1/11/2017

Mayor Melvin Andrew
City of Manokotak
PO Box 170
Manokotak, AK 99628

Local Boundary Commission
550 West 7th Avenue, Suite 1640
Anchorage, AK 99501

Dear Local Boundary Commissioners,

After your decisional meeting on December 1, 2016, we had our Entity meeting on December 19, a day before you adopted the written statement of decision on the 20th.

When I announced that LBC had decided to grant Manokotak their Annexation Petition, the local leaders and several community members were ecstatic about your decision. Igushik village has been Manokotak's 'land' for centuries. Even as the land ownership and fisheries changed adding commercial fishing to subsistence fishing, we have always kept Igushik as our summer home.

Yesterday, I attended the tribal council meeting and gave report of your January 10, 2017 decision to grant reconsideration to Ekuk's request. The Manokotak Village Council were very saddened and upset. As one council member expressed it, "Why can't LBC stick with their decision they made after all the public hearings and information they gathered?"

Indeed, LBC had sufficient time and information to consider all facts, information, regulations, testimonies, and public comments to make a final decision which is to grant us the annexation petition.

You discussed the annexation petition in line with the regulations in depth and in question.

I am very disappointed and frustrated with LBC's decision to grant Ekuk's request to reconsider. Our trust in our state government and agencies has been a high priority ever since the City's incorporation in 1970. We have strived to manage a local government within the parameters of the State's regulations with trust and accepted many changes.

The City of Manokotak has spent a lot of money investing in the annexation petition which we could have used to finance fisheries related projects for our community. However, the annexation petition is a very important fisheries related task the whole community got involved in including the tribal organization and local ANCSA corporation.

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The annexation would also help us in securing funds and 'right-of-way' to an on-going issue we have watched the past 10 years. The eroding isthmus just above the mouth of Igushik River adjacent to Tract B of our petition was mentioned in my witness statement on November 28, 2016. We have contacted U.S. Army Corps of Engineers reference this potential enormous problem and have begun the process of having them begin a study. However, since the area is not in the City's boundaries, or adjacent to, we have limited or no authority to represent Manokotak. If the isthmus gives way and create a new mouth to Igushik River, the Igushik commercial setnet economy will be no more. This is many Manokotak setnetters who commercially fish at Igushik.

After following the LBC's process over the past two years, I have learned many including the required regulations in annexing a body of land or water. We have met these requirements as LBC had decided on December 1, 2016.

If you decide to reconsider your decision negatively, this will have a devastating effect to our local economy, ability to legally shoulder our responsibility to bring basic services to Igushik village, and govern our land we have claimed for centuries.

I appeal the Local Boundary Commission to reconsider their decision positively in favor of our Annexation Petition.

Thank you, on behalf of Manokotak.

Sincerely

Mayor Melvin Andrew
City of Manokotak

Phone: (907) 289-1027 Fax: (907) 289-1082 Email: kmocity16@outlook.com

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LOCAL BOUNDARY COMMISSION

PUBLIC MEETING

December 20, 2016

10:00 a.m.

Taken at:

Atwood Building

550 West 7th Avenue, Suite 1620

Anchorage, Alaska

Commissioners Attending:

Lynn Chrystal, Chairman

Darroll Hargraves (via telephone)

Lavell Wilson (via telephone)

John Harrington (via telephone)

Robert Harcharek (via telephone)

Staff Attending:

Eileen Collins

Brent Williams

Mary Lynn Mascalka, Department of Law

Lynn Kenneally

Marty McGee

Jan Levy

just read the whole subsection to you.

So it says: "The Commission will grant a request for reconsideration or on its own motion order reconsideration of a decision only" -- and that's after a final written decision has been issued -- "only if the Commission determines that; 1, a substantial procedural error occurred in the original proceeding; 2, the original vote was based on fraud or misrepresentation; 3, the Commission failed to address a material issue of fact or a controlling principle of law; or, 4, new evidence not available at the time of the hearing relating to a matter of significant public policy has become known."

So those are the four grounds under which reconsideration may be ordered.

COMMISSIONER HARRINGTON: So we can't say, oops, we made a mistake?

MS. MASCALKA: Only if it falls under one of these four grounds. Then you can say you made a mistake, but it would have to fall within one of those.

CHAIR CHRYSTAL: Did that answer your question, Commissioner Harrington?

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COMMISSIONER HARRINGTON: Well, it does. It says to me that we have -- none of those grounds seem to make sense for reconsideration, and I am opposed to both of these annexations; but we have by -- I don't see any way whereby we can actively reconsider those motions. I'm in a catch-22 here. I think we have made a serious error and we are -- we already have a problem with that process in the differentiation between boroughs and cities, and I think -- I don't know how to get out of this.

CHAIR CHRYSTAL: Commissioner Harrington, Chair Chrystal. Let me just ask you a question. When you say we've "made a serious error," that's pretty broad brush.

What do you mean by "a serious error"? What is the error?

COMMISSIONER HARRINGTON: We have said that it is okay to take 2- or 300 square miles of unoccupied territory and say it meets city limits, and when there are no city services that can be delivered outside of it, it just seems contrary to all logic.

CHAIR CHRYSTAL: Okay.

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COMMISSIONER HARRINGTON: Well, one last time here. I understand --

CHAIR CHRYSTAL: Commissioner Harrington.

COMMISSIONER HARRINGTON: Yes. Sorry.

CHAIR CHRYSTAL: Okay. You're cutting out to the point we can't hear you now.

COMMISSIONER HARRINGTON: Can you hear me now?

CHAIR CHRYSTAL: Yes.

COMMISSIONER HARRINGTON: Okay. This is not a staff problem. This is not a problem with anything but us, and I think we have made a mistake. There's got to be some way in all of this process whereby we can say, oops, we made a mistake. And if we know where (indiscernible), then our -- our regulations are flawed seriously.

I would really like to see how the Department of Law can address it in some way we can get out of this pickle. So I'm just going to kick the ball over to them and see if there is any way they can see us

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getting out of this under the understanding this is an LBC problem in which we said, oops, we made a mistake.

CHAIR CHRYSTAL: This is Chair Chrystal. Let me point to something in here before the attorney general has something to say, but -- we can get out of it; we just keep saying no. If you keep voting no to any draft decision, then we have nothing to send to the Legislature and it dies. I don't know any other way around it. So that's the way to get out of it if you really want to.

Anyway, I'll defer to Ms. Mascalka.

MS. MASCALKA: So this is Mary Lynn Mascalka. I'm not comfortable with that as a solution. I do think that you have an imperative on you to issue a written decision within 30 days. I don't -- I mean, I really think that you all need to either make a decision today or approve a written decision today, or you need to come back and approve a written decision before the thirtieth day expires.

Our regulations are pretty clear

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LOCAL BOUNDARY COMMISSION

DECISIONAL MEETING

December 1, 2016
9:07 a.m.

Taken at:
Anchorage, Alaska

Commissioners Attending:
Lynn Chrystal, Chairman
John Harrington (via telephone)
Bob Harcharek (via telephone)
Lavell Wilson
Darroll Hargraves
Staff Attending:
Eileen Collins
Brent Williams

anticipated health, safety, and general welfare conditions; existing or reasonably anticipated economic development; adequacy of existing services; extraterritorial powers available to the city to which the territory is proposed to be annexed and extraterritorial powers of nearby municipalities; and whether residents or property owners within the territory receive or may be reasonably expected to receive directly or indirectly the benefit of services and facilities provided by the annexing city.

Now is the time for Commissioner discussion on these items. Would you -- anybody want to jump in?

COMMISSIONER WILSON: I think it meets the standard.

COMMISSIONER HARRINGTON: Mr. Chair?

CHAIR CHRYSTAL: Yes, sir, Mr. Harrington -- I'm sorry -- Commissioner Harrington.

COMMISSIONER HARRINGTON: I want to differentiate territory from water. First of all, I think it's clearly demonstrated there is a strong need for territorial -- I mean,

governmental assistance in the area of the old community and fish camp. And I believe that has been demonstrated clearly.

What I would contend is that there is no need for city services within the waters of the bay, and, as such, that should be excluded from this consideration.

CHAIR CHRYSTAL: Okay.

MR. WILLIAMS: Chair?

COMMISSIONER WILSON: What part should be excluded? I didn't get that.

MS. COLLINS: The water.

CHAIR CHRYSTAL: The water.

MR. WILLIAMS: Chair, this is Brent Williams. Earlier, we thought -- mistakenly thought that Commissioner Harcharek had made a motion. He had not. Normally, however --

CHAIR CHRYSTAL: You thought he made a motion.

MR. WILLIAMS: I -- okay. All right. Well, I thought someone else here did, as well. I thought -- don't we normally, before we start to talk about the standards, have a motion to approve the petition and then, of course, the discussion -- the decision can go yea or nay?

teleconference.

MS. MACSALKA: You -- Chair Chrystal, you can ask everybody to go on mute maybe, except the two Commissioners. That helps (inaudible).

CHAIR CHRYSTAL: Yeah. I did that several times yesterday. It helped.

MS. COLLINS: Yesterday.

MS. MACSALKA: Oh, I'm sorry.

CHAIR CHRYSTAL: We've actually had to disconnect and start over a couple times.

MS. COLLINS: I guess we could remind people.

CHAIR CHRYSTAL: Okay. Anyway. I'm sorry to interrupt you, Commissioner Wilson, you were starting to --

COMMISSIONER WILSON: Is that appropriate now to --

CHAIR CHRYSTAL: Yeah.

COMMISSIONER WILSON: My thought on -- rather than excluding all of Tract B, would be to give from the mouth of the Weary River a 3-mile-wide corridor all the way down to the bottom of Tract B following the coastline. That would protect their setnet fishery 3 miles out and

also give them a corridor for transportation.

CHAIR CHRYSTAL: Any comments?

COMMISSIONER HARCHAREK: I would concur with you, Commissioner Wilson.

CHAIR CHRYSTAL: What I had thought about was that Tract B is kind of weird. It extends out quite a bit. I was just thinking of not eliminating all the water, because part of the purpose of having this thing on the water is to serve the setnetters and the possible providing of ice and that type of thing.

I would think we could just somewhere draw a boundary down that west side offshore and eliminate that portion of Tract B that sticks way out into the bay. And I don't know where.

COMMISSIONER HARRINGTON: Chair Chrystal?

CHAIR CHRYSTAL: Yes, sir.

COMMISSIONER HARRINGTON: (Inaudible) Department of Fish and Game has separated those two areas where the setnets are and where the dipnets are. It would be natural that we would use that same boundary, as opposed to trying to artificially develop a different one.

CHAIR CHRYSTAL: Well, you're

petition meets the need or not?

COMMISSIONER HARGRAVES:

Mr. Chairman?

CHAIR CHRYSTAL: Yes, sir.

COMMISSIONER HARGRAVES:

Commissioner Hargraves. In looking at and analyzing this and listening to the testimony back and forth on it, the standard is: Does that area being annexed need services? Is it an area that somehow the city can contribute to, if it gets annexed?

And I think that the mere shape of that annexation proposal tells me that that's not the case. First off, they admit there are no residents in that area. There's nothing that transpires out there that would benefit people who reside there permanently, year-round. That's what the standard that I've looked at over the years typically is looking for.

Now, they have a historical, cultural, emotional tie out there that is strong. And I understand that. But how much of that will be served by annexation to the City of Manokotak? In my estimation, that standard is not met.

I wish I could somehow reconcile how I feel

about it. But in this petition as well as in another petition we're going to look at, there's nothing out there but fish. Fish don't vote and fish don't particularly need any services from those municipalities. So I -- in my estimation, that standard is not met.

CHAIR CHRYSTAL: Okay. I totally disagree. I think there are residents out there, but they're not out there full time.

COMMISSIONER HARGRAVES: No.

CHAIR CHRYSTAL: They're out there part of the year, but they're still residents. They still use that property and that land for probably, what? Four months. So I do feel those are residents and this would help, say, the people that live there. That's the people that are there part time.

We heard so much testimony about how Manokotak just basically pulls up stakes and moves out there during the fishing season. So I'm not sure how you could not consider them residents.

COMMISSIONER HARGRAVES: Mr. Chairman?

CHAIR CHRYSTAL: Yes.

COMMISSIONER HARGRAVES:

Commissioner Hargraves. There's one other thing about this. If I look at precedent from the past applications for annexations, one of the things that this Commission, in some years past perhaps, has looked at strongly is the use of corridors to get to an area that they're wanting to serve.

This corridor is a little bigger than some. I've seen discussions of where people discuss the width of a highway as a corridor to get to someplace. And typically this Commission has been opposed to such connections like that.

CHAIR CHRYSTAL: Okay.

COMMISSIONER WILSON: I agree -- Commissioner Wilson. I agree with the Chairman totally. I think that it does meet the need. And I'll point out the last item here under this 110.090. It says, The property owners or residents -- which they would be in the summer -- may be reasonably expected to receive directly or indirectly the benefit of services and facilities provided by the annexing city.

And I think we heard a lot of testimony that they would plan on providing services there for the people in the way of, particularly, waste disposal and -- what was the other one?

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CHAIR CHRYSTAL: Ice.

COMMISSIONER WILSON: Ice, yeah. An ice machine, which would benefit them economically. So I think that it's very reasonable.

CHAIR CHRYSTAL: Okay. Commissioner Harrington, yes, sir.

COMMISSIONER HARRINGTON: Chairman, I would concur that the Section C most assuredly has met the (inaudible) as a need. It definitely needs city services in Section C. My only comments to the contrary were for Sections A and B.

CHAIR CHRYSTAL: Okay. Commissioner Harcharek?

COMMISSIONER HARCHAREK: I concur with you, Chair Chrystal and Commissioner Wilson, that I believe it meets all the standards and the needs. And testimony seems to attest to that. Thank you.

CHAIR CHRYSTAL: Okay. All right. I think we can --

COMMISSIONER HARGRAVES: Mr. Chairman?

CHAIR CHRYSTAL: Yes, sir.

COMMISSIONER HARGRAVES: I'd like to put one other thing in the record. This is Commissioner Hargraves. We're talking about 191 square miles in this annexation, which just in itself would create a huge area for a second-class city.

CHAIR CHRYSTAL: Is that it?

COMMISSIONER HARGRAVES: That's what I'd like to say.

CHAIR CHRYSTAL: Okay. I thought you were going to continue. Okay. The majority of the Commission seems to feel that that particular standard was met.

The next one, 3 AAC 110.090(b). Can essential municipal services be provided to the territory proposed for annexation more efficiently and more effectively by another existing city or by an organized borough on an area-wide basis or non-area-wide basis or through a borough service area?

Existing and reasonably -- what page are we on here? It looks like the backside here.

MR. WILLIAMS: Sir, everything from 90(b) is on the first page.

MS. COLLINS: Yeah. That's the

think that at least some of this water should be included, because that's where they're fishing, obviously, in the water. So I think that at least some of that land on that west side of Tract B should be included in the whole system.

But is the Commission agreeable that the territory is compatible in character with the city? Other than Commissioner Harrington's discussion on the water? Do you feel we need --

COMMISSIONER HARCHAREK: Mr. Chairman, I agree it's compatible, and I concur with you that at least some of that water is necessary. Commissioner Harcharek.

CHAIR CHRYSTAL: Any other Commissioner comments? Okay. So it appears we -- that meets the need.

Okay. The next item is resources, 3 AAC 110.110. Does the economy within the proposed expanded boundaries include the human and financial resources necessary to provide essential municipal services on an efficient, cost-effective level? The Commission may consider relevant factors; including, reasonably anticipated functions of the city in the territory being annexed; reasonably anticipated new expenses of

the city that would result from annexation; actual income and the reasonably anticipated ability to generate and collect local revenue and income from the territory; feasibility and plausibility of those aspects of the city's anticipated operating and capital budgets that would be affected by the annexation through the period extending one full fiscal year beyond the reasonably anticipated date for completion of the transition set up in 3 AAC 110.900; the economic base of the territory within the city after annexation; valuations of taxable property in the territory proposed for annexation; land use in the territory proposed for annexation; existing and reasonably anticipate industrial, commercial, and resource development in the territory proposed for annexation; personal income of residents in the territory and in the city; and need for and availability of employable skilled and unskilled persons to serve the city government as a result of annexation.

Do we have some Commission comments or statements?

COMMISSIONER HARCHAREK:

Mr. Chairman?

CHAIR CHRYSTAL: Yes, sir.

COMMISSIONER HARCHAREK: This is Commissioner Harcharek. I believe it meets all of those, considering the fact they plan to develop a generator ice plant. And I believe with the revenue generated, it's easily anticipated that will happen.

CHAIR CHRYSTAL: Okay. Thank you, Commissioner. I think as we heard --

COMMISSIONER HARRINGTON: Mr. Chairman?

CHAIR CHRYSTAL: I'm sorry. Go ahead, Commissioner Harrington.

COMMISSIONER HARRINGTON: Yes. Clearly, this area (inaudible) that generally is an economically depressed area. We've heard significant testimony regarding this (inaudible), the income level, et cetera, of that area.

So if we -- if we rule and base on a consistency with the community Section C, I would agree that we have to make some adjustments to the financial liability of everything based on that, and, as such, I would agree that it is met.

However, I still contend that this is -- if we are allowing them to have that area of the water where these residents have setnets, then

there would be a potential for some income that would help out. I just have a problem with the rest of the water.

CHAIR CHRYSTAL: Okay. Thank you. I think one -- you know, in listening to testimony from the Manokotak residents, I mean, they are very, very sincere. They have good intentions. Of course, there's no guarantee that anything will happen. If we don't allow them an opportunity, it won't happen. None of these things that they want to happen are going to happen, if we don't give them a chance.

And I think I'm -- I, for one, am willing to give them a chance. I feel the need is there. And I think the need is met in this particular portion.

COMMISSIONER HARCHAREK: I concur, Mr. Chair.

CHAIR CHRYSTAL: Thank you. Anybody else?

COMMISSIONER HARGRAVES: Mr. Chairman, Commissioner Hargraves.

CHAIR CHRYSTAL: Commissioner.

COMMISSIONER HARGRAVES: I do have a conflicting opinion to that. The amount of

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space -- the distance from the existing city to where we're talking about causes huge problems in the administration of it.

COMMISSIONER HARCHAREK: Can you speak a little louder, Commissioner Hargraves?

COMMISSIONER HARGRAVES: It causes a lot of significant problems in the administration of that area. I can almost see another city formation in the appropriate area being more appropriate than what we're looking at with the annexation.

We're talking about a huge area here for a second-class city in the state of Alaska. From the State's standpoint, what are the future implications of that? If we just keep making these huge areas into second-class cities, I think that the future is going to bring a lot of this into question. We get two annexations put together out there, there's conflict down the road. And I think you could just depend on it. Thank you, Mr. Chairman.

CHAIR CHRYSTAL: I know you and I have had this discussion in the past where you think an area is so big and so vast that we're taking too much. But, you know, Alaska's a huge

state. And if we don't expand boundaries in some areas so people can regulate and pay attention to what's going on there, we're going to end up with vast pockets of unused, undesired, unavailable land.

If you went up on that map right there and you drew a circle around the area that's being proposed for annexation, it would look like a pen drop on that map. And I think rather than having too small a property, I'd rather see bigger places, bigger land masses.

COMMISSIONER HARGRAVES: For second-class cities?

CHAIR CHRYSTAL: For anybody. You know, because what else is going to happen if you had a little bit of second-class city here and a little bit there, then all the land in between? Nobody's going to be around to pay attention to it if there's any -- somebody is polluting it or whatever.

But if it's within the city, then somebody is going to be watching over that. Anyway, that's just my thought on that one. That's a little bit off the --

COMMISSIONER HARCHAREK: I concur,

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Mr. Chairman.

CHAIR CHRYSTAL: Thank you.

COMMISSIONER HARCHAREK: Because, like you said, it is a huge state. And I do not see any other community being born (inaudible). Manokotak's coastal ties with that area, I think, make it a perfect fit.

CHAIR CHRYSTAL: Okay. So under resources, does everybody agree that we have met the standards on that one overall?

COMMISSIONER HARCHAREK: Yes.

COMMISSIONER WILSON: Yes.

CHAIR CHRYSTAL: Okay. Population, 3 AAC 110.120. Is the population within the proposed expanded boundaries of the city sufficiently large and stable to support the extension of city government? The Commission may consider relevant factors; including, census enumerations, duration of residency, historical population patterns, seasonal population changes, age distribution, contemporary and historical public school enrollment data, and nonconfidential data from the Department of Revenue for Permanent Fund Dividend applications.

One thing I did notice is Manokotak is

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growing. If you go back ten years, it's been a fairly significant boost in the population, even if it's relatively tiny compared to Anchorage or something like that.

Anybody have comments on the population?

COMMISSIONER WILSON: Yeah. I think two items here pretty well cover it. This historical population patterns and seasonal population changes pretty well cover it. I think the standard has been met.

CHAIR CHRYSTAL: Okay. Anybody else?

COMMISSIONER HARRINGTON: Regarding Section C -- this is Harrington -- I would absolutely agree with that.

COMMISSIONER HARCHAREK: Concur with both of you.

CHAIR CHRYSTAL: Okay. Any other comments? Okay. I guess we agree to that, standard was met.

Okay. Boundaries. Here is where we'll probably see some disagreements. Boundaries, 3 AAC 110.130(a). Do the proposed expanded boundaries of the city include all land and water necessary to provide the development of essential

municipal services on an efficient, cost-effective level? The Commission may consider relevant factors; including, land use and ownership patterns, population density, existing and reasonably anticipated transportation patterns and facilities, natural geographic features and environmental factors, and extraterritorial powers of cities.

I presume we'll have a little disagreement here on the boundaries. I know Commissioner Harrington would disagree with having so much water.

COMMISSIONER HARRINGTON: Absolutely.

CHAIR CHRYSTAL: What you got against water?

COMMISSIONER HARRINGTON: I don't. And if I make it clear, I would seriously consider having the boundaries of such a city include the natural setnet area -- for that area to be included. It's just that massive inclusion of the bay that I have problems with.

CHAIR CHRYSTAL: Okay. Fair enough.

COMMISSIONER HARCHAREK:

Commissioner Harcharek.

CHAIR CHRYSTAL: Commissioner Harcharek.

COMMISSIONER HARCHAREK: I would agree with Commissioner Harrington. And if you remember the testimony the last couple days, even the people of Manokotak said, what we need and want is a district or area (inaudible). I think they would accept that as a minimum. And I think we need to define that water area. Other than that, I believe the standard has been met.

COMMISSIONER HARRINGTON: There is one other problem. And that has to be the noncontiguous nature (inaudible), in that the Section C is separated from the Manokotak area.

Unfortunately, if you draw the map to include significant land area that would tie them together -- I know we cannot at this point adjust that. But I have no problems if the Commission were to rule and to consider the fact that given (inaudible).

CHAIR CHRYSTAL: We're having a -- excuse me. Let me interrupt, Commissioner Harrington. We're having a real hard time with your -- your volume is kind of cutting in and out

CHAIR CHRYSTAL: A question -- when you talked about population --

COMMISSIONER HARGRAVES: Density.

CHAIR CHRYSTAL: -- what are you questioning about that?

COMMISSIONER HARGRAVES: Well, we're talking about 155 square miles annexation --

CHAIR CHRYSTAL: Oh, you're talking about population per square mile or whatever.

COMMISSIONER HARGRAVES: Yeah. Population density.

CHAIR CHRYSTAL: Any other comments?

So other than that, you don't want to change it?

COMMISSIONER HARGRAVES: I wouldn't be interested in trying to amend it to change it.

CHAIR CHRYSTAL: Okay. Moving on to boundaries. Here we go. Is the territory contiguous to the city? Well, as they presented, it certainly is. But if we dropped out Tract B, it would not be contiguous.

Is that agreeable with most everybody, at least that description of it, anyway?

COMMISSIONER HARCHAREK: I agree --

understand you right.

Commissioner Harcharek, did you start to say something?

COMMISSIONER HARCHAREK: I was -- Commissioner Harrington stole most of my thunder. But when Ms. Collins (sic) was speaking, it needs to be contiguous, all the land and water necessary, I agree. And I don't think we -- we should even venture in creating enclaves. That's a foolhardy way to go. And I just support that this -- I contend that this standard has been met, that we take A, B, and C. Thank you.

CHAIR CHRYSTAL: Thank you. I think if we were to chop off part of Tract B, it would be foolhardy. I mean, as far as this contiguous thing.

COMMISSIONER HARCHAREK: Correct.

COMMISSIONER WILSON: Another solution might be, if you look at the map here on the back of our report.

CHAIR CHRYSTAL: Yeah. I got it.

COMMISSIONER WILSON: Where Manokotak is and where it says Tract A, you come out, you step down, then you go out again to the next step. If you extended that line right there

continually on down to the very bottom of Tract B, you'd basically half Tract B and would still leave all that contiguous area. I think that would be a very good solution.

CHAIR CHRYSTAL: I think you're absolutely correct, Commissioner Wilson.

COMMISSIONER HARGRAVES: Mr. Chairman?

CHAIR CHRYSTAL: Yes, sir.

COMMISSIONER HARGRAVES: Commissioner Hargraves. What would be the purpose of reducing that water portion? What's the purpose of that?

COMMISSIONER WILSON: Of reducing it?

COMMISSIONER HARGRAVES: Yeah.

COMMISSIONER WILSON: Well, need, for one thing. Their basic need is along the shore, not way out in the bay. They testified there's not many drift fisherman even drift in that area. It's -- their main concern was the setnetters and the need for a corridor. And we get into that contiguous thing. That would keep it contiguous.

CHAIR CHRYSTAL: I could accept all

of Tract B, not a problem. But I'm just trying to get an agreement here among all of us, if we can, without creating too much of a turmoil.

COMMISSIONER HARGRAVES: Mr. Chairman, Commissioner Hargraves. I would not want to amend this petition. Because I think threaded throughout the testimony, everything we've heard, one of the things that they're after is that fish stash. That's the motivation behind both of these petitions.

COMMISSIONER WILSON: That's true.

CHAIR CHRYSTAL: Well, not just that. I think that's probably the primary thing. But I really truly think that they want to improve their area down there. They want to -- you know, they want to take care of the garbage that's down there. And by having their own property, so to speak, down there, they can do some of these things.

And for us to nitpick and cut off a little piece here and a little piece there, let's give them -- let's have faith in what they want to do and give them a chance. Anyway.

COMMISSIONER HARCHAREK: Chair Chrystal?

CHAIR CHRYSTAL: Yes, sir, Commissioner Harcharek.

COMMISSIONER HARCHAREK: Commissioner Harcharek. I tend to agree with you. I have no problems with giving them the entire Tract B, just for the reasons you've stated. Thank you.

COMMISSIONER HARRINGTON: Chair Chrystal?

CHAIR CHRYSTAL: Yeah. Commissioner Harrington?

COMMISSIONER HARRINGTON: While we're doing this, can I ask the attorney if there is some way we can have a noncontiguous city?

CHAIR CHRYSTAL: Well, you can. She answered part of that a few minutes ago. But I'll, obviously, let her answer again. She did say, yes, you can but it's very, very complicated. Go ahead.

MS. MACSALKA: So can you hear me okay, Commissioner Harrington?

COMMISSIONER HARRINGTON: Yes.

MS. MACSALKA: Okay. Good. So essentially, if the Commission wanted to approve an annexation that had tracts that were not

COMMISSIONER HARRINGTON: If we leave the things as such, the answer is no. There's no expectation that this city will deliver any services to the water. They will not be doing the policing. They will not be doing the rescue. They will not be doing any of that. There is public safety issues regarding that, and, as such, I would contend that the only one that really fits is Section C.

CHAIR CHRYSTAL: Okay. Anybody else? Okay. I think the majority agrees that the needs are met there. Am I correct in saying that?

COMMISSIONER WILSON: I'm in favor, yeah.

CHAIR CHRYSTAL: Okay. All right. Continuing under boundaries, 3 AAC 110.130(c)(2). To promote the limitation of community, the proposed expanded boundaries of the city may not include entire geographic regions or large unpopulated areas. Do they include entire geographic areas or large, unpopulated areas?

And I know what Commissioner is going to say on that one. So do we have comments?

COMMISSIONER HARRINGTON: Answer is yes.

CHAIR CHRYSTAL: Okay.

COMMISSIONER HARGRAVES: I would submit that it's no.

COMMISSIONER HARCHAREK: Commissioner Harcharek, the answer is no.

CHAIR CHRYSTAL: Okay. We have one yes and one no.

COMMISSIONER HARGRAVES: Was I the no?

CHAIR CHRYSTAL: No. I'm listening to Commisioner Harcharek and Harrington.

COMMISSIONER HARGRAVES: I would submit that the answer is no.

CHAIR CHRYSTAL: Okay. We have two noes and a yes.

Commissioner Wilson, what do you think?

COMMISSIONER HARRINGTON: Clearly -- if I may. I don't see how anyone can rationally say that 100 square miles of water is not a large, unpopulated area. And, as such, if you go down to the next one, yes, then you'd have to describe it even further. So that's why I'd say clearly yes.

CHAIR CHRYSTAL: Depends on your definition of large, I guess.

Commissioner Wilson, do you have anything?

COMMISSIONER WILSON: Well, as far as large, unpopulated areas, you're talking about water. Look at some of the past history like Kodiak. That's what they've done, essentially annexed a bunch of water. And several other communities. They met the standards then. I don't see why this wouldn't.

CHAIR CHRYSTAL: I don't either.

MS. MACSALKA: Commissioners, just to point out, even if the answer is yes, there is a follow-up standard that you can find -- if the answer is yes, that there is a large, unpopulated area, the follow-up standard is: Are those proposed expanded boundaries justified?

So you can still justify annexation of a large, unpopulated area, but you have to discuss the next standard. So I just -- in case you're trying to figure out how to deal with this particular standard.

CHAIR CHRYSTAL: Well, let's agree. We were probably -- I think we have three yeses and two noes on this, as far as -- or, no. Three noes, two yeses.

COMMISSIONER HARCHAREK:

Mr. Chairman?

CHAIR CHRYSTAL: Yes, sir.

COMMISSIONER HARCHAREK: Commissioner Harcharek. You cannot -- the Commission cannot consider the water area as potentially being populated in considering that half -- the entire community moves for about four or five months down to the water. It makes sense to me that -- it does not -- it does not incorporate large, unpopulated areas.

COMMISSIONER HARRINGTON: Chair Chrystal?

CHAIR CHRYSTAL: Yes, sir.

COMMISSIONER HARRINGTON: I look at this from not just my own perspective, but as a defensible perspective in a court, should someone challenge it. And I think if we said that 100 square miles of unpopulated area is not a large, unpopulated area, we would be in trouble. And, as such, I think the safest thing is to say, yes, it is, and go through the rest of those standards.

CHAIR CHRYSTAL: Okay. Any other comments? Okay. Then, if we move on to the next one which is, if yes, are those proposed expanded

boundaries justified by the application of standards in 3 AAC 110.090 and 3 AAC 110.135 and are otherwise suitable for city government?

Once again, this is not -- being a fishing community, it's not -- I don't think it's totally unpopulated. It's a body of water. But you look at the pictures during fishing season and you see hundreds and hundreds of boats and people out there. It is populated, even if it is only populated for part of the year. And so that's just my way of looking at it, I guess.

COMMISSIONER HARGRAVES: Mr. Chairman?

CHAIR CHRYSTAL: Yes, sir.

COMMISSIONER HARGRAVES: Looking at it historically, I think the idea of what constitutes a population has always been permanent residents. We've had situations in the past where communities would try to make a case that a certain number of people came in from the outside during the summertime. And in my estimation, we've tended to dismiss that. We continually have focused on what is actually there. So that's just my response.

CHAIR CHRYSTAL: And I'm going to

go out on a little bit of a limb here. I'm not 100 percent sure but I'm pretty sure. When I was in Valdez we were arguing population. And we were allowed to count so many tanker crews on an average basis throughout the year as part of the population. Because there was always somebody there, come in off the water. They sometimes use services such as the hospital and the stores and what have you.

COMMISSIONER HARGRAVES: But was that for revenue sharing --

CHAIR CHRYSTAL: And they were considered part of the population.

COMMISSIONER HARGRAVES: Was that for revenue sharing? That wasn't --

CHAIR CHRYSTAL: Just for population purposes.

COMMISSIONER HARGRAVES: But that wasn't to justify the city limits of Valdez.

CHAIR CHRYSTAL: I'm not sure what you mean there.

COMMISSIONER HARGRAVES: That population might be counted for some other services, but that didn't -- that didn't have anything to do with establishing the borough or

the city limits of Valdez.

CHAIR CHRYSTAL: No. That's totally irrelevant. I'm not talking about that. I'm just talking about setting the population for a city. Everybody wants to put a higher number down. They get, you know, benefits from the State or whatever. So everybody is always trying to add a body here or a body there.

And that was done down there. So why can't you consider people on the water as part of the population, even if they're only there part of the time? We'll probably never agree totally on that, anyway.

MS. MACSALKA: And I believe there's also a definition of resident that would preclude that. So I --

CHAIR CHRYSTAL: Oh, is that right.

MS. MACSALKA: -- just want to encourage caution there. Our definition of resident would not --

CHAIR CHRYSTAL: Would not work that way?

MS. MACSALKA: You have people that are --

CHAIR CHRYSTAL: Well, it was a

thought.

MS. MACSALKA: It's a thought. But, you know, if it's helpful, the regulation says that you can approve an annexation of an area that includes a large, unpopulated area if those boundaries are justified by the application through the rest of the annexation standards.

And you guys are working through those right now. So, again, if that helps your discussion, that's why I'm pointing that out is it doesn't -- annexing a large, unpopulated area like water, in this case, is not prohibited as long as you find that the rest of the standards are met in that they're -- in that that area is otherwise suitable for city government. You guys are working through that process now.

CHAIR CHRYSTAL: So it's not a deal breaker.

MS. MACSALKA: It's not a deal breaker, no. And the reason I'm jumping in is it sounds like some of the Commissioners think that it might be, but it's not. There is an exception that allows for that as long as overall you find the area suitable for city government and that the annexation otherwise meets the standards.

CHAIR CHRYSTAL: Okay.

COMMISSIONER HARGRAVES: Mr. Chairman?

CHAIR CHRYSTAL: Yes, sir.

COMMISSIONER HARGRAVES: Commissioner Hargraves. That was -- I think, that you can have an unpopulated area, for example, that provides a watershed, that provides water -- fresh water to the community. And there are some other -- perhaps it's an area that they frequent for firewood. I mean, it could be things like that. You don't have to have resident population in those areas. But I think this really stretches that concept.

CHAIR CHRYSTAL: Okay. Any other comments on the boundaries? So we know that if we do antis- -- do expand into, quote, unpopulated areas, it's not illegal.

MS. MACSALKA: No, it's not, as long as you find that the rest of standards are met.

CHAIR CHRYSTAL: The rest of it is justified.

MS. MACSALKA: Yeah. For the whole annexation, right.

CHAIR CHRYSTAL: Okay.

COMMISSIONER HARGRAVES: Mr. Chairman, Commissioner Hargraves. There's something happening in regards to second-class cities. I think this state has to come to the realization that second class-cities -- that the constitutional convention, as I understood the people who were there and told us about them, was to take care of a small group of people. It was -- it didn't have very extensive powers.

It was not something that was supposed to take the place of state government and state operations, as such. In other words, the state troopers continued to come. So what we're seeing -- and to a certain extent, I think this Commission is in the lead on this -- is a changing of what a second-class city is and what it's supposed to be.

Everything that I've looked at historically indicates a small population area with a small population and a small geographical area. That's why you have cities like Wasilla and Palmer with 14 square miles and 15 square miles. That's why -- with some of the largest populations in the state. So I -- I'm very wary of what we're doing

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with second-class cities in recent years.

I don't know how to get guidance on it, but I cannot believe that people at the constitutional convention foresaw a second-class city of this configuration and size. Thank you.

CHAIR CHRYSTAL: Okay. Any other comments?

COMMISSIONER WILSON: I'd just like to point out that, you know, you're talking about the size of the cities, Wasilla and Palmer. They're not annexing -- they don't cover large expanses of water. You know, it's strictly land.

And now we've gotten into this thing where cities are annexing water and have been for some time, which greatly increases the amount of square miles that city has. But it doesn't really -- we're talking apples and oranges is what I'm saying.

CHAIR CHRYSTAL: Right. Any comments on that? We still --

COMMISSIONER HARRINGTON: Well, Commissioner Wilson --

CHAIR CHRYSTAL: Do we still assume that we're in the best interest of the State here on this one?

CHAIR CHRYSTAL: Sure.

Commissioner Harrington.

COMMISSIONER HARRINGTON: I'm going to go talk about Manokotak itself or Section C. And if there is -- I believe what I was hearing was, we would have to find that Manokotak had all the necessary water and land necessary for the annexation.

If it were not contiguous, and if we were to declare that Section C with the area in front of that section consisting of 3- or 400 feet out into the bay where the setnetters are was appropriate for annexation to Manokotak, and in all other ways it met the requirements of annexation, I could support the petition. Anything more than that, I cannot.

CHAIR CHRYSTAL: Okay. Any other comments? Okay. We have a motion on the floor to support the or approve the Manokotak petition.

COMMISSIONER WILSON: As filed?

CHAIR CHRYSTAL: As filed. We have no amendments at this time, unless anybody wants to make one. I'll call for a vote here in just a minute. Any other comments?

Okay. Could we have a vote, please? A roll

call vote.

MS. COLLINS: Chair Chrystal?

CHAIR CHRYSTAL: Yes.

MS. COLLINS: Commissioner Wilson?

COMMISSIONER WILSON: Uh...

MS. COLLINS: I can come back to you.

COMMISSIONER WILSON: Come back to me.

MS. COLLINS: Commissioner Hargraves?

COMMISSIONER HARGRAVES: Yes.

MS. COLLINS: Commissioner Harrington?

COMMISSIONER HARRINGTON: No.

MS. COLLINS: Commissioner Harcharek?

COMMISSIONER HARCHAREK: Yes.

MS. COLLINS: Commissioner Wilson?

COMMISSIONER WILSON: I'm going to vote no. I'm in favor of the petition, but not to include all of Tract B. So I'll vote no.

CHAIR CHRYSTAL: Okay. We have a vote of three to two.

MS. COLLINS: The record will

EXHIBIT C
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From: Herzog, Jeffrey A CIV USARMY CEPOA (US) <Jeffrey.A.Herzog@usace.army.mil>
Sent: Tuesday, January 17, 2017 3:16 PM
To: Jim Brennan
Subject: LERRDS for Manakotak

Mr. Brennan,

Good afternoon sir, I hope this finds you well. Based off of our earlier discussion, here is some clarification in reference to the land along the Igushik River within the potential project area. It is the local sponsor's responsibility to acquire and provide any lands, easements, rights of way, relocations, and disposal areas (LERRDS) in compliance with Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (PL 92-646) as amended within the project area. Preliminary scoping of the project area appears to incorporate the lands that the municipality is proposing to annex; however, without an approved authorization, funding, signed agreement, and further scoping, no definitive area can be identified. Wherefore if there is a project with the community of Manakotak in the area of the Igushik River it would be their responsibility to acquire all LERRDS within the project area.

I will call you in the morning, please provide a time when you are available to discuss further.

Thank you,
Jeff

V/R

Jeffrey A. Herzog
GS/ CEPOA-PM-C
O: 907-753-2871
E: Jeffrey.a.herzog@usace.army.mil

PO BOX 6898
JBER, AK 99506

EXHIBIT D
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[Thence, along the Easterly boundary of Section 14, to the north 1/16th Corner of Section 14, T14S, R58W, SM;]

Thence, Southeasterly to a point one thousand five hundred feet seaward and South of the MHW Line of the Snake River and an Alaska State Fish and Game marker identified as geodetic position 58° 52.90' North Latitude, 158° 43.30' West Longitude and referenced in Alaska Code 5 AAC 06.200(a)(2);

Thence, Westerly to a point one thousand five hundred feet seaward from the MHW meander of the western bank of the Snake River;

Thence, in a generally Southwesterly and then Northwesterly direction along a line one thousand five hundred feet seaward from the MHW meander line of the Snake River and Nushagak Bay, to its intersection with a line one thousand five hundred feet seaward from a line across the mouth of the Igushik River between an Alaska State Fish and Game marker at geodetic position 58° 43.82' North Latitude, 158° 52.77' West Longitude to an Alaska State Fish and Game marker at geodetic position 58° 43.60' North Latitude, 158° 54.06' West Longitude;

Thence Southwesterly along such line to a point a one thousand five hundred feet seaward from the MHW meander of the western bank of the Igushik River;

Thence in a generally Southeasterly direction along a line one thousand five hundred feet seaward from the MHW meander line of Nushagak Bay, to a point due west from a point one thousand five hundred feet North of the northern end of Nichols Spit;

Thence in a generally Southerly direction along the meander of Nushagak Bay one thousand five hundred feet seaward and to the East of Nichols Spit, to a point on the southern boundary of the Igushik Section referenced in Alaska Code 5 AAC 06.200(a)(1), which is located generally Northeast from an Alaska State Fish and Game marker, identified as geodetic position 58° 33.77' North Latitude, 158° 46.57' West Longitude and referenced in Alaska Code 5 AAC 06.200(a)(1);

Thence, Westerly to the intersection point one thousand five hundred feet seaward from the MHW line of Nushagak Bay and the Southern Boundary line of Section 36, T18SR58W, SM;

[Thence, Westerly, along the Southerly Boundary of Section 36 to the Southeast Section Corner of Section 35, T18SR58W SM]

Exhibit A-3. Legal Metes and Bounds Description of the City Boundaries After the Proposed Annexation

Beginning at the Southeast Corner of boundary of the City of Manokotak (recorded as Book 17, Page 252, Bristol Bay Recording District) and the **True Point of Beginning;**

Thence Westerly, along the Southerly boundary of the City of Manokotak, 6 miles, to the Southwest Corner of the City of Manokotak;

Thence Northerly, along the Westerly boundary of the City of Manokotak, 6 miles, to the Northwest Corner of the City of Manokotak;

Thence Easterly, along the Northerly boundary of the City of Manokotak, 6 miles, to the Northeast Corner of the City of Manokotak;

Thence, Southerly, along the Easterly boundary of the City of Manokotak, 23,002± feet, to a point on the Northerly boundary of Section 10, Township 13 South (T13S), Range 59 West (R59W), Seward Meridian (SM);

Thence, Easterly, along the Northerly boundary of Section 10, to the Northwest Corner of Section 11, T13S, R59W, SM;

Thence, Easterly, along the Northerly boundary of Section 11, to the Northwest Section Corner of Section 12, T13S, R59W, SM;

Thence, Easterly, along the Northerly boundary of Section 12, to the Northwest Section Corner of Section 7, T13S, R58W, SM;

Thence, Easterly, along the Northerly boundary of Section 7, to the Northeast Section Corner of Section 7, T13S, R58W, SM;

Thence, Southerly, along the Easterly boundary of Section 7, to the Northwest Section Corner of Section 17, T13S, R58W, SM;

Thence, Easterly, along the Northerly boundary of Section 17, to the Northwest Section Corner of Section 16, T13S, R58W, SM;

Thence, Easterly, along the Northerly boundary of Section 16, to the Northwest Section Corner of Section 15, T13S, R58W, SM;

Thence, Easterly, along the Northerly boundary of Section 15, to the Northeast Section Corner of Section 15, T13S, R58W, SM;

Thence, Southerly, along the Easterly boundary of Section 15, to the Northeast Section Corner of Section 22, T13S, R58W, SM;

Thence, Southerly, along the Easterly boundary of Section 22, to the Northwest Section Corner of Section 26, T13S, R58W, SM;

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Thence, Easterly, along the Northerly boundary of Section 26, to the Northeast Section Corner of Section 26, T13S, R58W, SM;

Thence, Southerly, along the Easterly boundary of Section 26, to the Northeast Section Corner of Section 35, T13S, R58W, SM;

Thence, Southerly, along the Easterly boundary of Section 35, to the Northeast Section Corner of Section 2, T14S, R58W, SM;

Thence, Southerly, along the Easterly boundary of Section 2, to the Northeast Section Corner of Section 11, T14S, R58W, SM;

Thence, Southerly, along the Easterly boundary of Section 11, to the Northeast Section Corner of Section 14, T14S, R58W, SM;

Thence, along the Easterly boundary of Section 14, to the North 1/16th Corner of Section 14, T14S, R58W, SM;

Thence, Southeasterly, to a point on the MHW Line of the Snake River and an Alaska State Fish and Game marker, identified as geodetic position 58°52.90" North Latitude, 158°43.30" West Longitude and referenced in Alaska Code 5AAC 06.200(a)(2);

Thence, Southeasterly, to a point in Nushagak Bay to a geodetic position 58°44.80" North Latitude, 158°41.50" West Longitude and referenced in Alaska Code 5AAC 06.200(a)(1);

Thence, Southeasterly, to a point in Nushagak Bay to a geodetic position 58°36.28" North Latitude, 158°34.40" West Longitude and referenced in Alaska Code 5AAC 06.200(a)(1);

Thence, Southwesterly, to an Alaska State Fish and Game marker, identified as geodetic position 58°33.77" North Latitude, 158°46.57" West Longitude and referenced in Alaska Code 5AAC 06.200(a)(1);

Thence, to the intersection point of the MHW Line of the Nushagak Bay and the Southerly boundary line of Section 36, T18S, R58W, SM;

Thence, Westerly, along the Southerly boundary of Section 36, to the Southeast Section Corner of Section 35, T18S, R58W, SM;

Thence, Westerly, along the Southerly boundary of Section 35, to the Southwest Section Corner of Section 35;

Thence, Northerly, along the Westerly boundary of Section 35, to the Southwest Section Corner of Section 26, T18S, R58W, SM;

Thence, Northerly, along the Westerly boundary of Section 26, to the Southeast Section Corner of Section 22, T18S, R58W, SM;

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Thence, Westerly, along the Southerly boundary of Section 22, to the Southwest Corner of Section 22, T18S, R58W, SM;

Thence, Northerly, along the Westerly boundary of Section 22, to the Southwest Section Corner of Section 15, T18S, R58W, SM;

Thence, Northerly, along the Westerly boundary of Section 15, to the Southwest Section Corner of Section 10, T18S, R58W, SM;

Thence, Northerly, along the Westerly boundary of Section 10, to the Southwest Section Corner of Section 3, T18S, R58W, SM;

Thence, Northerly, along the Westerly boundary of Section 3, to the Southeast Section Corner of Section 33, T17S, R58W, SM;

Thence, Westerly, along the Southerly boundary of Section 33, to the Southwest Section Corner of Section 33;

Thence, Northerly, along the Westerly boundary of Section 33, to the Southwest Section Corner of Section 28, T17S, R58W, SM;

Thence, Northerly, along the Westerly boundary of Section 28, to the Southeast Section Corner of Section 20, T17S, R58W, SM;

Thence, Westerly, along the Southerly boundary of Section 20, to the Southeast Section Corner of Section 19, T17S, R58W, SM;

Thence, Westerly, along the Southerly boundary of Section 19, to the East-West-East 1/256th Corner of Section 19;

Thence, Northerly, to a point on the Southerly boundary of Section 18, T17S, R58W, SM, and the East-West-East 1/256th Corner of Section 18;

Thence, Northerly, to a point on the Southerly boundary of Section 7, T17S, R58W, SM, and the East-West-East 1/256th Corner of Section 7;

Thence, Northerly, to a point on the Southerly boundary of Section 6, T17S, R58W, SM, and the East-West-East 1/256th Corner of Section 6;

Thence, Northerly, to a point on the Northerly boundary of Section 6, and the East-West-East 1/256th Corner of Section 6;

Thence, Westerly, along the Township Line, to the Southwest Section Corner of 35, T16S, R58W, SM;

Thence, Northerly, along the Westerly boundary of Section 35, to the Southeast Section Corner of Section 27, T16S, R58W, SM;

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Thence, Westerly, along the Southerly boundary of Section 27, to the Southwest Section Corner of Section 27, T16S, R58W, SM;

Thence, Northerly, along the Westerly boundary of Section 27, to the Southwest Section Corner of Section 22, T16S, R58W, SM;

Thence, Northerly, along the Westerly boundary of Section 22, to a point on the MHW Line of the Igushik River;

Thence, Northerly, along the MHW Line of the Igushik River, to the intersection point of the MHW line and the Northerly boundary of Section 23, T16S, R58W, SM;

Thence, Easterly, along the Northerly boundary of Section 23, to the Northeast Section Corner of Section 23;

Thence, Southerly, along the Easterly boundary of the Section 23 to the Mean High Water (MHW) Line of the Igushik River;

Thence, Southerly, along the MHW Line of the Igushik River, to a point at the intersection of the Northerly boundary of Section 26, T16S, R58W, SM;

Thence, Easterly, along the Northerly boundary of Section 26, to the Northwest Section Corner of Section 25, T16S, R58W, SM;

Thence, Easterly, along the Northerly boundary of Section 25, to the Northwest Section Corner of Section 30, T16S, R57W, SM;

Thence, Southerly, along the Westerly boundary of Section 30, to the Northwest Section Corner of Section 31, T16S, R57W, SM;

Thence, Southerly, along the Westerly boundary of Section 31, to a point on the Northerly boundary of Section 4, T17S, R58W, SM;

Thence, continuing Southerly, parallel with the Easterly boundary of Section 4, T17S, R58W, SM, to a point on the Northerly boundary of Section 9, T17S, R58W, SM;

Thence, continuing Southerly, parallel with the Easterly boundary of Section 9, T17S, R58W, SM, to a point on the MHW Line of the Igushik River;

Thence, along the MHW Line of the Igushik River, to an Alaska State Fish and Game marker, identified as geodetic position 58°43.82" North Latitude, 158°52.77" West Longitude and referenced in Alaska Code 5AAC 06.200(a)(1);

Thence, Northerly, along the MHW Line of the Igushik River then Nushagak Bay then Snake River, to intersection point with the North 1/16th line of Section 15, T14S, R58W, SM;

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Thence, Westerly, to a point on the Easterly boundary of Section 16, T14S, R58W, SM and the North 1/16th Corner;

Thence, Westerly, to a point on the Easterly boundary of Section 17, T14S, R58W, SM and the North 1/16th Corner;

Thence, Northerly, along the Easterly boundary of Section 17, to the Southwest Section Corner of Section 9, T14S, R58W, SM;

Thence, Northerly, along the Westerly boundary of Section 9, to the Southwest Section Corner of Section 4, T14S, R58W, SM;

Thence, Easterly, along the Southerly boundary of Section 4, to the Southwest Section Corner of Section 3, T14S, R58W, SM;

Thence, Northerly, along the Westerly boundary of Section 3, to the Southwest Section Corner of Section 34, T13S, R58W, SM;

Thence, Northerly, along the Westerly boundary of Section 34, to the Southwest Section Corner of Section 27, T13S, R58W, SM;

Thence, Northerly, along the Westerly boundary of Section 27, to the Southeast Section Corner of Section 21, T13S, R58W, SM;

Thence, Westerly, along the Southerly boundary of Section 21, to the Southeast Section Corner of Section 20, T13S, R58W, SM;

Thence, Northerly, along the Easterly boundary of Section 20, to the Northeast Section Corner of Section 20;

Thence, Westerly, along the Northerly boundary of Section 20, to the Northeast Section Corner of Section 19, T13S, R58W, SM;

Thence, Westerly, along the Northerly boundary of Section 19, to the Northeast Section Corner of Section 24, T13S, R59W, SM;

Thence, Westerly, along the Northerly boundary of Section 24, to the Northeast Section Corner of Section 23, T13S, R59W, SM;

Thence, Westerly, along the Northerly boundary of Section 23, to the Northeast Section Corner of Section 22, T13S, R59W, SM;

Thence, Westerly, 671± feet, along the Northerly boundary of Section 22, to a point;

Thence, N0°55'E, 1,961± feet,

to the **True Point of Beginning**, containing approximately 191± square miles (of which 118± square miles is water), all within the Third Judicial District, Alaska.

EXHIBIT E
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