail - Dividends & Interest (including Money Market Fund dividends reinvested)

| Transaction Date | Process Date | Activity | Description | Credit/(Debit) |
|------------------|--------------|------------------------------|------------------------|----------------|
| 09/15/17 | 09/18/17 | Bank Interest ^{x,z} | BANK INT 081617-091517 | 42.47 |
| 09/27/17 | 09/27/17 | Cash Dividend | VANGUARD REIT ETF: VNQ | 213.50 |

Schwab has provided accurate gain and loss information wherever possible for most investments. Cost basis data may be incomplete or unavailable for some of your holdings. Please see "Endnotes for Your Account" section for an explanation of the endnote codes and symbols on this statement.



Transaction Detail - Dividends & Interest (including Money Market Fund dividends reinvested) (continued)

| Transaction Date | Process Date | Activity | Description | Credit/(Debit) |
|---------------------------------------|--------------|---------------|-------------------------------|----------------|
| 09/29/17 | 09/29/17 | Cash Dividend | ISHARES CORE S&P MID CAP: IJH | 142.68 |
| 09/29/17 | 09/29/17 | Cash Dividend | ISHARES CORE S&P SMALL: IJR | 62.21 |
| Total Dividends & Interest | | | | 460.86 |

| | |
|---------------------------------|---------------------|
| Total Transaction Detail | (491,955.81) |
|---------------------------------|---------------------|

Charles Schwab Bank Deposit Accounts Activity

| Transaction Date | Transaction | Description | Withdrawal | Deposit | Balance ^{X,Z} |
|---------------------------------------|------------------------------|---|-------------------|---------------|------------------------|
| Opening Balance ^{X,Z} | | | | | 500,038.36 |
| 09/15/17 | Interest Paid ^{X,Z} | BANK INTEREST | | 42.47 | 500,080.83 |
| 09/20/17 | Auto Transfer | BANK TRANSFER TO BROKERAGE | 492,416.67 | | 7,664.16 |
| 09/28/17 | Auto Transfer | BANK CREDIT FROM BROKERAGE ^X | | 213.50 | 7,877.66 |
| Total Activity | | | 492,416.67 | 255.97 | |
| Ending Balance ^{X,Z} | | | | | 7,877.66 |

Deposit Accounts: Interest Rate as of 09/29/17 was 0.10%. Your interest period was 08/16/17 - 09/15/17. ^Z

Endnotes For Your Account

Symbol Endnote Legend

X Balances held at Charles Schwab Bank, member FDIC.



Endnotes For Your Account (continued)

Symbol Endnote Legend

Z Please note that the interest is paid for a period that differs from the Statement Period. Bank balances include any interest that Charles Schwab Bank paid as indicated on the Deposit Accounts Activity page. Bank balances do not include any interest that may have accrued during the Statement Period after interest is paid. The interest paid may include interest that accrued in the prior Statement Period.

TO: Mayor Gardner
City Council Members
Sand Point Residents



FROM: Andy Varner
City Administrator

DATE: October 10, 2017

SUBJ: Monthly Report for October 2017

Congratulations to Mayor Gardner and Councilmembers Starnes and Foster on their reelections.

I want to commend City Clerk Shannon Sommer on the job she did organizing and executing the election and canvassing committee. We had a 53% voter turnout in Sand Point, which is pretty remarkable. That takes work to make sure each vote is counted. I also want to applaud the voters of Sand Point- it is great to have that high of a turnout and show of civic participation.

Here is a brief list of items we've been working on since the last report.

DOCK REPLACEMENT DESIGN

- Things are still on track with the design, nothing new to report from last month.

TDX

- As we all know, TDX proposed a nearly 40% rate increase for their electric tariff. That seems more than outrageous, and you can see the City's letter to the Regulatory Commission of Alaska (RCA) under FYI. In total, the RCA received 16 public comments from Sand Point residents and businesses, including AC and EAT. I spoke to a lawyer friend with the RCA and in his opinion, based on the level of increase and number of comments received, the Commission will open a case and have hearings on the tariff. If so, that brings up the question- do we (City/tribes/village corps/borough/etc) want to have a representative at the hearings to dispute the rate filing on our behalf? That would take a CPA or consultant who knows what they're doing. I don't know what a fee estimate would be for a proper rebuttal, but I can imagine it would be fairly costly for a properly researched response.

CLINIC

- As I reported last month, we received an additional **\$12,781** from the IHS Village Built Clinic program, and **\$14,070** more based on IHS "supportable space" funding (we have one of the bigger clinics). When combined with our VBC base funding of **\$32,777**, it brings the total to **\$59,628**. I spoke to the Alaska IHS/VBC program director last week and she assured me that will be the *minimum* amount we will receive for VBC funding going forward into the future.

TRAINING

- I will attend some free training from the State Dept of Community Affairs on utility management in early November. Such training helps the City score better in some grant and project funding categories.
- I also plan to attend a training in early December from the Alaska Division of Homeland Security & Emergency Management on being a Public Information Officer (PIO). This training is also free and teaches strategies on local emergency preparedness, evacuation

**City Administrator
Monthly Report
October 2017**

- and response operations, interacting with the media, and other tools related to emergencies and hazard mitigation.
- I'll also be at the AML Municipal Manager's Association meetings in Anchorage next month.

PACIFIC MARINE EXPO

- The Boat Show is next month, and I'll set up some meetings with Trident and Peter Pan to discuss issues of relevance. If you have any topics you would like addressed, let me know.



SAND POINT DEPARTMENT of PUBLIC SAFETY



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

MEMORANDUM

To: Honorable Glen Gardner, Mayor, City of Sand Point
Mr. Andy Varner, City Administrator, City of Sand Point
Mr. Danny Cumberlidge, 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: Denise Mobeck, Administrative Assistant

Date: October 6, 2017

Ref: Department of Public Safety's Monthly Report for September 2017

Police Department

- Hal Henning, Chief of Police
- Brent Nierman, Police Officer
- John Stogner, Police Officer

Administrative Assistant

- Denise Mobeck/Day Dispatcher

Dispatchers

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

Police Division Activity

SEPTEMBER 2017

2 people jailed:

DV Assault
arrest warrant

12 new cases

2 dog bites
2 Assault 4*
1 Assault 2*
1 Leaving scene of accident
1 DUI
2 Misconduct involving controlled substances
1 juvenile issue
1 arrest warrant
1 welfare check

57 911 calls

8 MOC calls
5 Ambulance needed
10 hang up/misdials
4 test phone line
2 dog bites
1 harassment
2 Assaults
3 misc officer assists
3 Burglary (same incident)
2 ATV crash (same incident)
1 Bar fight
3 misc assault (same incident)
2 DV Assaults
1 Drunken disturbance
2 vehicle hit & run (same incident)
1 threat
3 welfare checks
3 removal of person (same incident)

Other calls for service:

OCS assistance
Paper service
Bar checks

Unattended 4-wheeler accident
Prisoner transport

1 Traffic Stop
Un-licensed driver

EMS Division

Chief of EMS Division:

- Denise Mobeck, EMS Chief

EMS Activity: 7 runs

Rescue1 transported 4 patients to clinic
Rescue1 transported 2 patients to airport for medevac
Rescue1 did a standby for the milk carton races

If anyone is interested in becoming an ambulance driver or a part of the EMS team, please call Denise at 383-3700. Drivers must be at least 21 years of age.

Fire Division

Chief of Fire Division:

- Vacant, administrative duties being fulfilled by police administrative assistant.

Fire 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.

September 2017 Public Works Report

Shop

- Work on harbor Gehl
- Prepped the city shop floor in preparation of asphalt
- Moved everything in and out of shop
- Fix tire on fork lift
- Sweep roads
- Assisted water and sewer with leaks
- Checked fuel levels for buildings
- Work on rock crusher
- Sort rockpile for AHA
- Haul snorkel lift for sand shed
- Dressed pavement edges in shop and outside shop
- Install floor drains in city shop floor
- Grade roads
- Work on Skidsteer bucket

Landfill

- Clean up around dumpsters
- Clean up landfill

Recycling

- Recycling center is running fine
- Dropped off oil drums to recycle center

September 2017 W&S

Permits and plans:

- Forwarded the NOI and all existing paperwork on a wastewater permit application for the water plant backwash lagoon to Brenton Alexander our ANTHC project manager last month. Heard from Mary Schneider with ANTHC that she is discussing with the State our being exempt from the monitoring since our backwash water percolates into the ground. Brenton will be out October 16th.

Water system:

- Fixed a leak in the water line to the freeze proof yard hydrant by the East wall used by boats in the winter. Installed a valve on it to allow the hydrant to run a small stream on very cold days and not freeze up like last winter.
- Continued working to find source of water leak near turn off to Trailer Court. Looks like the leak is probably under the paved road.
- Pulled the loose cage from the upper part of the ladder at the metal water storage tank. Checking to see if the new ladder can be mounted to our tank.
- Worked with the harbor crew to replace bolts and washers on the water line blind flange at the end of C float. This is the fifth replacement of steel bolts and washers on flanges in the small boat harbor. We upgraded to stainless steel and should not have the same problems again. We don't know how many more flanges are in the system that have not failed yet.
- Shut off two houses that were using water, but had not set up accounts with the City. One has a locked valve box and the other a buried valve box. We will monitor them to make sure they stay off. Gave notice on a Friday and then turned the water off on the next Wednesday.

Sewer system:

- Installed a sewer line clean out at the Trident triplex to allow us to run our camera down to check for a broken sewer line – no breaks found.
- Drained Kelly Avenue septic tanks to the sludge lagoon to remove solids – normal maintenance.
- Cleared sewer blockage at QTT center. The jetter hit the blockage near or under the paved road. This is the second time the line has blocked up this year. We will add a preventive jetting of the line every 4 to 6 months to prevent this in the future. We can run the camera down and look for a cause soon.
- The sale of a house in the trailer court means we have to put the trailer court lift station back in service. I'm getting a quote from Alaska Pump for a residential lift station upgrade to replace the control panel and pump and to add simple upgrades to allow us to pull and replace the new pump without getting in the lift station. The electrical service needs to be rerun and a new meter base and breaker panel installed. The old overhead service fell to the ground last winter and the meter base and panel have extensive rust damage. Tried to get a quote from Northwest Pump and Cascade Machinery and Electric, but their websites didn't yield much. I did receive a brochure for Northwest Pump, but it was for a self-contained lift station and not for the parts to upgrade our lift station, as requested. We can get what we need from USABlueBook for a reasonable price.
- Got the harbor lift station to drain the water back from the force main. This should prevent a freeze of the force main on the foot bridge like last winter.
- Pumped Mud Bay and Jumps lift stations to remove any build up that might cause pump failure.

Robert E. Galovin Small Boat Harbor Report

October 06, 2017

Machinery is being serviced on a regular basis.

Delivered used oils to public works department.

Worked with Eagle Commercial Services setting up a new building.

Still hauling and storing boats.

Did some work off and on with Brechan Construction when they were topping the harbor road. Helping set up and dismantle the batch plant.

Crew worked on some of the street lights around town, thanks guys the town is brighter for it.

The majority of the parts for the big boat lift have arrived, some are on back order.

The crew will be making space in the new harbor for rock storage, we are planning on taking the reels off the harbor and storing them at the old rock quarry.

That's all I have to report at this time.

Richard Kochuten Sr.
Harbor Master Sand Point

**STUDENT
REPRESENTATIVE**

HEARINGS, ORDINANCES AND RESOLUTIONS

None at this time.

OLD BUSINESS

AIRPORT FAA 139 CERTIFICATION

Memo

To: Mayor Gardner
From: Andy Varner, Administrator
cc: City Council
Date: October 6, 2017
Re: Airport FAA Part 139 Certification

After much harassment on our end to see where things stand, a roomful of DOT employees and Danny Seybert (PenAir) met with City lobbyist Mark Hickey and me at the end of September to get an update on our airport certification. As you'll recall, this certification – to fulfill FAA Part 139 requirements – is necessary to bring in the larger Saab 2000 aircraft (More on Part 139 at the end of this memo). I wanted some assurances that work was being done toward the certification on DOT's part over the summer, because they haven't been communicating. It did stall out, but they appear close to completion on most of the manuals and plans, and of course the ARFF truck arrived in town recently. They also have a Water Rescue Trailer they are planning to ship out to Sand Point.

The item we have been waiting to see is the MOA between the City of Sand Point and DOT that would outline roles, responsibilities, and funding if the City were to take over some of the operations and maintenance aspects of the airport. Following this memo are a couple rough talking points from DOT on what that MOA could entail.

To recap, the SDP airport is maintained by a private contractor paid by the department. Commodities such as sand and chemicals are provided by DOT. Maintenance equipment is state-owned, with State Equipment Fleet charges paid by the department.

The City had this contract at one point, but decided to not renew because the available dollars kept shrinking over the years. The first Part 139 plan discussed with DOT/PF envisioned a split responsibility between the private contractor, PenAir and the City. Each player would have an individual (or two) trained to handle Part 139 field operations. The contractor would serve as the primary provider, followed by PenAir and then the City. DOT/PF rejected this plan for several reasons we can get into further if needed.

The current proposal from DOT/PF is to work directly with the City to handle Part 139 *and* airport maintenance. The City would have the choice to keep the private contractor to perform airport

maintenance (and could add Part 139 field operations to their duties). The City would have other individuals trained to serve as the primary or backup for Part 139 field operations.

To expedite start-up and initiate Part 139 operations, DOT/PF is proposing to relocate department personnel to Sand Point to handle Part 139 operations initially and provide on-the-job training (OJT) while local individuals are trained and prior to passing the required FAA inspection to sign off on full Part 139 certification. This suggests an ability to start Part 139 as soon as the manual(s), equipment and critical capital improvements are in place. SDP could begin Part 139 operations as soon as May or early June 2018.

In summary, the City and DOT have discussed that the City of Sand Point will receive funding from DOT to contract for the maintenance and operations. The City would have an MOU with another party (ie the airline carrier, in this case PenAir) to cover the Part 139 requirements, including ARFF and EMS support. That MOU would include the City being reimbursed for those expenses.

Basically, between DOT and PenAir, we are trying to recoup all costs absorbed by the City, and in many ways in a new arrangement the City would be receiving pass-through funds to perform the duties. PenAir could affix a “service fee” to their tickets to cover these charges. However, if you recall, they have also promised to *lower* fares for Sand Point passengers. So those pricing details will be interesting.

The 2 year commitment between DOT/City could essentially be a “trial” to see if the arrangement works for the City, with one year renewing options if it works for all parties.

Over the next couple months we would refine and tighten up the budget to cover all our liabilities. The same applies to any MOUs with either the State or PenAir that we enter into.

The decision for the Council to make today is whether to give approval for this type of arrangement. If we don’t, Mark Hickey thinks the certification stalls out. This contracting approach seems to be the direction DOT is heading for many rural airports.

If we do have direction from the Council, I’ll work with Mark on both the budgets and the agreements with DOT and PenAir. We’ll be working with the City’s best interest in mind and trying to get the best, and fairest, deal possible. We also have some leverage- PenAir really wants to see that larger plan flying into Sand Point, and DOT has already committed resources to the certification (new fire truck and a water rescue trailer, for instance).

Your decision today DOES NOT signal approval of any agreement between the City, DOT, and PenAir. We are not bound to anything at this time, they just want direction on whether to pursue further work on the MOUs, manuals, etc. Final approval from the Council would come later, after we’ve seen the fine print.

DOT staff indicated they would want to come visit with the Council at the December meeting to work out some details, if we decide to proceed with this arrangement.

Part 139 Airport Certification

What is Part 139? The following is a summary from the Federal Aviation Administration (FAA).

14 CFR Part 139 requires FAA to issue airport operating certificates to airports that---

- Serve scheduled and unscheduled air carrier aircraft with more than 30 seats;
 - Serve scheduled air carrier operations in aircraft with more than 9 seats but less than 31 seats; and
- [NOTE: ALASKA IS NOT SUBJECT TO THIS REQUIREMENT]
- The FAA Administrator requires to have a certificate.

This Part does not apply to airports at which air carrier passenger operations are conducted only because the airport has been designated as an alternate airport.

Airport Operating Certificates serve to ensure safety in air transportation. To obtain a certificate, an airport must agree to certain operational and safety standards and provide for such things as firefighting and rescue equipment. These requirements vary depending on the size of the airport and the type of flights available. The regulation, however, does allow FAA to issue certain exemptions to airports that serve few passengers yearly and for which some requirements might create a financial hardship.

In Alaska, any airport that serves large air carrier operations (more than 30 seats) must be certificated under Part 139.

Part 139 Requirements

SDP is classified as a Primary Airport because it receives more than 10,000 passenger operations per year. The following is a list of the major elements required to obtain a Part 139 certificate for SDP.

- Airport Certification Manual
 - Airport Operations Plan
 - Emergency Plan
 - Water Rescue Plan (local SAR vessel can be a portion of plan)
 - Habitat Management Plan
- Maintain a functioning Airport Rescue and Fire Fighting (ARFF) vehicle (manned by one ARFF trained individual with a 3-minute response time to any incident)
- Procure, ship and maintain a Water Rescue Trailer
- ARFF Gear & Training (includes an ongoing component)
- Other Capital Elements: airport markings; fencing; supplemental wind cone



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

Department of Transportation and
Public Facilities

1500 Anton Larsen Road
Kodiak, Alaska
907-487-4952

October 5, 2017

City of Sand Point
Sand Point Alaska

Councilmember,

The State of Alaska DOT&PF proposes the following with the City of Sand Point for Certification of the Sand Point Airport;

- 1- DOT will fund the current contract amount of 40,000.00 per year to the City to do maintenance of the airport.
- 2- DOT will purchase all commodities for maintenance, all monthly utilities, and fuel for equipment and facilities up to 45,000.00 annually.
- 3- DOT will furnish equipment for all work done on the airport, and fund those cost at 35,000.00 annually.
- 4- The City will receive thru reimbursement from a third party (ie Pen Air) cost incurred to meet/maintain requirements of FAA Part 139. This cost would include Aircraft Rescue Fire Fighter (ARFF) stand-by, training, and Emergency Medical Services.
- 5- One time improvement cost to bring the airport into FAA compliance for Certification will be paid by DOT with assistance from a third party.

This agreement would be for a 2 year commitment with the ability for 3 one year options to extend. A formal MOA would be entered into between all parties once accepted.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert M. Greene".

Robert M Greene
Kodiak Aleutian District Superintendent
Kodiak Alaska, 99615

NEW BUSINESS



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

September 1st, 2017

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

RECEIVED

SEP 13 2017

City of Sand Point

Dear Mayor Glen Gardner Jr. & Council;

Summer 2017 has passed so quickly. With summer ending, we're starting to make preparations for Christmas. Each December the Qagan Tayagungin Tribe holds its annual Community Christmas Potluck. This joyful event provides all community members a chance to win prizes and money, and all the children of Sand Point receive their first Christmas gift of the season.

The Qagan Tayagungin Tribe is inviting you to be involved in these festivities by contributing a donation to cover some of the food and gifts. Each year we purchase gifts for approximately 180 children, including some extra for children who may not have been present when we put together our Christmas list to ensure each child who attends receives a gift. We would also like to continue doing a money tree and adult gifts during the potluck if funds allow. With the cost of gifts and other supplies, (tablecloths, utensils, decorations, and food) we anticipate the cost of the 2017 Christmas potluck to be approximately \$5,200.00.

There is no better way to kick off the holiday season than to celebrate together with family, friends, community, food and fun. We have appreciated the support you've shown us in the past, and hope you will continue to support the tribe in keeping this tradition alive and thriving. Any and all donations will be greatly appreciated. If you have any questions regarding this event, please feel free to contact me at the tribal office.

Sincerely,

A handwritten signature in blue ink, appearing to read "Tiffany Jackson".

Tiffany Jackson
Executive Director

Building Permit Application

Owner/Applicant: Bruce Foster Jr

Address: Po Box 46 SAND Point AK 99661

Are you the owner? Yes
(If answer is no, you must attach a title/quick deed with application.)

Legal Description:
Tract _____ Block 3 Lot 6 SUB. The Meadows

ZONING DISTRICT: { } R-8 { } R-10 R-20 { } MH-5 { } A-U
{ } C-3 { } C-4 { } H-I { } L-I { } O-P

PERMIT FOR USE { } Conditional Use { } Home Occupancy
{ } Temporary Use Other

| | |
|---|-----------------------------|
| RESIDENTIAL: | COMMERCIAL: |
| <input checked="" type="checkbox"/> Single Family | { } General Commercial |
| { } Mobile Home | { } Neighborhood Commercial |
| { } Multi Family | { } Light Industrial |
| { } Light Industrial | { } Heavy Industrial |

Main Dwelling will be as follows: Number of Units: 2

Height: 12' Description of Use: Storage

Setbacks: Type of Construction:
Front yard setback 1.0 ft. Wood frame
Side yard setback 10 ft. { } Masonry
Backyard setback 70 ft. { } Other: _____

PROVISION FOR WATER AND SEWER: { } Attach to existing City System None

****ATTACH SITE PLAN SHOWING EXISTING AND PROPOSED BUILDING, LOT SIZE, LOT COVERAGE, SETBACKS AND ALL OTHER REQUIREMENTS TO COMPLY WIT THE ZONING AND SUBDIVISION CODES.****

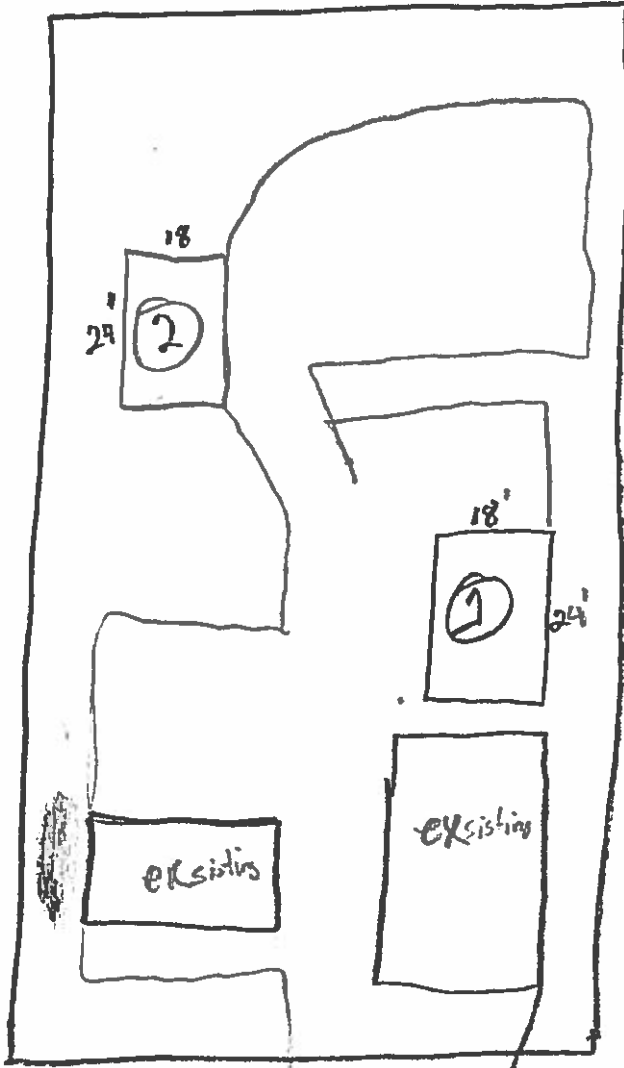
Applicants Signature: Bruce Foster Jr Date: 9-13-17

THIS REQUEST IS IN ACCORDANCE WITH SECTION 15.07.020 OF THE MUNICIPAL CODE. SUBJECT TO THE BUILDING PERMIT ORDINANCE, CHAPTER 7 OF THE SAND POINT MUNICIPAL CODE

This Building Permit is: { } Approved { } Denied

By: _____ Date: _____
Title: _____ Expiration: _____

City of Sand Point
PO Box 249
Sand Point, AK 99661 (907) 383-2696



By: Bruce Foster Jr Date: 9-13-17
Title: Permit Expiration: never

PHONE POLL: BRECHAN
CONSTRUCTION ROCK
PURCHASE

PUBLIC COMMENTS

COUNCIL COMMENTS

ADJOURNMENT

FYI

**CITY OF SAND POINT
LETTER TO RCA
REGARDING SPG RATE
INCREASE**



September 20, 2017

Regulatory Commission of Alaska
701 West Eight Avenue, Suite 200
Anchorage, AK 99501
Submitted online via RCA website

Re: TA251-230 Sand Point Generating Proposed Rate Increase

Dear Chairman McAlpine,

The City of Sand Point is extremely concerned with the recent utility tariff filing submitted by Sand Point Generating, LLC (SPG). The proposed 39.35% increase in electrical rates would have a major impact on this community, and will influence the cost of living in Sand Point by a considerable degree.

Like most of rural Alaska, the high cost of electricity touches every aspect of life in Sand Point. Food, health care, businesses, and more will be negatively impacted by an increase of this magnitude, and may even convince some residents to flee the community. Boat owners could choose to moor their vessels elsewhere, in a cheaper harbor. As other Sand Point commenters have noted to the commission, electricity is not a luxury item that can be turned off or ignored like a cable bill; it is an essential service. People have freezers full of salmon and buffalo that will feed them through the winter months, and paying 40% more for electricity to keep those freezers operating is not insignificant, especially for those on fixed incomes.

Imagine the response of Anchorage residents if Chugach Electric or ML&P proposed a 40% rate increase. Back in March of this year, ML&P proposed a 20% increase to the RCA and the Alaska Dispatch News quoted customers saying, “Oh my God... This increase is a killer for us,” and “we can’t afford this anymore.”¹ Now *double* that amount and picture the detrimental effects it could have on a community on the Aleutian Chain, where the cost of living is much higher.

In August testimony to the commission, TDX Power, Inc. – the parent company of SPG – stated that “SPG continues to provide reliable and efficient power with rates that are lower than many other providers in the region.”² In fact, Sand Point’s electricity rate is higher than many of our regional neighbors, including King Cove, Akutan, Unalaska, False Pass, Chignik, and even St Paul Island, located in the middle of the Bering Sea (and the tribal “home” of Tanadgusix Corporation

¹ “Spike in ML&P electricity bills draws complaints.” <https://www.adn.com/business-economy/energy/2017/03/21/large-rate-spike-on-latest-mlp-electric-bills-draws-opposition/>

² Prefiled Direct Testimony of John G. Lyons. <http://rca.alaska.gov/RCAWeb/ViewFile.aspx?id=e04b9070-69ee-4105-943b-c808e9a590da>

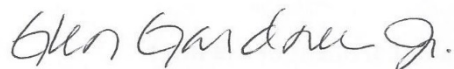
[TDX], village corporation for the indigenous Aleuts of St Paul).³ Coincidentally, all of those aforementioned communities are served by their local, government-owned utility and are not rate-regulated by the RCA.

In filed documents with the rate case, SPG notes that their current rates are “confiscatorily low,” and that “the utility will suffer irreparable harm in the event interim rate relief is not granted...to the substantial detriment of its customers.”⁴ In all fairness, Sand Point residents have been experiencing power quality issues for several months, with frequent interruptions and brownouts that can do damage to appliances, medical devices, and more. That is a detriment to SPG customers. A nearly 40% increase in electricity costs will only add to mounting frustration within the community, and it is one that we hope the commission will deny.

The wind-to-heat and microgrid initiatives show innovation on the part of SPG, and it is nice to see new technologies tested and tried in order to lower energy costs for the end users in Sand Point. Ultimately, however, the experimentation becomes moot if electricity prices escalate and fewer and fewer customers are left on the grid to spread those fixed costs. We fear that an exorbitant increase in the cost of a kWh as proposed by SPG will do just that; simple economics implies that the price of a good or service inversely affects consumption. To make matters worse, this particular service is integral to everyday life, and will force residents to choose between putting food on the table or paying 40% more for their energy bill. With winter right around the corner, that is not a choice folks should have to make.

At the top of the Commission’s website, you can find the phrase “Protecting consumer interests. Promoting economic development.” It would be hard to make the argument that a 40% electricity hike would accomplish either for those living and working in Sand Point. The City Council urges RCA Commissioners to carefully consider the proposed rate increase by SPG, and to ultimately reject it.

Sincerely,



Glen Gardner, Jr.
Mayor

³ Statistical Report of the Power Cost Equalization Program (PCE), FY2016. Twenty-eighth edition, February 2017. <http://www.akenergyauthority.org/Portals/0/DNNGalleryPro/uploads/2017/2/28/FY16PCEstatistical.pdf>. This report is the most recent one available on the Alaska Energy Authority’s PCE webpage.

⁴ Sand Point Generating, LLC Submission of Revenue Requirement Study and Request for Interim and Permanent Rate Increase. <http://rca.alaska.gov/RCAWeb/ViewFile.aspx?id=93491448-dc57-4006-a3b6-ad581264cabf>

TDX sand point generating

a power company

September 22, 2017

Consumer Protection & Information Officer
Regulatory Commission of Alaska
701 West 8th Avenue, Suite 300
Anchorage, AK 99501

Re: TDX Sand Point Generating (SPG) LLC, Informal Complaint C-17-074: follow-up

Dear Grace Salazar:

SPG ordered the materials necessary for the repair on September 6, 2017. Since the cabinets were custom order fiberglass from Potelcom, (see attached purchase order), the materials are expected to be shipped out on September 29, 2017. The materials should arrive on the island October 6, 2017. When SPG confirms all materials needed to complete the repair have been received, construction will begin. The repair is scheduled to be completed by **October 20, 2017**. SPG will provide weekly updates on **Fridays** until the repair is complete.

The weekly update for September 18-22, 2017 is below:

- SPG Engineering Staff and Operators are conducting an on-going investigation into the distribution equipment on the complete system for aged equipment.
- SPG has contracted additional manpower from Consolidated Electric to assist the local Operator with repairs.
- SPG has order cleaning supply kits to clean the high voltage connection points for the overhead and underground distribution. The electric distribution in Sand Point is subjected to a very corrosive and salty environment which causes "Arc" track of pole top insulators and faulty connections for pad mount equipment.

Should you have any questions concerning this letter, please contact me directly at (907) 762-8403 or the email address below.

Sincerely,

Lynette Ampadu

Lynette Ampadu
Utility Regulatory Administrator
TDX Power, Inc.
3601 C Street, Suite 1000-50
Anchorage, AK 99503
(907) 762-8403
lampadu@tdxpower.com

CC: Glen Gardner, City Mayor
Andy Varner, City Administrator
John G. Lyons, TDX Power President

Purchase Order



Purchase Order #: SGE-431

Job: 521950-013 SPG Install Junction Cabinets - Fuse Switches PDI Fit

Page: 1

Vendor: Potelcom Supply
5451 P.O. Box 31001-0465
Pasadena, CA 91110-0465 US

Date Ordered: 09/07/17
Ordered By: T Hammond
Expected Date: 09/26/17
Payment Terms: Net 30 days

Bill: Sand Point Generating, LLC
3601 C Street, Suite 1000-52
Anchorage, AK 99503 US

Ship To: Sand Point Generating
100 Power Plant Way
Sand Point, AK 99661 US

Via:

| Item | Description | UM | Units | Unit Cost | Total |
|-----------------|---|----|---------|-------------|-----------------|
| 1 | PDI CJP-3--5--L2 / 3-PH Fiberglass Sect Can Job: 521950-013 Phase: 107DFY-17 Date Req: 9/26/2017 | EA | 3.000 | 1300.00000E | 3,900.00 |
| 2 | LJ215C4U / 4PT 15KV Junction Job: 521950-013 Phase: 107DFY-17 Date Req: 9/26/2017 | EA | 6.000 | 150.00000E | 900.00 |
| 3 | LPC215 / Prot Cap Job: 521950-013 Phase: 107DFY-17 Date Req: 9/26/2017 | EA | 3.000 | 30.00000E | 90.00 |
| 4 | 5/8 X 8 / GRND ROD Job: 521950-013 Phase: 107DFY-17 Date Req: 9/26/2017 | EA | 6.000 | 15.00000E | 90.00 |
| 5 | 5/8 ACORN Job: 521950-013 Phase: 107DFY-17 Date Req: 9/26/2017 | EA | 6.000 | 7.00000E | 42.00 |
| 6 | GC-207 / GRND LUG Job: 521950-013 Phase: 107DFY-17 Date Req: 9/26/2017 | EA | 6.000 | 7.00000E | 42.00 |
| 7 | #2 STR S.D.B.C Job: 521950-013 Phase: 107DFY-17 Date Req: 9/26/2017 | EA | 100.000 | 1.00000E | 100.00 |
| 8 | DOW Molycote 5.3 OZ Job: 521950-013 Phase: 107DFY-17 Date Req: 9/26/2017 | EA | 2.000 | 30.00000E | 60.00 |
| 9 | YC2C2 / C Crimp Job: 521950-013 Phase: 107DFY-17 Date Req: 9/26/2017 | EA | 24.000 | 1.30000E | 31.20 |
| Subtotal | | | | | 5,255.20 |
| Total | | | | | 5,255.20 |

Authorized Signature:

Vendor Signature:

Please ensure the above PO number is listed on all invoices related and that all invoices are sent to our Corp Hdqtrs in Anchorage, AK or submitted electronically to ap@tdxcorp.com

Delivery & Logistics can be coordinated with the following:

Sand Point Generating, LLC 3601 C Street, Suite 1000-52, Anchorage, AK 99503

Phone: 907-762-8450 Fax: 907-278-2332

Purchase Order



Purchase Order # : SGE-431

Job: 521950-013 SPG Install Junction Cabinets - Fuse Switches PDI Fit

Page: 2

*Travis Hammond at (907) 762-8450
thammond@tdxpower.com*

Thank you!

TDX sand point generating

a power company

September 29, 2017

Consumer Protection & Information Officer
Regulatory Commission of Alaska
701 West 8th Avenue, Suite 300
Anchorage, AK 99501

Re: TDX Sand Point Generating (SPG) LLC, Informal Complaint C-17-074: follow-up

Dear Grace Salazar:

The weekly update for September 25-29, 2017 is below:

- SPG Engineering Staff and Operators are still conducting its investigation into the distribution equipment on the complete system for aged equipment.
- Consolidated Electric has arrived in Sand Point, AK to assist the local Operator with repairs.
- The cabinets arrived in Anchorage and SPG is currently working on the logistics for getting these to Sand Point, AK.

SPG is still on schedule to complete the repair by October 20, 2017.

Should you have any questions concerning this letter, please contact me directly at (907) 762-8403 or the email address below.

Sincerely,

Lynette Ampadu

Lynette Ampadu
Utility Regulatory Administrator
TDX Power, Inc.
3601 C Street, Suite 1000-50
Anchorage, AK 99503
(907) 762-8403
lampadu@tdxpower.com

CC: Glen Gardner, City Mayor
Andy Varner, City Administrator
John G. Lyons, TDX Power President

Purchase Order



Purchase Order #: SGE-431

Job: 521950-013 SPG Install Junction Cabinets - Fuse Switches PDI Fit

Page: 1

Vendor: Potelcom Supply
5451 P.O. Box 31001-0465
Pasadena, CA 91110-0465 US

Date Ordered: 09/07/17
Ordered By: T Hammond
Expected Date: 09/26/17
Payment Terms: Net 30 days

Bill: Sand Point Generating, LLC
3601 C Street, Suite 1000-52
Anchorage, AK 99503 US

Ship To: Sand Point Generating
100 Power Plant Way
Sand Point, AK 99661 US

Via:

| Item | Description | UM | Units | Unit Cost | Total |
|-----------------|---|----|---------|-------------|-----------------|
| 1 | PDI CJP-3--5--L2 / 3-PH Fiberglass Sect Can Job: 521950-013 Phase: 107DFY-17 Date Req: 9/26/2017 | EA | 3.000 | 1300.00000E | 3,900.00 |
| 2 | LJ215C4U / 4PT 15KV Junction Job: 521950-013 Phase: 107DFY-17 Date Req: 9/26/2017 | EA | 6.000 | 150.00000E | 900.00 |
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| 8 | DOW Molycote 5.3 OZ Job: 521950-013 Phase: 107DFY-17 Date Req: 9/26/2017 | EA | 2.000 | 30.00000E | 60.00 |
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| Subtotal | | | | | 5,255.20 |
| Total | | | | | 5,255.20 |

Authorized Signature:

Vendor Signature:

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Purchase Order # : SGE-431

Job: 521950-013 SPG Install Junction Cabinets - Fuse Switches PDI Fit

Page: 2

*Travis Hammond at (907) 762-8450
thammond@tdxpower.com*

Thank you!

October 2, 2017

RECEIVED

By the Regulatory Commission of Alaska on Oct 02, 2017

Mayor Glen Gardner
City of Sand Point
PO Box 249
Sand Point Alaska 99661

Mayor Gardner,

I want to take this opportunity to respond to the points raised in your letter to the Commission of September 20, 2017. Specifically, in regard to Sand Point Generating utility rate case and to address the issues of power quality.

First, I would like to address the pockets of recurring power surges caused by electric grid distribution equipment failures or other problems within those particular circuits. One area being hit with unexplained power surges this year covers neighborhoods that are connected with an older underground distribution system. We now know that the principle cause of power transient surges were caused by faulty insulators at a medium voltage fuse cabinet. TDX crews have been able to eliminate the power surges by isolating the cause of the outage, by-passing the fuse cabinet to restore regular service. TDX engineering staff has determined that the cabinets are at the end of their useful life and are planned for retirement.

Another contributing factor to locating and isolating the source of trouble, the electric grid lacks sophisticated end of line power monitoring. Unlike a number of the urban electric grids, TDX has not incorporated this aspect into its control monitoring scheme. I've instructed TDX engineering to analyze how we could improve upon the situational awareness along distribution feeders enabling utility to operate and respond based on prevailing conditions.

SPG is committed to addressing power quality issues and understands power surges are disruptive to business operations and to the community. It is our highest of priorities to investigation, properly identify the power quality issues so that the proper solution can be applied.

I would like to respond to comments regarding the operation of the wind energy system. Do the wind turbines lower the cost of electricity?

Yes. Every kilowatt-hour of power generated by the wind turbines results in a diesel fuel cost savings. SPG's commercial customers realize the full impact of this savings on every bill. However, the reduction in fuel cost also decreases the amount of Power Cost Equalization (PCE) subsidy received by the utility, which is passed along to residential

customers and certain community facilities. Because the reduction in fuel cost is offset by a reduction in PCE subsidy, the fuel savings from using the wind turbines is not “felt” by residential customers up to the first 500kwh’s of energy consumption. To the extent SPG uses renewable energy rather than diesel power, the frequent rate fluctuations resulting from changes in the price of fuel are decreased, resulting in more stable rates that benefit all customers.

The integration of wind energy into islanded grids such as Sand Point does come with complications. First, wind is a non-firm energy resource. There times when wind energy contribution to the electric grid is minimal. Conversely, there are times when there is too much wind. The wind turbines shut down as the max safe operating range is reached. We balance the wind energy contribution with controllable dispatchable heat loads; wind generated electrons sent to a dump load at the power plant and recently, the excess wind is directed to supplemental heating loads at the clinic and soon the school.

Even with the technical difficulties and the unreliability of the resource, I absolutely think that renewables can and will be cost effective compared to the conventional power generation. We’ve set an internal long-term goal for the community of Sand Point to be 70 percent renewable by 2022. With this goal, we are well on our way to understanding the economic value with the first of the electric thermal projects coming on-online this year. The clinic was first energized with wind to heat in July and we are excited for the results. Soon the school wind to heat will come on-line. We are eager to see the benefits of both these projects and understand how we can more efficiently dispatch the wind to heat model. My question to you and the community, do you want to see the wind project evolve for Sand Point? We remain very optimistic that the wind project is still in the best interest of the community and the electric customers.

In further response to comments regarding rates.
Have SPG’s rates increased each year?

SPG Response: No. SPG’s customer, energy, and demand (for commercial customers) charges have not increased since 2010. The last change in these rates was in January 2015, resulting in a 2.65% decrease from prior rates. These charges can only be changed in a rate case and are the subject of SPG’s current requested rate increase at the RCA. However, SPG does change its Cost of Power Adjustment or COPA quarterly. This charge which represents the rise and fall of the price of fuel is outside the control of SPG. The frequent changes in the overall rate you pay is a result of change in the price of fuel and represents a pass-through cost. The fuel purchased for the power plant is not marked up and no profit is made on fuel that is consumed by the diesel generators. Again, fuel is only a pass-through cost.

Will my total bill increase by 39.35% if SPG's rate case is approved?

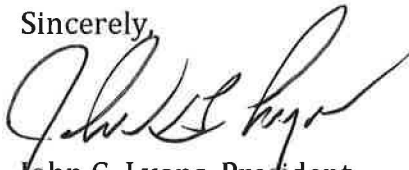
SPG response: No. SPG is only requesting to increase the customer and energy charge components of your residential bill, as well as the demand charge for commercial customers. This rate increase is subject to the review and approval of the RCA and will not likely be fully in effect until December 2018. While its rate case is under review at the RCA, SPG has requested an interim and refundable increase of 15.74% to the customer, energy, and demand (as applicable) charges beginning in November 2017. Additionally, an increase in rates may trigger an increase in the PCE subsidy, which would offset a portion of this increase for qualifying residential customers.

To further strengthen our relationship within the Community, SPG and TDX Power are committed to developing an energy plan with a focus on service reliability. We very much appreciate your sharing and need your input as SPG develops its strategy to improve its operations.

We take the relationship with community and the City of Sand Point very seriously and we look forward to working with you in solving the community's unique energy requirements.

I look forward to discussing these matters with you further.

Sincerely,



John G. Lyons, President

TDX Sand Point Generating, LLC

Cc: Regulatory Commission of Alaska

City of Sand Point, Alaska

AUDIT PLANNING

YEAR ENDING JUNE 30, 2017

The following communication was prepared as part of our audit, has consequential limitations, and is intended solely for the information and use of those charged with governance (e.g., City Council and Audit Committee) and, if appropriate, management of the Government and is not intended and should not be used by anyone other than these specified parties.

BDO USA, LLP, a Delaware limited liability partnership, is the U.S. member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO is the brand name for the BDO network and for each of the BDO Member Firms.





Tel: 907-278-8878
Fax: 907-278-5779
www.bdo.com

3601 C Street, Suite 600
Anchorage, AK 99503

August 28, 2017

City Council
City of Sand Point

Professional standards require us to communicate with you regarding matters related to the financial statement audit that are, in our professional judgment, significant and relevant to your responsibilities in overseeing the financial reporting process. This document provides an overview of our plan for the audit of the financial statements, the schedule of expenditures of federal awards, and the schedule of state financial assistance of City of Sand Point (the City) as of and for the year ending June 30, 2017, including a summary of the nature, scope, and timing of the planned audit work.

Responsibilities

BDO USA, LLP, as your auditor, is responsible for forming and expressing an opinion about whether the financial statements, the schedule of expenditures of federal awards, and the schedule of state financial assistance that have been prepared by management, with your oversight, are prepared, in all material respects, in conformity with accounting principles generally accepted in the United States of America. In addition our audit will be conducted in accordance with standards for financial audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States. The audit of the financial statements does not relieve you of your responsibilities and does not relieve management of their responsibilities. The engagement letter, a copy of which has been provided to you, includes specific details regarding the auditor's and management's responsibilities.

Overall Audit Strategy and Planned Scope

Overall, our audit strategy is to assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design further audit procedures responsive to assessed risks. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. In connection with our audit, we will obtain a sufficient understanding of the City's internal control to plan the audit of the financial statements. However, such understanding is required for the purposes of determining our audit procedures and not to provide any assurance concerning such internal control.

We focus on areas with higher risk of material misstatement (whether due to error or fraud). Our audit strategy includes consideration of:

- a) prior year audit results together with current year preliminary analytical review, including discussions with management and those charged with governance regarding the City's operations,
- b) inherent risk within the City,
- c) recent developments within the industry, regulatory environment and general economic conditions,
- d) recently issued and effective accounting and financial reporting guidance,

- e) the City's significant accounting policies and procedures, including those requiring significant management judgments and estimates and those related to significant unusual transactions,
- f) the control environment and the possibility that the control system and procedures may fail to prevent or detect a material error or fraud,
- g) information about systems and the computer environment in which the related systems operate, and
- h) a continual assessment of materiality thresholds based upon qualitative and quantitative factors affecting the City.

Based upon our initial assessment, our planned scope for the audit is described below:

- The areas indicated below relate to significant risks identified during our risk assessment procedures and include a brief description on how we propose to address them:
 - Fraud Risk
 - Internal Control Over Financial Reporting
 - Revenue Recognition
 - Federal and State Grants
 - Long-term Obligations, including Debt Issuance and Repayment
 - Solid Waste Landfill
 - Tax Revenue, Charges for Services, etc.
 - Pension and Other Postemployment benefits
 - Evaluation of Related Party Relationships and Transactions and Going Concern
 - Other Matters, Including Significant Unusual Transactions

Overall Audit Timeline

Year-end fieldwork will occur in September 2017 with release of the opinion and financial statements and reports in accordance with *Government Auditing Standards* expected to occur in December 2017.

Independence Communication

Our engagement letter to you dated August 28, 2017 describes our responsibilities in accordance with professional standards and certain regulatory authorities with regard to independence and the performance of our services. This letter also stipulates the responsibilities of the City with respect to independence as agreed to by the City. Please refer to that letter for further information.

Significant Accounting and Reporting Matters

GASB 74 - Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans - Effective for year-end June 30, 2017, with earlier application encouraged - This statement contains financial reporting guidelines for Postemployment Benefit Plans. This is the Plan side requirements applicable to OPEB benefits and generally brings the OPEB reporting rules into alignment with the new GASB 67 Pension rules.

GASB 75 - Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions - Effective for year-end June 30, 2018, with earlier application encouraged - This statement contains accounting and financial reporting guidelines for OPEB related activities at the participating employer level and generally brings the OPEB reporting rules into alignment with the new GASB 68 Pension rules.

GASB 80 - Blending Requirements for Certain Component Units - Effective for year-end June 30, 2017, with earlier application encouraged - This statement requires blending of a component unit incorporated

as a not-for-profit corporation in which the primary government is the sole corporate member. This statement amends the previous requirements established in paragraph 53 of GASB 14. The criterion specified in GASB 80 does not apply to component units included in the financial reporting entity pursuant to GASB 39.

GASB 81 - Irrevocable Split-Interest Agreements - Effective for year-end June 30, 2017, with earlier application encouraged - This statement establishes recording and recognition criteria for governments who receive resources pursuant to an irrevocable split-interest agreement.

GASB 82 - Pension-Issues - an amendment of GASB Statements No. 67, No. 68, and No. 73 - Effective for year-end June, 2017, with earlier application encouraged - This statement further amends prior pension reporting to redefine "covered payroll" for required supplementary information, clarifies deviations from actuarial standards, and clarifies the classification of employer-paid member contributions.

GASB 83 - Certain Asset Retirement Obligations - Effective for year-end June 30, 2019, with earlier application encouraged - This statement addresses accounting and financial reporting for certain asset retirement obligations that are legally enforceable liabilities associated with the retirement of a tangible capital asset.

GASB 84 - Fiduciary Activities - Effective for year-end June 30, 2019, with earlier application encouraged - This statement addresses criteria for identifying and reporting fiduciary activities.

GASB 85 - Omnibus - Effective for year-end June 30, 2018, with earlier application encouraged - This statement addresses practice issues that have been identified during implementation and application of certain GASB statements. Issues covered include blending of component units, goodwill, fair value measurement and application, and postemployment benefits.

GASB 86 - Certain Debt Extinguishment Issues - Effective for year-end June 30, 2018, with earlier application encouraged - This statement addresses accounting and financial reporting for in-substance defeasance of debt when only existing resources are used, as well as accounting and financial reporting for prepaid insurance on extinguished debt.

Client Service Team

As a matter of policy, we attempt to provide continuity of service to our clients to the greatest extent possible. Where engagement team rotation is necessary, we will discuss this matter with you and determine the appropriate individuals to be assigned to the engagement based on particular experience, expertise, and engagement needs.

The following is the contact information for the engagement partner and audit director responsible:

Joy Merriner - Engagement Partner

jmerriner@bdo.com

Sam Thompson - Audit Senior Manager, Assurance

sthompson@bdo.com

We are pleased to be of service to the City and look forward to answering questions you may have regarding our audit plan as well as other matters that may be of interest to you.

Respectfully,

BDO USA, LLP



September 15, 2017

Chairman John Jensen, Alaska Board of Fisheries
Board Support, P.O. Box 115526
Juneau, AK, 99811-5526
Emailed via pdf attachment to dfg.bof.comments@alaska.gov

Re: Requesting the Board of Fisheries Reject Agenda Change Request 12

Dear Chairman Jensen,

The City of Sand Point urges the Alaska Board of Fisheries to reject ACR 12 at your October 17-19, 2017 Work Session. This ACR does not meet Board criteria found in 5 AAC 39.999, for approving an agenda change Request.

Last year at the February 2016 Board meeting, the Board encouraged salmon fishery stakeholder groups from the South Alaska Peninsula area and Chignik area to find a compromise solution that would restrict commercial fishing in the Dolgoi Island Area to allow additional sockeye salmon to potentially travel to Chignik, while still allowing harvest opportunity for South Alaska Peninsula fishermen. The new regulations were in place for the 2016 & 2017 salmon seasons.

ACR 12 proposes to radically change the mutually agreed upon Dolgoi Island Area regulations. ACR 12 is predominately allocative and therefore should not be approved at this time. We believe this ACR does not meet the Board's criteria for accepting an ACR:

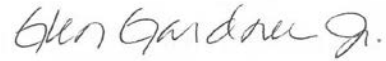
- There is no fishery conservation concern. This new regulation established only last year is working as intended. Dolgoi fishing is restricted and Chignik escapement goals have been met.
- There is no error in the regulation – the Board was diligent in promulgating the compromise proposal into regulations, and the Department has been careful to enact the rules as written.
- There were no unforeseen effects on the salmon fisheries from this regulation. Both the 2016 & 2017 salmon seasons were unique and surprising, but not as a result of these regulations.

There are plenty of problems with this ACR, however we would prefer to debate the merits of the proposal during the next meeting cycle, when it would regularly come up. At the February 2019

Alaska Peninsula/Chignik Finfish meeting, the Board will have three years of data under the new regulations to better inform the next decision on this issue.

The City of Sand Point aligns with the Aleutians East Borough, the City of King Cove, and other regional communities on this issue. We respectfully request the Alaska Board of Fisheries reject ACR 12 at the 2017 Work Session. Thank you for the opportunity to provide written comment.

Sincerely,

A handwritten signature in cursive script that reads "Glen Gardner Jr.".

Glen Gardner, Jr

Mayor