PETITION

to the Local Boundary Commission

for

ANNEXATION

OF

Nushagak Commercial Salmon District waters and Wood River Sockeye Salmon Special Harvest area waters, together consisting of approximately 396 square miles of water and 3 square miles of land (small islands)

TO THE

City of Dillingham
By the Legislative Review Method

May 11, 2015
Approved by City of Dillingham Resolution Nos. 2010-85; 2014-57

Table of Contents

INTRODUCTION	5
SECTION 1. NAME OF THE PETITIONER. 3 AAC 110.420(b)(1)	5
SECTION 2. PETITIONER'S REPRESENTATIVE. 3 AAC 110.420(b)(2)	5
SECTION 3. NAME AND CLASS OF THE CITY FOR WHICH A CHANGE IS PROPOSED. 3 AAC 110.420(b)(3).	6
SECTION 4. GENERAL DESCRIPTION OF THE NATURE OF THE PROPOSED BOUNDARY CHANGES 3 AAC 110.420(b)(4)	
SECTION 5. GENERAL DESCRIPTION OF THE TERRITORY PROPOSED FOR ANNEXATION. 3 AAC 110.420(b)(5).	6
SECTION 6. REASONS FOR THE PROPOSED BOUNDARY CHANGES. 3 AAC 110.420 (b)(6)	7
SECTION 7. LEGAL DESCRIPTIONS, MAPS, AND PLATS. 3 AAC 110.420(b)(7)	. 14
SECTION 8. SIZE OF THE TERRITORY PROPOSED FOR ANNEXATION. 3 AAC 110.420(b)(8)	. 15
SECTION 9. DATA ESTIMATING THE POPULATION OF THE TERRITORY PROPOSED FOR ANNEXATION. 3 AAC 110.420(b)(9)	. 15
SECTION 10. INFORMATION RELATING TO PUBLIC NOTICE AND SERVICE OF THE PETITION. 3 AAC 110.420(b)(10)	. 15
SECTION 11. TAX DATA. 3 AAC 110.420(b)(12)	. 16
SECTION 12. BUDGET INFORMATION. 3 AAC 110.420(b)(13)(B)	. 19
SECTION 13. EXISTING LONG TERM MUNICIPAL DEBT. 3 AAC 110.420(b)(14)	. 19
SECTION 14. MUNICIPAL POWERS AND FUNCTIONS. 3 AAC 110.420(b)(15)	. 20
SECTION 15. TRANSITION PLAN. 3 AAC 110.420(b)(16)	. 21
SECTION 16. COMPOSITION AND APPORTIONMENT OF THE CITY COUNCIL. 3 AAC 110.420(b)(17).	. 22
SECTION 17. SUPPORTING BRIEF. 3 AAC 110.420(b)(19)	. 22
SECTION 18. CIVIL AND POLITICAL RIGHTS INFORMATION. 3 AAC 110.420(b)(18)	
SECTION 19. DOCUMENTATION DEMONSTRATING THAT THE PETITIONER IS AUTHORIZED TO FILE THE PETITION UNDER AAC 110.410 3 AAC 110.420(b)(20)	
SECTION 20. PETITIONER'S AFFIDAVIT. 3 AAC 110.420(b)(22)	. 23
EXHIBIT A-1. PROPOSED FOR ANNEXATION	24
EXHIBIT A-2. LEGAL METES AND BOUNDS DESCRIPTION OF THE EXISTING CITY	. 26
EXHIBIT A-3. LEGAL METES AND BOUNDS DESCRIPTION OF THE EXISTING CITY POST-	
ANNEXATION	. 27
EVHIRIT A A MADS AND DIATS	20

EXHIBIT B. INFORMATION RELATING TO PUBLIC NOTICE
AND SERVICE OF THE PETITION
EXHIBIT C-1. PROJECTED REVENUES
EXHIBIT C-2. PROJECTED EXPENDITURES40
EXHIBIT C-3. PROJECTED CAPITAL EXPENDITURES
EXHIBIT D. TRANSITION PLAN
EXHIBIT E. SUPPORTING BRIEF
3 AAC 110.090 Need(a)
3 AAC 110.090 Need(b)
3 AAC 110.970 Determination of Essential Municipal Services
3 AAC 110.100 Character64
3 AAC 110.110 Resources
3 AAC 110.120 Population
3 AAC 110.130 Boundaries (a)
3 AAC 110.130 Boundaries (b)
3 AAC 110.130 Boundaries (c)
3 AAC 110.130 Boundaries (d)
3 AAC 110.135 Best Interests of State76
3 AAC 110.981. Determination of Maximum Local Self-Government
3 AAC 110.140. Legislative Review
3 AAC 110.005. Community
3 AAC 110.010. Need
3 AAC 110.020. Resources
3 AAC 110.030 Population
3 AAC 110.040 Boundaries
3 AAC 110.042 Best Interests of State
3 AAC 110.920 Determination of Community85
3 AAC 110.910 Statement of Nondiscrimination85
3 AAC 110.982 (7) Minimum Number of Local Governmental Units
EXHIBIT F. CIVIL AND POLITICAL RIGHTS INFORMATION
EXHIBIT G. DOCUMENTATION DEMONSTRATING THAT THE PETITIONER IS AUTHORIZED TO FILE THE PETITION UNDER 3 AAC 110.410

EXHIBIT H. AFFIDAVIT OF PETITIONERS REPRESENTATIVE CONCERNING SOURCE AND ACCURACY OF INFORMATION.	92
EXHIBIT I. LOCAL BOUNDARY COMMISSION DECEMBER 14, 2011 DECISION APPROVING DILLINGHAM ANNEXATION	93
EXHIBIT J. CONSULTATION REPORT	
EXHIBIT K. INFORMATION RELATED TO THE PRE-FILING/PRE-SUBMISSION PUBLIC HEARIN	

INTRODUCTION

On June 14, 2010 the City of Dillingham petitioned to annex the territory that is the subject of this petition using the "local option" method. The Local Boundary Commission approved that petition on December 14, 2011 following an extensive public process. The Commission's decision is attached as **Exhibit I** to this petition. On April 10, 2012, Dillingham voters approved this annexation.

In accordance with court orders entered in the case <u>Ekuk v. Local Boundary Commission</u>, Case No. 3DI-12-00022 CI, on June 11, 2014 the Commission adopted Resolution 14-01. Resolution 14-01 ordered the City of Dillingham to refile the June 14, 2010 petition "in accordance with the requirements for legislative review if the City desires to proceed with its petition." The City does desire to proceed with its petition.

Therefore, the Petitioner City of Dillingham hereby requests that the Local Boundary Commission grant this Petition for annexation under the "legislative review" requirements under Article X, Section 12 of the Constitution of the State of Alaska, AS 29.06.040(a and b), AS 44.33.812(a)(3), 3 AAC 110.140, 3 AAC 110.090-135 and 3 AAC 110.610(b). All exhibits attached to this petition are incorporated by reference.

SECTION 1. NAME OF THE PETITIONER. 3 AAC 110.420(b)(1).

The City incorporates by reference all information contained in Section 1 of the petition submitted June 14, 2010. For the convenience of the Commission this material is in full below. There is no supplemental material.

The name of the Petitioner is the City of Dillingham. The City of Dillingham is hereafter referred to as the "Petitioner."

SECTION 2. PETITIONER'S REPRESENTATIVE. 3 AAC 110.420(b)(2).

The City incorporates by reference all information contained in Section 2 of the petition submitted June 14, 2010 regarding petitioner's representative. For the convenience of the Commission this material is in full below, but with an **UPDATE** to who is serving as the Alternative Petitioner.

The Petitioner designates the following individual to serve as its representative in all matters concerning this annexation proposal:

Name: Alice Ruby, Mayor

Physical Address: City Hall, Dillingham Alaska

Mailing Address: P.O. Box 889

Dillingham, AK 99576

Telephone number: (907) 842-5211

Fax number: (907) 842-5691

E-mail address: mayor@dillinghamak.us

Alternative Petitioner's Representative

The Petitioner designates the following person to act as alternate representative in matters regarding the annexation proposal in the event that the primary representative is absent, resigns, or fails to perform his or her duties:

Name: Rose Loera, City Manager Physical Address: City Hall, Dillingham Alaska

Mailing Address: P.O. Box 889

Dillingham, AK 99576

Telephone number: (907) 842-5211

Fax number: (907) 842-2060

E-mail address: manager@dillinghamak.us

SECTION 3. NAME AND CLASS OF THE CITY FOR WHICH A CHANGE IS PROPOSED. 3 AAC 110.420(b)(3).

The City incorporates by reference all information contained in Section 3 of the petition submitted June 14, 2010. For the convenience of the Commission this material is in full below. There is no supplemental material.

The name and class of the city proposing annexation is listed below:

Name: City of Dillingham

Class: 1st class City

SECTION 4. GENERAL DESCRIPTION OF THE NATURE OF THE PROPOSED BOUNDARY CHANGES. 3 AAC 110.420(b)(4).

The City replaces the information contained in Section 4 of the petition submitted June 14, 2010 with what appears below.

This petition, initiated by the City under the authority of 3 AAC 110.410(a)(4), requests the Local Boundary Commission authorize the following boundary change: annexation of territory generally described as Wood River and Nushagak Bay to the City under the Legislative Review method provided for in AS 29.06.040(a-b) and 3 AAC 110.140.

SECTION 5. GENERAL DESCRIPTION OF THE TERRITORY PROPOSED FOR ANNEXATION. 3 AAC 110.420(b)(5).

The City incorporates by reference all information contained in Section 5 of the petition submitted June 14, 2010. For the convenience of the Commission this material is in full below. There is no Supplemental material attached.

The territory proposed for annexation is the Nushagak Commercial Salmon District with approximately 390.95 square miles of water and 2.83 square miles of land (Grassy Island), and, the Wood River Sockeye Salmon Special Harvest area with approximately 4.89 square miles of

water and 0.41 square miles of land (Sheep island and small island to north), together totaling 399.08 square miles of which 395.84 (99.2%) is water.

SECTION 6. REASONS FOR THE PROPOSED BOUNDARY CHANGES. 3 AAC 110.420 (b)(6).

The City incorporates by reference all information contained in Section 6 of the petition submitted June 14, 2010 as corrected by the City's errata dated September 21, 2010. For the convenience of the Commission this material is in full below, with supplemental material in bold italics inserted into the original June 14, 2010 narrative.

The reason for the proposed boundary change is to more fairly distribute the costs for providing, operating, and maintaining the public facilities and services supporting commercial fishing in Nushagak Bay. Currently, a significant number of non-residents receive the benefit of these services that directly assist them in their fishing business without contributing equitably to operation and maintenance of the city services and facilities. As an example, in the Dillingham Harbor in 2013 and 2014, 57-56 percent (respective years) of the vessels belong to people who are not Dillingham residents (this includes both skiffs and commercial fishing vessels). While everyone pays harbor use fees, this revenue does not equal the city's costs for operating and maintaining the services and infrastructure Dillingham provides to the fleet and related processors. For example, in 2013, \$75,000 was transferred from the Dock Special Revenue Fund to harbors to make up the difference between harbor fees and revenue.

2014 Dillingham City	All Harbor	Transient		
Harbor Permits	Permits	Moorage	Total	% of Total
Dillingham resident	252	0	252	44%
Local Villages resident	34	4	<i>38</i>	7%
Other Alaskan resident	95	10	105	19%
Out of State resident	164	7	171	30%
				0%
Out of Country resident	2	0	2	(Negligible)
Total	547	21	568	100%

Source: Dillingham Harbors

Like most places in Bristol Bay, fishery resources and the commercial fishing and seafood processing industries are the backbone of Dillingham's economy and integral to many residents' livelihoods and way of life. Dillingham, with its population of about 2,350 **2,431 (ADOLWD, July 2014)**, is the economic, transportation and public service center for western Bristol Bay. The region's hospital, airport, University campus, public boat harbor, all-tide dock, boat launches, its regional health, housing, community development quota (CDQ), Native for and not-for profit organizations, and more are all located in Dillingham.

The City of Dillingham's population is estimated at times to almost double during the peak fisheries months of May through August as summer residents or visitors come to town to

commercial fish in Nushagak Bay and other places in Bristol Bay or work in Dillingham-based seafood processing plants. Commercial fishermen use the City-maintained harbor, docks, boat ramps, parking areas, restrooms, bathhouse, and benefit from trash-hauling, street maintenance, etc. Fishermen harvesting in the Nushagak district use the Dillingham harbor to moor vessels, between openings, haul their vessels in and out for servicing and repair, and to get fresh water or ice. On a bad weather day, in-between longer fishery openings there can be as many as 700 vessels using the City's small boat harbor.

There were 807 unique individuals with landings in the Nushagak Commercial Salmon district in 2008, yet only 155 (19 percent) were Dillingham residents and 35 percent were non-Alaskans. In 2008, only 20 percent of the vessels with commercial fish harvest in the Nushagak District were registered to Dillingham residents and 40 percent were registered to non-Alaskans.¹

There were 729 unique individuals with landings in the Nushagak Commercial Salmon district in 2012, yet only 138 (19 percent) were Dillingham residents and 280 (38 percent) were non-Alaskans. In 2012, only 17 percent of the gill net fleet vessels with commercial fish harvest in the Nushagak District were registered to Dillingham residents and 39 percent were registered to non-Alaskans.

There were 675 unique individuals with landings in the Nushagak Commercial Salmon district in 2013, yet only 143 (21 percent) were Dillingham residents and 243 (36 percent) were non-Alaskans. In 2013, 19 percent of the gill net fleet vessels with commercial fish harvest in the Nushagak District were registered to Dillingham residents and 35 percent were registered to non-Alaskans.

This annexation and the accompanying local severance and sales tax on raw fish will provide more revenue to the City of Dillingham to help pay for services and facilities that the region's commercial fishermen and fleet use while in town and will help make the community more financially sustainable.

Data shows that in 2004 through 2008 between 56 to 66 percent of the salmon harvest in Nushagak Bay each year was delivered outside Nushagak Bay for processing. *In 2013, the percent of Nushagak Bay salmon delivered outside of the bay for processing was 46 percent*². The proposed local severance and sales tax on raw fish will allow Dillingham to collect revenue from this portion of the region's primary economic resource. Currently, neither Dillingham nor any other community in the bay area receives any State business fishery tax from the harvest of

¹ Source: CFEC gross earnings files and CFEC Vessel files. Note that a 2014 update to this data, prepared by CFEC for this revised petition, applied a slightly different methodology so that: "In 2008, only <u>18</u> percent of the commercial gillnet vessels with commercial fish harvest in the Nushagak District were registered to Dillingham residents and <u>38</u> percent were registered to non-Alaskans."

² Source: An analysis of 2004-2008 ADF&G fish ticket & COAR data, *and 2009-2013 fish ticket and COAR data*, ADF&G, Division of Commercial Fisheries.

Nushagak Bay fish that is processed elsewhere, yet Dillingham is certainly bearing costs to provide services and support for the harvest of this fishery resource.

Dillingham's per capita tax burden is ranked 21st 12th highest out of just over 80 120 reporting municipalities (2009 Alaska Taxable, 2013 Alaska Taxable, Table 3A) that levy a tax. Yet, the fees and taxes paid to the City of Dillingham by its resident and summer fisheries-related visitors are not commensurate with the cost to the City to provide services and facilities that support area commercial fisheries. Every year Dillingham uses general operating fund money (76 percent of general operating fund revenue is from local property and sales tax revenue) to help subsidize services and infrastructure that support regional fisheries³.

Following are some examples that demonstrate the expenses that Dillingham is incurring as it continues to support the regional Nushagak fisheries and fishing fleet, related processing activity, and the influx of fishery related summer visitors. These expenses demonstrate the services Dillingham provides and why it needs additional revenue from commercial fishing related activity of non-residents, a primary reason for this annexation.

Following are some examples that account for a minimum of \$330,000 in Dillingham FY 2009 to help serve the regional fisheries. Following are some examples that account for a minimum of \$404,000 in Dillingham FY 2013 in direct fisheries-related support and many additional equipment expenditures that support that are used by or support regional fisheries part of the time.

Harbors

- In Fiscal Year (FY) 09 approximately \$110,000 from Dillingham's general operating fund was transferred to harbors to make up the difference between harbor fees and actual harbor annual operating expenses which do not include the cost of contributed administrative services from the City of Dillingham paid for from the General Operating Fund. In FY 13, \$74,337 from Dillingham's Dock Special Revenue Fund was transferred to harbors to make up the difference between harbor fees received and harbor annual operating expenses.
- In the Dillingham Harbor in 2013, 57 percent of the vessels belong to people who are not Dillingham residents (this includes both skiffs and commercial fishing vessels). Of this, 28 percent are non-Alaskans and 19 percent are from outside the Bristol Bay region.
- In 2012, Dillingham purchased a Hyster 1050 H Large Forklift for approximately \$582,000.
 We keep two of these at the Dock primarily to move container vans around the yard.
 Many of our container vans are from Peter Pan and Icicle Seafood for shipping out salmon. Whether equipment purchases are direct funded by Dillingham (such as the Forklift) or grant-funded (such as the new Fire Tender truck now being constructed for \$405,000) Dillingham will pay operating and maintenance on this equipment.

³ In 2013, 62 percent of the general operating fund revenue was from property or sales taxes (excluding Nushagak Fish Tax and bonds reimbursement from the state).

- In 2012, Dillingham had a strong southeast wind and high tide, which caused significant
 erosion in the Harbor. We had to put in over approximately \$46,000 of rock in the harbor
 to shore up areas that eroded because of the wind and tide.
- The Harbor has three collection sites for waste oil from the fishing fleet.
- In April 2014 the City of Dillingham purchased a new loader for \$294,000; this is the only
 piece of equipment that it has to put the harbor floats into and out of the water. The old
 one broke down in March and there was a scramble to find another one to get on the first
 barge so that we could be ready for the 2014 fishing season.

Landfill

- Six large dumpsters are installed at the harbor or city dock and generally emptied twice a day, adding about 25% to the volume of trash hauled during those months. In 2009, this cost \$9,000, paid from the general operating fund (local taxes). In FY 2009, the City of Dillingham also transferred over \$200,000 of general operating fund money to the landfill to cover costs that exceeded fee revenue. This payment does not include the cost of contributed administrative services from the City of Dillingham paid for from the General Operating Fund. In the summer months to accommodate the fishing fleet, five large dumpsters are installed at the harbor and two at the city dock that are generally emptied twice a day, adding about 20% to the volume of trash hauled during those months. In FY 13 this cost to the city for fishery related trash hauling was approximately \$44,000, part of a larger General Fund \$220,000 transfer to cover landfill operating costs.
- In FY 2014 the City is being required by the State of Alaska Department of Environmental Conservation to stop open burning of its municipal waste. As of July 1, 2014, Dillingham has had to bury, compact and cover the garbage at an additional expense of approximately \$200,000. The City is in the process of purchasing a thermal oxidation system to dispose of municipal waste. Due to the increase in municipal waste in the summer months we had to purchase a larger system than what is needed in the winter months. The total cost of this system and the building to house it will be approximately \$2.1 million, paid from grant funds. The fuel cost for operating the incinerator will be close to \$130,000 a year for fuel.
- The City of Aleknagik closed their South Shore landfill and residents that live on the South Shore are now bringing their garbage to the Dillingham landfill. In 2014, during Dillingham's annual community clean-up the City of Aleknagik also cleaned up its community and brought two trucks loads of garbage to the dumpsters at the Harbor. This is a new, but just one more, example of how Dillingham infrastructure and services help serve a regional role.

Public Safety (police, fire, EMS)

Ten percent of 2009's total calls for service (Dillingham city dispatch) are from the fisheryrelated areas including the boat harbor, Wood River boat launch, city dock or processing
plants. Twenty percent of all calls for service in June and July are from these areas. Ten
percent of the FY 2010 public safety budget, or \$211,990. There is no additional public
safety staff in summer.

- In 2013, seven percent of total calls for service (Dillingham Police Dispatch) are from the fishery-related areas (boat harbor, Wood River boat launch, canneries, and dock area). In June and July 2013, 13 percent of all calls for service are from fishery-related areas. Using seven percent of the public safety budget as a reasonable estimate of the approximate cost of providing public safety services linked to the fishing activity in town, yields \$162,000 in 2013. As seen on the lower table below, the bulk of area public safety service is provided by the City of Dillingham.
- The Dillingham Police Department was part of a mutual response with the Alaska State Troopers on 37 occasions between May 2012 and April 2013 in the annexed waterways or the areas bordering the waterways (Ekuk, Clark's Point, Igushik, Wood River lands).

	2013 Public Safety Calls for Service												
2013 Dillingham Dispatch Data	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	ост	NOV	DEC	total
Total Calls for Service	431	418	442	480	576	606	705	599	585	524	434	468	6268
Number in fishery related areas	17	25	24	43	34	79	92	51	32	16	17	25	455
Percent of total in fishery related areas	4%	6%	5%	9%	6%	13%	13%	9%	5%	3%	4%	5%	7%

2013 Calls for Service Percentage by Agency	Police	Fire	EMS	Alaska State Troopers	Total
January	77%	1%	2%	20%	431
February	80%	1%	4%	15%	418
March	80%	1%	4%	15%	442
April	79%	1%	4%	16%	480
May	84%	1%	4%	11%	576
June	82%	1%	6%	11%	606
July	86%	1%	3%	11%	705
August	83%	1%	4%	12%	599
September	78%	1%	4%	17%	585
October	82%	1%	3%	14%	524
November	82%	1%	3%	14%	434
December	79%	1%	3%	17%	468
				Year Total	6268

Source: Dillingham Police Department

- In 2013, the Public Safety Department purchased Personal Floatation Devices for all their officers and equipped all their vehicles with floating discs to throw to someone in need in the water. The total approximate cost was \$1,000.
- The City received a bid from Spill Shield for oil containment equipment for approximately \$35,000. The oil containment equipment is expected to be in Dillingham spring of 2015.

Department of Motor Vehicles

 The average number of monthly transactions at the Dillingham DMV is 215. During the months of June and July the average amount of transactions is 416. (The City supports the building and staff for DMV.)

Water and Sewer

- The City provides drinking water and public sewer service to the Peter Pan processing plant. Each summer between 400 and 500 workers live at the plant. The City's public utility infrastructure must be sized to accommodate this seasonal influx of temporary residents without whom the fish caught by permit holders would not be able to be processed. Currently the City is undertaking a major upgrade to its wastewater treatment plant in part to increase the capability of the plant to treat sewage. The cost is estimated at approximately \$4 million. In 2012 and 2013, the City of Dillingham spent approximately \$1.56 million and \$1.68 million respectively on upgrades to its wastewater system. It still has projects that need to be completed. In total, approximately \$6.8 million will be invested. Fortunately, much of this is grant funded, however, Dillingham pays for the day-to day operation and maintenance.
- The City's drinking water supply facility was upgraded in 2010 at a cost of \$1 million. Icicle Seafoods is a new seafood processor in town (2014) and has indicated that its wells are not sufficient to meet its processing needs and would like to connect to city water. The city is currently investigating options. This is another of the many examples of how the city continually upgrades its facilities to serve the region's commercial fishing industry. The city is not complaining, but merely wishes to receive a fairer share (as many other places in the Bristol Bay region do through a local fish tax) of the revenue being generated in the Nushagak from those who live outside of Dillingham- including those from outside Alaska to help provide this infrastructure and services.

Revenue resulting from this annexation will allow Dillingham to help cover the costs listed above and others. It will allow Dillingham to provide better service to its own and neighboring community fishermen and fish processors as well as those from outside the area and state who use the City-maintained harbor, docks, boat ramps, restrooms, bathhouse, and benefit from trash-hauling, street maintenance, etc. Revenues from this annexation will also allow some improvements that will benefit all who use Dillingham's harbor related facilities. In addition added revenue will allow enhanced coordination with the Alaska State Troopers, local search and rescue volunteers and others who together enact public safety response in Dillingham. The Alaska State Troopers will continue to be the primary first responders in Nushagak River and Bay as they are now, though the City will be better able to partner and assist when appropriate (refer to the Transition Plan). The City will also provide enhanced environmental protection through an added oil spill response cache. *Note: this was accomplished in 2015.*

Totaling the expenditures from Dillingham's FY 13 General Operating Budget that are attributable to serving the commercial fishing fleet yields a minimum of \$404,000. The 2.5 % Nushagak Fish Tax generated \$848,910 that year. After the general fund expenses related to commercial fishing and other fishery and committed tax relief efforts were funded, \$364,000 remained to help pay for future commercial fishing related improvements. The 2.5% Nushagak Fish Tax was - for the two years that Dillingham collected it after the LBC approved the annexation and voters approved both the annexation and tax - allowing Dillingham to more readily pay for these services and thus provide better service to its own and neighboring community fishermen as well as those from outside the area and state who use the City-

maintained harbor, docks, boat ramps, restrooms, bathhouse, and benefit from local processors, trash-hauling, street maintenance, etc.

Dillingham FY 13 Operating & Special Revenue Fund Exper	nditures
Directly Attributable to Serving Commercial Fishing Fleet, to support a	nd Benefit Fisheries,
Commercial Fishermen, and Processors	
General Fund Comm. Fish Related Expenditure: Harbors	\$196,651
General Fund Comm. Fish Related Expenditure: Landfill	\$44,000
General Fund Comm. Fish Related Expenditure: Public Safety Response	\$162,400
General Fund Comm. Fish Related Expenditure: Public Safety: Personal Floating Devices	\$1,000
Total Expenditures, From General Fund	\$404,051
Other: 2014 Oil Containment Equipment ⁴	\$35,000
Nushagak Fish Tax Expenditure: Transfer to General Fund (to help pay \$404,051 in expenses listed above)	\$400,920
Nushagak Fish Tax Expenditure: Property Tax Payer Refund	\$10,833
Nushagak Fish Tax Expenditure: Low Income Fisher Refund	\$1,798
Nushagak Fish Tax Expenditure: Transfer to Fisheries Infrastructure Fund	\$46,422
Nushagak Fish Tax Expenditure: Transfer to Borough Study Fund	\$24,853
Total Expenditures, from Nushagak Fish Tax	\$484,826
FY 2013 2.5% Nushagak Fish Tax Revenue	\$848,910
Nushagak Fish Tax Balance, at end of FY 13, for Future Commercial Fishery Related Improvements	\$362,468

Other municipalities in this part of Alaska, which are likewise fiscally dependent on fisheries revenue also include adjacent commercial fishing district waters within their corporate boundaries. This has been explicitly permitted by the Local Boundary Commission ("Commission" or "LBC") either as a part of initial municipal incorporation or through annexation.

For example, in 1995 the LBC approved incorporation of the City of Egegik with 105 square miles of water to include the Egegik fishing district; in 1991, the LBC approved incorporating the City of Pilot Point with 115 square miles of water in the Ugashik commercial fishing district; in 1986 the LBC approved annexation of approximately 194 square miles of commercial fishing

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⁴ In 2014 the City received a bid from Spill Shield for oil containment equipment for approximately \$35,000. It was the City's intention to purchase this equipment for the 2014 summer and have it ready to present to the City. Then the annexation was remanded. The City has applied for a grant with Homeland Security Program and included a request for this equipment in July 2014.

waters into the City of St. Paul; and in 1985 the LBC approved annexation of 183 square miles of water to the City of Togiak to bring in the Togiak Bay and its commercially fished waters into the City's corporate boundary.

These communities also levy a local raw fish tax (sales or severance), including several that are within a borough where both a local city and a borough raw fish is levied and collected. Local municipalities levying a raw fish tax include Saint Paul, Unalaska, Akutan, Togiak, King Cove, Sand Point, Chignik, Pilot Point, Egegik, Aleutians East Borough, Kodiak Island Borough, Bristol Bay Borough, Lake and Peninsula Borough, and City and Borough of Yakutat (see map, Exhibit E-Supporting Brief).

The proposed annexation is in the best interest of the State, as it will promote maximum local self-government and the long-term economic vitality of the City of Dillingham, a regional hub in western Bristol Bay, Alaska, as previously expressly found by the Local Boundary Commission in its decision of December 14, 2011 (pages 13-14). In particular, the Commission determined:

"That all of the relevant standards and requirements for annexation of the territory (the Nushagak Bay Commercial Fishing Districts) are satisfied by the City of Dillingham's petition." Also, refer to Exhibit *E* - Supporting Brief, for additional detail on the reasons and justification for this annexation.

SECTION 7. LEGAL DESCRIPTIONS, MAPS, AND PLATS. 3 AAC 110.420(b)(7).

The City incorporates by reference all information contained in Section 7 of the petition submitted June 14, 2010. For the convenience of the Commission this material is in full below. There is no supplemental information.

- 1. **Legal Description of the Territory Proposed for Annexation. Exhibit A-1** provides a written metes and bounds legal description of the territory proposed for annexation.
- 2. **Legal Description of Existing City's Boundaries. Exhibit A-2** provides a legal metes and bounds description of the existing city's boundaries.
- 3. **Legal Description of Proposed Post-Annexation Boundaries.** Exhibit A-3 provides a legal metes and bounds description of the proposed post-annexation boundaries of the city.
- 4. **Maps and Plats.** Exhibit A-4 provides a map showing the existing boundaries of the city and the boundaries of the territory proposed for annexation. Any plats required by the Department of Commerce, Community, and Economic Development to demonstrate the accuracy of the legal descriptions in Exhibits A-1, A-2 or A-3 are included with the map in Exhibit A-4.

SECTION 8. SIZE OF THE TERRITORY PROPOSED FOR ANNEXATION. 3 AAC 110.420(b)(8).

The City incorporates by reference all information contained in Section 8 of the petition submitted June 14, 2010. For the convenience of the Commission this material is in full below. There is no supplemental information.

- 1. The existing city proposing annexation encompasses 33.6 square miles of land and 2.1 square miles of water.
- 2. The territory proposed for annexation encompasses approximately 395.84 square miles of water and 3.24 square miles of land (islands).
- 3. The existing city after the proposed annexation encompasses 36.84 square miles of land and approximately 397.94 square miles of water.

SECTION 9. DATA ESTIMATING THE POPULATION OF THE TERRITORY PROPOSED FOR ANNEXATION. 3 AAC 110.420(b)(9).

The City incorporates by reference all information contained in Section 9 of the petition submitted June 14, 2010. For the convenience of the Commission this material is in full below, with supplemental material in bold italics inserted within the original June 14, 2010 narrative.

- 1. The population of the territory proposed for annexation is estimated to be 1,230 **1,000** seasonal transient fishermen and crew working on (and in some cases living on) fishing vessels. (Based on 520+ non-Dillingham unique fishermen fishing in Nushagak Bay in 2013 and assuming 1 crew per fisherman).
- 2. The population within the current boundaries of the city is estimated to be 2,347 **2,395** (ADOLWD, 2008, **2013**). The summer seasonal workforce in Dillingham is estimated to be approximately 700 **820** for the two canneries and other seasonal workers from BBEDC not including fishermen (Dillingham est.).
- 3. The permanent population of the existing city after the proposed annexation is estimated to be 2,347 **2,431**. The seasonal increase in population is estimated to be approximately 1,930 **1,820 (1,000+820=1,820)**. The estimated total population in the summer (combined permanent and seasonal) after annexation is 4,277 **4,251**.

SECTION 10. INFORMATION RELATING TO PUBLIC NOTICE AND SERVICE OF THE PETITION. 3 AAC 110.420(b)(10)

The City incorporates by reference all information contained in Section 10 of the petition submitted June 14, 2010. However, this section has been replaced with the following updated information.

This public notice information regarding this annexation petition is provided in **Exhibit B.**

Since the area proposed for annexation is identical to the area described in the June 14, 2010 the public notice and service of the June 14, 2010 petition is properly considered part of the entire public process related to the proposed annexation. This is described on pages 2 and 3 of the Commission's December 14, 2011 decision attached as **Exhibit I** and in the consultation report attached as **Exhibit J**. Information specific to notice of the pre-filing public hearing held as required by 3 AAC 110.425(e) is provided in **Exhibit K**.

SECTION 11. TAX DATA. 3 AAC 110.420(b)(12).

The City incorporates by reference all information contained in Section 11 of the petition submitted June 14, 2010. For the convenience of the Commission this material is in full below, with supplemental material in bold italics inserted into the original June 14, 2010 narrative, to update it to 2013.

- 1. The assessed or estimated value of taxable property in the territory proposed for annexation. This only applies for any proposed or existing municipal government for which a change is proposed that currently levies or proposes to levy property taxes.
 - a. This subsection lists estimates or actual figures concerning the value of taxable real property in the existing city.

ASSESSED OR ESTIMATED VALUE OF TAXABLE REAL PROPERTY WITHIN THE EXISTING CITY					
Borough, City, or Service Area	Estimated or Locally Assessed Value	Estimated or Actual Full and True Value			
	value	value			
Dillingham (as of Jan. 1, 2009)	\$111,780,4777	\$129,270,800			
Source: 2009 Alaska Taxable					
Total (areawide)	\$111,780,4777	\$129,270,800			

ASSESSED OR ESTIMATED VALUE OF TAXABLE REAL PROPERTY WITHIN THE EXISTING CITY					
Borough, City, or Service Area	Estimated or Locally Assessed	Estimated or Actual Full and True			
	Value	Value			
Dillingham (as of Jan. 1, 2013)	\$121,447,150	<i>\$152,374,500</i>			
Source: 2013 Alaska Taxable					
Total (areawide)	\$121,447,150	\$152,374,500			

b. This subsection lists estimates or actual figures concerning the value of taxable personal property in the existing city.

property in the existing enty.					
ASSESSED OR ESTIMATED VALUE OF TAXABLE PERSONAL PROPERTY WITHIN THE					
	EXISTING CITY				
Borough, City, or Service Area	Estimated or Locally Assessed	Estimated or Actual Full and True			
	Value	Value			
Dillingham (as of Jan. 1, 2009)	\$36,190,636	\$47,733,700			
Source: 2009 Alaska Taxable					
Total (areawide)	\$36,190,636	\$47,733,700			
ASSESSED OR ESTIMATED VALUE OF TAXABLE PERSONAL PROPERTY WITHIN THE					
EXISTING CITY					
Borough, City, or Service Area	Estimated or Locally Assessed	Estimated or Actual Full and True			
	Value	Value			

Dillingham (as of Jan. 1, 2013)	\$40,425,968	\$53,643,100
Source: 2013 Alaska Taxable		
Total (areawide)	\$40,425,968	\$53,643,100

c. This subsection lists estimates or actual figures concerning the value of taxable real property in the territory proposed for annexation.

ASSESSED OR ESTIMATED VALUE OF TAXABLE REAL PROPERTY WITHIN THE TERRITORY PROPOSED FOR					
ANNEXATION					
Borough, City, or Service Area	ervice Area Estimated or Locally Assessed Estimated or Actual Full and True				
	Value	Value			
Area for annexation to Dillingham	\$0.00	\$0.00			
Total (areawide)	\$0.00	\$0.00			

d. This subsection lists estimates or actual figures concerning the value of taxable personal property in the territory proposed for annexation.

ASSESSED OR ESTIMATED VALUE OF TAXABLE PERSONAL PROPERTY WITHIN THE				
TERRITORY PROPOSED FOR ANNEXATION				
Borough, City, or Service Area Estimated or Locally Assessed Estimated or Actual Full and True				
Value Value Value				
Area for annexation to Dillingham	\$0.00	\$0.00		
Total (areawide) \$0.00 \$0				

e. This subsection lists estimates or actual figures concerning the value of taxable real property within existing city after the proposed annexation.

ASSESSED OR ESTIMATED VALUE OF TAXABLE REAL PROPERTY WITHIN THE EXISTING CITY AFTER THE						
	PROPOSED ANNEXATION					
Borough, City, or Service Area	Estimated or Actual Full and True					
	Value					
Dillingham (as of Jan. 1, 2009)	\$111,780,477	\$129,270,800				
Source: 2009 Alaska Taxable						
Total (areawide) \$111,780,477 \$129,270,80						

ASSESSED OR ESTIMATED VALUE OF TAXABLE REAL PROPERTY WITHIN THE EXISTING CITY AFTER THE					
PROPOSED ANNEXATION					
Borough, City, or Service Area	Borough, City, or Service Area Estimated or Locally Assessed Estimated or Actual Ful				
	Value	Value			
Dillingham (as of Jan. 1, 2013)	\$121,447,150	\$152,374,500			
Source: 2013 Alaska Taxable					
Total (areawide) \$121,447,150 \$152,374,5					

f. This subsection lists estimates or actual figures concerning the value of taxable personal property in the existing city after the proposed annexation.

ASSESSED OR ESTIMATED VALUE OF TAXABLE PERSONAL PROPERTY WITHIN THE						
EXISTI	EXISTING CITY AFTER THE PROPOSED ANNEXATION					
Borough, City, or Service Area Estimated or Locally Assessed Estimated or Actual Full and Tru						
Value		Value				
Dillingham (as of Jan. 1, 2009)	\$36,190,636	\$47,733,700				
Source: 2009 Alaska Taxable						
Total (areawide) \$36,190,636 \$47,733,7						

ASSESSED OR ESTIMATED VALUE OF TAXABLE PERSONAL PROPERTY WITHIN THE						
EXISTI	EXISTING CITY AFTER THE PROPOSED ANNEXATION					
Borough, City, or Service Area	Estimated or Actual Full and True					
	Value	Value				
Dillingham (as of Jan. 1, 2013)	\$40,425,968	\$53,643,100				
Source: 2013 Alaska Taxable						
Total (areawide)	\$53,643,100					

- 2. <u>Projected taxable sales in the territory proposed for change.</u>
 - a. The projected value of taxable sales within the existing city is estimated to be \$41,166,667 for general sales, \$600,000 for transient sales, \$2,380,000 for liquor sales, and \$1,450,000 for gaming sales (FY 10 Dillingham revised budget)
 - At the general sales tax rate of 6%, it is projected that general sales tax revenues of the existing city will equal approximately \$2,470,000 annually; (FY 10 Dillingham budget)
 - At the bed (lodging) sales tax rate of 10%, it is projected that bed sales tax revenues
 of the existing city will equal approximately \$60,000 annually; (FY 10 Dillingham
 budget)
 - At the liquor sales tax rate of 10%, it is projected that liquor sales tax revenues of the existing city will equal approximately \$238,000 annually; (FY 10 Dillingham budget)
 - At the general gaming tax rate of 6%, it is projected that gaming sales tax revenues of the existing city will approximately \$87,000 annually; (FY 10 Dillingham budget)
 - b. The projected value of taxable severance or sale of raw fish within the territory proposed for annexation is estimated to be \$28,435,335 (2000, 2005, 2008 COAR and fish ticket data, ADF&G). At a severance or sales tax rate of 2.5%, it is projected that revenues from the severance or sale of raw fish within the annexed territory will equal approximately \$710,883 annually. This tax will be structured similar to others in the region where a fish buyer (or harvester) is only responsible for paying a local raw fish tax once, either as a severance tax or as a sales tax.

At a severance tax rate of 2.5%, the tax revenue from the severance or sale of raw fish within the territory annexed is known to be \$79,523 (FY 12, fishing that occurred subsequent to the April 2012 elections), \$848,910 (FY 2013, for the June-August 2012 fishing season), and \$414,313 (FY 14, for the June, July, August 2013 fishing season prior to remand).

From these totals, \$10,833 and \$15,293 was refunded to Dillingham property owners in FY 13 and FY 14 (respectively), and \$1,998 and \$2,464 was refunded to low income participants harvesting fish subject to the severance tax in FY 13 and FY 14 (respectively).

c. The projected value of all taxable sales within the existing city after the proposed annexation is estimated to be \$74,032,002. At the tax rates of 6% general sales, 10% bed tax sales, 10% liquor tax sales, 6% gaming tax sales and 2.5% raw fish severance or sales tax, it is projected that sales and severance tax revenues of the existing city after

the proposed annexation will equal approximately \$3,575,883 each year. The value of all taxable sales within the existing city after the proposed annexation is known to be (FY 13) \$84,815,450, based on the tax rates of 6% general sales, 10% bed tax sales, 10% liquor tax sales, 6% gaming tax sales, and 2.5% raw fish severance or sales tax. These taxable sales generated \$5.56 million in FY 13.

- 3. <u>Taxes currently levied by municipal governments within the territory proposed for annexation.</u>
 - a. The type and rate of each tax currently levied by municipal governments within the territory proposed for annexation is listed below:

		General	Transient	Liquor	Gaming	Severance <u>or</u> Raw Fish
Borough, City, or	Property tax	sales Tax (%)				
Service Area	(mills)	(%)	(%)	(%)	(%)	New (with annexation)
Dillingham	13.00	6%	10%	10%	6%	2.5%

SECTION 12. BUDGET INFORMATION. 3 AAC 110.420(b)(13)(B).

The City incorporates by reference all information contained in Section 12 of the petition submitted June 14, 2010. However, this information is replaced and updated in **Exhibits C-1, C-2, and C-3.**

- Projected revenue for the period extending one fiscal year beyond the reasonably anticipated date of 3 AAC 110.420(b)(13)(A)-(C) for any existing municipality for which a change is proposed is presented in <u>Exhibit C-1</u>.
- 2. Operating expenditures for the period extending one fiscal year beyond the reasonably anticipated date of 3 AAC 110.420(b)(13)(A)-(C) for any existing municipality for which a change is proposed is presented in **Exhibit C-2.**
- 3. Capital expenditures for the period extending one fiscal year beyond the reasonably anticipated date of 3 AAC 110.420(b)(13)(A)-(C) for any existing municipality for which a change is proposed is presented in **Exhibit C-3.**
- 4. For subsections 1 through 3 above if 3 AAC 110.420(b)(13)(A)-(C) are not applicable then only one fiscal year is required.

SECTION 13. EXISTING LONG TERM MUNICIPAL DEBT. 3 AAC 110.420(b)(14).

The City incorporates by reference all information contained in Section 13 of the petition submitted June 14, 2010 and Exhibit D. *In this revised petition, Exhibit D has been eliminated and the information is simply presented below (and is identical to Exhibit D of the June 10, 2014 petition).*

The only long term debt that the city of Dillingham has is the General Obligation School Bond it will have paid off in 2028, per the terms below.

NAME/TYPE OF BOND	PURPOSE OF BOND	DATE FULLY PAID	1		
General	School	Fully paid \$15	5,105,000 in 2	028	
Obligation School	Remodel				
Bond Series A		State reimbu	rses City for 6	9% per Alaska I	Legislature
2008		State reimburses City for 69% per Alaska Legislature approved School Construction Debt Reimbursement			•
		Payment Sch	edule		
		Year			
		ending			
		June 30	principal	interest	total
		2015 \$630,000 \$546,090 \$1,176,090			
		2016 \$665,000 \$514,590 \$1,179,590			
		2017	\$695,000	\$481,340	\$1,176,340
		2018	\$725,000	\$453,540	\$1,178,540
		2019	\$750,000	\$409,540	\$1,174,540
		2020-2024	\$4,260,000	\$1,615,025	\$5,875,025
		2025-2028	\$4,180,000	\$552,758	\$4,732,758

SECTION 14. MUNICIPAL POWERS AND FUNCTIONS. 3 AAC 110.420(b)(15).

The City incorporates by reference all information contained in Section 14 of the petition submitted June 14, 2010 and Exhibit E. In this revised petition, Exhibit E has been eliminated and the information is presented below (identical to what was in the Exhibit E of the June 10, 2014 petition).

<u>Municipal Powers and Functions of Any Existing Municipality for Which Change Is Proposed</u> <u>Before the Proposed Change</u>

Powers currently exercised by the City of Dillingham are the following: Police/E911/Jail/Animal Control; Planning & Zoning/Platting/Land Use Regulation/Building Codes; Library/Museum; Utilities; Ports & Harbors; Economic Development; Education; Taxation; Streets and Street Maintenance; Parks and Recreation. Dillingham may exercise all powers not expressly prohibited by other provisions of state or federal law.

<u>Municipal Powers and Functions of Any Existing Municipality for Which Change Is Proposed</u> <u>After The Proposed Change</u>

There are no new powers or functions. However, as a result of annexation, the City of Dillingham, will change some existing powers and functions as follows:

1. Levy and collect a raw fish severance and sales tax;

- 2. Provide increased environmental protection within City boundaries by purchasing and maintaining an oil spill response cache at the City Boat Harbor and possibly in other areas. *Note: this was accomplished in 2015.*
- 3. Enhance public safety response and coordination by better support for volunteer search and rescuers, enhanced coordination with Alaska State Troopers, and crosstraining and use procedures between harbor and police for the city skiff. While the City intends to continue to assist and sometimes take the lead on public safety incident response within one-quarter to one mile off shore, the Alaska State Troopers will retain jurisdiction as the primary first responders in Nushagak River and Bay.

Current Alternative Service Providers in The Territory Proposed for Annexation

Provider	Service or Function	
Alaska State Troopers	Public Safety	
	Fish and Wildlife Enforcement	

SECTION 15. TRANSITION PLAN. 3 AAC 110.420(b)(16).

The City incorporates by reference all information contained in Section 15 of the petition submitted June 14, 2010. For the convenience of the Commission this material is in full below, with supplemental material in <u>Exhibit D</u> in bold italics inserted into the original June 14, 2010 narrative, to update it to 2013.

As provided for in 3 AAC 100.900, **Exhibit D** presents a practical plan for the transfer and integration of all relevant and appropriate assets and liabilities in the territory proposed for annexation to the existing city:

- 1. A practical plan that demonstrates the capability of the existing city to extend essential municipal services (as determined under 3 AAC 110.970) into the territory proposed for annexation within the shortest practical time after the effective date of the proposed change (not to exceed two years).
- 2. A practical plan to assume all relevant and appropriate powers, duties, rights, and functions presently exercised by an existing borough, city, unorganized borough service area, or other appropriate entity located in the territory proposed for annexation. The plan must be prepared in consultation with the officials of each existing borough, city, and unorganized borough service area and must be designed to affect an orderly, efficient, and economical transfer within the shortest practical time, not to exceed two years after the effective date of the proposed change.
- 3. A practical plan to transfer and integrate all relevant and appropriate assets and liabilities of an existing borough, city, unorganized borough service area, and other entity located within the boundaries proposed for change. The plan must be prepared in consultation with the officials of each existing borough, city, and unorganized borough service area and must be designed to affect an orderly, efficient, and economical transfer within the shortest practical time, not to exceed two years after the

- effective date of the proposed change. The plan must specifically address procedures that ensure that the transfer and integration occur without loss of value in assets, loss of credit reputation, or a reduced bond rating for liabilities.
- 4. The transition plan must state the names and titles of all officials of each existing borough, city, and unorganized borough service area that the Petitioner consulted. The dates on which that consultation occurred and the subject addressed during that consultation must also be listed.
 - a. If a prospective Petitioner has been unable to consult with officials of an existing borough, city, or unorganized borough service area because those officials have chosen not to consult or were unavailable during reasonable times to consult with a prospective Petitioner, the prospective Petitioner may request that the commission waive the requirement to consult those officials. The request for a waiver must document all attempts by the prospective Petitioner to consult with officials of each existing borough, city, or unorganized borough service area. If the commission determines that the prospective Petitioner acted in good faith and that further efforts to consult with the officials would not be productive in a reasonable period of time the commission may waive the requirement to consult.

SECTION 16. COMPOSITION AND APPORTIONMENT OF THE CITY COUNCIL. 3 AAC 110.420(b)(17).

The City incorporates by reference all information contained in Section 16 of the petition submitted June 14, 2010 and Exhibit G. *In this revised petition, Exhibit G has been eliminated and the information is presented below. It is updated to list the 2014 City Council.*

Describe the composition and apportionment of the city council of the city proposing annexation, both before and after the proposed change.

Current Composition of City Council

Alice Ruby, Mayor
Holly Johnson
Chris Maines
Misty Salvo
Curt Armstrong
Tracy Hightower
Paul Liedberg

The annexation will cause no change to the composition of the City Council or apportionment. The City of Dillingham Council is composed of a Mayor and six Council members, all of whom are elected from the city at large. The Mayor is also elected for a term of three years.

SECTION 17. SUPPORTING BRIEF. 3 AAC 110.420(b)(19).

The City incorporates by reference all information contained in Section 17 of the petition submitted June 14, 2010. For the convenience of the Commission this material is in full below.

Supplemental material is in bold and italics and added to the original June 14, 2010 narrative in Exhibit E.

Exhibit E presents a supporting brief providing a detailed explanation of how the proposed annexation serves the best interests of the state and satisfies each constitutional, statutory, and regulatory standards set out in Article I, Section 1 and Article X of the Constitution of the State of Alaska; AS 44.33.812; AS 29.06.040(b); 3 AAC 110.090 – 3 AAC 110.140; 3 AAC 110.400 – 3 AAC 110.700; and 3 AAC 110.900 – 3 AAC 110.990, and any other pertinent laws, that are relevant to the proposed annexation.

SECTION 18. CIVIL AND POLITICAL RIGHTS INFORMATION. 3 AAC 110.420(b)(18).

The City incorporates by reference all information contained in Section 18 of the petition submitted June 14, 2010. For the administrative convenience of the Commission this material is set forth in full below. No Supplemental material is attached.

Information regarding any effect of the proposed annexation upon civil and political rights for purposes of the federal Voting Rights Act of 1965 (42. U.S.C. 1971 - 1974) is provided in

<u>Exhibit F.</u> The proposed change will not deny any person the enjoyment of any civil or political right, including voting rights, because of race, color, creed, sex or national origin.

SECTION 19. DOCUMENTATION DEMONSTRATING THAT THE PETITIONER IS AUTHORIZED TO FILE THE PETITION UNDER AAC 110.410. - 3 AAC 110.420(b)(20).

The City incorporates by reference all information contained in Section 19 of the petition submitted June 14, 2010. For the convenience of the Commission this material is in full below. However, **Exhibit G** is replaced with a current updated Resolution.

A certified copy of the ordinance or resolution adopted by the City Council to authorize the filing of this Petition is provided as **Exhibit G**

SECTION 20. PETITIONER'S AFFIDAVIT. 3 AAC 110.420(b)(22).

The City incorporates by reference all information contained in Section 20 of the petition submitted June 14, 2010. For the convenience of the Commission this material is in full below. However, **Exhibit H** is replaced with a current updated version.

An affidavit from the petitioner's representative that, to the best of the representative's knowledge, information, and belief, formed after reasonable inquiry, the information in the petition is true and accurate is provided in **Exhibit H**

EXHIBIT A-1. PROPOSED FOR ANNEXATION

This is the same as Exhibit A-1 in the June 14, 2010 petition; there has been no change.

- 1. Beginning at the point where the mean high tide line is on the west bank of the Wood River intersects the north boundary of Section 35, T12S, R55W, RSSW, Seward Meridian (S.M.).;
- 2. Thence, meandering north and northwesterly along a line paralleling the mean high tide line of the west bank of the Wood River to the intersection with 59 degrees 12.11 minutes North Latitude and 158 degrees 33.38 minutes West Longitude;
- 3. Thence, east across the Wood River to mean high tide line on the east bank of the Wood River at 58 degrees 12.11 minutes North Latitude and 158 degrees 33.11 minutes West Longitude;
- 4. Thence, meandering south and southeasterly along a line paralleling the mean high tide line of the east shore of the Wood River and the northeastern shore of the Nushagak River to the intersection with R55W, S.M.;
- 5. Thence, south along the eastern boundary of Sections 12, 13 and 24, T13N, R55W, S.M. to the intersection with mean high tide line on the southern shore of Nushagak River;
- 6. Thence, meandering southerly along a line paralleling the mean high tide line of the southeastern shore of Nushagak River and Nushagak Bay, including Grass Island, and excluding the corporate boundaries of the 2nd class city of Clark's Point (as shown on certificate recorded May 11, 1971, in Book XVII, Page 299, Records of the Bristol Bay Recording District, Third Judicial District), to a point at 58 degrees 39.37 minutes North Latitude and 158 degrees 19.31 minutes West Longitude;
- 7. Thence, southwesterly to 58 degrees 33.92 minutes North Latitude and 158 degrees 24.94 minutes West Longitude;
- 8. Thence, southwesterly to 58 degrees 29.27 minutes North Latitude and 158 degrees 41.78 minutes West Longitude at the mean high tide line along the western shore of Nushagak Bay;
- 9. Thence, meandering northerly along a line paralleling the mean high tide line to a point at the intersection of mean high tide line and the Igushik River at 58 degrees 43.841 minutes North Latitude and 158 degrees 53.926 minutes West Longitude;
- 10. Thence, easterly across the Igushik River to a point at the intersection of the Igushik River's mean high tide line on its eastern shore at 58 degrees 43.904 minutes North Latitude and 158 degrees 52.818 minutes West Longitude;

- 11. Thence, meandering northerly along a line paralleling the mean high tide line of Nushagak Bay to a point at the intersection of mean high tide line and the western shore of the Snake River at 58 degrees 52.879 minutes North Latitude and 158 degrees 46.710 minutes West Longitude;
- 12. Thence, easterly across the Snake River to a point at the intersection of the Snake River's mean high tide line on its eastern shore at 58 degrees 52.988 minutes North Latitude and 158 degrees 46.030 minutes West Longitude;
- 13. Thence, meandering northerly along a line paralleling the mean high tide line of the east shore of the Nushagak Bay, to the intersection of mean high tide line and the southwest boundary of the current City of Dillingham boundary at 59 degrees and 00 minutes North Latitude;
- 14. Thence, meandering in a northeasterly direction along a line 1,000 feet east of and paralleling the mean low tide line on the west banks of the Nushagak and Wood Rivers to the Point of Beginning, containing approximately 399.08 square miles (of which 395.84 is water), all within in the Third Judicial District, Alaska.

EXHIBIT A-2. LEGAL METES AND BOUNDS DESCRIPTION OF THE EXISTING CITY

This is the same as Exhibit A-2 in the June 14, 2010 petition; there has been no change.

- 1. Beginning at the northwest corner of protracted Section 31, T12S, RSSW, Seward Meridian (S.M.);
- 2. Thence, east to a point 1,000 feet east of the mean low water line on the west bank of the Wood River at 59 degrees 12.11 minutes North Latitude and 158 degrees 33.38 minutes West Longitude;
- 3. Thence, meandering in southeasterly, southerly and southwesterly directions along a line 1,000 feet east of and paralleling the mean low water line on the west banks of the Wood and Nushagak Rivers to a point at 59 degrees 00 minutes North Latitude;
- 4. Thence, west to the intersection with the line common to Sections 3 and 4, T14S, R56W, S.M.;
- 5. Thence, north to the northwest corner of Section 3, T13S, R56W, S.M.;
- 6. Thence, west to the southwest corner of Section 31,T12S, RSSW, S.M.;
- 7. Thence, north to the northwest corner of Section 31, T12S, RSSW, S.M., the point of beginning, containing 33.6 square miles of land and 2.1 square miles of water, all within in the Third Judicial District, Alaska.

EXHIBIT A-3. LEGAL METES AND BOUNDS DESCRIPTION OF THE EXISTING CITY POST-ANNEXATION

This is the same as Exhibit A-3 in the June 14, 2010 petition; there has been no change.

Notes: A. All latitude and longitudes are in the NAD83 Geographic Coordinate System B. This boundary was emailed to LBC staff as a GIS shapefile on April 27, 2010.

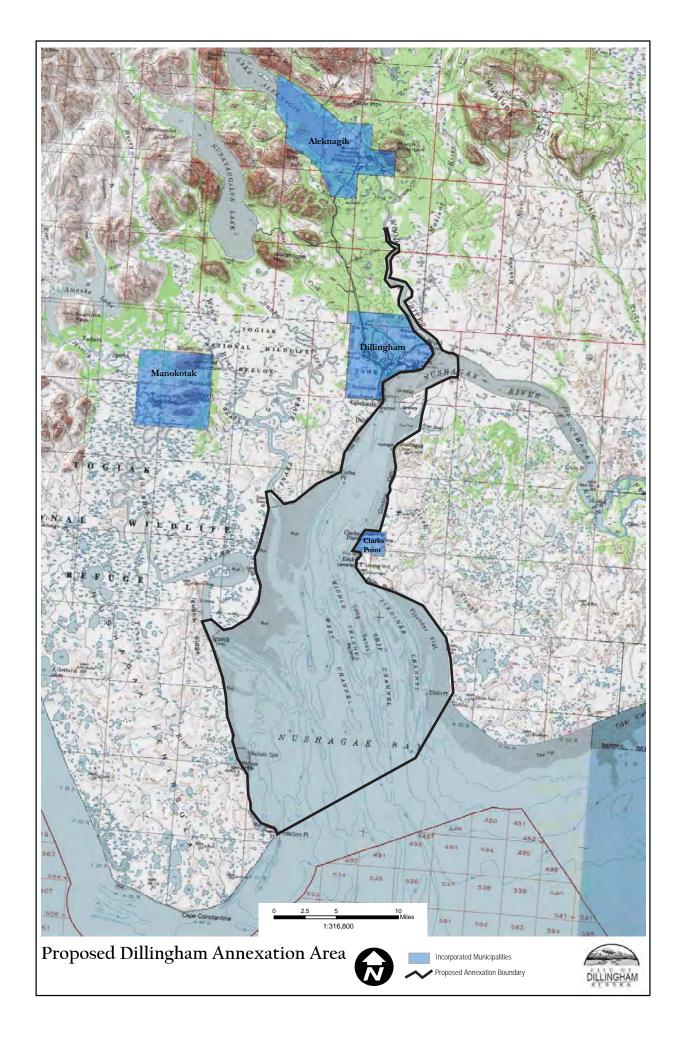
- 1. Beginning at the northwest corner of protracted Section 31, T12S, R55W, Seward Meridian (S.M.) (Map of USGS Quad Dillingham A-7, 1952);
- 2. Thence, east to the mean high tide line on the west bank of the Wood River;
- 3. Thence, meandering north and northwesterly along a line paralleling the mean high tide line of the west bank of the Wood River to the intersection with 59 degrees 12.11 minutes North Latitude and 158 degrees 33.38 minutes West Longitude;
- 4. Thence, east across the Wood River to mean high tide line on the east bank of the Wood River at 59 degrees 12.11 minutes North Latitude and 158 degrees 33.11 minutes West Longitude;
- 5. Thence, meandering south and southeasterly along a line paralleling the mean high tide line of the east shore of the Wood River and the northeastern shore of the Nushagak River to the intersection with R55W, S.M.;
- 6. Thence, south along the eastern boundary of protracted Sections 12, 13, and 24, T13N, R55W, S.M. to the intersection with mean high tide line on the southern shore of Nushagak River;
- 7. Thence, meandering southerly along a line paralleling the mean high tide line of the southeastern shore of Nushagak River and Nushagak Bay, including Grass Island, and excluding the corporate boundaries of the 2nd class city of Clark's Point (as shown on certificate recorded May 11, 1971, in Book XVII, Page 299, Records of the Bristol Bay Recording District, Third Judicial District), to a point at 58 degrees 39.37 minutes North Latitude and 158 degrees 19.31 minutes West Longitude;
- 8. Thence, southwesterly to 58 degrees 33.92 minutes North Latitude and 158 degrees 24.94 minutes West Longitude;
- 9. Thence, southwesterly to 58 degrees 29.27 minutes North Latitude and 158 degrees 41.78 minutes West Longitude at mean high tide line along the west shore of Nushagak Bay;
- 10. Thence, meandering northerly along a line paralleling the mean high tide line to a point at the intersection of mean high tide line and the Igushik River at 58 degrees 43.841 minutes North Latitude and 158 degrees 53.926 minutes West Longitude;

- 11. Thence, easterly across the Igushik River to a point at the intersection of the Igushik River's mean high tide line on its eastern shore at 58 degrees 43.904 minutes North Latitude and 158 degrees 52.818 minutes West Longitude;
- 12. Thence, meandering northerly along a line paralleling the mean high tide line of Nushagak Bay to a point at the intersection of mean high tide line and the western shore of the Snake River at 58 degrees 52.879 minutes North Latitude and 158 degrees 46.710 minutes West Longitude;
- 13. Thence, easterly across the Snake River to a point at the intersection of the Snake River's mean high tide line on its eastern shore at 58 degrees 52.988 minutes North Latitude and 158 degrees 46.030 minutes West Longitude;
- 14. Thence, meandering north easterly along a line paralleling the mean high tide line of Nushagak Bay to the intersection with the line common to the northwest corner of protracted T14S, R56W, S.M. (USGS map of Quad Nushagak Bay D-2, 1952, minor revision 1985);
- 15. Thence, west along the northern boundary of protracted Sections 1, 2, and 3, T14N, R56W, S.M. (USGS map of Quad Nushagak Bay D-2, 1952, minor revision 1985) to the northwest corner of Section 3;
- 16. Thence, north to the northwest corner of protracted Section 3, T13S, R56W, S.M. (USGS map of Quad Nushagak Bay D-2, 1952, minor revision 1985);
- 17. Thence, west to the protracted southwest corner of Section 31,T12S, RSSW, S.M. (USGS map of Quad Dillingham A-7, 1952);
- 18. Thence, north to the northwest corner of protracted Section 31, T12S, RSSW, S.M., the point of beginning, containing approximately 33.6 square miles of land and 390 square miles of water, more or less, all within in the Third Judicial District, Alaska (USGS map of Quad Dillingham A-7, 1952).

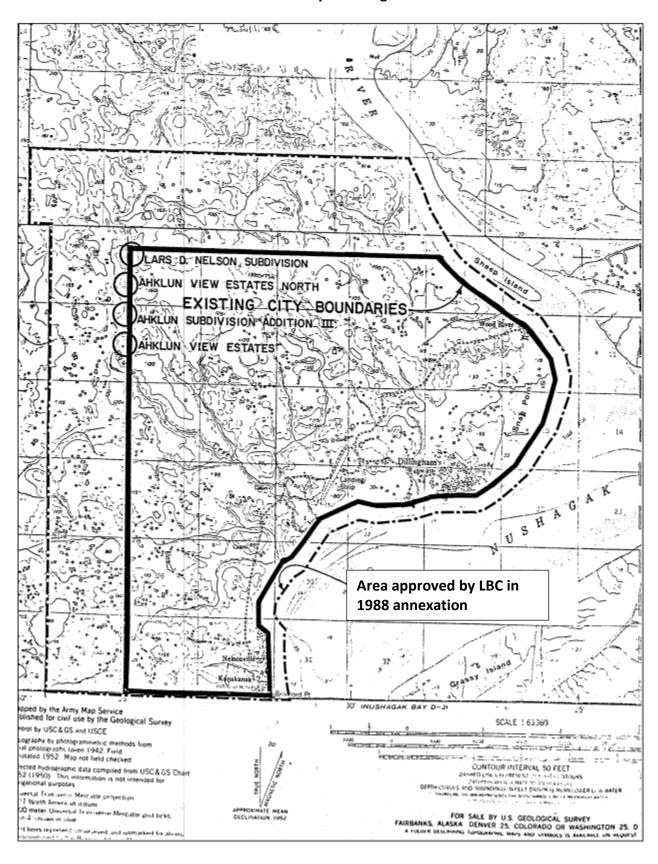
EXHIBIT A-4. MAPS AND PLATS

This is the same as Exhibit A-4 in the June 14, 2010 petition; there has been no change.

Five maps are included in this Exhibit. A map showing the area proposed for annexation, a map showing the current boundaries of the City of Dillingham, a map showing the current boundaries of the City of Clarks Point, a map showing the Nushagak Commercial Salmon District, and a map of the Wood River Special Sockeye Harvest area.

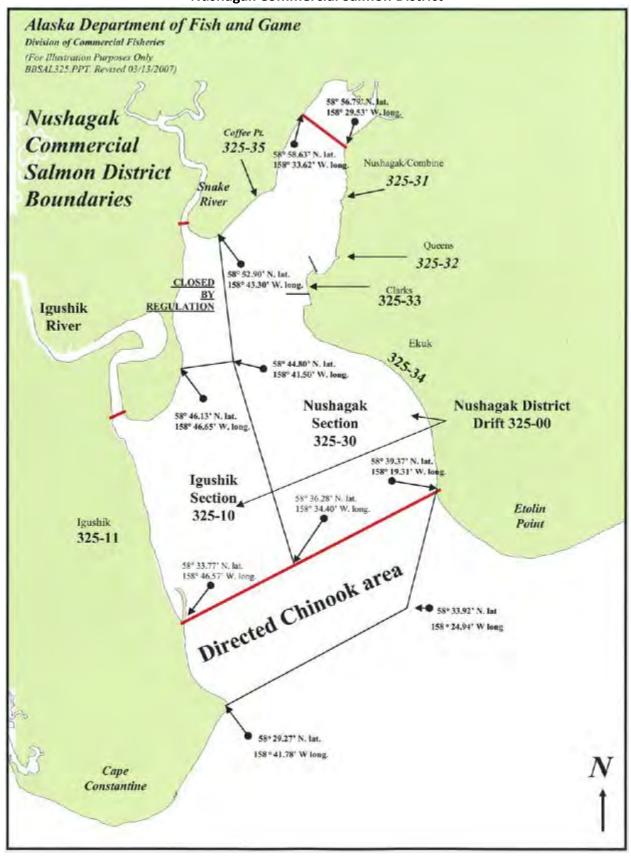


Current City of Dillingham



Current City of Clark's Point COMBINE 0 SCHOONER FLOUR by NOS/NOAA, and USCE aphy by photogrammetric methods f 1951, field annotated 1952. Map CONTOUR INTERVAL 50 FEET
DOTTED LINES REPRESENT 25F-00T COMOURS
NATIONAL GEODETIC VERTICAL DATUM OF 1500
DEPTH CURVES AND SOUNDINGS IN FEET-CATUM IS MIAN LOWER LOW WATER
SHORELINE SHOWN REPRESENTS THE APPROXIMATE LINE OF MEAN HIGH WATER
THE MEAN RANGE OF TIDE IS APPROXIMATELY TO FEET d hydrographic data compiled from NOS/NOAA 6322 (1976) FOR SALE BY U. S. GEOLOGICAL SURVEY
FAIRBANKS, ALASKA 98701, DENVER, COLORADO 80225, OR RESTON, VIRGINIA 22092
A FOLDER DESCRIBING TOPOGRAPHIC MAPS AND SYMBOLS IS AVAILABLE ON REQUEST represent unsurveyed and unmarked location ned by the Bureau of Land Management

Nushagak Commercial Salmon District



Wood River Sockeye Special Harvest Area

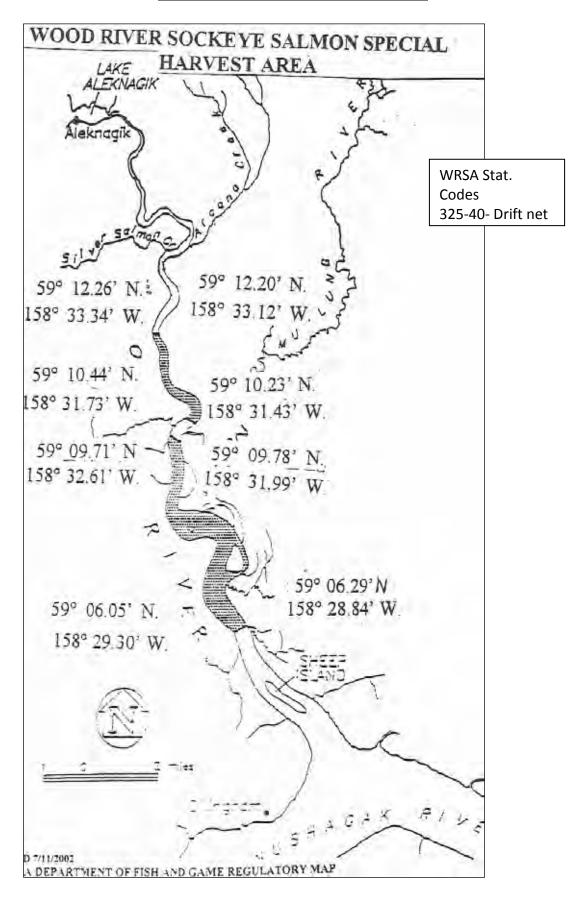


EXHIBIT B. INFORMATION RELATING TO PUBLIC NOTICE AND SERVICE OF THE PETITION

Exhibit B is revised and updated from the June 14, 2010 Petition.

This exhibit provides information relevant to public notice of this annexation petition per 3 AAC 110.450 and 3 AAC 110.460. The information includes local media; places recommended to post notices; adjacent municipalities; persons who may warrant individual notice of the filing of the petition because of their interest in this matter, and location(s) where the Petition may be viewed.

Local media

The following lists the principal news media serving the territory within the current and proposed boundaries of the city:

Newspaper(s):

Name:	Bristol Bay Times (Alaska Media LLC)			
Physical address:	500 W. International Road, Suite F Anchorage, AK 99518			
Mailing address:	PO Box 241582 Anchorage, A	AK 9952	24	
Telephone number: _	(907) 770-0820	_Fax	(907) 770-0822	
Email address:	ads@reportalaska.com			
Radio and television	station(s):			
Name:	KDLG Public Radio			
Physical address:	135 Main Street Dillingham, AK 99576			
Mailing address:	PO Box 670 Dillingham, AK 99576			
Telephone number: _	(907) 842-5281 Fax (907) 842-5645			
Email address:	kdlg@dlgsd.org			
Name:	Nushagak Cooperative			
Physical address:	557 Kenny Wren Road	Dilling	ham, AK 99576	
Mailing address:	PO Box 350 Dillingham, AK	99576		
Telephone number: _	(907) 842-5251	_Fax	(907) 842-2799	
Email address:	nushtel@nushtel.com			

Three or more prominent places readily accessible to the public and within or near the boundaries proposed for change to post notices concerning this annexation petition:

- 1. Dillingham City Hall, 141 Main Street, Dillingham
- 2. Dillingham Library, 306 D Street West, Dillingham
- 3. Dillingham Small Boat Harbor office, 15 Harbor Spur Road, Dillingham
- 4. Dillingham Senior Center
- 5. City of Dillingham website, http://www.dillinghamak.us, available anytime.
- 6. Curyung Tribal Council, 390 D Street, Dillingham
- 7. Ekuk Village Council, 300 Main Street, Dillingham
- 8. City of Aleknagik, City office, Aleknagik
- 9. Village of Aleknagik, Village office, Aleknagik

- 10. Village of Clark's Point, Village office, Clark's Point
- 11. City of Manokotak, City office, Manokotak
- 12. Village of Manokotak, Village office
- 13. Bristol Bay Borough, Borough office, Naknek
- 14. Lake and Peninsula Borough, Borough Clerk's office, King Salmon
- 15. City of Ekwok, City office, Ekwok
- 16. City of New Stuyahok, City office, New Stuyahok
- 17. New Koliganek Village Council, Village office, Koliganek

Adjacent municipalities (including service areas) whose boundaries extend within twenty miles of the current or proposed boundaries of the city:

City of Clark's Point	PO Box 110	Clarks Point, AK 99569	
City of Manokotak	PO Box 170	Manokotak, AK 99628-0170	
City of Aleknagik	PO Box 33	Aleknagik, AK 99555	
Bristol Bay Borough	PO Box 189 I	Naknek, AK 99633	
Lake and Peninsula Borough PO Box 495 King Salmon, AK 99613			

Location(s) where the petition materials will be available for public review:

Location and address	Days and times open to the public
Dillingham City Hall	8 am-5 pm - M-F
889 Main St Dillingham, AK 99576	
Dillingham Library	10 am-5 pm - M, T, TH
306 D St. Dillingham, AK 99576	10 am-6 pm - W
	12 pm-7 pm - F
	10 am-2 pm - SA
Dillingham Senior Center	8 am-4 pm – M-F
515 1 st Ave. E. Dillingham, AK 99576	
Harbor Office	8 am -5 pm – M-F
235 Harbor Rd. Dillingham, AK 99576	
City website / www.dillinghamak.us	24/7
Curyung Tribal Council, 390 D Street, Dillingham, AK 99576	8 am-4:30 pm – M-F
City of Aleknagik, City Office, Aleknagik, AK 99555	9 am-4 pm – M-F
City of Manokotak, City Office, Manokotak, AK 99628	9 am-5 pm – M-F
Village of Aleknagik, Village Office, Aleknagik, AK 99555	9 am-5 pm – M-F
Village of Clarks Point, Village Office, Clarks Point, AK 99569	9 am-4:30 pm – M-F
Ekuk Village Council, 372 Aleknagik Lake Road, Dillingham, AK 99576	8 am-4:30 pm – M-F
Village of Manokotak, Village Office, Manokotak, AK 99628	9 am-5 pm – M-F
Bristol Bay Borough, Borough Office, Box 189,	8 am- 4:30 pm – M-F
Naknek, AK 99633	
Lake and Peninsula Borough Office,	8 am-5 pm – M-F
City Clerk's Office, King Salmon, AK 99613	
City of Ekwok, City Office, PO Box 49	10 am-5 pm - M-F
Ekwok, AK, 99580-0049	
City of New Stuyahok, City Office, PO Box 10	8 am- 3 pm – M-F
New Stuyahok, AK 99636	

Individuals and entities whose potential interest in the annexation proceedings may warrant individual notice of the filing of the annexation petition.

Name	Address	Email Address
Peter Pan Seafoods	2200 6 th Ave. Suite 1000	yvonnec@ppsf.com
Attn: Yvonne Cole	Seattle, WA 98121-1820	
Peter Pan Seafoods	PO Box 410	tomw@ppsf.com
Attn: Tom Whinihan	Dillingham, AK 99576	
Leader Creek Fisheries	112 North 84 th Street	charlesh@leadercreekfisheries.com
Attn: Charlie Hensel	Seattle, WA 98103	
Ocean Beauty Seafoods	PO Box 70739	mike.robison@oceanbeauty.com
Attn: Mike Robison	Seattle, WA 98127	
Arctic Wild Salmon	12110 Business Blvd	arcticwildsalmon@gmail.com
Attn: Albert Ball Jr.	Suite 6, PMB 416	
	Eagle River, AK 99577	
Friedman Family Fisheries	6109 Pimlico Road	
Attn: Avi Friedman	Baltimore, MD 21209	
Pederson Point	PO Box 31179	AmandaB@npsi.us
Attn: Amanda Torres	Seattle, WA 98103	
FAVCO	1205 W 29 th Avenue	kristy@favco.net
Attn: Greg Favretto	Anchorage, AK 99503	·
Red Salmon Cannery	PO Box 31179	tima@npsi.us
Attn: Tim Attleson	Seattle, WA 98103	
Icicle Seafoods	PO Box 79003	irenee@icicleseafoods.com
Attn: Irene Ekstrand	Seattle, WA 98119	
Ekuk Fisheries	2442 NW Market St. #625	t.simpson@comcast.net
Attn: Tom Simpson	Seattle, WA 98107	·
Copper River Seafoods	1118 E. 5 th Avenue	slamb@crsalaska.com
Attn: Shelly Lamb	Anchorage, AK 99678	
Trident Seafoods Corp.	5303 Shilshole Ave. NW	cyaun@tridentseafoods.com
Attn: Christine Yaun	Seattle, WA 98107	
Norm Van Vactor	PO Box 1464	norm@bbedc.com
c/o Bristol Bay Economic	Dillingham, AK 99576	
Development Corporation	_	
Bristol Bay Native Association	PO Box 310	randersen@bbna.com
c/o Ralph Andersen	Dillingham, AK 99576	
AK. DCCED	P.O. Box 110800	Chris.hladick@alaska.gov
Attn: Chris Hladick,	Juneau, Alaska 99811-0800	
Commissioner		
AK. DNR	400 Willoughby Avenue, 5 th	Mark.meyers@alaska.gov
Attn: Mark Myers,	floor	
Commissioner	Juneau, Alaska 99801	

Alaska State Troopers	PO Box 950	tim.tuckwood@alaska.gov
Attn: Sgt. Tim Tuckwood	Dillingham, AK 99576	timitaekwoode alaska.gov
Alaska State Troopers	5700 E. Tudor Road	dps.ast.directors.office@alaska.gov
Attn: Col. James Cockrill,	Anchorage, AK 99507	aps.ast.ancetors.omee@araska.gov
Director	,oo.age, / 3336 /	
Alaska State Troopers	5700 East Tudor Road	gary.folger@alaska.gov
Attn: Gary Folger,	Anchorage, Alaska 99507-	Barymonger & anaskangor
Commissioner	1225	
Ekuk Village Council	PO Box 530	evc@ekukvc.net
Attn: Robert Heyano, President	Dillingham, AK 99576	erog enantemet
Manokotak Village Council	PO Box 169	kmo_villagecouncil@yahoo.com
Attn: Moses Toyukuk, Sr.	Dillingham, AK 99576	oageseamen@ /ameeneem
Clark's Point Village Council	PO Box 9	clp_villagecouncil@yahoo.com
Attn: Betty Gardiner, President	Clarks Point, AK 99569	cip_viiiagecourieii@ yarioo.com
Aleknagik Traditional Council	PO Box 115	aleknagiktraditional@yahoo.com
Attn: Margie Aloysius,	Aleknagik, AK 99555	a.cag.ika aataa aa
President	,	
Ekwok Village Council	PO Box 70	king2rick@yahoo.com
Attn: Luki Akelkok Sr., President	Ekwok, AK 99580	imiganical yang arasin
New Koliganek Village Council	PO Box 5057	newkgkvc@hotmail.com
Attn: Herman Nelson Sr., Pres.	Koliganek, AK 99576-5057	<u>newigavog noemameom</u>
New Stuyahok Traditional	PO Box 49	newstutribe@hotmail.com
Council	New Stuyahok, AK 99636	
Attn: Dennis Andrew Sr.	,	
City of Ekwok	PO Box 49	king2rick@yahoo.com
Attn: Luki Akelkok, Sr.	Ekwok, AK 99580-0049	0 0,
City of New Stuyahok	PO Box 10	cityofnewstuyahok@hotmail.com
Attn: Randy Hastings, Mayor	New Stuyahok, AK 99636	
Aleknagik Natives Ltd.	PO Box 1630	frednishimura@hotmail.com
Attn: Fred Nishimura, Manager	Aleknagik, AK 99555	
Curyung Tribal Council	PO Box 216	dorothy@curyungtribe.com
Attn: Dorothy Larson, Tribal	Dillingham, AK 99576	
Administrator	_	
Kathy Ann O'Connell co/ Matt	PO Box 331	
O'Connell	Dillingham, AK 99576	
Paul Friis-Mikkelsen	PO Box 276	
	Dillingham, AK 99576	
Southwest Region School	PO Box 90	
District	Dillingham, AK 99576	
ATTN Kay Andrews		
Bristol Bay Area Health	PO Box 130	
Corporation	Dillingham AK 99576	
ATTN: Robert Clark		
Bristol Bay Housing Authority,	PO Box 50	
ATTN: Brenda Akelkok	Dillingham AK 99576	

EXHIBIT C-1. PROJECTED REVENUES

Exhibit C-1 is revised and updated from the June 14, 2010 Petition.

The budget here assumes Legislative Review approval in FY 2017, and in FY 18 shows a transfer in from Nushagak raw fish tax to the General Fund, of \$434,242. We know since we collected this tax for two years after LBC and voter approval of the annexation, that it is reasonable to anticipate approximately \$600,000 annually.

	CITY OF DILLINGHAM	Year 1	Year 2	Year 3	Year 4
	CITT OF BILLINGHAM	Annexation	Annexation	Annexation	Annexation
		FY 2015	FY 2016	FY 2017	FY 2018
	Operating Revenue				
	LOCAL				
1	PERSONAL PROPERTY TAX	\$500,000	\$550,000	\$550,000	\$550,000
2	REAL PROPERTY TAX	\$1,500,000	\$1,600,000	\$1,600,000	\$1,600,000
3	6% SALES TAX	\$2,700,000	\$2,700,000	\$2,700,000	\$2,700,000
4	10% TRANSIENT LODGING TAX	\$85,000	\$85,000	\$85,000	\$85,000
5	10% ALCOHOL SALES TAX	\$300,000	\$300,000	\$300,000	\$300,000
6	6% GAMING TAX	\$78,000	\$75,000	\$75,000	\$75,000
7	TRANSFER FROM NUSHAGAK FISH TAX	, ,,,,,,,	\$0	\$0	\$434,242
8	subtotal, local taxes	\$5,163,000	\$5,310,000	\$5,310,000	\$5,744,242
9	PENALTY AND INTEREST (on property and sales tax)	\$73,000	\$76,000	\$76,000	\$76,000
10	subtotal penalties re: taxes	\$73,000	<i>\$76,000</i>	\$76,000	\$76,000
11	AMBULANCE FEES	\$55,000	\$55,000	\$55,000	\$55,000
12	ADMINISTRATIVE OVERHEAD	\$375,029	\$376,286	\$388,605	\$400,263
13	subtotal, other local user fees and revenue	\$430,029	\$431,286	\$443,605	\$455,263
14	subtotal, all local revenue	\$5,666,029	\$5,817,286	\$5,829,605	\$6,275,505
	STATE				
15	SHARED FISHERIES BUSINESS	\$30,000	\$20,000	\$20,000	\$20,000
16	TELEPHONE CO-OP	\$75,000	\$75,000	\$75,000	\$75,000
17	RAW FISH TAX	\$407,654	\$300,000	\$300,000	\$300,000
18	REVENUE SHARING	\$210,165	\$200,000	\$134,000	\$0
19	JAIL CONTRACT GRANT	\$641,300	\$508,000	\$508,000	\$508,000
20	DMV COMMISSION REV. & MOTOR VEHICLE TAX	\$50,000	\$50,000	\$50,000	\$50,000
21	LIBRARY	\$12,000	\$16,500	\$16,500	\$16,500
22	INTEREST REVENUE	\$30,000	\$30,000	\$30,000	\$30,000
	EQUIPMENT SALES	\$10,000	\$3,000	\$3,000	\$3,000
	STATE PERS ON BEHALF	\$294,526	\$486,183	\$486,183	\$486,183
	PROPERTY SALES	\$2,000	\$0	\$0	\$0
23	MISC REVENUE	\$237,950	\$189,169	\$158,665	\$174,571
24	subtotal, all state revenue	\$2,000,595	\$1,877,852	\$1,781,348	\$1,663,254
	FEDERAL				
25	PAYMENT IN LIEU OF TAXES	\$446,844	\$420,000	\$420,000	\$420,000
26	subtotal, all federal revenue	\$446,844	\$420,000	\$420,000	\$420,000
	SPECIAL REVENUE FUNDS (water & sewer, ports & d	ocks, harbors, lan	dfill etc.)		
	NUSHAGAK FISH TAX 2.5%	\$0	\$0	\$79,000	\$600,000
	SPECIAL REVENUE FUND GRANTS, FEES, ETC.				
	Note: This includes 70% bond reimbursement				
27	from state	\$3,700,179	\$3,900,862	\$3,954,228	\$4,006,655
28	subtotal, special revenue	\$3,700,179	\$3,900,862	\$4,033,228	\$4,606,655
1					

EXHIBIT C-2. PROJECTED EXPENDITURES

Exhibit C-2 is revised and updated from the June 14, 2010 Petition.

The budget here assumes Legislative Review approval in FY 2017, and in FY 18 shows a transfer from Nushagak raw fish tax, of \$600,000 to the Property Tax Payer Refund, Low Income Fisher Refund, General Fund, Equipment Replacement Fund, Fisheries Fund, and Borough Study Fund. We know since we collected this tax for two years after LBC and voter approval of the annexation, that it is reasonable to anticipate approximately \$600,000 annually.

	С	ITY OF DILLINGHAM	Year 1 Annexation FY 2015	Year 2 Annexation FY 2016	Year 3 Annexation FY 2017	Year 4 Annexation FY 2018
	0	perating Expenditures				
		eneral Fund				
30		CITY COUNCIL	\$86,864	\$74,350	\$74,350	\$74,350
31		ADMINISTRATION	\$309,809	\$312,478	\$315,478	\$318,478
31		FISHERY ADVISORY	7303,003	γ312, 470	γ313, 470	ψ310,470
32		CONSULTANT/ENFORCEMENT			\$20,000	\$20,000
33		CITY CLERK	\$130,310	\$138,638	\$139,638	\$140,638
34		FINANCE	\$644,503	\$629,503	\$635,503	\$640,503
35		LEGAL	\$77,000	\$90,000	\$110,000	\$110,000
36		INSURANCE	\$110,618	\$121,680	\$133,848	\$147,233
37		CITY SCHOOL	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000
38		NON-DEPARTMENTAL	\$213,400	\$195,000	\$198,000	\$200,000
39		PLANNING	\$152,563	\$141,331	\$141,331	\$141,331
		PUBLIC SAFETY ADMIN	\$178,356	\$181,356	\$184,356	\$187,356
40		DISPATCH	\$468,894	\$474,894	\$480,894	\$485,894
41		PATROL	\$846,289	\$892,426	\$902,426	\$912,426
42		CORRECTIONS	\$692,590	\$600,800	\$600,800	\$600,800
43		DMV	\$134,171	\$56,000	\$57,810	\$59,000
44		FIRE	\$294,448	\$297,591	\$297,591	\$297,591
45		ANIMAL	\$113,326	\$108,000	\$109,200	\$110,200
46		BUILDINGS AND GROUNDS	\$300,046	\$348,178	\$351,178	\$354,178
47		SHOP	\$162,018	\$398,006	\$400,006	\$402,006
48		STREETS	\$659,803	\$502,817	\$504,814	\$504,817
49		PUBLIC WORKS ADMIN	\$178,356	\$209,401	\$209,401	\$209,401
50		COMMUNITY SERVICES (LIBRARY, MISC)	\$152,372	\$147,265	\$147,265	\$147,265
51		subtotal, general expenses	\$7,205,736	\$7,219,714	\$7,313,889	\$7,363,467
	В	BOND RELATED				
52		BOND DEBT SERVICE PAYMENT	\$630,000	\$665,000	\$695,000	\$725,000
53		BOND INTEREST PAYMENT	\$546,090	\$514,590	\$481,340	\$453,540
54		bond total	\$1,176,090	\$1,179,590	\$1,176,340	\$1,178,540
	G	eneral Fund Transfers to Support Special	Revenue Fund	s		
		TRANSFER TO WATER & WASTEWATER	\$39,825			
55		TRANSFER TO LANDFILL	\$336,660	\$437,926	\$437,926	\$437,926
56		TRANSFER TO HARBOR	\$0	\$0	\$0	\$0
57		TRANSFER TO DEBT SERVICE	\$351,602	\$350,377	\$350,377	\$350,377
58		TRANSFER TO SENIOR CENTER	\$222,827	\$133,434	\$133,434	\$133,434
59		TRANSFER TO AMBULANCE RESERVE	\$50,000	\$60,500	\$60,500	\$60,500
60		TRANSFER TO EQUIPMENT REPLACEMENT	\$50,000	\$50,000	\$50,000	\$50,000

		CITY OF DILLINGHAM	Year 1 Annexation FY 2015	Year 2 Annexation FY 2016	Year 3 Annexation FY 2017	Year 4 Annexation FY 2018
		TRANSFER TO CAPITAL PROJECT PLANNING	\$20,000	\$20,000	\$20,000	\$20,000
61		Total Transfers	\$1,070,914	\$1,052,237	\$1,052,237	\$1,052,237
	S	pecial Revenue Fund Expenditures				
		Nushagak Fish Tax Expenses				
		Property Tax Payer Refund		\$0		\$15,293
		Low Income Fisher Refund		\$0		\$2,464
		Transfer to General Fund		\$0		\$434,242
		Transfer to Equipment Replacement Fund		\$0		\$100,000
		Transfer to Fisheries Fund		\$0		\$30,000
		Transfer to Borough Study Fund		\$0		\$18,000
		Total Nushagak Fish Tax Expenses		\$0	\$0	\$600,000
62		Other Special Revenue Fund Expense	\$2,949,885	\$2,746,006	\$2,712,509	\$2,705,710
63		OVERALL EXPENDITURES	\$12,402,625	\$12,197,547	\$12,254,975	\$12,899,954
64		OVERALL SURPLUS / DEFICIT	-\$588,978	-\$181,547	-\$190,794	\$65,460
		(Before GF Fund Balance Transfer)				
		Fund Balances Transfers	\$588,978	\$181,547	\$190,794	\$0
		Note: Per FY14 Audited Financial Statement the used for the Fund Balance Transfers.	re was a \$4,505,26	57 in General Fund	, Fund Balance. This	s account will b

EXHIBIT C-3. PROJECTED CAPITAL EXPENDITURES.

Exhibit C-3 is revised and updated compared to the June 14, 2010.

The capital expenditure immediately associated with the previously approved annexation in effect for two years, was the purchase of Trackless Tractor, Front end loader, Excavator, Dump Trailer and Cummins Truck. In 2015, the city completed this capital acquisition. There are no additional capital expenditures directly associated with annexation at this time. Nonetheless, the City's anticipated capital expenditures for all purposes, as requested by LBC staff on April 3, 2015, are provided below.

CITY	OF DILLINGHAM	Year 1 Annexation FY 2015	Year 2 Annexation FY 2016	Year 3 Annexation FY 2017	Year 4 Annexation FY 2018
Proje	ected Capital Expenditures				
1	Senior Center Renovation	\$40,000			
2	City Hall Front Door Replacement	\$14,000			
3	Back Hoe Replacement	\$98,000			
4	Fork Lift	\$35,000			
5	Public Safety Generator	\$21,000			
6	Fire Truck	\$368,000			
7	Incinerator & Building	\$2,100,000			
8	Landfill Expansion & cover	\$250,000			
9	Plotter/Scanner Replacement		\$12,500		
10	Public Safety/E911 Phone System		\$10,000		
11	Welder		\$19,000		
12	Yamaha Outboards		\$14,000		
13	Two Fuel Tanks		\$30,000		
14	Replace Dock Lift Station		\$850,000		
15	Replace pumps, rails & electric panels in a	II lift stations	\$125,000	\$125,000	
16	Ambulance			\$250,000	
17	Mechanics Truck			\$75,000	
18	Public Works Truck			\$24,000	
19	Patrol Vehicle (5 year vehicle lease)			\$7,200	
20	Street & Bike Path Cleaning Attachments			\$40,000	
21	E911 System Redundancy at Lake Road Fire Station			\$150,000	\$150,000
				\$130,000	\$130,000
22	2 Patrol Vehicle (5 year vehicle lease)				
23	Manitowoc Crane for Dock				\$2,000,000
	Totals by Year	\$2,926,000	\$1,060,500	\$671,200	\$2,164,400
1	 Fotal all Projected Capital Expenditures	\$6,822,100			

EXHIBIT D. TRANSITION PLAN

Supplemental material in Exhibit D is in bold italics inserted into the original June 14, 2010 narrative, to update it to 2015.

The City of Dillingham powers and functions that will change as a result of annexation are:

- 1. Levy and collect a raw fish severance and sales tax;
- 2. Provide increased environmental protection within City boundaries by purchasing and maintaining an oil spill response cache at the City Boat Harbor and possibly in other areas; and
- 3. Enhance public safety response and coordination by better support for volunteer search and rescuers, enhanced coordination with Alaska State Troopers, and cross-training and use procedures between harbor and police staffs for use of the City skiff. While the City intends to continue to assist and sometimes take the lead on public safety incident response within one-quarter to one mile off shore, the Alaska State Troopers will retain jurisdiction as the primary first responders in all of Nushagak River and Bay.

3 AAC 110.900. Transition

(a) A petition for incorporation, annexation, merger, or consolidation must include a practical plan that demonstrates the capacity of the municipal government to extend essential municipal services into the boundaries proposed for change in the shortest practicable time after the effective date of the proposed change.

The petition describes city services provided by Dillingham as a first class municipality which include education, public works, ports and harbors, public safety, tax collection, public utilities (water, sewer, landfill), roads and planning and zoning. As discussed elsewhere in this Petition, the commercial fishing community working in the area proposed for annexation is already receiving the benefits of the essential municipal services of education, public works, ports and harbors, public utilities and city roads. Dillingham's capacity to continue to provide these services will be enhanced by the expansion of the city's tax base. These services will continue to be "extended" to the territory proposed for annexation from the first day this territory is added to current city boundaries. No specific action is required. The City will simply continue to provide these services as it has done for decades.

Taxation powers will also be extended from day one. The raw fish tax has already been approved by city voters. All the collection functions were already implemented following the previously approved annexation. All that will be required is a letter to processors alerting them to the requirement to collect tax as they did during the 2012 and 2013 fishing seasons. This letter will be sent within thirty days after the deadline for a legislative veto of annexation has expired in advance of the 2017 fishing season.

There will be a transition for extension of public safety powers. This involves discussions with the Alaska State Troopers the details of which are identified in the table that is part of this exhibit D.

(c) Each petition must include a practical plan for the transfer and integration of all relevant and appropriate assets and liabilities of an existing borough, city, unorganized borough service area, and other entity located within the boundaries proposed for change.

No assets or liabilities will be transferred or integrated as a result of the proposed annexation. *There is no other entity located within the boundaries proposed for change.*

A step-by-step guide to the orderly assumption of these powers and services is provided below.

	Task	Timing	Responsible Party
1	Selecting Preferred Fish Tax Structure and Implen	nentation Method	
	Talk with city finance officers, managers and attorneys from other municipalities in region that levy a raw fish severance, sales or flat tax. Include Lake and Peninsula Borough, Bristol Bay Borough, Aleutians East Borough, Kodiak Island Borough, Togiak, Egegik, Sand Point, Chignik, Pilot Point and others. • Collect ordinances, forms, and procedures for administering local raw fish severance and sales taxes.	Accomplished	City Manager ⁸ **
	Prepare cross reference table to compare.	Accomplished	City Manager**
	Council work session(s) to confirm best method for Dillingham.	Accomplished	City Manager**
	Prepare ordinance to codify. Prepare forms and public information materials.	Accomplished	City Clerk, Finance and Attorney**
2	Initiate Raw Fish Taxes		
	Finance department builds database of fishermen and processors. Hired a consultant who assisted in preparing all this information after the election.	Accomplished	Dillingham Finance and Clerk
	Established a fish tax refund programs for those already paying Dillingham property tax, and those with low income (regardless of residency). Established Fisheries Infrastructure Fund.	Accomplished	Dillingham Finance and Clerk
	Initiate public information campaign to let fishermen and processors know about new taxes.	Accomplished	Dillingham Finance and Clerk
	Distribute registration and collection forms.	Accomplished	Dillingham Finance and Clerk
	Hold local election to approve Raw Fish Tax	Election held on April 10, 2012	Dillingham Clerk

	Table	Timing	Daguage ibla Dagte
	Task	Timing	Responsible Party
3	Public Safety		T
	Host pre-vote coordination meeting with	In early 2013, the City of	Dillingham Police
	Dillingham dispatch director, police and fire	Dillingham met with Alaska	(lead) parties to
	chiefs, port director, city manager and Alaska	State Trooper Sgt. Tuckwood	include are Alaska
	State Troopers. Discuss coordination and any	about developing a Mutual	State Troopers,
	change in procedures for public safety in areas to	Aide Agreement on Search and	Dillingham Fire
	be within city after annexation. Expected	Rescue operations in the newly	Chief, Dillingham
	scenarios:	annexed area. The State	Snow Machine
	1. Alaska State Troopers to retain primacy on	Troopers would not sign the	Club, Dillingham
	Search and Rescue operations in all	agreement.	Port Director, etc.
	areas.		
		In early February 2014, a	
	2. Alaska State Troopers retain all fish and	discussion took place in Juneau	
	wildlife powers and enforcement.	with Commissioner Folger	
		regarding the State Troopers	
	Progress in this area stopped due to the remand	not retaining primacy of the	
	and will resume once the annexation petition is	annexed area.	
	approved		
		In mid-February 2014, the City	
		revisited the issue with AST	
		Colonel James Cockrell.	
	Develop protocol for communication between		
	harbor and police so that the city skiff (now		
	exclusively used by harbor) is also available for		
	public safety.		
	public safety.		
	Determine whether there is any combination of		
	area (e.g. one quarter mile from former City		
	boundary shoreline) or incident (e.g. public		
	inebriation in a vessel) where public safety first		
	responder responsibilities should shift between		
	Alaska State Troopers to City of Dillingham police,		
	with AST back-up.		
	to 2012 the City modified by this to the		
	In 2013, the City applied but did not receive a		
	grant for a new boat through Homeland Security		
	for use by Public Safety and the Boat		
	Harbor. Public Safety does use the harbor's		
	current boat as needed when operational.		
	Coordination meeting with police-dispatch-fire-	Within 6 months after	
	harbor- troopers-other IF any transfer of	annexation approved	
	responsibilities is to take place to affirm		
	procedures and protocols.		

	Task	Timing	Responsible Party
	In the summer of 2013, the AST Dillingham Post declined to be the first responder at emergencies in the annexed waterways. However, AST brought Dillingham police officers to the scene utilizing State boats.		
	Identify and implement training schedule (harbor, police) relative to boat use and safety		
	In early 2013, the US Fish and Wildlife put on a motor boat operations training attended by US Fish and Wildlife personnel, 50% of the Dillingham Police Officers, and Alaska State Troopers. The Harbor was invited but it conflicted with their schedule. US Fish & Wildlife provides this training every 2 years.		Dillingham police, harbor, others
	In the summer of 2013 & 2014, Dillingham Police applied for a State Homeland Security grant to purchase a response boat for use by police, fire/EMS, and the port. The grant applications were both denied until a Waterways Vulnerability Study is completed by the Federal Government.	2013, 2015	
4	Oil Spill Protection		
	Identify whether a City oil spill response cache is needed in any area in addition to the boat harbor. Nushagak Electric and Delta Western have in their possession oil spill response equipment, which the City has used when needed. It was determined after the annexation that the City needed its own equipment.	Accomplished in 2014	Port Director
	Identify and purchase needed gear; locate cache. The City received a bid from Spill Shield for oil spill response equipment, and a container for about \$35,000 and completed the purchase.	Accomplished in 2014	City Council, Port Director
	Continue annual joint response exercises. Program practice responses in at-risk or environmentally sensitive areas in Wood River and Nushagak Bay.	Ongoing	Port Director

OFFICIALS CONSULTED FOR THE TRANSITION PLAN								
Name	Title & Organization	Date Consulted	Subject Discussed					
Rose Loera	Dillingham City Manager	Nov 2009 – Feb 2010	All					
Jean Barrett	Dillingham Port Director	Dec 2010- Feb 2010	Boat harbor services					
Dan Pasquariello	Dillingham Police Chief	Jan-Feb 2010	Public safety					
Sergeant Randy McPherron **	Alaska State Trooper, Dillingham	Jan-Feb 2010	Public safety					
Carol Shade	Dillingham Finance Officer	Nov 2009-Feb 2010	All					
Alaska State Trooper Sgt. Tuckwood, Public Safety Commissioner Folger, AST Colonel James Cockrell	Alaska State Troopers & Public Safety Commissioner	2012-2014	Public Safety					
Lilly Capell	Consultant	Spring 2012	Fish Tax Refunds, Proceeds, Administration					
Jody Seitz**	Dillingham Planning Director	Jan-Feb 2010	All					

^{**} This person was a source of information, they did not review the Transition Plan.

EXHIBIT E. SUPPORTING BRIEF

This Exhibit consists of a supporting brief that provides a detailed explanation of how the proposed annexation satisfies each constitutional, statutory, and regulatory standard that is relevant to the proposed annexation. The factual analysis in the Petition will be summarized to provide the analysis with reference to the main text. To avoid repetition, references are made to the appropriate section of the Petition. Much of this information is identical to what was submitted in June of 2010. *Additional information provided in 2015 is in bold and italics.* In a few places outdated information was simply deleted.

Most importantly, this Commission has already determined that proposed annexation of this territory to the City of Dillingham meets each and every applicable regulatory standard. See, Local Boundary Commission Decision Approving Petition of the City of Dillingham to annex approximately 396 square miles of submerged land and 3 square miles of land dated December 14, 2011 ("LBC Decision")⁵. Relevant language from the LBC Decision is referenced throughout this supporting brief and is also in bold and italics.

The regulations adopted by the Local Boundary Commission ("Commission" or "LBC") are contained in the Alaska Administrative Code, § 3 AAC 110.090-150. These standards are discussed sequentially and include the factors to be considered according to the regulations.

3 AAC 110.090 Need(a)

A. PER 3 AAC 110.090(A), THE TERRITORY PROPOSED FOR ANNEXATION DOES EXHIBIT A REASONABLE NEED FOR CITY GOVERNMENT. IN THIS REGARD, THE COMMISSION MAY CONSIDER RELEVANT FACTORS, INCLUDING:

(1) EXISTING OR REASONABLY ANTICIPATED SOCIAL OR ECONOMIC CONDITIONS, INCLUDING THE EXTENT TO WHICH RESIDENTIAL AND COMMERCIAL GROWTH OF THE COMMUNITY HAS OCCURRED OR IS REASONABLY EXPECTED TO OCCUR BEYOND THE EXISTING BOUNDARIES OF THE CITY DURING THE 10 YEARS FOLLOWING THE EFFECTIVE DATE OF ANNEXATION;

The existing economic condition of the territory proposed for annexation is based on a sustainable seasonal harvest of salmon. The economics of local fisheries are subject to fluctuations based on the health and management of fishery resources and the world market for wild Alaska salmon. It is reasonably anticipated that typical fluctuation in these economic

⁵ There is no reason for the Commission to ignore its earlier decision and reverse those findings in this proceeding. The Commission may consider whether any distinct requirements applicable to a legislative review petition have been satisfied including whether the City properly noticed and held the pre-filing public hearing required by 3 AAC 110.425. 3 AAC 110.140 does apply specifically to legislative review petitions, however, it does not establish substantively different standards from those contained in 3 AAC 110.090-150 addressed previously by the Commission.

conditions will occur during the next ten years. There will not be any residential growth in the area proposed for annexation. It is not practical for persons to live on the islands within the territory proposed for annexation. Economic activity in the form of commercial fishing and harvesting is addressed in 3 AAC 110.090 (a)(3) and 3 AAC 110.090(a)6).

3 AAC 110.090 NEED(A)(2). EXISTING OR REASONABLY ANTICIPATED HEALTH, SAFETY, AND GENERAL WELFARE CONDITIONS;

Health, safety and general welfare conditions are directly related to city owned and operated port and harbor facilities that support commercial fishing. It is anticipated that the fishing industry will continue to need port and harbor facilities, will continue to need roads over which to travel to vessels using those ports and harbor facilities, and will continue to desire emergency response and rescue operations to be available.

The City intends to enhance public safety response and coordination by: 1) Better support for volunteer search and rescuers (There currently is an all-volunteer group not associated with the City. The City does not intend to 'take on' search and rescue, however the City will look to more actively support these volunteers who assist the Alaska State Troopers on Search and Rescue operations); 2) Enhanced coordination with Alaska State Troopers; and 3) Cross-training and developing use procedures between harbor and police staffs for use of the City skiff. While the City intends to continue to assist and sometimes take the lead on public safety incident response within one-quarter mile of shore and to assist in incident response to areas further offshore within the territory to be annexed, the Alaska State Troopers will retain jurisdiction over these areas and will remain the primary first responders in all of Nushagak River and Bay. In the territory proposed for annexation, Alaska State Troopers (AST) report that in 2008, AST had no public safety responses and in 2009, there were four calls for assistance in these areas of which three were search and rescue⁶.

increased responsibilities in the harbor and adjacent offshore areas along with increased revenue will allow the City to purchase and maintain an oil spill response cache in the harbor to enhance environmental protection in the commercial fishing waters. Please refer to the Transition Plan (Exhibit D).

When reviewing the Dillingham Police Department's total calls for service, between May 2012 and April 2013, they had active responses, either independently or as part of a mutual response, on 37 occasions to the annexed waterways, boat harbor, City dock, canneries, or Wood River boat launch; 12 of these were search and rescue responses involving Dillingham Dispatch coordinating with Alaska State Troopers in the areas bordering the waterways (Ekuk, Clark's Point, Igusiak, Wood River lands).

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⁶ Personal communications and research, January 2010, Sergeant Randall McPherron, Alaska State Troopers, Dillingham.

3 AAC 110.090 NEED (A)(3). EXISTING OR REASONABLY ANTICIPATED ECONOMIC DEVELOPMENT;

Commercial fish harvest, processing and provisioning in Nushagak Bay, and at times in Wood River, is expected to continue. A stronger financial picture for the City of Dillingham as a result of annexation will allow it to better assist and support this economic development through improved facilities and services (see section (6) below for detail).

In 2012 the City leased two lots at the Dillingham Boat Harbor. One lot was leased to the owner of the NAPA store which provides parts, supplies and equipment for boats and automobiles. The other lot was leased to a business which provides mechanical and welding services. This business is planning to expand his lot for year round service and boat storage.

In 2013 the City of Dillingham took steps to attract larger vessels to "winter over" in Dillingham in an effort to foster development of a local vessel repair, storage and maintenance industry. The City passed an ordinance, capping the assessed valuation of commercial vessels for personal property tax purposes at \$300,000.

3 AAC 110.090 NEED(A)(4). ADEQUACY OF EXISTING SERVICES;

Existing service to the commercial fishing waters proposed for annexation and resource users therein is adequate, but can be improved. Currently user fees are not commensurate with the cost of providing facilities and services at the boat harbor, city dock and boat ramps that the commercial fishing fleet uses (see 2 AAC 110.090 Need (A)(6) below for detail).

3 AAC 110.090 NEED(A)(5). EXTRATERRITORIAL POWERS AVAILABLE TO THE CITY TO WHICH THE TERRITORY IS PROPOSED TO BE ANNEXED AND EXTRATERRITORIAL POWERS OF NEARBY MUNICIPALITIES;

The City does not exercise extraterritorial powers in the territory proposed for annexation nor do any other municipalities. Such powers are "available" under AS 29.35.020, however, the City has not sought to exercise power outside municipal boundaries. Annexation and full inclusion into the City is preferable to an extraterritorial or service area relationship. See, Alaska Constitution, Art. X, Sec. 5 ("[a] new service area shall not be established if, consistent with the purposes of this article, the new service can be provided by . . . annexation to a city").

3 AAC 110.090 NEED(A)(6). 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.

There are no permanent residents or *real* property owners within the territory. Seasonal population within the area proposed for annexation are commercial fishermen and fish buyers during May through September. *The property owned by these persons are the limited entry*

permits and their fishing vessels. This population currently receives, directly and indirectly, the benefit of services and facilities provided by the City of Dillingham in the form of port and harbor facilities and related services. These services will continue to be provided and will be enhanced as identified previously. Services and facilities include, but are not limited to, a small boat harbor, an all-tide dock, boat launch ramps, parking, water and ice availability at the harbor, trash collection at the harbor and dock areas, access to a full complement of vessel repair, equipment and storage businesses as well as seafood processing facilities, and access to a regional hospital and airport and to commercial stores for provisioning. Dillingham also provides public safety, utilities, and road maintenance services to both permit holders transiting through Dillingham on their way to the fishing grounds and to protect the shore-based fish processing facilities critical to purchase and sale of salmon harvested by permit holders in the territory to be annexed.

The City of Dillingham provides the listed services and facilities to many non-residents, reflecting the regional nature of the support Dillingham provides. These seasonal residents generally transit through Dillingham, often several times during a season as they move to and from the Nushagak fishing grounds.

The reason for the proposed boundary change is to more fairly distribute the costs for providing, operating, and maintaining the public facilities and services supporting commercial fishing in Nushagak Bay. Currently, a significant number of non-residents receive the benefit of these services that directly assist them in their fishing business without contributing equitably to operation and maintenance of the city services and facilities. As an example, in the Dillingham Harbor in 2013 and 2014, 57-56 percent (respective years) of the vessels belong to people who are not Dillingham residents (this includes both skiffs and commercial fishing vessels). While everyone pays harbor use fees, this revenue does not equal the city's costs for operating and maintaining the services and infrastructure Dillingham provides to the fleet and related processors. For example, in 2013, \$75,000 was transferred from the Dock Special Revenue Fund to harbors to make up the difference between harbor fees and revenue.

2014 Dillingham City	All Harbor	Transient		
Harbor Permits	Permits	Moorage	Total	% of Total
Dillingham resident	252	0	252	44%
Local Villages resident	34	4	38	7%
Other Alaskan resident	95	10	105	19%
Out of State resident	164	7	171	30%
				0%
Out of Country resident	2	0	2	(Negligible)
Total	547	21	568	100%

Source: Dillingham Harbors

Like most places in Bristol Bay, fishery resources and the commercial fishing and seafood processing industries are the backbone of Dillingham's economy and integral to many residents' livelihoods and way of life. Dillingham, with its population of about 2,395 (ADOLWD, July 2013), is the economic, transportation and public service center for western

Bristol Bay. The region's hospital, airport, University campus, public boat harbor, all-tide dock, boat launches, its regional health, housing, community development quota (CDQ), Native for and not-for profit organizations, and more are all located in Dillingham.

The City of Dillingham's population is estimated at times to almost double during the peak fisheries months of May through August as summer residents or visitors come to town to commercial fish in Nushagak Bay and other places in Bristol Bay or work in Dillingham-based seafood processing plants. Commercial fishermen use the City-maintained harbor, docks, boat ramps, parking areas, restrooms, bathhouse, and benefit from trash-hauling, street maintenance, etc. Fishermen harvesting in the Nushagak district use the Dillingham harbor to moor vessels, between openings, haul their vessels in and out for servicing and repair, and to get fresh water or ice. On a bad weather day, in-between longer fishery openings there can be as many as 700 vessels using the City's small boat harbor.

There were 729 unique individuals with landings in the Nushagak Commercial Salmon district in 2012, yet only 138 (19 percent) were Dillingham residents and 280 (38 percent) were non-Alaskans. In 2012, only 17 percent of the gill net fleet vessels with commercial fish harvest in the Nushagak District were registered to Dillingham residents and 39 percent were registered to non-Alaskans.

There were 675 unique individuals with landings in the Nushagak Commercial Salmon district in 2013, yet only 143 (21 percent) were Dillingham residents and 243 (36 percent) were non-Alaskans. In 2013, 19 percent of the gill net fleet vessels with commercial fish harvest in the Nushagak District were registered to Dillingham residents and 35 percent were registered to non-Alaskans.

This annexation and the accompanying local severance and sales tax on raw fish will provide more revenue to the City of Dillingham to help pay for services and facilities that the region's commercial fishermen and fleet use while in town and will help make the community more financially sustainable.

Data shows that in 2013, the percent of Nushagak Bay salmon delivered outside of the bay for processing was 46 percent⁷. The proposed local severance and sales tax on raw fish will allow Dillingham to collect revenue from this portion of the region's primary economic resource. Currently, neither Dillingham nor any other community in the bay area receives any State business fishery tax from the harvest of Nushagak Bay fish that is processed elsewhere, yet Dillingham is certainly bearing costs to provide services and support for the harvest of this fishery resource.

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⁷ Source: An analysis of 2004-2008 ADF&G fish ticket & COAR data, and 2009-2013 fish ticket and COAR data, ADF&G, Division of Commercial Fisheries.

Dillingham's per capita tax burden is ranked 12th highest out of just over 120 reporting municipalities (2009 Alaska Taxable, 2013 Alaska Taxable, Table 3A) that levy a tax. Yet, the fees and taxes paid to the City of Dillingham by its resident and summer fisheries-related visitors are not commensurate with the cost to the City to provide services and facilities that support area commercial fisheries. Every year Dillingham uses general operating fund money (76 percent of general operating fund revenue is from local property and sales tax revenue) to help subsidize services and infrastructure that support regional fisheries⁸.

Following are some examples that demonstrate the expenses that Dillingham is incurring as it continues to support the regional Nushagak fisheries and fishing fleet, related processing activity, and the influx of fishery related summer visitors. These expenses demonstrate the services Dillingham provides and why it needs additional revenue from commercial fishing related activity of non-residents, a primary reason for this annexation.

Following are some examples that account for a minimum of \$430,000 in Dillingham FY 2013 expenditures to help serve the regional fisheries:

Harbors

- In Fiscal Year (FY) 09 approximately \$110,000 from Dillingham's general operating fund
 was transferred to harbors to make up the difference between harbor fees and actual
 harbor annual operating expenses. In FY 13, \$74,337 from Dillingham's Dock Special
 Revenue Fund was transferred to harbors to make up the difference between harbor fees
 received and harbor annual operating expenses.
- In the Dillingham Harbor in 2013, 57 percent of the vessels belong to people who are not Dillingham residents (this includes both skiffs and commercial fishing vessels). Of this, 28 percent are non-Alaskans and 19 percent are from outside the Bristol Bay region.
- In 2012, Dillingham purchased a Hyster 1050 H Large Forklift for approximately \$582,000.
 We keep two of these at the Dock primarily to move container vans around the yard.
 Many of our container vans are from Peter Pan and Icicle Seafood for shipping out salmon. Whether equipment purchases are direct funded by Dillingham (such as the Forklift) or grant-funded (such as the new Fire Tender truck now being constructed for \$405,000) Dillingham will pay operating and maintenance on this equipment.
- In 2012, Dillingham had a strong southeast wind and high tide, which caused significant
 erosion in the Harbor. We had to put in over approximately \$46,000 of rock in the harbor
 to shore up areas that eroded because of the wind and tide.
- The Harbor has three collection sites for waste oil from the fishing fleet.
- In April 2014 the City of Dillingham purchased a new loader for \$294,000; this is the only
 piece of equipment that it has to put the harbor floats into and out of the water. The old

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 $^{^{8}}$ In 2013, 62 percent of the general operating fund revenue was from property or sales taxes (excluding Nushagak Fish Tax and bonds reimbursement from the state).

one broke down in March and there was a scramble to find another one to get on the first barge so that we could be ready for the 2014 fishing season.

Landfill

- In the summer months to accommodate the fishing fleet, five large dumpsters are installed at the harbor and two at the city dock that are generally emptied twice a day, adding about 20% to the volume of trash hauled during those months. In FY 13 this cost to the city for fishery related trash hauling was approximately \$44,000, part of a larger General Fund \$220,000 transfer to cover landfill operating costs.
- In FY 2014 the City is being required by the State of Alaska Department of Environmental Conservation to stop open burning of its municipal waste. As of July 1, 2014, Dillingham has had to bury, compact and cover the garbage at an additional expense of approximately \$200,000. The City is in the process of purchasing a thermal oxidation system to dispose of municipal waste. Due to the increase in municipal waste in the summer months we had to purchase a larger system than what is needed in the winter months. The total cost of this system and the building to house it will be approximately \$1.2 million, paid from grant funds.
- The City of Aleknagik closed their South Shore landfill and residents that live on the South Shore are now bringing their garbage to the Dillingham landfill. In 2014, during Dillingham's annual community clean-up the City of Aleknagik also cleaned up its community and brought two trucks loads of garbage to the dumpsters at the Harbor. This is a new, but just one more, example of how Dillingham infrastructure and services help serve a regional role.

Public Safety (police, fire, EMS)

- Ten percent of 2009's total calls for service (Dillingham city dispatch) are from the fisheryrelated areas (the boat harbor, Wood River boat launch, city dock or processing plants).
 Twenty percent of all calls for service in June and July are from these areas
- In 2013, seven percent of total calls for service (Dillingham Police Dispatch) are from the fishery-related areas (boat harbor, Wood River boat launch, canneries, and dock area). In June and July 2013, 13 percent of all calls for service are from fishery-related areas. Using seven percent of the public safety budget as a reasonable estimate of the approximate cost of providing public safety services linked to the fishing activity in town, yields \$162,000 in 2013. As seen on the lower table below, the bulk of area public safety service is provided by the City of Dillingham.
- The Dillingham Police Department was part of a mutual response with the Alaska State Troopers on 37 occasions between May 2012 and April 2013 in the annexed waterways or the areas bordering the waterways (Ekuk, Clark's Point, Igushik, Wood River lands).

	2013 Public Safety Calls for Service												
2013 Dillingham Dispatch Data	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	ост	NOV	DEC	total
Total Calls for Service	431	418	442	480	576	606	705	599	585	524	434	468	6268
Number in fishery related areas	17	25	24	43	34	79	92	51	32	16	17	25	455
Percent of total in fishery related areas	4%	6%	5%	9%	6%	13%	13%	9%	5%	3%	4%	5%	7%

2013 Calls for Service Percentage by Agency	Police	Fire	EMS	Alaska State Troopers	Total
January	77%	1%	2%	20%	431
February	80%	1%	4%	15%	418
March	80%	1%	4%	15%	442
April	79%	1%	4%	16%	480
May	84%	1%	4%	11%	576
June	82%	1%	6%	11%	606
July	86%	1%	3%	11%	705
August	83%	1%	4%	12%	599
September	78%	1%	4%	17%	585
October	82%	1%	3%	14%	524
November	82%	1%	3%	14%	434
December	79%	1%	3%	17%	468
				Year Total	6268

Source: Dillingham Police Department

- In 2013, the Public Safety Department purchased Personal Floatation Devices for all their officers and equipped all their vehicles with floating discs to throw to someone in need in the water. The total approximate cost was \$1,000.
- The City received a bid from Spill Shield for oil containment equipment for approximately \$35,000 and is working to complete this purchase.

Department of Motor Vehicles

• The average number of monthly transactions at the Dillingham DMV is 215. During the months of June and July the average amount of transactions is 416.

Water and Sewer

- The City provides drinking water and public sewer service to the Peter Pan processing plant. Each summer between 400 and 500 workers live at the plant. The City's public utility infrastructure must be sized to accommodate this seasonal influx of temporary residents without whom the fish caught by permit holders would not be able to be processed. Currently the City is undertaking a major upgrade to its wastewater treatment plant in part to increase the capability of the plant to treat sewage. The cost is estimated at approximately \$4 million. In 2012 and 2013, the City of Dillingham spent approximately \$1.56 million and \$1.68 million respectively on upgrades to its wastewater system. It still has projects that need to be completed. In total, approximately \$6.8 million will be invested. Fortunately, much of this is grant funded, however, Dillingham pays for the day-to day operation and maintenance.
- The City's drinking water supply facility was upgraded in 2010 at a cost of \$1 million. Icicle Seafoods is a new seafood processor in town (2014) and has indicated that its wells are

not sufficient to meet its processing needs and would like to connect to city water. The city is currently investigating options. This is another of the many examples of how the city continually upgrades its facilities to serve the region's commercial fishing industry. The city is not complaining, but merely wishes to receive a fairer share (as many other places in the Bristol Bay region do through a local fish tax) of the revenue being generated in the Nushagak from those who live outside of Dillingham- including those from outside Alaska - to help provide this infrastructure and services.

Revenue resulting from this annexation will allow Dillingham to help cover the costs listed above and others. It will allow Dillingham to provide better service to its own and neighboring community fishermen and fish processors as well as those from outside the area and state who use the City-maintained harbor, docks, boat ramps, restrooms, bathhouse, and benefit from trash-hauling, street maintenance, etc. Revenues from this annexation will also allow some improvements that will benefit all who use Dillingham's harbor related facilities. In addition added revenue will allow enhanced coordination with the Alaska State Troopers, local search and rescue volunteers and others who together enact public safety response in Dillingham. The Alaska State Troopers will continue to be the primary first responders in Nushagak River and Bay as they are now, though the City will be better able to partner and assist when appropriate (refer to the Transition Plan). The City will also provide enhanced environmental protection through an added oil spill response cache, to be acquired shortly.

Totaling the expenditures from Dillingham's FY 13 General Operating Budget that are attributable to serving the commercial fishing fleet yields a minimum of \$404,000. The 2.5 % Nushagak Fish Tax generated \$848,910 that year. After the general fund expenses related to commercial fishing and other fishery and committed tax relief efforts were funded, \$364,000 remained to help pay for future commercial fishing related improvements. The 2.5% Nushagak Fish Tax was - for the two years that Dillingham collected it after the LBC approved the annexation and voters approved both the annexation and tax - allowing Dillingham to more readily pay for these services and thus provide better service to its own and neighboring community fishermen as well as those from outside the area and state who use the Citymaintained harbor, docks, boat ramps, restrooms, bathhouse, and benefit from local processors, trash-hauling, street maintenance, etc.

Dillingham FY 13 Operating & Special Revenue Fund Expenditures	
Directly Attributable to Serving Commercial Fishing Fleet, to support and Benej	fit Fisheries,
Commercial Fishermen, and Processors	
General Fund Comm. Fish Related Expenditure: Harbors	\$196,651
General Fund Comm. Fish Related Expenditure: Landfill	\$44,000
General Fund Comm. Fish Related Expenditure: Public Safety Response	\$162,400
General Fund Comm. Fish Related Expenditure: Public Safety: Personal Floating Devices	\$1,000
Total Expenditures, From General Fund	\$404,051
Other: 2014 Oil Containment Equipment ⁹	\$35,000
Nushagak Fish Tax Expenditure: Transfer to General Fund (to help pay \$404,051 in expenses listed above)	\$400,920
Nushagak Fish Tax Expenditure: Property Tax Payer Refund	\$10,833
Nushagak Fish Tax Expenditure: Low Income Fisher Refund	\$1,798
Nushagak Fish Tax Expenditure: Transfer to Fisheries Infrastructure Fund	\$46,422
Nushagak Fish Tax Expenditure: Transfer to Borough Study Fund	\$24,853
Total Expenditures, from Nushagak Fish Tax	\$484,826
FY 2013 2.5% Nushagak Fish Tax Revenue	\$848,910
Nushagak Fish Tax Balance, at end of FY 13, for Future Commercial Fishery Related Improvements	\$362,468

Other municipalities in this part of Alaska, which are likewise fiscally dependent on fisheries revenue also include adjacent commercial fishing district waters within their corporate boundaries. This has been explicitly permitted by the Local Boundary Commission ("Commission" or "LBC") either as a part of initial municipal incorporation or through annexation.

For example, in 1995 the LBC approved incorporation of the City of Egegik with 105 square miles of water to include the Egegik fishing district; in 1991, the LBC approved incorporating the City of Pilot Point with 115 square miles of water in the Ugashik commercial fishing district; in 1986 the LBC approved annexation of approximately 194 square miles of commercial fishing waters into the City of St. Paul; and in 1985 the LBC approved annexation of 183 square miles of water to the City of Togiak to bring in the Togiak Bay and its commercially fished waters into the City's corporate boundary.

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⁹ In 2014 the City received a bid from Spill Shield for oil containment equipment for approximately \$35,000. It was the City's intention to purchase this equipment for the 2014 summer and have it ready to present to the City. Then the annexation was remanded. The City has applied for a grant with Homeland Security Program and included a request for this equipment in July 2014.

These communities also levy a local raw fish tax (sales or severance), including several that are within a borough where both a local city and a borough raw fish is levied and collected. Local municipalities levying a raw fish tax include Saint Paul, Unalaska, Akutan, Togiak, King Cove, Sand Point, Chignik, Pilot Point, Egegik, Aleutians East Borough, Kodiak Island Borough, Bristol Bay Borough, Lake and Peninsula Borough, and City and Borough of Yakutat (see map, Exhibit E-Supporting Brief).

The proposed annexation is in the best interest of the State, as it will promote maximum local self-government and the long-term economic vitality of the City of Dillingham, a regional hub in western Bristol Bay, Alaska, as previously expressly found by the Local Boundary Commission in its decision of December 14, 2011 (pages 13-14). In particular, the Commission has already determined:

"That all of the relevant standards and requirements for annexation of the territory (the Nushagak Bay Commercial Fishing Districts) are satisfied by the City of Dillingham's petition."

Detail on Dillingham Harbor, Launch and Port Facilities serving the Commercial Fisheries Fleet

The Dillingham small boat harbor was constructed in 1960 as a half tide harbor. It is used as a commercial fishing base by Dillingham and surrounding community's residents, and plays a large role in the economic base of the community. Both the harbor staff and police dispatch monitor VHF Channel 16, 24 hours a day to provide public safety services to the fishing fleet. The harbor department has a 22 ft. skiff with multiple engines available for its use. Within the City, the police and fire departments provide emergency response and outside the City, the Alaska State Troopers are the primary responders.

The Dillingham boat harbor has two seasonal floats located on the east and south harbor banks. During the summer and non-ice months, vessels (when not fishing) are commonly rafted to one another and to the seasonal floats. Many live aboard their vessels during fishing season. The lighted small boat harbor offers safe haven and access to town, the airport and hospital. Services available at the harbor include a crane, 20-ton ice machine, new bathhouse and showers, limited electricity available onshore, potable water available on each float, and garbage and oil collection. Other City of Dillingham services that significantly increase in the summer to help support the fishing fleet and processing industry include police, fire and EMS calls, use of the hospital and medical clinic, and increased streets, grounds and facility maintenance.

Deposition from the silty Nushagak River requires dredging of the Dillingham small boat harbor every year. After the ice is out and beginning about May 15 each year the Corps of Engineers funds a full month of 24 hours a day/7 days a week dredging to lower the harbor to -2 ft. below sea level. Erosion of the harbor's banks and walls is occurring throughout. Erosion at the west bank of the harbor entrance is jeopardizing a major fuel distribution center. Erosion along the east bank is eliminating parking, affecting operation of the floats, reducing the access road width, and jeopardizing electrical and water service.

The City of Dillingham has implemented steady upgrades to the harbor. During 2008-2009, improvements included:

- 1. installation of a new north boat ramp of interlocking precast concrete planks,
- 2. addition of an 0.8 acre parking area,
- 3. addition of 150 ft. of shoreline protection,
- 4. float extensions installed along the east side of the harbor,
- 5. installation of a tote dumper and hopper system, and
- 6. new concrete pads for the south boat ramp.

During summer of 2010 improvements included:

- 1. a 250 ft. long sheetpile bulkhead extension,
- 2. fill will be installed at the north end,
- 3. a new crane that will allow up to ½ ton of ice at a time to be lowered onto boats.

Many of these improvements are funded by federal or state grants, however, the cost of maintaining the expanded facilities will fall entirely on the City.

The operations and maintenance costs are significant. For example, in August 2012 a portion of the "All-Tide Dock" owned and operated by the City failed. The cost of emergency and long term repairs exceeded \$400,000. Some but not all of this was covered by insurance (itself an ongoing recurring expense). None of the cost was paid by a state grant. This is a glimpse of Dillingham's future. Even grant funded infrastructure requires ongoing city-funded repairs, operation and maintenance.

In 2012, the City leased two lots at the Dillingham Boat Harbor. One lot was leased to the owner of the NAPA store which provides parts, supplies and equipment for boats and automobiles. The other lot was leased to Motive Power Marine, which provides mechanical and welding services and is planning to expand to lease additional property for year round service and boat storage.

In 2013, the City of Dillingham passed an ordinance, for boats used for commercial purposes, the amount of the assessed valuation over \$300,000 is not taxable. A local business proposed this to the council to be able to haul larger vessels onto their property over the winter, which could bring more work for local businesses.

The harbor still needs several improvements to include:

- 1. Continuing installation (beyond the 250 ft. accomplished in 2010) of a sheet pile bulkhead around the north, east and south sides of the harbor would create a true basin and contain erosion and siltation.
- 2. Bulkhead installation along the east side should be accompanied by electrical and water upgrades and sewer installation.
- 3. Existing utilities are now in jeopardy of exposure due to erosion and are also subject to freeze/thaw problems.
- 4. Fire hydrants should be installed or upgraded.

- 5. Upgrade and installation of utilities along the east side of the harbor is also needed where there is strong interest in making lots available for lease.
- 6. In addition to utilities, the property boundary on the east end of the harbor needs better definition, possibly accompanied by relocating the access road and PAF Marine easterly.
- 7. New floats designed to rise and drop with the tides, rather than the pivoting arm design now employed, should be installed to allow boats to get closer to the bulkhead. This will increase the number of vessels that can safely moor and will provide more secure vessel loading and unloading.
- 8. There is also interest in installation of a 24 by 100 ft. grid for working on boats on the east side of the new bulkhead at the north end of the harbor. This would allow users to repair or service vessels during low tides without having to pull the boat completely out of the water and onto shore.
- 9. Another potential improvement to assist with boat repair and maintenance would be installation of a facility to allow a vessel to tie to a bulkhead and sit evenly on its keel as tides change.

The Corps of Engineers has completed design and permitting for an Emergency Bank Stabilization project necessary to protect from wave action from the bay and increasing erosion inside the harbor. The project would entail the installation of a rock revetment to prevent erosion on the south side of the harbor adjacent to the Bristol Alliance tank farm. The anticipated cost of the project is \$21.5 million. The Corps of Engineers was going to fund the project, but after Hurricane Katrina the Corp instituted a 25% match to their fund, which at \$5.4 million, is greater than the City can raise through general fund revenue. The harbor is the cornerstone of local and regional economic development and has been the City's top federal funding priority for many years.

The open space at the southeast end of the boat harbor is Dillingham's only waterfront public space and heavily used by the community. There are multiple large events there each summer. This area needs water and electricity, restrooms and a pavilion and a ramp for access to the beach.

The Wood River boat launch is regularly used by area residents, the commercial fishing fleet, hunters and sport fishermen. Improvements are needed to the parking area next to the launch. The river course has changed and is now depositing a lot of silt in front of the old wooden bulkhead. A steel bulkhead is needed with an access ramp positioned in the middle. *The current bulkhead is built out of wood and is in very poor shape.*

A fleet of setnetters launch from Dillingham's Kanakanak boat launch each year. This facility needs a parking area, access road upgrade, and ramp improvements to make it accessible at a wider tidal range.

The narrative above describes some of the improvements to be constructed and maintained by the City of Dillingham that the territory's fishing fleet can reasonably expect to receive and benefit from over time.

Finally, note that in its December 11, 2011 decision on this same proposal to annex commercial fishing waters to Dillingham, the Local Boundary Commission found, "[T]he territory proposed to be annexed, is receiving, at the present and through the foreseeable future, the benefit of services and facilities provided by the annexing city. The petitioner has continued to provide municipal services. These services would not be available to the fishery industry within the Nushagak Bay area if it were not for the city providing them. As a responsible local government entity, the city has continually provided these services at the expense of its residents and to the point of unsustainability. The proposed annexation will benefit the region as well as the city. The commission finds that 110.090 has been met." See Exhibit I - LBC Decision page 6.

3 AAC 110.090 Need(b)

B. IN ACCORDANCE WITH 3 AAC 110.090(B); ESSENTIAL MUNICIPAL SERVICES [DETERMINED UNDER 3 AAC 110.970] CAN BE PROVIDED MORE EFFICIENTLY AND MORE EFFECTIVELY BY THE CITY OF DILLINGHAM THAN BY ANOTHER EXISTING CITY OR BY AN ORGANIZED BOROUGH, ON AN AREAWIDE OR NON-AREAWIDE BASIS, OR THROUGH AN EXISTING BOROUGH SERVICE AREA THAT, IN THE DETERMINATION OF THE COMMISSION, WAS ESTABLISHED IN ACCORDANCE WITH ART. X, SEC. 5 OF ALASKA'S CONSTITUTION.

There is no existing city or borough that can provide services and facilities more efficiently or effectively to the Nushagak Bay commercial fleet and the Wood River fishermen.

3 AAC 110.970(d) indicates a city's essential municipal services may include, levying and collecting taxes, operating a public school system, land use regulation, providing public safety services and "other services the Commission deems reasonably necessary to meet the local government needs of the residents of the community". As previously discussed, the "community" within the territory proposed for annexation is a seasonal commercial fishing community whose need for public services is limited to port and harbor facilities, landfill services, and public safety. All of these services may be provided more efficiently by Dillingham than by any other existing city or by the Bristol Bay or Lake and Peninsula Boroughs.

Many fishermen in addition to Dillingham residents' commercial fish in Nushagak Bay, and sometimes from Wood River, however, services and facilities that support these fisheries are now provided almost exclusively by and through the City of Dillingham. When the Commission considered similar petitions in 1986, Clark's Point had a large seafood support facility within its corporate boundary that supported the fleet by providing a dock, storing boats, providing a place to work on fishing boats, housing fishermen, feeding fishermen etc. However, in 2000-2001, Trident shuttered and disassembled its Clark's Point plant. There is no public dock, boat harbor or other facilities or services in Clark's Point any longer that support the fishing fleet. Today, the Nushagak Bay's only public harbor, dock and many other support services are in Dillingham.

<u>Inclusion of offshore commercial fishing waters within a city and levying a local fish tax has not</u> reduced incentives for borough formation in the area.

Even if concerns about "disincentives" for future governmental entities was part of the LBC 's overall consideration of this petition, inclusion of offshore commercial fishing waters within Dillingham does not reduce incentives for borough formation in this area. Allowing Dillingham to annex these commercial fishing waters and levy a local raw fish tax will not inhibit borough formation. Many communities in the region, both cities and boroughs, have enacted local raw fish taxes that are paid in addition to the State business fishery tax.

For example, when Lake and Peninsula Borough formed and levied a raw fish tax, it encompassed the existing City of Chignik, which already levied a raw fish tax on the approximately 12 square miles of waters within its city boundary. Including an existing city with offshore waters and that levied its own raw fish tax, within the borough was not an obstacle to forming a successful borough, nor has the combination of a city and borough fish tax inhibited either municipality's economic sustainability. In fact, in the Bristol Bay region there are six communities where both a local city and borough raw fish tax is levied: City of King Cove, City of Sand Point, City of Chignik, City of Egegik, City of Pilot Point, and City of Akutan. The annexation of commercial waters to Dillingham with an attendant local raw fish tax will not be an impediment to future borough formation, as it has not been an impediment to formation of either the Lake and Peninsula Borough or the Aleutians East Borough both of which have been created since 1986 (see Local Taw Fish Tax on next page).

If a borough was to form at some point in this area, the State fisheries business tax revenue distribution formula provides that over a five-year period half the State fisheries business tax will go to the borough. This would provide revenue from the Nushagak and other fisheries to a prospective future borough.

Dillingham has identified the real costs it bears annually to support regional fisheries.

Dillingham has looked carefully at use data to understand and estimate what increment of the services and facilities it provides can be attributed to the fishing fleet, and compared this to user fees it receives, to identify the real costs it bears to support regional fisheries

Please refer to *this brief's* Section A, 3 AAC 110.090(a)(6) on *page 50*, and to *Petition* Section 6-Reasons for the Proposed Boundary Change *(pages 7-14)* to review the many people in addition to Dillingham residents and fishermen who use Dillingham's harbor, docks and boat launches and more, and, the real costs to Dillingham annually that are paid through its general fund (primarily from property and sales tax revenue) to subsidize services and infrastructure that is used by commercial fishing permit holders and sport fishermen harvesting natural resources in the region. This data is not repeated here.

Dillingham has adopted a tax on sales or severance of raw fish within the City. DMC 4.21.010 et seq., DMC 4.22.010 seq. The tax ordinances contain refund provisions for low income permit holders. DMC 4.21.135(A)(1), 4.22.045(A)(1). The tax ordinance also contains refund

provisions for owners of residential real property in Dillingham. DMC 4.21.135(A)(2, 4.22.045(A)(2). The amount of money raised by this Nushagak raw fish tax in FY 2012 was \$79,523, in FY 2013 was \$848,910, and in FY 14 before the annexation was remanded was \$414,313¹⁰. Collectively this represents two full fishing seasons due to the City's fiscal year beginning July 1. Dividing the total revenue by two yields an average of approximately \$671,000 in gross fish tax per season. Of this gross amount \$4,262 was refunded to low income permit holders and \$26,126 was refunded to permit holders who also paid local property tax.

Dillingham is not depending upon or anticipating a great increase in State fisheries business tax revenue due to annexation, as it is not clear that significantly more processing will take place within its enlarged boundary.

Regardless of whether the Dillingham Census Area (or some variation) ever forms a borough, Dillingham will still be the major port and access to the Nushagak Bay for fishermen. A borough is not going to build an entirely new port or harbor facility at some other location outside Dillingham. Dillingham is today and will always be the most logical local government to provide essential public services and facilities to support the commercial fishing fleet harvesting salmon in Nushagak Bay.

Finally, note that in its December 11, 2011 decision on this same proposal to annex commercial fishing waters to Dillingham, the Local Boundary Commission found, "no other existing municipality has the ability to provide essential municipal services to the territory to be annexed more efficiently and more effectively than the petitioner. The idea of regional government has only been theoretical with no petition formally filed and accepted by the LBC since the incorporation of the city. Regional government could be a viable option; however, under the circumstances the region has not produced the will or resources necessary to form such a government. The LBC finds that the petition meets 3 AAC 110.090(b)'s requirements." See Exhibit I - LBC Decision page 6.

3 AAC 110.970 Determination of Essential Municipal Services

3 AAC 110.970 (C) IF A PROVISION OF THIS CHAPTER CALLS FOR THE IDENTIFICATION OF ESSENTIAL MUNICIPAL SERVICES FOR A CITY, THE COMMISSION WILL DETERMINE THOSE SERVICES TO CONSIST OF THOSE MANDATORY AND DISCRETIONARY POWERS AND FACILITIES THAT (1) ARE REASONABLY NECESSARY TO THE COMMUNITY; (2) PROMOTE MAXIMUM, LOCAL SELF-GOVERNMENT; AND (3) CANNOT BE PROVIDED MORE EFFICIENTLY AND MORE EFFECTIVELY BY THE CREATION OR MODIFICATION OF SOME OTHER POLITICAL SUBDIVISION OF THE STATE.

 $^{^{10}}$ The City's fiscal year begins July 1 so this figure only represents tax received for the very beginning of the 2012 fishing season.

Per 3 AAC 110.970(c), the petition identifies essential municipal services that are reasonably necessary to the community, that promote maximum local self-government and that cannot be provided more efficiently and effectively by the creation or modification of a different political subdivision of the State.

The petition describes city services provided by Dillingham as a first class municipality which include education, public works, ports and harbors, public safety, planning, tax collection, public utilities (water, sewer, landfill), roads and planning and zoning. As discussed at Section B of this supporting Brief on 3 AAC 110.090 Need(b) on pages 61 to 63, these services cannot be provided more efficiently or effectively by the creation of a borough. The manner in which these services are funded and provided involves basic local government policy and financial decisions made by locally elected representatives which promote maximum local decision making.

Finally, of note is that in its December 11, 2011 decision on this same proposal to annex commercial fishing waters to Dillingham, the Local Boundary Commission found, "no other existing municipality has the ability to provide essential municipal services to the territory to be annexed more efficiently and more effectively than [Dillingham]." See Exhibit I - LBC Decision page 6.

3 AAC 110.100 Character

C. PER 3 AAC 110.100 CHARACTER, THE TERRITORY PROPOSED FOR ANNEXATION IS COMPATIBLE IN CHARACTER WITH THE ANNEXING CITY. IN THIS REGARD, THE COMMISSION MAY CONSIDER RELEVANT FACTORS, INCLUDING THE:

(1) LAND USE, SUBDIVISION PLATTING, AND OWNERSHIP PATTERNS;

This is not directly applicable as there is no land (other than small uninhabitable islands) within the commercial fishing waters proposed for annexation.

(2) SALABILITY OF LAND FOR RESIDENTIAL, COMMERCIAL, OR INDUSTRIAL PURPOSES;

This is not directly applicable as there is no land (other than small uninhabitable islands) within the commercial fishing waters proposed for annexation.

(3) POPULATION DENSITY;

This is not directly applicable as there is no permanent population within the commercial fishing waters proposed for annexation.

(4) CAUSE OF RECENT POPULATION CHANGES;

This is not directly applicable as there is no permanent population or population changes within the commercial fishing waters proposed for annexation. The population of Dillingham has been

slowly increasing over the last decade. The combined number of unique drift gillnet and set gillnet fishermen with commercial landings in the Nushagak Salmon Commercial district decreased by about 20 percent *between 2000 and 2010*¹¹. In any one season the number of permit holders fishing in the Nushagak District may vary depending on individual permit holder decisions. Region-wide, the number of Bristol Bay watershed residents holding permits in area drift gillnet fisheries continues to decline, and, after a period of decline the number of Bristol Bay watershed residents holding permits for the set gillnet fishery has stabilized¹².

(5) SUITABILITY OF THE TERRITORY FOR REASONABLY ANTICIPATED COMMUNITY PURPOSES;

The territory proposed for annexation is the adjacent commercial fishing waters. This territory is suitable and compatible with community purposes because it holds the resource upon which Dillingham's economic well-being depends. A demonstrated strong and compatible relationship between the City and the use of the waters proposed for annexation is described in this brief at section 3 AAC 110.090 Need.

(6) EXISTING AND REASONABLY ANTICIPATED TRANSPORTATION PATTERNS AND FACILITIES; AND

Fishing and other vessels, ice-supplying vessels, processors and tenders, and commercial barges and tugs regularly ply the waters proposed for annexation. They travel between Dillingham - the western Bristol Bay region's service and transportation hub - and other destinations. As noted already, Dillingham's harbor and port facilities are regularly used by these vessels traversing the waters proposed for annexation.

(7) NATURAL GEOGRAPHICAL FEATURES AND ENVIRONMENTAL FACTORS.

The proposed annexation conforms to the fishery management units of two waterbodies: the Nushagak Commercial Salmon District waters, and the Wood River Sockeye Special Harvest waters.

Finally, note that in its December 11, 2011 decision on this same proposal to annex commercial fishing waters to Dillingham, the Local Boundary Commission found, "the petition satisfies 3 AAC 110.100's requirements for the territory because the Nushagak Bay is compatible in character to the City of Dillingham." See Exhibit I - LBC Decision page 6.

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¹¹ Source: CFEC Gross Earnings files

Northern Economics, Inc. *The* Importance of the Bristol Bay Salmon Fisheries to the Region and its Residents. Prepared for Bristol Bay Economic Development Corporation. October 2009.

3 AAC 110.110 Resources

D. PER 3 AAC 110.110 RESOURCES, THE ECONOMY WITHIN THE PROPOSED EXPANDED BOUNDARIES OF THE CITY INCLUDES THE HUMAN AND FINANCIAL RESOURCES NECESSARY TO PROVIDE ESSENTIAL CITY SERVICES UNDER 3 AAC 110.970 ON AN EFFICIENT, COST-EFFECTIVE LEVEL. IN THIS REGARD, THE COMMISSION MAY CONSIDER RELEVANT FACTORS, INCLUDING THE:

(1) REASONABLY ANTICIPATED FUNCTIONS OF THE CITY IN THE TERRITORY BEING ANNEXED;

The only changes in functions are discussed in Section 14 of this Petition. Reasonably anticipated functions of the City in the territory being annexed include enhanced public safety and spill prevention, economic development, ongoing support of a small boat harbor, an all-tide dock, boat launch ramps, parking, water and ice availability at the harbor, trash collection at the harbor and docks (and subsequent disposal in a city operated landfill), provision of critical utility services to shore-based processors, access to a full complement of vessel repair, equipment and storage businesses as well as seafood processing facilities, and access to a regional hospital and airport and to commercial stores for provisioning.

(2) REASONABLY ANTICIPATED NEW EXPENSES OF THE CITY THAT WOULD RESULT FROM ANNEXATION;

During 2012 and 2013 when annexation was in place, the additional expenses incurred by the City related to annexation were consultant fees to help set up the fish tax system, the property tax rebate system, the low income fishermen's refund system, and the cost of the initial election. Other duties were handled with existing staff. These additional expenses have already been incurred. Additional expenses resulting from approval of the subsequent annexation will be minor, possibly including additional public safety officer training and equipment.

(3) ACTUAL INCOME AND THE REASONABLY ANTICIPATED ABILITY TO GENERATE AND COLLECT LOCAL REVENUE AND INCOME FROM THE TERRITORY;

Actual revenue collected as fish tax in FY 2012, 2013 and 2014 was \$79,523 in FY 2012, \$848,910 in FY 2013 and \$414,313 in FY 2014 (this includes some revenue that for auditing purposes is attributed to FY 15). There was no difficulty in collection of this revenue. This is within the ball park of the earlier estimates, but does demonstrate the fluctuation inherent in a resource-based tax base dependent on catching fish. Dillingham has already adopted a tax ordinance similar to the Lake and Peninsula Borough. DMC 4.21.010 et seq., DMC 4.22.010 et seq.. The taxpayer (fisherman in this case) is obligated to pay the tax, it is the buyer of fishery resources (processor) who remits it on behalf of the taxpayer to the borough (or city) based on the value of the raw fish harvested (or severed).

POUNDS OF NUSHAGAK & WOOD RIVER SALMON HARVESTED WITHIN & OUTSIDE OF NUSHAGAK COMMERCIAL FISHING DISTRICT

Processor location WITHIN the Nushagak District (based on reported landing):							
						Total	% of ALL
Year	Chinook	Sockeye	Coho	Pink	Chum	Inside	for Year
2004	788,215	16,353,854	11,086	57,071	1,173,431	18,383,657	44 %
2005	540,060	17,427,475	16,089	1,770	2,166,846	20,152,240	39%
2006	658,645	21,063,287	262,467	139,749	2,046,436	24,170,584	34%
2007	357,504	19,026,839	167,454	1,326	1,596,790	21,149,914	39%
2008	153,774	14,494,219	192,478	290,567	833,627	15,964,665	36%
2009	380,993	46,431,892	212,080	1,012	4,614,415	51,640,392	n/a
2010	336,583	47,529,015	442,376	4,187,801	2,486,471	54,982,246	n/a
2011	285,274	23,522,869	28,158	confidential	1,487,011	25,323,312 + confidential	n/a
2012	109,884	10,251,704	420,024	2,250,165	1,137,117	14,168,894	n/a
2013	96,614	9,741,333	732,162	820	2,061,148	12,632,077	54%
Proces	ssor location O	UTSIDE the N	ushagak Disti	rict(based on re	ported landing):		
						Total	
Year	Chinook	Sockeye	Coho	Pink	Chum	Outside	
2004	691,975	20,359,743	307,651	50,479	1,716,571	23,126,419	56%
2005	510,109	27,017,427	269,243	20	4,018,024	31,814,822	61%
2006	737,036	40,352,030	11,047	1,032	5,247,746	46,348,891	66%
2007	295,550	28,984,573	24,709	1,807	4,019,224	33,325,863	61%
2008	124,909	25,182,060	286,588	200,702	2,124,174	27,918,433	64%
2009							n/a
2010	8,914 + confidential	5,538,133 + confidential	1,912 + confidential	31,368 + confidential	130,267 + confidential	5,710,594 + confidential	n/a
2011	51,989	6,490,826			397,229	6,940,044	n/a
2012	46,361	5,927,120	95,053+ confidential	426,277+ confidential	531,787	7,062,598+ confidential	n/a
2013	44,908	9,270,108			1,571,097	10,886,113	46%

2013 44,908 9,270,108 1,571,097 10,886,113 46%

Sources: ADFG Fish Ticket and COAR data, Division of Commercial Fisheries, provided by ADF&G (Plotnick, 2008; Tide, 2011; Hutter, 2014. Also for 2010 and 2012, some tabulation by Sheinberg Associates of Nushagak and Wood River totals

NUMBER OF DISTINCT SETNET PERMITS IN THE NUSHAGAK DISTRICT

[Locations: off of Clarks Point, on the Combine (East side by Nushagak Point and Queen Slough), Coffee Point (west side below Kanakanak) and in the Wood River (when open].

(Note: includes emergency transfers)

	SETNET PERMITS - DILLINGHAM RESIDENTS			SETNET PERMITS - NON-DILLINGHAM RESIDENTS						
	No.	No.	% of total		% total	No.	No.	% of total		% total
YEAR	Permits	Landings	landings	Pounds	pounds	Permits	Landings	landings	Pounds	pounds
2000	80	5,786	38%	2,617,796	40%	151	9,597	62%	4,003,895	60%
2001	73	4,246	34%	2,079,493	38%	139	8,318	66%	3,339,346	62%
2002	59	2,447	43%	1,364,889	46%	91	3,241	57%	1,609,641	54%
2003	54	3,694	38%	2,163,593	40%	98	6,095	62%	3,268,410	60%
2004	52	3,737	35%	1,578,204	35%	105	7,017	65%	2,869,192	65%
2005	54	4,428	38%	2,094,686	40%	109	7,352	62%	3,171,742	60%
2006	62	5,370	42%	2,387,448	38%	105	7,401	58%	3,893,247	62%
2007	67	3,915	37%	2,732,720	37%	102	6,552	63%	4,673,150	63%
2008	63	3,463	34%	2,315,293	35%	114	6,645	66%	4,346,533	65%
2009	61	4,849	31%	2,916,272	36%	116	10,570	69%	5,181,782	64%
2010	64	5,586	33%	2,698,993	30%	122	11,425	67%	6,257,136	70%
2011	65	4,479	33%	1,897,518	33%	124	9,240	67%	3,792,235	67%
2012	66	4,538	35%	1,790,842	38%	120	8,589	65%	2,910,371	62%
2013	72	4,951	45%	1,524,673	43%	115	5,980	55%	1,997,111	57%
SOURCE:	SOURCE: J. Barrett, Dillingham Harbormaster									

(4) 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 OUT IN 3 AAC 110.900;

Please see Exhibits C-1 and C-2. No difficulties are anticipated.

(5) ECONOMIC BASE OF THE TERRITORY WITHIN THE CITY AFTER ANNEXATION;

The economic base within the City after annexation will be the harvest, processing and support of commercial fisheries and Dillingham's place as a regional service hub for western Bristol Bay.

(6) VALUATIONS OF TAXABLE PROPERTY IN THE TERRITORY PROPOSED FOR ANNEXATION;

There is no taxable real or personal property in the territory proposed for annexation.

(7) LAND USE IN THE TERRITORY PROPOSED FOR ANNEXATION;

"Land" use in the territory proposed for annexation is commercial fish harvesting, sale, transfer, support and processing.

(8) EXISTING AND REASONABLY ANTICIPATED INDUSTRIAL, COMMERCIAL, AND RESOURCE DEVELOPMENT IN THE TERRITORY PROPOSED FOR ANNEXATION:

As previously indicated, the City assumes the value of salmon harvested from the area proposed for annexation will fluctuate within past historical ranges.

(9) PERSONAL INCOME OF RESIDENTS IN THE TERRITORY AND IN THE CITY;

Data is from the 2008-2012 American Community Survey (ACS) estimate published by the US Census Bureau, which can have large margins of error for small rural areas; nonetheless it lists the 5-year estimate of the per capita income for Dillingham as \$33,193 and the median household income as \$69,792. There are no additional permanent residents in the territory proposed for annexation.

(10) NEED FOR AND AVAILABILITY OF EMPLOYABLE SKILLED AND UNSKILLED PERSONS TO SERVE THE CITY GOVERNMENT AS A RESULT OF ANNEXATION.

No additional employees are anticipated as a result of annexation. There will be increased work for the clerical positions engaged with tax collection. *This additional work was accomplished in 2013 and 2014 with current staff. The tax collection system has already been established and implemented during those two years.* Additional maintenance work on port and harbor facilities is not anticipated to require additional full time positions. It may require seasonal positions that will easily be filled by current Dillingham residents. Port and harbor improvement projects made possible through additional tax revenue from the annexed territory will most likely be contracted out as public works projects.

The City believes this standard has been met because the city has and is expected to continue to provide essential municipal services on an efficient, cost effective level. As established during the period when the City's post annexation severance tax was in place, the expenses resulting from annexation are less than the additional fish tax revenue collected. The local fish tax revenue will provide the resources necessary to allow the city to continue to provide essential municipal services on an efficient, cost effective level. The petition meets 3 AAC 110.110 because the actual income and the reasonably anticipated ability to generate and collect local revenue and income from the territory to be annexed will help fund the essential municipal services that have been previously provided and that will continue to be provided to the territory to be annexed.

The existing and reasonably anticipated industrial, commercial, and resource development in the territory proposed for annexation is thriving as evidenced by actual and predicted strong returns of salmon which, with some natural variations, can be expected to continue over the long term. The economy within the proposed expanded boundaries of the city includes the human and financial resources necessary to provide essential municipal services on an efficient, cost-effective level. For all these reasons the petition satisfies the requirements of 3 AAC 110.110.

3 AAC 110.120 Population

E. PER 3 AAC 110.120 POPULATION, THE POPULATION WITHIN THE PROPOSED EXPANDED BOUNDARIES OF THE CITY IS SUFFICIENTLY LARGE AND STABLE TO SUPPORT THE EXTENSION OF CITY GOVERNMENT. IN THIS REGARD, THE COMMISSION MAY CONSIDER RELEVANT FACTORS, INCLUDING:

(1) CENSUS ENUMERATIONS;

The population within the proposed expanded City of Dillingham has two components: 1) permanent residents living within existing city boundaries, and 2) estimated population of seasonal residents working within both existing city boundaries and the area proposed for annexation.

As to the first component, Dillingham's population per the 2010 census is 2,329. The estimated population as of July 1, 2014 is 2,431 (ADOLWD).

See (4) below for the second, seasonal component.

(2) DURATION OF RESIDENCY;

The City has a stable and slowly growing population with many long-term residents.

(3) HISTORICAL POPULATION PATTERNS;

Dillingham's permanent resident population has been slowly growing since the 1920's, including over the last decade when many rural communities in the state and region experienced population declines. Slow growth in Dillingham is expected to continue.

(4) SEASONAL POPULATION CHANGES;

The permanent population of Dillingham after the proposed annexation is estimated to be 2,431, the same as the current population (ADOLWD, 2014). The City of Dillingham's population about doubles (grows by an estimated 1,820) during the peak fisheries months of May through August as summer visitors come to town to commercial fish in Nushagak Bay and other places in Bristol Bay or work in Dillingham-based seafood processing plants. The estimated total population in the summer (combined permanent and seasonal) after annexation is 4,251.

(5) AGE DISTRIBUTIONS;

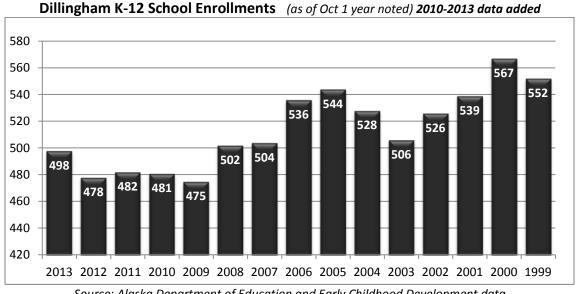
The 2000 *and 2010 US Census* identifies the following age distributions among Dillingham's permanent residents:

Dillingham						
	2000 US Census	2010 US Census				
Male:	1,273	1,202				
Female:	1,193	1,127				
total	2,466	2,329				
Age 4 and under:	241	199				
Age 5 - 9:	228	181				
Age 10 - 14:	257	190				
Age 15 - 19:	178	189				
Age 20 - 24:	113	164				
Age 25 - 34:	290	291				
Age 35 – 44	464	249				
Age 45 - 54:	381	388				
Age 55 - 59:	122	180				
Age 60 - 64:	69	120				
Age 65 - 74:	81	125				
Age 75 - 84:	31	41				
Age 85 and over:	11	10				
Median Age:	32.8	32.8				
Pop. Age 18 and over:	1,612	1,647				
Pop. Age 21 and over:	1,538	1,528				
Pop. Age 62 and over:	154	233				

Regular CFEC permit records do not establish age distributions among permit holders.

(6) CONTEMPORARY AND HISTORICAL PUBLIC SCHOOL ENROLLMENT DATA; AND

Like most places in Alaska, school enrollments in Dillingham are declining as statewide demographics vary. There are no students in the area proposed for annexation.

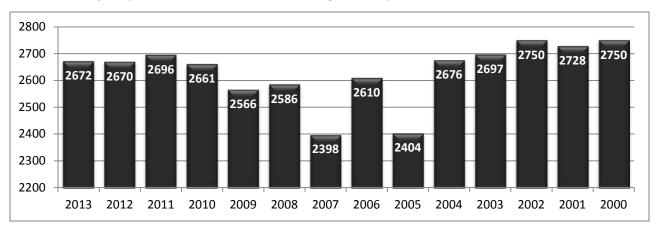


(7) NON-CONFIDENTIAL DATA FROM THE DEPARTMENT OF REVENUE REGARDING APPLICATIONS UNDER AS 43.23 FOR PERMANENT FUND DIVIDENDS.

The number of permanent fund dividends in Dillingham has declined in the 2000s', between 2000 and 2013 by 78 (this may include Twin Hills and Koliganek PFDs). According to the US Census, the population decreased between 2000 and 2010 by 137 (though for 2013 ADOLWD shows 66 more residents than the census lists for 2010). School enrollments decreased by 69 between 2000 and 2013.

Dillingham Permanent Fund Dividends

(for zip code 99576, so Twin Hills & Koliganek may be included) 2010-2013 data added



Source: Alaska Department of Revenue, PFD Division data

Finally, note that in its December 11, 2011 decision on this same proposal to annex commercial fishing waters to Dillingham, the Local Boundary Commission found, "the population of the proposed expanded boundaries of the city (the existing city plus the territory proposed for annexation) is sufficiently large and stable to support the extension of city government. The commission believes that in this case, increased tax revenues would stimulate the local economy. This in turn could stabilize or increase population, if residents could stay and have suitable employment. The commission concludes that the petition meets the standard of 3 AAC 110.120." Please see Exhibit I - LBC Decision page 7.

3 AAC 110.130 Boundaries (a)

F. PER 3 AAC 110.130 BOUNDARIES (a), THE PROPOSED EXPANDED BOUNDARIES OF THE CITY INCLUDE ALL LAND AND WATER NECESSARY TO PROVIDE FOR THE DEVELOPMENT OF ESSENTIAL MUNICIPAL SERVICES ON AN EFFICIENT COST-EFFECTIVE LEVEL. IN THIS REGARD, THE COMMISSION MAY CONSIDER RELEVANT FACTORS, INCLUDING:

(1) LAND USE AND OWNERSHIP PATTERNS;

The proposed annexation conforms exactly to a use area, the fishery management units of two waterbodies: the Nushagak Commercial Salmon District waters, and the Wood River Sockeye Special Harvest waters.

(2) POPULATION DENSITY;

The population density of the existing City of Dillingham, based on the 2014 ADOLWD figure of 2,431 and 35.7 square miles of land and water within the City of Dillingham, is a density of 68.1 persons per square mile. The area to be annexed is commercial fishing waters and has no permanent population.

The estimated number of non-Dillingham fishermen in 2014 in the Nushagak Bay is 532, plus an estimated 500 crew, equals an estimated 1,000 people in the waters proposed for annexation during the summer. This, divided by the 399.25 square miles of water and land (includes 3.24 square miles of small uninhabitable islands) yields a seasonal population density of 2.5 persons per square mile of water.

(3) EXISTING AND REASONABLY ANTICIPATED TRANSPORTATION PATTERNS AND FACILITIES;

See the information provided in Section C, 3 AAC 110.100 (6) in this brief.

(4) NATURAL GEOGRAPHICAL FEATURES AND ENVIRONMENTAL FACTORS; AND

The proposed annexation conforms exactly to the fishery management units of two water bodies: the Nushagak Commercial Salmon District waters, and the Wood River Sockeye Special Harvest waters.

(5) EXTRATERRITORIAL POWERS OF CITIES.

The taxing power of the existing City of Dillingham cannot be extended beyond current city boundaries.

In summary, the city is already providing essential municipal services to the area proposed for annexation. The proposed annexation will not make it more difficult for the city to provide these services. In fact, the ability of the city to provide these services will be enhanced due to the improved municipal finances from additional fish tax revenue.

3 AAC 110.130 Boundaries (b)

G. 3 AAC 110.130 (B) THE TERRITORY PROPOSED FOR ANNEXATION IS CONTIGUOUS TO THE EXISTING BOUNDARIES OF THE CITY, THEREFORE 3 AAC 110.130 (B) AS FOLLOWS, IS NOT APPLICABLE.

3 AAC 110.130 (B) ABSENT A SPECIFIC AND PERSUASIVE SHOWING TO THE CONTRARY, THE COMMISSION WILL PRESUME THAT TERRITORY THAT IS NOT CONTIGUOUS TO THE ANNEXING CITY, OR THAT WOULD CREATE ENCLAVES IN THE ANNEXING CITY, DOES NOT

INCLUDE ALL LAND AND WATER NECESSARY TO ALLOW FOR THE DEVELOPMENT OF ESSENTIAL MUNICIPAL SERVICES ON AN EFFICIENT, COST-EFFECTIVE LEVEL.

The proposed annexation is contiguous with the annexing city and does not create enclaves in the city post annexation.

Finally, of note is that in its December 11, 2011 decision on this same proposal to annex commercial fishing waters to Dillingham, the Local Boundary Commission found, "that the territory is contiguous to the city, and would not create enclaves." See Exhibit I - LBC Decision page 7.

3 AAC 110.130 Boundaries (c)

H. THE PROPOSED ANNEXATION IS IN ACCORDANCE WITH 3 AAC 110.130 (C)(1) AND (2). 3 AAC 110.130 (C) BOUNDARIES. TO PROMOTE THE LIMITATION OF COMMUNITY, THE PROPOSED EXPANDED BOUNDARIES OF THE CITY: (1) MUST BE ON A SCALE SUITABLE FOR CITY GOVERNMENT AND MAY INCLUDE ONLY THAT TERRITORY COMPRISING AN EXISTING LOCAL COMMUNITY, PLUS REASONABLY PREDICTABLE GROWTH, DEVELOPMENT, AND PUBLIC SAFETY NEEDS DURING THE 10 YEARS FOLLOWING THE EFFECTIVE DATE OF ANNEXATION; AND, (2) MAY NOT INCLUDE ENTIRE GEOGRAPHICAL REGIONS OR LARGE UNPOPULATED AREAS, EXCEPT WHERE JUSTIFIED BY APPLYING THE STANDARDS IN 3 AAC 110.090 - 3 AAC 110.135 AND ARE OTHERWISE SUITABLE FOR CITY GOVERNMENT.

The Local Boundary Commission has allowed cities in this region to incorporate or annex adjacent contiguous commercial fishing waters, which could be construed as large geographic regions and are only populated seasonally by those engaged in commercial and sport fishing. The Commission has recognized that in this part of Alaska, this territory is suitable for city government, needed to provide financial stability to cities, and fishery activities are commonly directly supported by the annexing local community allowing for reasonably predictable growth, development and public safety needs. The scale of this annexation petition is consistent with these past approvals. The City of Dillingham, having provided public services and facilities to the Nushagak Bay commercial salmon fisheries for years, is not biting off more than it can chew with this proposal.

For example, in 1994, the Commission approved incorporation of the City of Egegik, with approximately 30 miles of land and 105 miles of offshore waters, which conformed to the Egegik Fishing District. In the LBC's Statement of Decision, it acknowledges how important including fishing waters and levying a raw fish tax are on the economic success of the city, "The levy of a City of Egegik tax similar to the Lake and Peninsula Borough's sales/use tax on

commercial raw fish sales in the district would provide ample tax base for a City of Egegik." (page 7) 13

In its decision to approve incorporation of Egegik, the LBC recognized the link between the summer fisheries-related transient population and the demand for city services, "Finding. The large seasonal transient population influx experienced during the commercial salmon harvest support the need for a city government to meet demands for seasonal services." (page 9)

Likewise, when considering 3 AAC 110.130 Boundaries [19 AAC 10.040 at that time], the Commission noted that, "Finding. Although much of the territory proposed for incorporation is offshore, the seasonal influx of transients associated with commercial fishing activity justifies inclusion of the entire area within the boundaries of the proposed City of Egegik." (page 10)

In 1986, the LBC approved annexation to the City of St. Paul of approximately 194 square miles consisting of Otter Island, Walrus Island and the territory three nautical miles seaward from these islands. In its deliberations and approval the Commission recognized the link between large unpopulated commercial fishing waters and the adjacent community when it found, , "...that the City of St Paul is developing a port facility to promote local development of the bottom fishing industry (finding 1)....provides potable water to floating processors and fishing boats operating offshore (finding 3)....the City will likely require additional revenue to provide basic services in the maritime territory proposed for annexation..." (finding 10)¹⁴

In 1985, the Commission approved annexation to the City of Togiak of Togiak Bay, an area of intense commercial fishing activity that comprised approximately 183 square miles of water. The Commission's decision authorized annexation of a geographical region (commercial fishing waters) that is only populated during a commercial fishing season. The area approved for annexation had, "no permanent residents, with the possible exception of a watchman employed by Togiak Fisheries Inc. However, the area experiences a large seasonal influx of population associated with commercial fishing, fish processing and related activities during the spring and summer months." (page 1)¹⁵

Similarly, in 1997 when the LBC reconsidered the incorporation of Pilot Point in 1997, Section III - Findings and Conclusions, the Commission noted that, "Municipalities are increasingly compelled to rely on locally generated revenues to provide municipal services. It is appropriate

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¹³ Local Boundary Commission Statement of Decision in the matter of the March 15, 1994 petition for incorporation of the city of Egegik. January 11, 1995.

¹⁴ Summary of Proposed Action, Findings of Fact, Conclusions of Law, Statement of Decision in the matter of annexation by the City of St Paul, Alaska of approximately 194 square miles consisting of Otter Island, Walrus Island and the territory three nautical miles seaward from these islands. January 19, 1986

¹⁵ Local Boundary Commission Summary of Proposed Action, Findings of Fact and Statement of Decision in the matter of the annexation by the City of Togiak, Alaska , of Togiak Bay consisting of approximately 183 square miles. January 18, 1985.

for the City to tax the only abundant local resource [fish] to fund provision of municipal services." (page 4) 16

The proposed expanded boundaries of the city are on a scale suitable for city government in part because the territory proposed for annexation is already receiving the benefit of city services. This additional territory largely is already receiving city services which will continue to be provided. Because this territory is immediately adjacent to the existing city boundaries and is similar in nature to other water based territory included within the boundaries of other Alaskan municipalities, and as shown throughout this supporting brief, the territory meets the standards of 3 AAC 110.090 - 3 AAC 110.135, and is otherwise suitable for city government. Since the territory proposed for annexation meets these two criteria,(as established above and elsewhere in this petition), the provision that annexation may not include entire geographical regions or large unpopulated areas does not apply to this petition.

3 AAC 110.130 Boundaries (d)

I. THE PROPOSED ANNEXATION DOES NOT OVERLAP ANY OTHER MUNICIPAL BOUNDARIES AND IS IN ACCORDANCE WITH 3 AAC 110.130 (D).

3 AAC 110.130 (D) IF A PETITION FOR ANNEXATION TO A CITY DESCRIBES BOUNDARIES OVERLAPPING THE BOUNDARIES OF AN EXISTING ORGANIZED BOROUGH, THE PETITION FOR ANNEXATION MUST ALSO ADDRESS AND COMPLY WITH THE STANDARDS AND PROCEDURES FOR EITHER ANNEXATION OF THE ENLARGED CITY TO THE EXISTING ORGANIZED BOROUGH OR DETACHMENT OF THE ENLARGED CITY FROM THE EXISTING ORGANIZED BOROUGH. IF A PETITION FOR ANNEXATION TO A CITY DESCRIBES BOUNDARIES OVERLAPPING THE BOUNDARIES OF ANOTHER EXISTING CITY, THE PETITION FOR ANNEXATION MUST ALSO ADDRESS AND COMPLY WITH THE STANDARDS AND PROCEDURES FOR DETACHMENT OF TERRITORY FROM A CITY, MERGER OF CITIES, OR CONSOLIDATION OF CITIES.

The proposed annexation does not overlap the boundaries of any organized city or borough.

Finally, note that in its December 11, 2011 decision on this same proposal to annex commercial fishing waters to Dillingham, the Local Boundary Commission determined, "We find that the overlapping boundary standard is satisfied for territory proposed for annexation." See Exhibit I - LBC Decision page 9.

3 AAC 110.135 Best Interests of State

J. PER 3 AAC 110.135, ANNEXATION TO THE CITY IS IN THE BEST INTERESTS OF THE STATE UNDER AS 29.06.040(A).

Local Boundary Commission Decisional Statement, Reconsideration of Pilot Point City Incorporation Proposal. May 7, 1997

3 AAC 110.135 BEST INTERESTS OF STATE. IN DETERMINING WHETHER ANNEXATION TO A CITY IS IN THE BEST INTERESTS OF THE STATE UNDER AS 29.06.040(A), THE COMMISSION MAY CONSIDER RELEVANT FACTORS, INCLUDING WHETHER ANNEXATION: (1) PROMOTES MAXIMUM LOCAL SELF-GOVERNMENT, AS DETERMINED UNDER 3 AAC 110.981; (2) PROMOTES A MINIMUM NUMBER OF LOCAL GOVERNMENT UNITS, AS DETERMINED UNDER 3 AAC 110.982 AND IN ACCORDANCE WITH ART. X, SEC. 1, CONSTITUTION OF THE STATE OF ALASKA; AND (3) WILL RELIEVE THE STATE GOVERNMENT OF THE RESPONSIBILITY OF PROVIDING LOCAL SERVICES.

The petition application enlarges the boundaries of an existing city. Accordingly, no additional governmental unit is created. Since no new government unit is being created the proposal promotes a minimum number of local government units- namely no more than exist today. The petition will not relieve state government from the responsibility of providing public safety services in the annexed area, however, it will create additional support for the exercise of public safety services in the annexed area.

In the LBC's reconsideration of the incorporation of Pilot Point in 1997, the Commission considered the possibility that the Lake and Peninsula Borough could deliver additional local services to Pilot Point through the establishment of one or more service areas. The Commission concluded service area establishment was not a preferred option because of the wide range of local services provided by the City and recognized that a city government offers maximum flexibility to meet local service and general government requirements. Further, the Alaska Supreme Court formally recognized in the Pilot Point appeal that city incorporation is favored over formation of a service area. Specifically, the Court indicated, "there is a statutory and constitutional preference for incorporation of cities over the establishment of new service areas."

The same is true regarding annexation to an existing city. Article X, Section 5 of the Constitution provides that, a new service area "shall not be established if, consistent with the purpose of this article, the new service can be provided by an existing service area, or by incorporation as a city, or by annexation to a city" (emphasis added, page 11, Egegik decision).

Also, please refer to narrative at section 3 AAC 110.130(c)(1-2)

The city is the appropriate government for the territory. The rest of the region's communities need a stronger regional hub for their sustainability. The annexation is necessary to sustain the city, thereby sustaining the regional hub.

In summary, Dillingham is the hub of the Nushagak Bay region. The city is the appropriate government for the territory because the rest of the region's communities will benefit from a stronger regional hub. If the city were to continue its fiscal course, without annexation and with anticipated drastic reductions in state financial support, Dillingham will be challenged to maintain the economic integrity of the city and region to the point where state assistance might be required to sustain municipal services. This would not be in the state's best interests.

Dillingham would be the seat of any borough government. Annexation has already encouraged previously reluctant entities to at least begin to consider borough formation. So Annexation has proved to be a catalyst for more serious consideration of borough formation not a hindrance.

Unlike borough formation, the proposed annexation would have no effect upon the number of local government units. Furthermore, approving annexation will not remove any present or future fish tax revenue for existing communities or a future borough. That revenue flows only upon incorporation and there is nothing in LBC regulations that prohibits formation of a future borough simply because this annexation petition has been approved. For all of these reasons, and as stated elsewhere in this petition, this petition satisfies 3 AAC 110.135's requirement that the annexation must be in the best interests of the state under AS.06.040(a).

3 AAC 110.981. Determination of Maximum Local Self-Government.

3 AAC 110.981. DETERMINATION OF MAXIMUM LOCAL SELF-GOVERNMENT. IN DETERMINING WHETHER A PROPOSED BOUNDARY CHANGE PROMOTES MAXIMUM LOCAL SELF-GOVERNMENT UNDER ART. X, SEC. 1, CONSTITUTION OF THE STATE OF ALASKA, THE COMMISSION WILL CONSIDER:

(7) FOR CITY INCORPORATION OR ANNEXATION IN THE UNORGANIZED BOROUGH, WHETHER THE PROPOSAL WOULD EXTEND LOCAL GOVERNMENT TO TERRITORY AND POPULATION OF THE UNORGANIZED BOROUGH WHERE NO LOCAL GOVERNMENT CURRENTLY EXISTS;

The proposed annexation would extend local government to territory of the unorganized borough where no local government currently exists by enlarging the jurisdictional boundaries of the existing city of Dillingham rather than creating a new city or borough or service area. Please also refer to narrative in brief at section 3 AAC 110.090(b), 3 AAC 110.130 (c)(1-2), and 3 AAC 110.135, portions of which specifically address these issues.

Finally, note that in its December 11, 2011 decision on this same proposal to annex commercial fishing waters to Dillingham, the Local Boundary Commission determined, "The commission finds that the proposed boundary change promotes maximum local self-government under art. X, sec. 1, Constitution of the State of Alaska. See Exhibit I - LBC Decision page 13.

3 AAC 110.140. Legislative Review

K. PER 3 AAC 110.140, THE TERRITORY MEETS THE ANNEXATION STANDARDS SPECIFIED IN 3 AAC 110.090 – 3 AAC 110.135, AND MAY BE ANNEXED TO A CITY BY THE LEGISLATIVE REVIEW PROCESS BECAUSE AT LEAST ONE OF THE CIRCUMSTANCES ENUMERATED BY 3 AAC 110.140(1) THROUGH (9) EXISTS.

Sections A - J of this Brief explain how the proposed annexation meets the standards in 3 AAC 110.090-3 AAC 110.135. 3 AAC 110.140 does not alter any of these standards. It does add 8 "circumstances". If any one of the 8 are found by the Commission to exist the proposed annexation meets the requirements of 3 AAC 110.140. The proposed annexation meets more than one of these standards. The standards met by the proposed annexation are discussed below.

3 AAC 110.140(2). THE HEALTH, SAFETY, OR GENERAL WELFARE OF CITY RESIDENTS IS OR WILL BE ENDANGERED BY CONDITIONS EXISTING OR POTENTIALLY DEVELOPING IN THE TERRITORY, AND ANNEXATION WILL ENABLE THE CITY TO REGULATE OR CONTROL THE DETRIMENTAL EFFECTS OF THOSE CONDITIONS;

The general economic welfare of city residents is at risk from the continued use of city funded support services by permit holders fishing in the territory proposed for annexation without being taxed to support provision of the city services they receive. Annexation will enable Dillingham to end this condition of receiving the benefit of city services without a commensurate contribution to funding those services.

3 AAC 110.140(3). THE EXTENSION OF CITY SERVICES OR FACILITIES INTO THE TERRITORY IS NECESSARY TO ENABLE THE CITY TO PROVIDE ADEQUATE SERVICES TO CITY RESIDENTS, AND IT IS IMPOSSIBLE OR IMPRACTICAL FOR THE CITY TO EXTEND THE FACILITIES OR SERVICES UNLESS THE TERRITORY IS WITHIN THE BOUNDARIES OF THE CITY;

As discussed in Section 6 of the Petition, the long term ability of the City of Dillingham to provide adequate services to city residents depends on an expansion of the city's tax base which can be accomplished only through annexation.

3 AAC 110.140(4). RESIDENTS OR PROPERTY OWNERS WITHIN THE TERRITORY RECEIVE, OR MAY BE REASONABLY EXPECTED TO RECEIVE, DIRECTLY OR INDIRECTLY, THE BENEFIT OF CITY GOVERNMENT WITHOUT COMMENSURATE TAX CONTRIBUTIONS, WHETHER THESE CITY BENEFITS ARE RENDERED OR RECEIVED INSIDE OR OUTSIDE THE TERRITORY, AND NO PRACTICAL OR EQUITABLE ALTERNATIVE METHOD IS AVAILABLE TO OFFSET THE COST OF PROVIDING THESE BENEFITS;

As discussed in Section A of this Brief, permit holders and vessel owners fishing within the territory to be annexed have received and continue to receive the benefit of City of Dillingham services either directly or through City support of the infrastructure that supports on shore processors thereby expanding the markets available to permit holders. The Commission has previously found this to be true. See Exhibit I - LBC Decision page 6. Harbor user fees do not

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¹⁷ 3 AAC 110.140(6) was previously repealed.

and cannot practically or equitably be used to offset the full cost of providing these benefits. The Dillingham small boat harbor and port facilities are an enterprise fund. Harbor fees cannot be used to support the cost of public safety, landfill, roads and water and sewer infrastructure operated and maintained by the City of Dillingham.

3 AAC 110.140(7). ANNEXATION OF THE TERRITORY WILL PROMOTE: (A) MAXIMUM LOCAL SELF-GOVERNMENT, AS DETERMINED UNDER 3 AAC 110.981; AND (B) A MINIMUM NUMBER OF LOCAL GOVERNMENT UNITS, AS DETERMINED UNDER 3 AAC 110.982 AND IN ACCORDANCE WITH ART. X, SEC. 1, CONSTITUTION OF THE STATE OF ALASKA;

See Section J, page 86, regarding the maximum local self-government standard 3 AAC 110.981. The applicable 3 AAC 110.982 standard is 3 AAC 110.982(7): "whether the jurisdictional boundaries of an existing city are being enlarged rather than promoting the incorporation of a new city or creation of a new borough service area". The proposed annexation enlarges the boundaries of an existing city instead of proposing creating a new city or a new service area. So only one local government unit will result from annexation. This promotes a minimum number of local government units under 3 AAC 110.982(7).

Another standard mentioned is 3 AAC 110.982 (6): "for city incorporation, whether incorporation of a new city is the only means by which residents of the territory can receive essential municipal services".

Dillingham is not proposing incorporation of a new city. But even if that is considered to be the case residents are currently receiving essential municipal services from the City of Dillingham as are those who fish commercially in the territory proposed by annexation. The existing city is the only means by which these persons are receiving essential municipal services.

3 AAC 110.140(8). ANNEXATION OF THE TERRITORY WILL ENHANCE THE EXTENT TO WHICH THE EXISTING CITY MEETS THE STANDARDS FOR INCORPORATION OF CITIES, AS SET OUT IN THE CONSTITUTION OF THE STATE OF ALASKA, AS 29.05, AND 3 AAC 110.005 - 3 AAC 110.042, AND IS IN THE BEST INTERESTS OF THE STATE;

This standard focuses not on the territory to be annexed but on "the existing city" of Dillingham. It is easily met by the proposed annexation. One constitutional standard for incorporation is contained in Art. X, Sec.1 of the Constitution which establishes a policy of "maximum local self-government with a minimum of local government units". The proposed annexation would extend ("maximize") local government to additional territory without an additional local government unit. Therefore the proposed boundary change promotes maximum local self-government under art. X, sec. 1, Constitution of the State of Alaska. AS 29.05.011 standards for incorporation are met because Dillingham has 400 or more permanent residents and this population is stable. The extended boundaries will increase the tax base necessary to provide municipal services on an efficient scale, (see Section B on 3 AAC 110.090 Need (b), on pages 61 to 63), the Dillingham economy includes the human and

financial resources necessary to provide municipal services (see Section D, on 3 AAC 110.110 Resources, on page 66-69), and there has historically been a need for city government in Dillingham. The factors set forth in 3 AAC 110.005-3 AAC 110.042 are addressed below.

3 AAC 110.005. Community

3 AAC 110.005. COMMUNITY. TERRITORY PROPOSED FOR INCORPORATION AS A CITY MUST ENCOMPASS A COMMUNITY.

Dillingham is a fishing community. Adding fishing grounds to a fishing community enhances the extent to which the existing City of Dillingham meets the "community" standard for incorporation as a city. Please see discussion in Section H on 3 AAC 110.130 Boundaries (c), on pages 74 to 76.

3 AAC 110.010. Need

3 AAC 110.010. NEED

- (A) IN ACCORDANCE WITH AS 29.05.011(A)(5), A COMMUNITY MUST DEMONSTRATE A REASONABLE NEED FOR CITY GOVERNMENT. IN THIS REGARD, THE COMMISSION MAY CONSIDER RELEVANT FACTORS, INCLUDING
- (1) EXISTING OR REASONABLY ANTICIPATED SOCIAL OR ECONOMIC CONDITIONS;
- (2) EXISTING OR REASONABLY ANTICIPATED HEALTH, SAFETY, AND GENERAL WELFARE CONDITIONS;
- (3) EXISTING OR REASONABLY ANTICIPATED ECONOMIC DEVELOPMENT; AND
- (4) ADEQUACY OF EXISTING SERVICES.

There is obviously a need for city government in Dillingham. The existing economic conditions motivating the people of Dillingham to have previously approved annexation in a public referendum, the existing general welfare conditions, existing or anticipated economic development and existing services have all been discussed in Section A of this supporting brief. Annexation will enhance the ability of the existing city to provide for the general welfare of residents and provide adequate city services through expansion of the tax base. As previously found by the Commission this also will promote economic development within the existing City of Dillingham to the benefit of both Dillingham and the surrounding region. See Exhibit I - LBC Decision pages 5 and 6.

(B) IN ACCORDANCE WITH AS 29.05.021(A), AND TO PROMOTE A MINIMUM NUMBER OF LOCAL GOVERNMENT UNITS IN ACCORDANCE WITH ART. X, SEC. 1, CONSTITUTION OF THE STATE OF ALASKA, A COMMUNITY IN THE UNORGANIZED BOROUGH MAY NOT INCORPORATE AS A CITY IF ESSENTIAL MUNICIPAL SERVICES CAN BE PROVIDED MORE EFFICIENTLY OR MORE EFFECTIVELY BY ANNEXATION TO AN EXISTING CITY.

This standard is not materially different than that discussed in Section B of this Brief on 3 AAC 110.090 Need (b), on pages 61 to 64. The "minimum number of local government units"

standard has been discussed in Section J of this Brief on 3 AAC 110.135 Best Interests of State, on pages 77 to 78.

3 AAC 110.020. Resources.

3 AAC 110.020. RESOURCES. IN ACCORDANCE WITH AS 29.05.011(A) (3) THE ECONOMY OF A PROPOSED CITY MUST INCLUDE THE HUMAN AND FINANCIAL RESOURCES NECESSARY TO PROVIDE ESSENTIAL MUNICIPAL SERVICES ON AN EFFICIENT, COST-EFFECTIVE LEVEL. IN THIS REGARD, THE COMMISSION

- (1) WILL CONSIDER
 - (A) THE REASONABLY ANTICIPATED FUNCTIONS OF THE PROPOSED CITY;
 - (B) THE REASONABLY ANTICIPATED EXPENSES OF THE PROPOSED CITY;
 - (C) THE ABILITY OF THE PROPOSED CITY TO GENERATE AND COLLECT REVENUE AT THE LOCAL LEVEL;
 - (D) THE REASONABLY ANTICIPATED INCOME OF THE PROPOSED CITY;
 - (E) THE FEASIBILITY AND PLAUSIBILITY OF THE ANTICIPATED OPERATING AND CAPITAL BUDGETS OF THE PROPOSED CITY THROUGH THE PERIOD EXTENDING ONE FULL FISCAL YEAR BEYOND THE REASONABLY ANTICIPATED DATE . . .
 - (II) FOR COMPLETION OF THE TRANSITION SET OUT IN AS 29.05.130 29.05.140 AND 3 AAC 110.900
 - (F) THE ECONOMIC BASE WITHIN THE PROPOSED CITY;

The economic base within the City after annexation will be the harvest, processing and support of commercial fisheries and Dillingham's place as a regional service hub for western Bristol Bay.

- (G) VALUATIONS OF TAXABLE PROPERTY WITHIN THE PROPOSED CITY;
- (H) EXISTING AND REASONABLY ANTICIPATED INDUSTRIAL, COMMERCIAL, AND RESOURCE DEVELOPMENT WITHIN THE PROPOSED CITY; AND
- (I) PERSONAL INCOME OF RESIDENTS OF THE PROPOSED CITY; AND

See discussion in Section D of this Brief on 3 AAC 110.110 Resources, on pages 66 to 69 and in Section II of this Petition on Tax Data, on pages 16 to 19.

- (2) MAY CONSIDER OTHER RELEVANT FACTORS, INCLUDING
- (A) LAND USE WITHIN THE PROPOSED CITY;

Existing land use includes typical residential and commercial development as reflected in the property valuation material supplied with this petition. To this land use will be added commercial fish harvesting, sale, transfer and processing uses in the territory proposed for annexation.

(B) THE NEED FOR AND AVAILABILITY OF EMPLOYABLE SKILLED AND UNSKILLED PERSONS TO SERVE THE PROPOSED CITY GOVERNMENT; AND

See discussion in Section D of this Supporting Brief on 3 AAC 110.110 Resources, on pages 66 to 69.

(C) THE REASONABLY PREDICTABLE LEVEL OF COMMITMENT AND INTEREST OF THE RESIDENTS IN SUSTAINING A CITY GOVERNMENT.

The proposed annexation was approved by 54.7 percent of the voters participating in an election held April 10, 2012.

In summary, enhancing the ability of the existing City of Dillingham to provide essential municipal services on an efficient cost-effective level is the primary basis for the proposed annexation. This is thoroughly discussed throughout the petition. That discussion will not be repeated here.

Finally, note that in its December 11, 2011 decision on this same proposal to annex commercial fishing waters to Dillingham, the Local Boundary Commission found, "The economy within the proposed expanded boundaries of the city includes the human and financial resources necessary to provide essential municipal services on an efficient, costeffective level." See Exhibit I - LBC Decision page 7.

3 AAC 110.030 Population

3 AAC 110.030 POPULATION. IN ACCORDANCE WITH AS 29.05.011(A) (4), THE POPULATION OF A PROPOSED CITY MUST BE SUFFICIENTLY LARGE AND STABLE TO SUPPORT THE PROPOSED CITY GOVERNMENT.

This standard is not materially different from that discussed in Section E of this Supporting Brief on 3 AAC 110.120 on pages 70 to 72. The Commission previously found this standard was met. See Exhibit I - LBC Decision page 7.

3 AAC 110.040 Boundaries

3 AAC 110.040 BOUNDARIES. (A) IN ACCORDANCE WITH AS 29.05.011(A) (2), THE BOUNDARIES OF A PROPOSED CITY MUST INCLUDE ALL LAND AND WATER NECESSARY TO PROVIDE THE DEVELOPMENT OF ESSENTIAL MUNICIPAL SERVICES ON AN EFFICIENT, COST-EFFECTIVE LEVEL.

This standard is not materially different from that discussed in Section F of this Supporting Brief on 3 AAC 110.130(a) Boundaries, on pages 72 to 73. Expanding city boundaries results in an expansion of the tax base which enhances Dillingham's ability to provide essential

municipal services on an efficient cost-effective level. The Commission previously determined this standard has been met. See Exhibit I - LBC Decision page 7.

- 3 AAC 110.040 BOUNDARIES. (B) TO PROMOTE THE LIMITATION OF COMMUNITY, THE BOUNDARIES OF THE PROPOSED CITY:
- (1) MUST BE ON A SCALE SUITABLE FOR CITY GOVERNMENT AND MAY INCLUDE ONLY THAT TERRITORY COMPRISING A PRESENT LOCAL COMMUNITY, PLUS REASONABLY PREDICTABLE GROWTH, DEVELOPMENT, AND PUBLIC SAFETY NEEDS DURING THE 10 YEARS FOLLOWING THE ANTICIPATED DATE OF INCORPORATION; AND (2) MAY NOT INCLUDE ENTIRE GEOGRAPHICAL REGIONS OR LARGE UNPOPULATED AREAS, EXCEPT IF THOSE BOUNDARIES ARE JUSTIFIED BY THE APPLICATION OF THE STANDARDS IN 3 AAC 110.005 3 AAC 110.042 AND ARE OTHERWISE SUITABLE FOR CITY GOVERNMENT.

This standard is not materially different from that discussed in Section H of this brief on 3 AAC 110.130(c), on pages 74 to 76. The area proposed for annexation is seasonally populated by persons engaged in commercial fishing. Even if this seasonal population is not considered, inclusion of the area proposed for annexation is justified by the standards in 3 AAC 110.005-3 AAC 110.042 as discussed throughout this supporting brief.

3 AAC 110.040 BOUNDARIES. C) ABSENT A SPECIFIC AND PERSUASIVE SHOWING TO THE CONTRARY, THE COMMISSION WILL PRESUME THAT TERRITORY PROPOSED FOR INCORPORATION THAT IS NONCONTIGUOUS OR THAT CONTAINS ENCLAVES DOES NOT INCLUDE ALL LAND AND WATER NECESSARY TO ALLOW FOR THE DEVELOPMENT OF ESSENTIAL MUNICIPAL SERVICES ON AN EFFICIENT, COST-EFFECTIVE LEVEL.

The area proposed for annexation is contiguous to existing city boundaries.

3 AAC 110.042 Best Interests of State

3 AAC 110.042. BEST INTERESTS OF STATE. (9) THE COMMISSION DETERMINES THAT SPECIFIC POLICIES SET OUT IN THE CONSTITUTION OF THE STATE OF ALASKA, AS 29.04, AS 29.05, OR AS 29.06 ARE BEST SERVED THROUGH ANNEXATION OF THE TERRITORY BY THE LEGISLATIVE REVIEW PROCESS, AND THAT ANNEXATION IS IN THE BEST INTERESTS OF THE STATE.

This standard is not materially different from that discussed in Section J of this Supporting Brief on 3 AAC 110.135 Best Interests of State, on pages 77 to 78. The Commission has previously determined annexation is in the best interest of the state (Exhibit I - LBC Decision page 10). The Superior Court has determined that the applicable Commission regulations require using the legislative review process. The Commission is bound both by judicial order and its own previous decision to approve the proposed annexation and submit it to the Alaska Legislature for legislative review.

3 AAC 110.920 Determination of Community

3 AAC 110.920. DETERMINATION OF COMMUNITY. (A) IN DETERMINING WHETHER A SETTLEMENT COMPRISES A COMMUNITY, THE COMMISSION MAY CONSIDER RELEVANT FACTORS, INCLUDING WHETHER THE:

- (1) SETTLEMENT IS INHABITED BY AT LEAST 25 PERMANENT RESIDENTS;
- (2) THE PERMANENT RESIDENTS LIVE IN A GEOGRAPHICAL PROXIMITY THAT ALLOWS FREQUENT PERSONAL CONTACTS AND INTERACTION; AND
- (3) THE PERMANENT RESIDENTS AT A LOCATION ARE A DISCRETE AND IDENTIFIABLE SOCIAL UNIT, AS INDICATED BY SUCH FACTORS AS RESIDENT PUBLIC SCHOOL ENROLLMENT, NUMBER OF SOURCES OF EMPLOYMENT, VOTER REGISTRATION, PRECINCT BOUNDARIES, PERMANENCY OF DWELLING UNITS, AND THE NUMBER OF COMMERCIAL OR INDUSTRIAL ESTABLISHMENTS, COMMUNITY SERVICES, AND SERVICE CENTERS.

Dillingham is inhabited by at least 25 permanent residents and more than 25 Dillingham residents participate in or are permit holders in the territory proposed for annexation. Both in Dillingham and within the territory proposed for annexation these community members have frequent personal contacts on a day to day basis including through educating their children in the Dillingham public schools, voting, living in permanent residential housing and receiving community services as described throughout this petition. Dillingham and the territory proposed for annexation meet the standard for community as defined in 3 AAC 110.990(5).

3 AAC 110.910 Statement of Nondiscrimination

L. IN ACCORDANCE WITH 3 AAC 110.910, THE PROPOSED ANNEXATION WILL NOT DENY ANY PERSON THE ENJOYMENT OF ANY CIVIL OR POLITICAL RIGHT, INCLUDING VOTING RIGHTS, BECAUSE OF RACE, COLOR, CREED, SEX OR NATIONAL ORIGIN.

The annexation will not add any residents to the City of Dillingham. The annexation does not exclude minorities while including other similarly situated persons. There will be no reduction of the City's minority population percentage. The electoral system of the City of Dillingham reflects minority-voting strength through at-large elections for all offices.

Finally, note that in its December 11, 2011 decision on this same proposal to annex commercial fishing waters to Dillingham, the Local Boundary Commission stated, "We find no evidence that the effect of the proposed change denies any person the enjoyment of any civil or political right, including voting rights, because of race, color, creed, sex, or national origin." See Exhibit I - LBC Decision page 12.

3 AAC 110.981(7) Determination of Maximum Local Self-Government

M. PER 3 AAC 110.981(7), THE PROPOSED ANNEXATION WOULD EXTEND LOCAL GOVERNMENT TO TERRITORY OR POPULATION OF THE UNORGANIZED BOROUGH WHERE NO LOCAL GOVERNMENT CURRENTLY EXISTS.

This is discussed in the 3 AAC 110.981. Determination of Maximum Local Self-Government, on page 78.

3 AAC 110.982 (7) Minimum Number of Local Governmental Units

N. PER 3 AAC 110.982(7), THE JURISDICTIONAL BOUNDARIES OF AN EXISTING CITY ARE BEING ENLARGED, RATHER THAN PROMOTING THE INCORPORATION OF A NEW CITY, OR CREATION OF A NEW BOROUGH SERVICE AREA.

This is obviously the case as previously determined by the Commission. See Exhibit I - LBC Decision page 13.

EXHIBIT F. CIVIL AND POLITICAL RIGHTS INFORMATION.

Supplemental material in Exhibit F is in bold italics inserted into the original June 14, 2010 narrative, to update it to 2013.

This Exhibit provides Information regarding any effects of the proposed annexation upon civil and political rights for purposes of the federal Voting Rights Act.

The proposed change will not deny any person the enjoyment of any civil or political right, including voting rights, because of race, color, creed, sex or national origin.

- A. <u>the purpose and effect of annexation as it pertains to voting;</u> The annexation will not add any residents to the City of Dillingham.
- B. <u>the extent to which the annexation excludes minorities while including other similarly situated persons;</u>

The annexation does not exclude minorities while including other similarly situated persons.

- C. <u>the extent to which annexation reduces the City's minority population percentage;</u> There will be no reduction of the City's minority population percentage.
- D. <u>whether the electoral system of the City fails fairly to reflect minority-voting strength;</u> The electoral system of the City of Dillingham reflects minority-voting strength through at-large elections for all offices.
- E. participation by minorities in the development of the annexation proposal; The public had the opportunity to speak to this proposed annexation at: 1) the Council work sessions held by the City Council as part of their consideration of the annexation in March and October 2009, and January 2010; and during several public outreach subcommittee meetings between March and June 2010; 2) when the resolution/ordinance was adopted authorizing the filing of this petition. In addition, the public has the right to speak during the "Citizens Comments" portion of every regular meeting of the Dillingham City Council.

The public had the opportunity to speak to this proposed annexation at:

- the Council work sessions held by the City Council as part of their consideration of the annexation in March and October 2009, and January 2010; and during several public outreach subcommittee meetings between March and June 2010;
- 2) when Resolution No. 2010-10 was adopted authorizing the filing of this petition;
- 3) during the comment period provided by the Local Boundary Commission between January 25,2011 and February 25,2011;
- 4) during the public hearing held by the Local Boundary Commission on April 25, 2011
- 5) during a consultation period between May and November 2011(report attached);

- 6) during consideration of adoption of the city fish tax ordinance at public hearings held during city council meetings on February 2, 2012 (raw fish sales tax), and May 17, 2012 (severance tax) [city council agendas/minutes attached];
- 7) during the period prior to a referendum election on annexation and adoption of the fish tax ordinance between February 2012 and April 10, 2012, and special election advertised in the Bristol Bay Times newspaper, Feb. 23, March 1 and March 8, 2012, and posted in three public places]; and
- 8) during a September 24, 2014 public hearing and during less formal information sessions held in Manokotak (transcripts to be submitted with petition)

In addition, the public has the right to speak during the "Citizens Comments" portion of every regular meeting of the Dillingham City Council.

F. <u>designation of an Alaska Native for U.S. Department of Justice contact regarding the proposed annexation;</u>

Alice Ruby, Mayor City of Dillingham P.O. Box 889 Dillingham, AK 99576 907-842-5211

G. <u>statement concerning the understanding of English in written and spoken forms among minority residents of the City and the territory proposed for annexation;</u>

English is spoken and understood throughout the City of Dillingham and the annexed area.

Meeting Date: October 2, 2014 Postponed to: October 16, 2014 Postponed to: November 6, 2014 Postponed to: January 15, 2015

CITY OF DILLINGHAM, ALASKA

RESOLUTION NO. 2014-57 (AM)

A RESOLUTION OF THE DILLINGHAM CITY COUNCIL AUTHORIZING THE MAYOR TO SUBMIT A PETITION TO THE ALASKA LOCAL BOUNDARY COMMISSION FOR ANNEXATION OF COMMERCIAL FISHING WATERS TO THE CITY OF DILLINGHAM BY THE LEGISLATIVE REVIEW METHOD

WHEREAS, on June 14, 2010, the City of Dillingham filed a petition with the State of Alaska Local Boundary Commission to annex, via the Local Option (voter approval method), the Nushagak Commercial Salmon District waters and Wood River Sockeye Salmon Special Harvest area waters, together consisting of approximately 396 square miles of water and 3 square miles of land (small islands); and

WHEREAS, on April 10, 2012, a Special Election resulted in the passage of two propositions: Proposition 1 approved the annexation of commercial fishing waters to the Dillingham area, and Proposition 2 approved a 2.5% tax on sales of raw fish made within the City boundaries; and

WHEREAS, passage of Proposition 1 and 2 would provide critical funding to support the fishing industry, fire and public safety, water and sewer, landfill, harbor and dock, streets, library and schools; and

WHEREAS, on March 27, 2014 a Superior Court judge ruling in Native Village of Ekuk vs. Local Boundary Commission and City of Dillingham Case No. 3DI-12-0022 CI ordered the Local Boundary Commission to process the annexation through the legislative review method; and

WHEREAS, on August 7, 2014 the Dillingham City Council adopted Resolution No. 2014-42, approving a draft petition to Annex the Nushagak Commercial Salmon District and the Wood River Salmon Special Harvest Area by the Legislative Review Method; and

WHEREAS, the City of Dillingham held a properly noticed and advertised Special Meeting, Wednesday, September 24, at 6:00 PM, for a public hearing on the draft petition, before deciding whether to make any changes to the draft and submitting the petition to the Commission for approval; and

WHEREAS, representatives of the City of Dillingham held a public informational session in Manokotak on September 26 at the Manokotak city hall on the draft petition, before deciding whether to make any changes to the draft and submitting the petition to the Commission for approval; and

WHEREAS, the City of Dillingham held a Regular Council Meeting at Dillingham City Hall October 2, 2014, and Council postponed action on Resolution No. 2014-57 regarding the draft petition until the October 16, 2014 Special Meeting; and

WHEREAS, the City of Dillingham held a workshop at Dillingham City Hall October 16, 2014 regarding the draft petition, before deciding whether to make any changes to the draft and submitting the petition to the Commission for approval; and

WHEREAS, the City of Dillingham held a Special Meeting at Dillingham City Hall October 16, 2014, and Council postponed action on Resolution No. 2014-57 regarding the draft petition until the November 6, 2014 Regular Council Meeting; and

WHEREAS, the City of Dillingham held a Regular Council Meeting at Dillingham City Hall November 6, 2014, and Council postponed action on Resolution No. 2014-57 regarding the draft petition until the January 15, 2015 Regular Council Meeting; and WHEREAS, copies of the petition summary, the prospective petition and related documents, including a map, were made available for public review at the following locations, days, and times open to the public beginning on or about August 12, 2014:

- 1. Dillingham City Hall, 141 Main Street, Dillingham, Monday to Friday, 8 am to 5 pm.
- 2. Dillingham Library, 306 D Street West, Dillingham, Monday, Tuesday & Thursday, 10 am 5 pm, Wednesday, 10 am 6 pm, Friday, 12 pm 7 pm, and Saturday, 10 am 2 pm.
- 3. Dillingham Small Boat Harbor office, 235 Harbor Road, Dillingham, June 1 through August 15, Monday through Sunday, 7 am 10 pm, and August 16 through May 31, Monday through Friday, 7 am 5 pm.
- 4. Dillingham Senior Center, 515 1st Avenue East, Dillingham, Monday through Friday, 8 am 4 pm.
- 5. City of Dillingham website, http://www.dillinghamak.us, available anytime.
- 6. Curyung Tribal Council, 390 D Street, Dillingham, Monday through Friday, 8 am 4:30 pm.
- 7. Ekuk Village Council, 100 Aleknagik Lake Road, Dillingham, Monday through Friday, 8am 4:30pm.
- 8. City of Aleknagik, City office, Aleknagik, Monday through Friday, 9 am 4 pm.
- 9. Village of Aleknagik, Village office, Aleknagik, Monday to Friday, 9 am 5 pm.
- 10. Village of Clark's Point, Village office, Clark's Point, Monday through Friday, 9 am 4:30 pm.
- 11. City of Manokotak, City office, Manokotak, Monday through Friday, 9 am 5 pm.
- 12. Village of Manokotak, Village office, Manokotak, Monday to Friday, 9 am 5 pm.
- 13. Bristol Bay Borough, Borough office, Naknek, Monday through Friday, 8 am 4:30
- 14. Lake and Peninsula Borough, Borough Clerk's office, Monday through Friday, King Salmon, 8 am 5 pm.
- 15. City of Ekwok, City office, Ekwok, Monday through Friday, 10 am 5 pm.
- 16. City of New Stuyahok, City office, New Stuyahok, Monday through Friday, 8 am 3 pm.
- 17. New Koliganek Village Council, Village office, Koliganek, Monday through Friday, 8 am 4:30 pm.

Meeting Date: October 2, 2014 Postponed to: October 16, 2014 Postponed to: November 6, 2014 Postponed to: January 15, 2015

WHEREAS, the scope of the public hearing held September 24, 2014, included addressing the appropriate annexation standards and their application to the annexation proposal, legislative review annexation procedures, the reasonably anticipated effects of the proposed annexation, and the proposed transition plan required under 3 AAC 110.090 - 3 AAC 110.150, 3 AAC 110.400 - 3 AAC 110.700, and 3 AAC 110.900 - 3 AAC 110.990; and

WHEREAS, the City of Dillingham provided an opportunity for any person to submit written comments on the draft annexation petition until the close of business September 30, 2014, before deciding whether to make any changes to the draft and submitting the petition to the Commission for approval; and

WHEREAS, the city council of the City of Dillingham has considered public comments (both written and spoken) about the 2010 petition, the additional public comments made at the 2014 public hearing, and informational sessions, suggested petition changes to the draft petition developed by staff and consultants, and written comments regarding the draft petition submitted by the deadline for written comments before deciding whether to approve changes to the draft and submit the petition to the Commission for approval and has determined that it is in the public interest of the citizens of Dillingham that the revised petition attached to this resolution be submitted to the local Boundary Commission;

NOW, THEREFORE, BE IT RESOLVED:

- 1. That the Dillingham City Council hereby approves the revised draft petition attached to this Resolution; and
- 2. That the Mayor and City Manager are hereby authorized to sign and submit an amended annexation petition substantially in the form attached to this Resolution with additional exhibits as required.

PASSED and ADOPTED by the Dillingham City Council on

Alice Ruby, Mayor

ATTEST:

[SEAL]

Janice Williams, City Clerk

EXHIBIT H AFFIDAVIT OF PETITIONER'S REPRESENTATIVE CONCERNING ACCURACY OF INFORMATION

STATE OF ALASKA)	
) ss.
THIRD JUDICIAL DIS	TRICT)
I, Alice Ruby, re	presentative of	of the Petitioner seeking annexation, being sworn, state that
the following:		
To the be	st of my kno	wledge, information, and belief, formed after reasonable
inquiry, t	he information	on in the Petition is true and accurate.
		DATED this 19th day of January, 2014. Petitioner's Representative

SUBSCRIBED AND SWORN TO before me on January 19 3015.

[notary seal ICE WII

Notary Public in and for Alaska

My Commission expires: 3/18/2015

PAGE 1 PETITIONER'S AFFIDAVIT

EXHIBIT I. LOCAL BOUNDARY COMMISSION DECEMBER 14, 2011 DECISION APPROVING DILLINGHAM ANNEXATION

(14 pages, begins next page)

Members

Lynn Chrystal Chair At Large

John Harrington Member First Judicial District

Bob Harcharek Member Second Judicial District

Larry Semmens Vice Chair Third Judicial District

Lavell Wilson Member Fourth Judicial District



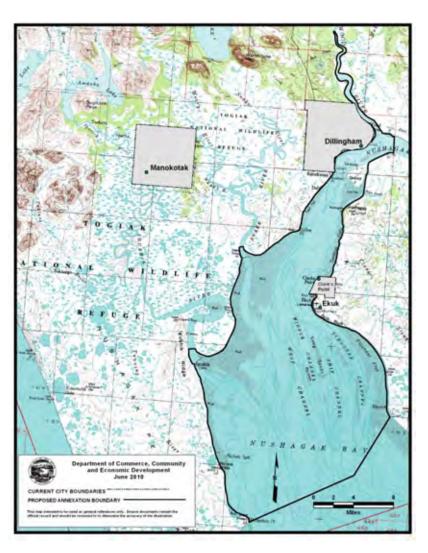
Local Boundary Commission **Decision**

In the Matter of the June 14, 2010, Petition by the City of Dillingham to annex approximately 396 square miles of submerged land and 3 square miles of land

Section I Introduction

On June 14, 2010, the City of Dillingham petitioned the Local Boundary Commission (also referred to as "LBC" or "commission") to annex approximately 396 square miles of submerged land and 3 square miles of land. The territory proposed for annexation is described as follows and is shown on the map below:

The territory proposed for annexation is the Nushagak Commercial Salmon District with approximately 390.95 square miles of water and 2.83 square miles of land (Grassy Island), and, the Wood River Sockeye Salmon Special Harvest area with approximately 4.89 square miles of water and 0.41 square miles of land (Sheep Island and small island to north), together totaling 399.08 square miles of which 395.84 (99.2%) are water.



SECTION II PROCEEDINGS

• Deposit of Petition

On June 14, 2010, the City of Dillingham provided a copy of the City's prospective petition at the following locations:

- o City of Dillingham's City Hall, Dillingham;
- o Dillingham Library, Dillingham;
- o Port of Dillingham small boat office, Dillingham; and
- o City of Dillingham website.

On July 9, 2010 the City updated those notebooks to include the submitted petition, public notice, and copies of the laws establishing standards and procedures for city annexation. They have been subsequently updated.

On September 21, 2010, the City further updated those notebooks to include the errata with minor spelling and grammatical corrections to the submitted petition.

• Submission and Review of Petition

The petition was submitted to LBC staff (also referred to as "Commerce") on June 14, 2010, and accepted for filing on July 2, 2010.

• Posting of Notice

On July 9, 2010, notice was posted at the following locations within and surrounding the territory proposed for annexation:

- o City of Dillingham's City Hall;
- o Dillingham Library;
- Port of Dillingham small boat office;
- o City of Dillingham website
- Dillingham's United States post office;
- o Dillingham Alaska Commercial;
- o Dillingham N & N Market;
- o Dillingham BBEDC office;
- o Dillingham Choggiung Office;
- o Dillingham BBNA office;
- o Dillingham ADF&G office;

- o Dillingham Peter Pan office;
- o Dillingham Snopac office;
- o Clark's Point post office
- o City of Clark's Point office;
- o Village of Clark's Point office;
- Aleknagik post office;
- o City of Aleknagik office;
- o Native Village of Aleknagik office;
- Manokotak post office;
- o City of Manokotak office;
- o Manokotak Council office;
- o Ekuk Village Council office;
- Curyung Tribal Council office.

Public Notice

Notice of the petition was published in the *Bristol Bay Times* on July 15, July 22, and July 29, 2010.

On August 2 and 5, 2010, a public service announcement was sent to the following radio stations to broadcast for 14 days:

KDLG am and fm

• Service of Petition

On July 26, 2010, the City of Clark's Point, the City of Manokotak, the City of Aleknagik, the Village of Clark's Point, Ekuk Village Council, Manokotak Village Council, the Native Village of Aleknagik, and Curyung Tribal Council were served, via United States Postal Service, complete copies of the petition.

On August 2, 2010 a copy of the Notice of Petition was mailed by city employee Janice Shilanski to the individuals and organizations whose names and addresses are listed in Exhibit No. 3, attached to the August 6, 2010, City affidavit.

• Deadline for Initial Comments and Responsive Briefs

The notice of filing invited written public comment concerning the proposed annexation by October 4, 2010. The Native Village of Ekuk submitted a timely received responsive brief on October 4, 2010, before 4:30 p.m., via email. Staff received 11 public comments. Below is the full list of each public comment including date received and position regarding the annexation petition.

Name	Date Received	Position Regarding Annexation Petition		
City of Alegnagik	10/1/2010	Opposed		
Clarks Point Village Council	10/1/2010	Opposed		
Ekwok Village Council	10/1/2010	Opposed		
Lake and Peninsula Borough	10/1/2010	Conditional Support		
Jerry Liboff	9/29/2010	Opposed		
Stanley Mack	10/1/2010	Opposed		
City of Manokotak	9/30/2010	Opposed		
City of New Stuyahok	9/30/2010	Opposed		
Native Village of Ekuk Responsive Brief	10/1/2010*	Opposed		
Avi Friedman	9/30/2010*	Opposed		
Bristol Bay Native Association	10/3/2010**	Opposed		
Robin Samuelsen	10/1/2010*	Support		
*Electronic version received prior to deadline. Per 3 AAC.110.700 a discrepancy was realized. Late Filing request was submitted and accepted by LBC Chair				
**Received Late with no communication prior to the deadline. Late Filing request was submitted and accepted by LBC Chair				

Staff acknowledged each individual, municipal, and tribal government agency's comment in a timely manner. Per 3 AAC 110.480(d), originals (hard copies) of public comments not received within 10 days were considered late filed comments. No penalty was enacted for a late filed comment.

To ensure the fairness of the process and to allow every commenter the opportunity to have his or her comments addressed, staff requested that the LBC chair relax the relevant regulations to allow in the three comments that were submitted either late, or on time but without an original on file, and the reply brief¹. Staff felt it was in the interest of justice to allow all comments to be considered regardless of their position. This request was presented to and approved by the LBC chair.

¹ The reply brief was submitted electronically in a timely manner. However, two pages were mistakenly missed from the electronic version. To ensure fairness, LBC staff included the reply brief in the request to relax the regulations to prevent any perception of preferential treatment.

• Petitioner's Reply Brief Filed

On October 4, 2010, the City of Dillingham filed a 82-page reply brief in response to the comments and Responsive Brief received during the petition's public comment period.

• Commerce Informational Meeting

On January 19, 2011, Commerce planned to conduct a duly noticed public informational meeting concerning the city of Dillingham's annexation proposal in the City of Dillingham. On January 20, 2011 a second meeting was intended to be held, for the same purpose, in the City of Manokotak. Both duly noticed informational meetings were cancelled due to blizzard weather in the region.

• Preliminary Report Distribution

On January 26, 2011, Commerce distributed copies of its 116 page *Preliminary Report Regarding the Proposal to Annex by local option, approximately 396 square miles of water and 3 square miles of land to the City of Dillingham* to interested parties including the petitioner, respondent, commenters, Local Boundary Commission members, and others.

• Receiving Timely Comments on Preliminary Report

The public comment period for the preliminary report was from January 26, 2011, until February 25, 2011. Commerce received sixteen submitted comments, including comments from the City of Dillingham and the respondent, Native Village of Ekuk. Per 3 AAC 110.480(d), originals (hard copies) of public comments not received within 10 days were considered late filed comments. No penalty was enacted for a late filed comment.

As with the preliminary report, staff requested that the LBC chair allow in the two comments that were submitted on time but without an original on file. Staff, again, felt it was in the interest of justice to allow all comments to be considered regardless of their position. This request was presented to and approved by the LBC chair.

• Final Report Distribution

On April 4, 2011, Commerce distributed copies of its *Final Report to the Local Boundary Commission Regarding the Proposal to Annex by local option, approximately 396 square miles of water and 3 square miles of land to the City of Dillingham to interested parties including the petitioner, respondent, commenters, Local Boundary Commission members, and others.*

Notice of Local Boundary Commission Public Hearing and Decisional Meeting

The Local Boundary Commission chair scheduled a public hearing regarding the City of Dillingham's annexation petition. Formal notice of the hearing had been given by Commerce under 3 AAC 110.550.

Commerce published the full notice as a column ad in the Bristol Bay Times on March 21, 2011, and a display ad in the *Bristol Bay Times* on March 28, 2011, April 5, 2011, April 12, 2011. The notice was also posted on the internet through the state's *Online Public Notice System*, as well as on the Division of Community and Regional Affairs and LBC websites.

Additionally, notice of the hearing was provided to the Petitioner's representative (Mayor Alice Ruby) and to the Respondent Native Village of Ekuk, and the Respondent's legal

counsel, James Baldwin. The City posted the notice where the petition documents were made available for public review.

• LBC Meeting

On April 6th, 2011, the LBC held a duly noticed public meeting in Anchorage. One of the items on the agenda was the process of deliberation for the LBC decisional meeting. LBC staff presented an overview of the regulations and standards pertaining to the city annexation process.

• LBC Public Hearing Regarding the City of Dillingham's Annexation Petition

In accordance with 3 AAC 110.550 and 3 AAC 110.560 the commission held a duly noticed public hearing on Monday, April 25, 2011, regarding the City of Dillingham's annexation petition. The hearing began at 4:00 p.m. in the Dillingham middle/high school gym. The continuation of the public hearing began at 4:00 pm on Tuesday, April 26, 2011. The decisional meeting immediately followed the close of the public hearing at approximately 10:45 p.m. and concluded at approximately 1:00 a.m. April 27, 2011. The commission heard sworn testimony from witnesses for the City of Dillingham and for the Respondent, Native Village of Ekuk, as well as comments by numerous public members both for and against the proposed annexation.

• LBC Decisional Meeting Regarding the City of Dillingham's Annexation Petition

In accordance with 3 AAC 110.570 the Local Boundary Commission held a duly noticed decisional meeting on Tuesday, April 26, 2011, regarding the City of Dillingham's annexation petition. The commission voted 5 to 0 to conditionally approve the annexation petition, as allowed under 3 AAC 110.570(c)(1).

SECTION III FINDINGS AND CONCLUSIONS

The record in this proceeding includes the City of Dillingham's annexation petition and supporting materials, written comments received on the petition, the Native Village of Ekuk's responsive brief, the City of Dillingham's reply brief, Commerce's preliminary report, comments received on Commerce's preliminary report, Commerce's final report, and testimony received at the LBC's April 25th and 26th public hearing on the petition.

The standards for annexation to cities that the Local Boundary Commission is required by Alaska law to apply are found at 3 AAC 110.090-3 AAC 110.135 and 3 AAC 110.900-3 AAC 110.982. Section III of this decisional statement recounts such application by the commission. Based on the evidence in the record relating to the subject petition, the Local Boundary Commission has reached the findings and conclusions set out in this section.

A. 3 AAC 110.090. Need.

Two standards relate to the need for city government in the territory proposed for annexation. First, 3 AAC 110.090(a) states that a territory may be annexed to a city provided the commission determines that there is a reasonable need for city government in the territory. Second, 3 AAC 110.090(b) states that territory may not be annexed to a city if the commission determines that essential municipal services can be provided more efficiently and more effectively by another existing city or by an organized borough, on an areawide basis or nonareawide basis, or through a borough service area.

3 AAC 110.090(a)

Regarding the first standard, the commission finds that the territory proposed to be annexed, is receiving, at the present and through the foreseeable future, the benefit of services and facilities provided by the annexing city. The petitioner has continued to provide municipal services. These services would not be available to the fishery industry within the Nushagak Bay area if it were not for the city providing them. As a responsible local government entity, the city has continually provided these services at the expense of its residents and to the point of unsustainability.

The proposed annexation will benefit the region as well as the city. The commission finds that 110.090 has been met.

1. 3 AAC 110.090(b)

With respect to the second standard relating to the need for city government, 3 AAC 110.090(b) provides that territory may not be annexed to a city if essential city services can be provided more efficiently and more effectively by another existing city, by an organized borough, or through a borough service area. Dillingham is the regional hub for the Nushagak Bay area. No other municipality has argued that it has the ability, or desires the responsibility of providing more efficient and more effective essential municipal services for the proposed expanded boundaries.

The commission finds no other existing municipality has the ability to provide essential municipal services to the territory to be annexed more efficiently and more effectively than the petitioner. The idea of regional government has only been theoretical with no petition formally filed and accepted by the LBC since the incorporation of the city. Regional government could be a viable option; however, under the circumstances the region has not produced the will or resources necessary to form such a government. The LBC finds that the petition meets 3 AAC 110.090(b)'s requirements.

B. 3 AAC 110.100. Character.

Alaska law allows a territory to be annexed to a city provided, that the territory is compatible in character with the annexing city. (3 AAC 110.100).

In a broad view, the Nushagak Bay communities including the City of Dillingham all benefit from the tax revenue the annexation would produce. They would benefit because they use city services, whether for fishing purposes or not. If Dillingham cannot financially sustain itself, these other communities will suffer if these services are no longer available, or are of diminished quality. As the community, in general, benefits from the proposed annexation, it is reasonable to conclude that the territory is suitable for the reasonably anticipated community purpose of producing additional revenue for the direct and indirect benefit of the Nushagak Bay area communities.

We find that the petition satisfies 3 AAC 110.100's requirements for the territory because the Nushagak Bay is compatible in character to the City of Dillingham.

C. 3 AAC 110.110. Resources.

Alaska law allows a territory to be annexed to a city provided that the commission determines that the economy within the proposed expanded boundaries of the city has the human and financial resources necessary to provide essential city services on an efficient, cost-effective level (3 AAC 110.110).

The commission finds that the city has met 3 AAC 110.110 because the city has and is expected to continue to provide essential municipal services on an efficient, cost effective level. The local fish tax revenue will provide it the resources to continue to do so. The expenses resulting from this annexation are a minimal portion of the additional revenue accumulated from the severance tax collected, however the petitioner has met 3 AAC 110.110 because the actual income and the reasonably anticipated ability to generate and collect local revenue and income from the territory will fund the essential municipal services that have been continually provided to the territory.

The existing and reasonably anticipated industrial, commercial, and resource development in the territory proposed for annexation is thriving and expected to continue over the long term. The commission concludes that the petitioner has successfully met 3 AAC 110.110 because the economy within the proposed expanded boundaries of the city includes the human and financial resources necessary to provide essential municipal services on an efficient, cost-effective level. For all the reasons set out above, the commission finds that the petition satisfies the requirements of 3 AAC 110.110.

D. 3 AAC 110.120. Population.

3 AAC 110.120 states that "[t]he population within the proposed expanded boundaries of the city must be sufficiently large and stable to support the extension of city government."

The commission finds that even with a declining population in Dillingham, that the population of the proposed expanded boundaries of the city (the existing city plus the territory proposed for annexation) is sufficiently large and stable to support the extension of city government. The commission believes that in this case, increased tax revenues would stimulate the local economy. This in turn could stabilize or increase population, if residents could stay and have suitable employment. The commission concludes that the petition meets the standard of 3 AAC 110.120.

E. 3 AAC 110.130. Boundaries.

There are five standards related to boundaries that the commission must consider. We find that the petition has satisfied 3 AAC 110.130's requirements based on the rationale below.

1. 3 AAC 110.130(a)

3 AAC 110.130(a) states that the proposed expanded boundaries of the city must include all land and water necessary to provide the development of essential municipal services in an efficient, cost-effective manner.

The commission finds the city is already providing essential municipal services. The proposed annexation will not make it more difficult for the city to provide these services.

2. 3 AAC 110.130(b)

3 AAC 110.130(b) states that territory that is noncontiguous to the annexing city or that would create enclaves in the annexing city, does not include all land and water necessary to develop essential municipal services in an efficient, cost-effective manner (absent a specific and persuasive contrary showing). The commission finds that the territory is contiguous to the city, and would not create enclaves.

3. 3 AAC 110.130(c)(1)

The expanded boundaries of the City of Dillingham must be on a scale suitable for city government, and may include only that territory comprising an existing local community, plus reasonably predictable growth, development, and public safety needs during the ten years following the effective date of annexation.

The commission finds that the proposed expanded boundaries of the city are on a scale suitable for city government. The present size of Dillingham is 33.6 sq. miles of land and 2.1 sq. miles of water, for a total of 35.7 square miles. The proposed annexation is 395.84 square miles of water, and 3.24 square miles of land, for a total of 399.08 square miles. The annexation will result in a total municipal area of 434.78 square miles for Dillingham.

Other Alaskan municipalities are reasonably large, on a scale suitable for city (municipal) government. While the proposed expanded boundaries are larger than most other municipalities they are proportionate per capita to other municipalities. The city of Dillingham will be large, but it is not without comparison or precedent. For these reasons, the commission finds that proposed expanded boundaries of the city are on a scale suitable for city government.

4. 3 AAC 110.130(c)(2)

The proposed expanded boundaries of the City of Dillingham may not include entire geographical regions or large unpopulated areas, except if those boundaries are justified by the application of standards in 3 AAC 110.090 - 3 AAC 110.135 and are otherwise suitable for city government.

The commission finds that the proposed expanded boundaries of the city do not fit the definition of "region" because the proposed expanded boundaries of the city do not encompass a borough, or have multiple communities that share common attributes. The existing land based communities other than Dillingham are outside the proposed expanded boundaries of the city.

The commission finds that the proposed expanded boundaries of the city do not meet the definition of "area" because they do not describe a borough. They are not even a proposed borough because the model borough boundaries for Bristol Bay exceed that of the proposed expanded boundaries of the city.

The commission further finds that the municipal area is extensively populated year round without the addition of the "seasonal community." The proposed expanded boundaries of the city are also populated during the annual fishing season. The LBC finds that any contention about whether the proposed expanded boundaries of the city include large unpopulated areas is most for reasons explained below.

The commission concludes that the petition meets the standards of 3 AAC 110.090 - 3 AAC 110.135, and are otherwise suitable for city government. Per 3 AAC 110.130(c)(2), because the petition meets those two criteria, the provision that annexation may not include entire geographical regions or large unpopulated areas does not apply.

5. 3 AAC 110.130(d)

3 AAC 110.130(d) states that "if a petition for annexation to a city describes boundaries overlapping the boundaries of an existing organized borough, the petition for annexation must also address and comply with the standards and procedures for either annexation of the enlarged city to the existing organized borough or detachment of the enlarged city from the existing organized borough. If a petition for annexation to a city describes boundaries overlapping the boundaries of another existing city, the petition for annexation must also address and comply

with the standards and procedures for detachment of territory from a city, merger of cities, or consolidation of cities."

This annexation petition does not describe boundaries overlapping the boundaries of an existing organized borough or another existing city. For that reason the petition does not need to address the standards and procedures for annexation of the enlarged city to the existing organized borough, detachment of the enlarged city from the existing organized borough, detachment of territory from an existing city, merger of cities, or consolidation of cities.

We find that the overlapping boundary standard is satisfied for territory proposed for annexation.

F. 3 AAC 110.135. Best Interests of the State.

3 AAC 110.135 examines AS 29.06.040(a)'s best interests of the state requirement. Alaska's constitution promotes maximum local government with a minimum of local government units and prevention of duplication of tax levying jurisdictions. (Article X, §1).

The commission finds that the proposed annexation would have no effect upon the number of local government units. The annexation meets the best interests of the state requirement because the city is the appropriate government for the territory. The rest of the region's communities need a stronger regional hub for their sustainability. The annexation is necessary to sustain the city, thereby sustaining the regional hub. If the city were to continue its fiscal course, without annexation approval, the state could be forced to step in and assist Dillingham in order to maintain the economic integrity of the city and region. This would not be in the state's best interests. Dillingham is the hub of the Nushagak Bay region.

The city is the appropriate government for the territory because the rest of the region's communities need a stronger regional hub for their sustainability. We find that the city of Dillingham is the appropriate government for the territory because the city is the region's hub, because the annexation could encourage, not hinder, borough formation, and because approving the annexation petition does not remove any present or future fish tax revenue for existing communities or a future borough.

We find that the petition satisfies 3 AAC 110.135's requirement for annexation.

G. 3 AAC 110.900. Transition.

3 AAC 110.900 concerns whether the transition plan contains all the required information, and that all required actions were undertaken to prepare for a smooth transition. There are six parts to 3 AAC 110.900 that the commission reviewed.

The commission considers the prospective transition of extending essential city services into the territories proposed for annexing to be elementary and uncomplicated. In particular, the commission notes that annexation would not involve the transfer of assets or liabilities from one local government to another.

The commission finds that 3 AAC 110.900's requirements have been satisfied with respect to the current annexation proposal based on the rationale below.

1. 3 AAC 110.900(a)

3 AAC 110.900(a) requires the petition to include a practical plan demonstrating the capacity of the annexing city to extend essential city services into the territories proposed for annexation in the shortest practical time after the effective date of the proposed annexation. The proposed

annexation would occur in the unorganized borough, and does not involve any service areas. There is not a considerable amount of transition necessary. Notwithstanding, the LBC deems that 3 AAC 110.900(a) has been satisfied because the petition includes a transition plan.

2. 3 AAC 110.900(b)

3 AAC 110.900(b) requires that the petition include a practical plan for the assumption of all relevant and appropriate powers, duties, rights, and functions presently exercised by an existing borough, city, unorganized borough service area, or other appropriate entity located within the boundaries proposed for change.

The commission finds that there is a transition plan and that the city indicates in its transition plan when the transition would occur. The commission finds that there is very little external transition to be done, but that the transition plan was prepared in consultation with the officials of each existing borough, city, and unorganized borough service area. We find that the plan was designed to affect an orderly, efficient, and economical transfer within the shortest practical time, not to exceed two years after the effective date of the proposed change. We find that 3 AAC 110.900(b) has been satisfied.

3. 3 AAC 110.900(c)

3 AAC 110.900(c) requires that the petition must include a practical plan for the transfer and integration of all relevant and appropriate assets and liabilities of an existing borough, city, unorganized borough service area, and other entity located within the boundaries proposed for annexation. Here, a plan to transfer assets and liabilities is a moot subject because there are no assets or liabilities that would be affected.

4. 3 AAC 110.900(d)

3 AAC 110.900(d) allows the LBC to condition approval upon executing an agreement for assuming powers, duties, rights, and functions, and for the transfer and integration of assets and liabilities. The Local Boundary Commission moved to alter the petition as follows: Petitioner shall attempt to meet with [the] cities of Aleknagik, Clark's Point, New Stuyahok, Ekwok, and Manokotak, and the entities of New Koliganek Village Council (DBA Native Village of Koliganek) and respondent Native Village of Ekuk regarding post-annexation financial matters affecting such parties due to the annexation[;] and file a report of the meeting attempts, whether or not held, and meetings held, if any, with the LBC by [no later than] 11/30/2011.

The purpose of this condition is an attempt by the Local Boundary Commission to allow all communities within the region directly affected by this annexation the opportunity to discuss the financial effects and potential remedies with the petitioner.

5. 3 AAC 110.900(e)

The transition plan must state the names and titles of all officials of each existing borough, city, and unorganized borough service area that were consulted by the petitioner. The dates on which that consultation occurred and the subject addressed during that consultation must also be listed. The transition plan did state the names and titles of all officials consulted by the petitioner as required by 3 AAC 110.900(e). The commission finds that the requirements of 3 AAC 110.900(e) have been met.

6. 3 AAC 110.900(f)

If a petitioner has requested consultation, and borough officials have declined to consult or were unavailable during reasonable times, the petitioner may ask the LBC to waive that requirement. As no such request was received, no such waiver was granted.

H. 3 AAC 110.910. Statement of Nondiscrimination

As provided by 3 AAC 110.910, an annexation proposal may not be approved by the commission if the effect of the annexation would deny any person the enjoyment of any civil or political right, including voting rights, because of race, color, creed, sex, or national origin.

We find no evidence that the effect of the proposed change denies any person the enjoyment of any civil or political right, including voting rights, because of race, color, creed, sex, or national origin.

I. 3 AAC 110.970. Determination of Essential Municipal Services.

Essential municipal services were discussed under 3 AAC 110.090. The essential municipal services must be reasonably necessary to the community, promote maximum, local self-government, and cannot be provided more efficiently and more effectively by the creation or modification of some other political subdivision of the state.

The commission finds that the harbor, with its docks and support facilities, is an essential municipal service under the circumstances. We find that it is reasonably necessary to the community. We find this because Dillingham is the largest port in Nushagak Bay, or for quite a distance beyond Nushagak Bay. We find that the docks and related facilities are city owned and maintained, and are essential to the fishers, as either a place to resupply, to seek refuge from weather, and for other boat or crew needs.

We find that 3 AAC 110.970(d) includes "levying and collecting taxes" and "public safety protection" as services which the LBC can consider to be essential municipal services, and we consider them to also be essential municipal services here. We find that the petition has met 3 AAC 110.970's requirements.

J. 3 AAC 110.981. Determination of Maximum Local Self-Government.

The approval of this petition extends city government to the territory proposed for annexation where no government currently exists. The commission finds that fishers already benefit from the municipal services the city currently provides. Further, the annexation will extend local government to the territory and seasonal population. The commission finds that the proposed boundary change promotes maximum local self government under art. X, sec. 1, Constitution of the State of Alaska.

K. 3 AAC 110.982. Minimum Number of Local Government Units.

The commission finds that Alaska's constitution promotes minimizing the number of local government units unless creating additional units are found to serve the best interests of the state. Annexing the territory would not increase the number of local government units. Annexation would just change the size of the city. The commission finds that if no new local government units are created by an approved proposal, then the annexation would promote the principal of a minimum number of local government units. The commission finds that this annexation proposal will not create new local government units and therefore has met the requirements of 3 AAC 110.982.

SECTION IV ORDER OF THE COMMISSION

The commission concludes that all of the relevant standards and requirements for annexation of the territory (the Nushagak Bay Commercial Fishing Districts) are satisfied by the City of Dillingham's petition. The commission, however, believes that the uniqueness of the territory proposed for annexation coupled with the longstanding tribal, cultural, and economic relationships that persist in this region demand that additional conversation among the villages, tribal entities, municipalities, and the City of Dillingham be held. These conversations are for the long term benefit of the existing cultural relationships between the City of Dillingham and the communities that surround the Nushagak Bay.

The Local Boundary Commission moved to alter the petition as follows: Petitioner shall attempt to meet with [the] cities of Aleknagik, Clark's Point, New Stuyahok, Ekwok, and Manokotak, and the entities of New Koliganek Village Council (dba Native Village of Koliganek) and respondent Native Village of Ekuk regarding post-annexation financial matters affecting such parties due to the annexation[;] and file a report of the meeting attempts, whether or not held, and meetings held, if any, with the LBC by [no later than] 11/30/2011.

The Commission conditionally approves the June 14, 2010, petition of the City of Dillingham for the annexation of approximately 396 square miles of water and 3 square miles of land.

CITY OF DILLINGHAM CORPORATE BOUNDARIES

Beginning at the northwest corner of protracted Section 31, T12S, R55W, Seward Meridian (S.M.) (Map of USGS Quad Dillingham A-7, 1952); Thence, east to the mean high tide line on the west bank of the Wood River; Thence, meandering north and northwesterly along a line paralleling the mean high tide line of the west bank of the Wood River to the intersection with 59 degrees 12.11 minutes North Latitude and 158 degrees 33.38 minutes West Longitude; Thence, east across the Wood River to mean high tide line on the east bank of the Wood River at 59 degrees 12.11 minutes North Latitude and 158 degrees 33.11 minutes West Longitude; Thence, meandering south and southeasterly along a line paralleling the mean high tide line of the east shore of the Wood River and the northeastern shore of the Nushagak River to the intersection with R55W, S.M.; Thence, south along the eastern boundary of protracted Sections 12, 13, and 24, T13N, R55W, S.M. to the intersection with mean high tide line on the southern shore of Nushagak River; Thence, meandering southerly along a line paralleling the mean high tide line of the southeastern shore of Nushagak River and Nushagak Bay, including Grass Island, and excluding the corporate boundaries of the 2nd class city of Clark's Point (as shown on certificate recorded May 11, 1971, in Book XVII, Page 299, Records of the Bristol Bay Recording District, Third Judicial District), to a point at 58 degrees 39.37 minutes North Latitude and 158 degrees 19.31 minutes West Longitude; Thence, southwesterly to 58 degrees 33.92 minutes North Latitude and 158 degrees 24.94 minutes West Longitude; Thence, southwesterly to 58 degrees 29.27 minutes North Latitude and 158 degrees 41.78 minutes West Longitude at mean high tide line along the east shore of Nushagak Bay; Thence, meandering northerly along a line paralleling the mean high tide line to a point at the intersection of mean high tide line and the Igushik River at 58 degrees 43.841 minutes North Latitude and 158 degrees 53.926 minutes West Longitude; Thence, easterly across the Igushik River to a point at the intersection of the Igushik River's mean high tide line on its eastern shore at 58 degrees 43.904 minutes North Latitude and 158 degrees 52.818 minutes West Longitude; Thence, meandering northerly along a line paralleling the mean high tide line of Nushagak Bay to a point at the intersection of mean high tide line and the western shore of the Snake River at 58 degrees 52.879 minutes North Latitude and 158 degrees 46.710 minutes West Longitude; Thence, easterly across the Snake River to a point at the intersection of the Snake River's mean high tide line on its eastern shore at 58 degrees 52.988 minutes North Latitude and 158 degrees 46.030 minutes West Longitude; Thence, meandering north easterly along a line paralleling the mean high tide line of Nushagak Bay to the intersection with the line common to the northwest corner

of protracted T14S, R56W, S.M. (USGS map of Quad Nushagak Bay D-2, 1952, minor revision 1985); Thence, west along the northern boundary of protracted Sections 1, 2, and 3, T14N, R56W, S.M. (USGS map of Quad Nushagak Bay D-2, 1952, minor revision 1985) to the northwest corner of Section 3; Thence, north to the northwest corner of protracted Section 3, T13S, R56W, S.M. (USGS map of Quad Nushagak Bay D-2, 1952, minor revision 1985); Thence, west to the protracted southwest corner of Section 31,T12S, RSSW, S.M. (USGS map of Quad Dillingham A-7, 1952); Thence, north to the northwest corner of protracted Section 31, T12S, RSSW, S.M., the point of beginning, containing approximately 36.84 square miles of land and 397.94 square miles of water, more or less, all within in the Third Judicial District, Alaska (USGS map of Quad Dillingham A-7, 1952).

Approved in writing this 26th day of May, 2010.

LOCAL BOUNDARY COMMISSION

By:

Attest: R. Brent William

Brent Williams, Staff

RECONSIDERATION BY THE COMMISSION

Per 3 AAC 110.580(a) "within 18 days after a written statement of decision is mailed under 3 AAC 110.570(f), a person may file an original and five copies of a request for reconsideration of all or part of the decision, describing in detail the facts and analyses that support the request for reconsideration."

Per 3 AAC 110.580(e) "the commission will grant a request for reconsideration or, on its own motion, order reconsideration of a decision 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."

Additionally, per 3 AAC 110.580(f) "if the commission does not act on a request for reconsideration within 30 days after the decision was mailed under 3 AAC 110.570(f), the request is automatically denied."

Also, per 3 AAC 110.580(f) "if the commission orders reconsideration or grants a request for reconsideration within 30 days after the decision was mailed under 3 AAC 110.570(f), the commission will allow a petitioner or respondent 10 days after the date reconsideration is ordered or the request for reconsideration is granted to file an original and five copies of a responsive brief describing in detail the facts and analyses that support or oppose the decision being reconsidered."

JUDICIAL APPEAL

Per 3 AAC 110.620, "a final decision of the commission made under the Constitution of the State of Alaska, AS 29.04, AS 29.05, AS 29.06, or this chapter may be appealed to the superior court in accordance with the Administrative Procedure Act (AS 44.62)." Please note that AS 44.62.560 requires that "the notice of appeal shall be filed within 30 days after the last day on which reconsideration can be ordered, and served on each party to the proceeding."

EXHIBIT J. CONSULTATION REPORT

(84 pages, begins next page)



November 15, 2011

Alaska Local Boundary Commission c/o: Mr. Brent Williams
Department of Community, Commerce and Economic Development 550 West 7th Ave., Suite 1770
Anchorage, AK 99501-3510

SUBJECT: CITY OF DILLINGHAM CONSULTATION REPORT

Dear Mr. Williams:

Enclosed please find the City of Dillingham's Consultation Report filed herein with the Alaska Local Boundary Commission (LBC) on Post-Annexation Financial Matters.

We are filing this report to fulfill the condition placed on the petition when it was approved by the LBC, to:

Petitioner shall attempt to meet with the cities of Aleknagik, Clark's Point, New Stuyahok, Ekwok, and Manokotak, and New Koliganek Village Council (dba Native Village of Koliganek) and the respondent Native Village of Ekuk regarding post-annexation financial matters affecting such parties due to the annexation; and file a report of the meeting attempts, whether or not held, and meetings held, if any, with the LBC by 11/30/2011.

In its October 14, 2011, Reconsideration Decision the LBC indicated that it would meet to accept this report, which would constitute final approval of the petition. We respectfully request that the LBC meet within one month so that we can begin the work necessary to have an election well before next fishing season.

Sincerely,

Alice Ruby

Mayor, City of Dillingham

Enclosure: City of Dillingham's Consultation Report

cc: Atty. Brooks Chandler, Boyd, Chandler & Falconer, LLP

Atty. James Baldwin, Counsel for the Native Village of Ekuk

City of Dillingham Consultation Report to the Alaska Local Boundary Commission on Post-Annexation Financial Matters

The City of Dillingham has been attempting to consult with neighboring communities on post annexation financial matters and is filing this report on its efforts.

The Local Boundary Commission (LBC) altered the City of Dillingham annexation petition by adding the following condition:

"Petitioner shall attempt to meet with the cities of Aleknagik, Clark's Point, New Stuyahok, Ekwok, and Manokotak, and New Koliganek Village Council (dba Native Village of Koliganek) and the respondent Native Village of Ekuk regarding post-annexation financial matters affecting such parties due to the annexation[;] and file a report of the meeting attempts, whether or not held, and meetings held, if any, with the LBC by [no later than] 11/15/2011 (later changed to 11/30/2011).¹"

The LBC clarified in October that approval of the annexation petition was contingent upon submittal of this report².

Dillingham has been formally consulting with residents and neighbors on post annexation financial matters for over a year.

This includes good faith effort to attempt to consult many times since the April 26 LBC decisional meeting in Dillingham.

In addition to formal consultation, informal conversation on these matters occur frequently at venues from our grocery store aisles to workplace coffee breaks to discussions in the evening after regional gatherings of the "BBs" that bring village residents into Dillingham during the year.

Submittal of this report to the LBC does not end Dillingham's consultations.

We are committed to continuing these conversations between now and the annexation election, and, after the election.

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Local Boundary Commission Decision, May 26, 2011, in the Matter of the June 14, 2010, Petition by the City of Dillingham to annex approximately 396 square miles of submerged land and 3 square miles of land; pg 12.

² Local Boundary Commission Reconsideration Decision, October 14, 2011; pg 5

This report has three sections:

- 1. Attempts to consult on post-financial annexation matters <u>prior to the April 25-26 LBC public hearing and decisional meeting</u>³;
- 2. Attempts to consult on post-financial annexation matters <u>after the LBC decisional</u> meeting, between April 27 and November 5, 2011; and
- 3. Continued consultation on post-financial annexation matters <u>after filing this</u> <u>Report with the LBC</u>.

1. Attempts to Consult on Post Financial Annexation Matters *Prior* to April 25-26 LBC Public Hearing And Decisional Meeting.

The City of Dillingham knew that annexation, including the proposed local fish tax, would be of concern to neighboring village residents as well as Dillingham residents.

<u>Informational Meetings</u>

In order to discuss these matters, Dillingham representatives reached out to neighboring communities to hold Informational Meetings. Approximately 50 residents attended one of the Informational meetings (sign-in sheets and meeting summaries for most of these meetings are found in Attachment One).

Dillingham City Council members:

- 1. Hosted a radio call-in show on KDLG⁴ FM/AM on August 2, 2010
- 2. Hosted an Informational Meeting in Dillingham on August 2, 2010
- 3. Drove/boated in to Aleknagik to hold an Informational Meeting on August 3, 2010
- 4. Chartered a plane and flew in to <u>Clark's Point</u> to host an Informational Meeting on August 4, 2010
- 5. Chartered a plane and flew to City of <u>Manokotak</u> to host an Informational Meeting on August 17, 2010
- Hosted an Informational Meeting at <u>Curyung Tribal Council</u> office on August 10, 2010
- 7. The Dillingham City Clerk/Manager spoke with Robert Heyano of the <u>Ekuk Tribal</u> <u>Council</u> several times in August to set up an Informational Meeting, but they were never able to settle on a date.

Main points discussed at these meetings were:

a. Most did not understand, but now do understand that:

³ Dillingham recognizes that the Commission was concerned regarding whether sufficient outreach had occurred prior to the annexation hearing so includes this section even though it technically is not required by the Commission's annexation decision.

⁴ KDLG's signal reaches from Dillingham to all villages in the region including all communities identified in the consultation condition adopted by the Commission.

- o Dillingham will get no additional state fish tax from the annexation
- that local fish taxes (as proposed) are based on where fish is harvested, in contrast to the state tax which is based on where fish is processed,
- that the Nushagak is essentially the only fishing district in the region where there is no local fish tax, and
- that local fish taxes are bringing in \$16 million (in 2009) to sustain communities in this region – this revenue is escaping Dillingham and the Nushagak.
- b. Many feel it is unfair that Dillingham gets all the revenue when some of it will be collected from their community fishermen; they asked if there is a way to share some of the revenue with Nushagak communities, or find ways to spend some of the revenue to benefit villagers, or to benefit local fisheries. Several ideas for this were suggested.
- c. At every meeting some asked whether there was a way or was Dillingham planning to tax sport fish.
- d. Sharing revenue makes some think about borough formation, but that is not what is proposed here.

Resolution to Establish Regional Fisheries Improvement Fund

In direct response to the post-annexation financial matters discussed at the Aleknagik, Clarks Point and Manokotak meetings and other comments, the City of Dillingham adopted Resolution 2010-85 on October 7, 2010, to establish a Regional Fisheries Improvement Fund effective with the Implementation of a Local Raw Fish Sales/Severance Tax.

This is the not necessarily the final or only effort in this regard, but Dillingham wished to make an immediate response and indicate its willingness to seek advice and include neighboring communities in making capital improvements with raw fish tax money that will improve and enhance the Nushagak Bay fishing experience, opportunity and value.

Annexation Workshops

The City of Dillingham City Council also held six Annexation Workshops to discuss the developing petition and answer questions. All workshops were advertised and open to the public.⁵

Dillingham City Council workshops, special and regular meetings are advertised on KDLG (thereby providing notice to all villages in the region), posted at the post office and N&N Market bulletin boards and in the City lobby, and a calendar is distributed via email to about 30 email addresses that reach various businesses around town including Southwest Region School District, Bristol Bay Area Health Corporation (BBAHC), Bristol Bay Economic Development Corporation (BBEDC), and Bristol Bay Native Association (BBNA).

Annexation Workshops were held on:

- 1. March 17, 2009
- 2. April 27, 2009
- 3. October 15, 2009
- 4. January 27, 2010
- 5. June 23, 2010
- 6. October 7, 2010

Public Outreach Committee Meetings

The City Council has a Public Outreach Committee. During summer 2010 through today most committee meetings have at least partly been about annexation. All committee meetings are advertised, including announcements on KDLG, and open to the public. At these meetings committee members discussed comments and concerns they were hearing from the public, how to provide information and address concerns, and options for the Council to consider based on concerns, and more. During every Public Outreach Committee meeting there is an opportunity for the public to ask questions.

Public Outreach Committee Meetings that included annexation on the agenda occurred on:

- 1. September 16, 2009
- 2. October 15, 2009
- 3. January 28, 2010
- 4. March 23, 2010
- 5. April 13, 2010
- 6. May 11, 2010
- 7. June 8, 2010
- 8. September 23, 2010
- 9. October 4, 2010
- 10. December 20, 2010
- 11. January 11, 2011
- 12. March 18, 2011
- 13. March 30, 2011

Neighborhood Meetings

A total of 74 residents attended one or more neighborhood meetings. City Council members attended six publicly noticed neighborhood meetings to continue to reach out to residents to explain the petition, answer questions, and seek concerns that the Council should consider. Neighborhood meetings were held on:

- 1. March 31, 2011 at City Council Chambers
- 2. April 4, 2011 at Seventh Day Adventist School
- 3. April 11, 2011 at Assembly of God Church
- 4. April 12, 2011 at Lutheran Church

- 5. April 13, 2011 at Dillingham Elementary Gym
- 6. April 14, 2011 at Bristol Bay Housing Authority

Other Publicly Noticed Meetings to Discuss Annexation

In addition, the topic of annexation appeared under Unfinished Business at the following council meetings:

- 1. April 15, 2010
- 2. June 17, 2010
- 3. August 5, 2010
- 4. October 7, 2010
- 5. December 9, 2010
- 6. January 6, 2011
- 7. February 3, 2011
- 8. March 3, 2011
- 9. April 13, 2011

2. Attempts to Consult on Post Financial Annexation Matters Between April 27 - November 7, 2011: as required by Local Boundary Commission

Efforts to consult with neighboring communities continued after the Local Boundary Commission meeting in late April on the Dillingham annexation petition. These efforts are summarized on Table One. To ensure compliance with the LBC direction at the decisional meeting, Dillingham initiated a log book (Table One) to record all attempts to consult, and filled-in a consultation log form documenting attempted and successful communication. Consultation Log Forms can be reviewed at Attachment Two.

Highlights of the Attempt to Consult on Post Annexation Financial Matters include:

- In <u>late May</u> Dillingham sent seven certified letters inviting consultation (example letter on next page):
 - 1. Mayor Moses Toyukak Sr, City of Manokotak
 - 2. Mayor Berna Andrews, City of Aleknagik
 - 3. Mayor Harry Wassily Sr, City of Clarks Point
 - 4. Mr. Robert Heyano, President, Ekuk Village Council
 - 5. Mr. Herman Nelson Sr, President, New Koliganek Village Council
 - 6. Mayor Randy Hastings, City of New Stuyahok
 - 7. Mayor Julie Brandon, City of Ekwok
- On <u>June 15</u>, Robert Heyano stopped by Alice Ruby's office to say that affected cities
 and tribal entities met, except Aleknagik, and agreed that they want to meet with the
 City of Dillingham as a group. Each of them will go back to their entity and send a
 letter or resolution to the City that confirms the same. Helen Foster, Ekuk Village

Council, is drafting a letter to Alice to advise Dillingham of their meeting and mutual decision. He thinks that we will probably receive the letter from Ekuk and hopefully the other affected community entities before fishing. He indicated that they don't plan to identify a specific date to meet but it's likely that a meeting won't be able to be coordinated until after fishing. (See 6/15/11 log form).

However, other than this verbal report from Robert to Alice, <u>no letters or resolutions</u> from any entity were received by Dillingham.

Example of Individualized Letters sent in Late May 2011



June 3, 2011

Mayor Julie Brandon City of Ekwok PO Box 49 Ekwok AK 99580-0049

Dear Mayor Brandon:

The State of Alaska Local Boundary Commission met in Dillingham on April 25 and 26, 2011, and after a lengthy public hearing approved the City of Dillingham's annexation petition. This allows the City to hold a local election (fall or winter 2011) to determine whether residents want to annex the waters of the Nushagak fishing district and allow the city to impose a 2.5 percent raw fish tax.

However, as part of its approval, the LBC added a condition requiring the City of Dillingham to attempt to meet with the cities of Aleknagik, Clark's Point, New Stuyahok, Ekwok, Manokotak, and the Native Village of Koliganek and Native Village of Ekuk in order to discuss post-annexation financial matters affecting communities and residents due to the annexation. Dillingham will also file a report of the meeting attempts to the LBC by no later than November 30, 2011.

This condition was added to acknowledge the concern and heartfelt testimony of village residents about the impact of a 2.5% local raw fish tax. I, too, understand these concerns. On behalf of the City, I look forward to meeting with you to talk about these concerns and hear your ideas.

We are anxious to begin this process and would like to know when we can get together.

Please contact City Manager Don Moore <u>manager@dillinghamak.us</u> at 842-5148, or City Clerk Janice Williams <u>cityclerk@dillinghamak.us</u> at 842-5212, to discuss a date when we might schedule time to discuss post annexation financial matters.

I look forward to hearing from you and getting together.

Sincerely,

Alice Ruby

Mayor, City of Dillingham

Mailing: Certified

- On <u>July 29</u>, Dillingham City Clerk Janice Williams and Robert Heyano spoke by phone.
 Janice said Dillingham has not received any communication from any entity about
 meeting. Robert said he had not either. Janice said Dillingham would write to Robert
 and cc the other communities now that fishing was over to ask again about meeting
 to discuss post annexation financial matters. (see 7/29/11 log form)
- On <u>August 2</u> City of Dillingham sent a letter to Robert Heyano and copy to all other
 entities identified by LBC to suggest a meeting to discuss post annexation financial
 matters. Letter sent to Robert and copied to others to respect his role in helping to
 organize community meeting.

August 2, 2011

Robert Heyano President Ekuk Village Council PO Box 530 Dillingham, AK 99576

Re: Setting a Meeting Date

Dear Robert:

The summer has gone by way too fast. Hopefully, there will be an opportunity before too long to meet with you and the other communities. Per your phone conversation with our City Clerk, Janice Williams, last Friday, it is your understanding that all of the communities that the Local Boundary Commission requested the City of Dillingham attempt to meet with including the Native Village of Koliganek, Native Village of Ekuk and the cities of Aleknagik, New Stuyahok, Manokotak, Ekwok, and Clarks Point have agreed to meet with the City of Dillingham as a group.

We would like to continue forward with plans to meet with the communities referenced above by scheduling the first meeting later this month if possible. We'll plan to follow this letter with a phone call by mid next week. This will help us to narrow down some dates to set up a meeting date and time and a meeting format.

If you have any questions in the meantime, my email address is <u>mayor@dillinghamak.us</u> and my contact number during the work week is 842-5212 (City Clerk's office).

Sincerely,

Mayor Alice Ruby

Mailing: Certified Mailing (each community)

Regular Mailing (each community)

- On <u>August 11</u> Robert Heyano met with Alice Ruby to clarify that in early June, communities had not formally agreed, rather there was a representative of each of the communities referenced in his letter, at the meeting. Those representatives agreed that a joint meeting was preferable. Each of those representatives was supposed to go back to their respective organizations and seek concurrence to proceed in that manner. Robert has not heard from the communities about whether their formally organizations agreed to a joint meeting. Robert confirmed that Ekuk is ready to move ahead with the joint meeting. (see 8/11/11 log form)
- August 31. Dillingham is trying to respect process communities apparently want to
 use to meet jointly, but very concerned about not hearing back from entities (except
 Ekuk) after sending out two certified letters asking to consult. While Dillingham is
 completely open to a joint meeting with communities, decision is made to pursue
 individual phone conversations or meetings to attempt to consult with all.
- August 31-September 16. A determined effort is made to contact the mayor, president, or a representative from the seven entities named by LBC. See numerous log books, many places were called 3-5 times on different days and at different times. Messages were always left. Because of these efforts, the following meetings to discuss post annexation financial matters occurred (see individual log forms for conversation highlights):
 - September 1. Dan Forster with Moses Toyukak Sr, President, Manokotak Village Council (Moses says he has not been mayor for awhile)
 - September 2. Bob Himschoot, Dan Forster, and Keggie Tubbs (Dillingham) and Robert Heyano, President, Native Village of Ekuk
 - September 14. Dan Forster and City of Aleknagik Mayor Berna Andrews and Executive Assistance Kay Andrew
 - September 15. Dan Forster and City of Ekwok Mayor Julie Brandon
- October 3-5 Letters and delivered between Robert Heyano, Ekuk Native Council and Alice Ruby, City of Dillingham trying to set up a meeting among neighboring villages for post annexation consultation on financial matters.
- October 23. Robert Heyano and Alice Ruby speak on phone and confirm regional meeting to discuss post annexation financial matters on October 27. (see 10/27/11 log form)
- October 27. A meeting occurred at the Dillingham Senior Center and was attended by Robert Heyano, Ekuk Village Council; Harry Wassily, Clarks Point; Sharon Clark, Clarks Point Village Council, Jimmy Coupchiak, Togiak; Ferdinand Sharp, Manokotak; Carl Evon, Manokotak; Moses Toyukuk, Manokotak; Alice Ruby, City of Dillingham; Janice Williams, City of Dillingham; Jody Seitz, City of Dillingham; Dan Forster, City of Dillingham; Keggie Tubbs, City of Dillingham; Bob Himschoot, City of Dillingham; Via

Teleconference: Luki Akelkok, Ekwok Village Council; Richard King, Ekwok Village Council, Kenny Jensen, Ekwok; Herman Nelson, Koliganek Village Council; Dennis Andrew, New Stuyahok.

Concerns that have been expressed previously were reiterated, such as: from villages concerns over paying a local fish tax, the low income of residents, and objection over where their residents fish being within the boundaries of the City of Dillingham; and from Dillingham the need for revenue to sustain the community, enhance fishery related infrastructure, income that is escaping from the region, and that the annexation will have a minimal effect on people's lives such as the elders in Manokotak do not have any reason to be fearful of the City is taking their land.

Ekuk asked if Dillingham would request a delay from the LBC of up to 2 years in submitting the Consultation Report and delaying the annexation election so that everyone can study and consider forming a borough during this 2-year period. Dillingham responded that it is firm on submitting the Consultation Report in a timely manner and in scheduling an annexation election; however, we strongly support a borough, have always supported a borough, feel that these efforts can occur concurrently, and will join the effort with both time and money.

Dillingham noted that it has been in this position in the past with proposing borough formation and each time Dillingham was "left at the altar" while other communities walked away. We are at a point where Dillingham's council is not willing to put ourselves in that position again. We are committed to going forward with annexation and also willing to work together on borough formation, they are not mutually exclusive.

We all agreed to meet again.

DATE	ATTEMPT TO CONSULT ACTION	CONTACT	NOTE	USPS Delivery Confirmation
05/23/11	Letter - Invitation to meet went out certified mail	Mayor Moses Toyukak Sr	City of Manokotak	5/27/2011
05/23/11	Letter - Invitation to meet went out certified mail	Mayor Berna Andrews	city of Aleknagik	5/31/2011
05/23/11	Letter - Invitation to meet went out certified mail	Mayor Harry Wassily Sr	City of Clarks Point	5/31/2011
05/23/11	Letter - Invitation to meet went out certified mail	Mr. Robert Heyano, President	Ekuk Village Council	6/3/2011
05/27/11	Letter - Invitation to meet went out certified mail	Mr. Herman Nelson Sr, President	New Koliganek Village Council	6/2/2011
05/27/11	Letter - Invitation to meet went out certified mail	Mayor Randy Hastings	City of New Stuyahok	6/2/2011
06/03/11	Letter - Invitation to meet went out certified mail	Mayor Julie Brandon	City of Ekwok	? - Works at Ekwok PO
06/15/11	Robert Heyano and Alice Ruby. Robert says communities met, reps agreed they want to meet as a group. They will send a letter or resolution to the City.	Log Report 6/15/2011	No letters or resolutions have been received.	
07/29/11	Phone call with Robert Heyano and City Clerk. He confirms all would like to meet as group.	Log Report 7/29/2011		
08/02/11	Latter to Delicat Harris and a catting of	Mayor Moses Toyukak Sr **		8/11/2011
08/02/11	Letter to Robert Heyano regarding setting up	Mayor Berna Andrews **		8/11/2011
08/02/11	meeting date; letter recognizes that this will be a group meeting.	Mayor Harry Wassily Sr **		8/8/2011
08/02/11	Letter is cc'd to all communities.	Mr. Robert Heyano, President **		8/5/2011
08/02/11	- Mailed: certified and 1st class.	Mr. Herman Nelson Sr, President **		8/8/2011
08/02/11	** no written response received from anyone	Mayor Randy Hastings **		8/11/2011
08/02/11	** no written response received from anyone	Mayor Julie Brandon **		8/4/2011
08/11/11	Conversation between Robert Heyano and Alice Ruby	Log Report 8/11/2011		
8/13-8/30	No activity logged	None of the communities have responded back in writing or by phone except Robert Heyano on 8/11/2011		
08/31, 09/01,	Called Mayor Moses Toyukak Sr. In all cases where messages were left, state we will follow up with	Log Report 8/31/2011	Will be in Dlg Sept. 1 - confirmed appt. 5 PM	

DATE	ATTEMPT TO CONSULT ACTION	CONTACT	NOTE	USPS Delivery Confirmation
09/02	another phone call in next two days.		at City Hall	
8/31/2011	Called Mayor Berna Andrews. In all cases where messages were left, state we will follow up with another phone call in next two days.	Log Report 9/2/2011 (8/31, 9/1,9/2))	Left voice message with City staff and at place of work	
08/31/11, 09/02/11	Called Mayor Harry Wassily Sr. In all cases where messages were left, state we will follow up with another phone call in next two days.	Log Report 8/31/2011	Left voice message at contact no CLP Pt Village Council	
08/31/11	Called Mr. Robert Heyano, President. In all cases where messages were left, state we will follow up with another phone call in next two days.	Log Report 9/2/2011 (8/31, 9/2))	Left message with staff member at Ekuk Village Council	
08/31/11	Called Mr. Herman Nelson Sr, President. In all cases where messages were left, state we will follow up with another phone call in next two days.	Log Report 8/31/2011	Left voice msg at work - N Koliganek Vlg Council office	
08/31/11	Called Mayor Randy Hastings. In all cases where messages were left, state we will follow up with another phone call in next two days.	Log Report 8/31/2011	Left voice msg at place of work - City office New Stuyahok	
08/31/11	Called Mayor Julie Brandon. In all cases where messages were left, state we will follow up with another phone call in next two days.	Log Report 8/31/2011	J Williams spoke in person; can be reached at Post office 11 to 3 weekdays	
08/31/11	Checked BBNA's calendar for September	Meeting Sept. 1 & 2 for Natural Resources Dept. Mtg; no other events calendared		
08/31/11	Checked BBAHC's calendar for September	Did not locate a calendar on their website - will follow up		
8/31/11, 9/1/11, 9/2/11	Phone calls to Mayor Berna Andrews	Log Report 9/2/2011 (8/31, 9/1,9/2))	Record of calls made on 8/31, 9/1 and 9/2	
09/01/11	Met with Moses Toyukak Sr.	Log Report 9/1/2011	Moses has not been Mayor for several	

DATE	ATTEMPT TO CONSULT ACTION	CONTACT	NOTE	USPS Delivery Confirmation
			months. Moses is the	
			President of	
			Manokotak Village	
			Council.	
08/31/11,	Phone calls to Robert Heyano	Log Report 9/2/2011 (8/31, 9/2))	Record of calls made	
09/02/11	Log Report 9/2/2011 (8/31, 9/2)	on 8/31 and 9/2		
			B Himschoot, D Forster,	
09/02/11	Met with Robert Heyano	Log Report 9/2/2011 Visit	K Tubbs, R Heyano	
			meet	
09/06/11	Phone call to Mayor Berna Andrews	Log Report 9/6/2011	Left message with City	
09/06/11	Phone can to Mayor Berna Andrews	Log Report 9/6/2011	staff	
00/06/11	Dhone call to Mayor Dandy Hastings (attampt 2)	Log Donort 0/6/2011	left voice msg; no	
09/06/11	Phone call to Mayor Randy Hastings (attempt 2)	Log Report 9/6/2011	return call	
			Phone rang and rang	
09/06/11	Phone call to Mayor Julie Brandon	Log Report 9/6/2011	never went to	
			answering machine	
09/06/11	Phone call to Herman Nelson Sr.	Log Donort 0/6/2011	left voice msg; no	
09/06/11	Phone can to Herman Neison Sr.	Log Report 9/6/2011	return call	
00/06/11	Dhana call to Mayor Harmy Wessily Cr	Log Bonort 0/5/2011	left voice msg; no	
09/06/11	Phone call to Mayor Harry Wassily Sr.	Log Report 9/6/2011	return call	
00/07/11	Dhone Calle to Mayor Dorne Androws	Log Donort 0/7/2011	Mtg scheduled for 9/9;	
09/07/11	Phone Calls to Mayor Berna Andrews	Log Report 9/7/2011	3:30 pm phone	
00/00/11	Dhone Cally Mayor Darne Androws	Log Bonort 0/0/2011	Mtg rescheduled for	
09/09/11	Phone Call: Mayor Berna Andrews	Log Report 9/9/2011	9/14; 3:30 pm phone	
	L. D Marriella Marriella Co		Janice ran into Harry at	
			N&N states he didn't	
00/00/11		Log Report 9/9/2011	have time to meet	
09/09/11	In Person: Mayor Harry Wassily Sr.		before he returned	
			home	

DATE	ATTEMPT TO CONSULT ACTION	CONTACT	NOTE	USPS Delivery Confirmation
9/12/11, 09/13/11	Mayor Harry Wassily Sr.	Log Report 9/13/2011 (9/12, 9/13)	Left voice msgs - Record calls made 9/12 & 9/13, confirmed he is mayor and president	
09/13/11	Mayor Randy Hastings	Log Report 9/13/2011	Left voice msg; no return call	
09/13/11	Mayor Julie Brandon	Log Report 9/13/2011	Mtg scheduled for 9/15; 4:00 pm phone	
09/13/11	Herman Nelson Sr.	Log Report 9/13/2011	left voice msg; no return call	
09/13/11	Mayor Harry Wassily Sr.	Log Report 9/13/2011 (9/12, 9/13)	staff at Village Council confirm he is Mayor & Pres.	
09/14/11	Met with Mayor Berna Andrews	Log Report 9/14/2011	D Forster, B Andrews	
09/15/11	Meet with Mayor Julie Brandon, City of Ekwok	Log Report 9/15/2011	Scheduled for 4 pm, Sept. 15	
10/03/11	Letter hand delivered from Robert Heyano	Ekuk Village Council is prepared to meet. Would prefer to meet collectively with other communities and City		
10/04/11	Letter from Mayor Ruby to Robert Heyano	Mailed and hand-delivered on October 4, 2011. State City would be happy to meet with collective group		
10/05/11	City Clerk phoned Robert Heyano for possible meeting dates. Clerk suggested October 24 when people returning from AFN. Robert will work on it and contact communities.	Log Report 10/05/2011		
10/09/11	Meeting with Alice Ruby, Robert Heyano, Keggie Tubbs.	Log Report 10/9/2011		
10/14/11	Robert Heyano phoned City Clerk. All but 2	Log Report 10/14/2011		

DATE	ATTEMPT TO CONSULT ACTION	CONTACT	NOTE	USPS Delivery Confirmation
	communities Clarks Point and Manokotak can			
	meet on October 24. Do we have another date?			
10/14/11	Public Notice and hold City Council Special Meeting	12:30 pm to 4:30 pm in the Council		
10/14/11	to Discuss Annexation	Chambers		
	Phone call from Robert Heyano to Mayor Ruby to			
10/23/11	confirm date/time to meet with the communities.	Log Report 10/23/2011		
	October 27 at 6 pm in Senior Center.			
10/27/11	Meeting among City of Dillingham and attendees			
	from Ekuk Village Council, Clark's Point, Clark's			
	Point Village Council, Manokotak Village Council,	Log Report 10/27/2011		
	City of Aleknagik, Ekwok Village Council and New			
	Stuyahok			

3. Continued consultation on post-financial annexation matters after filing this Report with the LBC.

There will be continued consultation and conversation after this report is filed with the LBC.

Dillingham expects consultation to continue until, and after, the annexation election.

For example, Dillingham must determine how it will seek the advice and include neighboring communities in the decisions for implementation of the Regional Fisheries Improvement Fund.

Another example is that neighboring community residents as well as Dillingham residents have asked us to consider several options for exemptions or other tax relief from the local raw fish tax. We are diligently investigating legality and enforceability of options, keeping in mind the overarching principle that a distinction in tax treatment based on residency is NOT constitutional for the same reason that the first version of the PFD program, which geared the amount of payment to length of Alaska residency, was unconstitutional. Such residency preferences are viewed as either a violation of equal protection or as an unreasonable burden on the constitutionally protected freedom to travel. We know this as part of our earnest investigation into which exemptions and tax relief options are and are not legally possible.

As we prepare for a February-March 2012 annexation election the City will be working on several matters to ensure that local voters are 100% clear on what they are voting upon. Further dialogue, research and clarification on post-annexation financial matters for Dillingham residents and neighboring Bristol Bay villages will be part of this process.

As predicted by Dillingham, annexation is inspiring additional consideration of borough formation among many communities in the region. This was specifically mentioned at the October 27 meeting. Dillingham expects this discussion to continue and we anticipate being an active participant in these discussions with the communities identified in the Commission's annexation decision.

Attachments

Attachment One

Sign-in Sheets and Meeting Summaries from August 2010 Informational Meetings

Attachment Two Sign-in Sheets from April 2011 Neighborhood Meetings

Attachment Three Consultation Log Forms

Attachment One Sign-in Sheets and Meeting Summaries from August 2010 Informational Meetings

Dillingham Informational Meeting on Annexation August 2, 2010 – Dillingham City Council Chambers

7:00 pm – 9:00 pm **Meeting Summary**

<u>Attendance</u> (see sign-in sheet)

Hjalmar Olson Keggie Tubbs
Bruce Johnson Robert Himschoot
Pattyann Tacydle Tim Sands
Katherine Carscallen Sue Mulkeit
Brendan Flynn Steve Hunt
Mike Mason Janice Shilanski
Alice Ruby Jayne Bennett

Carol Shade Barbara Sheinberg

The Dillingham meeting was advertised on KDLG and posted in several locations around Dillingham on flyers.

Dillingham Mayor Alice Ruby welcomed all to meeting and thanked everyone for attending. At the beginning of the meeting it was noted that there was an agenda, informational handout, and map available for all to take. In addition, copies of the full petition are available. Next, consultant Barbara Sheinberg spent about 40 minutes explaining the annexation petition, the review process, opportunity to offer comment (deadline now is October 1), the proposed local fish tax, and why Dillingham is proposing this annexation and tax. After her presentation, Mayor Ruby opened it up for discussion, question and answer. There was about 45 minutes of discussion.

Dillingham residents made the following comments or asked the following questions. After each, there was back-and-forth discussion, which is briefly summarized.

- 1. This targets commercial fishermen, why not target sport fish industry, including idea of expanding boundary to include Portage Creek area.
 - It has proven difficult to find legal ways to tax sport caught fish. This annexation petition focuses on water only and commercial fish as this has been successfully used by many cities and boroughs in this region and is clearly legally defensible and relatively easy administratively. Ms. Sheinberg mentions that some cities in Southeast Alaska (Sitka, Pelican, others?) are now levying a 'box tax' of \$10/box on sport caught fish.
- 2. How is taxation of sale of ice, groceries, fuel off of tenders being handled in other areas? Is this being exempted from city or borough sales tax in other places?
 - This is a good question, answer not known at this time. One meeting attendee expresses support for Dillingham to exempt these activities/areas from city sales tax.

- 3. What about having a tax on sport caught fish?
 - See answer to one above.
- 4. Is this fair to other areas, can we share the revenue we gain?
 - Dillingham understands this concern.
 - We believe this is fair in that fishermen from other areas will benefit because they
 use Dillingham's regional port, harbor, boat launch ramps, and other services when
 fishing the Nushagak (and Wood River). In 2008, only 20% of those fishing the
 Nushagak are Dillingham residents, which is typical. The revenue from this
 annexation will allow Dillingham to better maintain and to improve the harbor,
 launch ramps and more to better support regional fisheries and fish-related
 businesses.
 - As part of our research we have looked at whether there are ways to offer a partial exemption (to the 2.5% local fish tax) to Dillingham residents due to the sales and property tax they already pay, or to other area fishermen. The idea of an exemption or rebate seems to be a grey area legally. The way to really share revenue with each other in the region is forming a borough, but there doesn't seem to be support for this at this time. Having a local fish tax does not prevent a borough from forming, as there are local and borough fish taxes in several places in the region. Perhaps the Council can think more about any other ways or agreements to share revenue.
- 5. If annexation is approved and waters now within City of Dillingham, what would affect be if there was a tidal or wave power project here in future or a fiber optic cable was laid down under these waters?
 - Since these projects would be within the City it is possible that a city land use permit
 would be needed. Main thing is that these projects are now and still would be after
 annexation in the Bristol Bay CRSA coastal management district. That is primarily
 how state, federal and local permitting would be coordinated. This would not
 change as a result of annexation.
- 6. Is a local fish tax deductible on your federal tax return?
 - Good question. We think the answer is yes. An audience member suggest this is moot since it is real money out of fishermen's pocket, but still, think it would be a deduction of federal taxes.
- 7. If the vote fails, we have another vote in the near future without going through the LBC process?
 - Do not know the answer to this question.
- 8. Timing of the local vote is important. One suggestion is that it be after (or before) herring season and before Nushagak salmon fishing starts. (This would be between the last week of May and the 1st two weeks of June.) Do we have flexibility on when to schedule the vote?
 - This is good information. We are not sure how much flexibility Dillingham has; we will look into this.

- 9. What services is the City going to provide to area? Isn't Dillingham required to provide public safety there if this area is in the City?
 - In rural and remote parts of cities and boroughs it is common for Alaska State Troopers to continue to be the primary 1st responder for public safety. They have much deeper financial resources, and assets like planes and boats, that many smaller communities do not have. Often cities only take on public safety on the road system. As a result of this annexation Dillingham is proposing to 'step up' in public safety, but Alaska State Troopers (and US Coast Guard) would still be the primary first responder in these waters. As the annexation budget (petition Exhibit C-1 and C-2) and transition plan (petition Exhibit F) show, as a result of annexation Dillingham plans to:
 - a) Enhance public safety response and coordination by better support for volunteer search and rescuers, enhanced coordination with Alaska State Troopers, and cross-training and use procedures between harbor and police staffs for use of the City skiff. (There is \$20,000 more per year to public safety for this.) While the City intends to continue to assist and sometimes take the lead on public safety incident response within one-quarter mile off shore, the Alaska State Troopers will retain jurisdiction as the primary first responders in all of Nushagak River and Bay.
 - b) Provide increased environmental protection within City boundaries by purchasing and maintaining an oil spill response cache at the City Boat Harbor and possibly in other areas; (There is a \$20,000 increase in year 1 to purchase this.) and
 - c) An additional \$100,000 per year is allocated to harbors for better maintenance and improvements.
- 10. One person attending states that they would prefer to see a borough form, but in lieu of that and the lack of support for borough formation he understands the rationale for this effort and supports it.
 - A Dillingham council member notes that he sometimes views this as a 1st step to borough formation. Once Dillingham is capturing this revenue, much of which is currently escaping the region, perhaps neighboring communities will see the ability to share in this revenue as an incentive to form a borough.

Meeting adjourned at about 8:30 pm.

August 2, 2010

CITY OF DILLINGHAM ANNEXATION OF COMMERCIAL FISHING WATERS INFORMATIONAL MEETING City Council Chambers

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Dillingham Informational Meeting on Annexation August 3, 2010 - Aleknagik School

7:00 pm – 9:00 pm **Meeting Summary**

<u>Attendance</u> (see sign-in sheet)

Berna Andrews	Fred Bartman
Deb	Margie
Kelly Ilutsik	Carol Shade
Jeri Alakayak	Jayne Bennett
Sally Tinker	Janice Shilanski
Shellie Aloysius	Keggie Tubbs
George	Robert Himschoot
Bruce Ilutsik	Barbara Sheinberg
Allen Ilutsik	

The Aleknagik meeting was advertised by KDLG for about a week ahead of time, a flyer was posted around Dillingham, Aleknagik representatives agreed to the meeting date, a notice was faxed or emailed to Aleknagik before the meeting, and local residents in Aleknagik helped spread the word.

Dillingham City Council member Robert Himschoot welcomed all to meeting and thanked everyone for attending. At the beginning of the meeting it was noted that there was an agenda, informational handout, and map available for all to take. In addition, copies of the full petition are available on the table. At Mr. Himschoot's suggestion the group went around the room and every one introduced themselves. Next, consultant Barbara Sheinberg spent about 40 minutes explaining the annexation petition, the review process, opportunity to offer comment (deadline now is October 1), the proposed local fish tax, and why Dillingham is proposing this annexation. After her presentation Mr. Himschoot opened it up for discussion, question and answer. There was about 45 minutes of discussion.

Aleknagik residents made the following comments or asked the following questions. After each, there was back-and-forth discussion, which is briefly summarized.

- 1. It would be good to have an Informational Meeting on the south shore at some point.
 - Where could a meeting be held? Perhaps Carolyn's B&B has a large room that could work for meeting if she wanted to host it.
- 2. Will there be a tax on fishing guides using the Wood River area?
 - No, there will not. Others too have suggested ways to tax sportfishing activity but no uplands (lodges) or 'point of sale of sportfishing activity' are part of this annexation.
 No plan to tax sportfishing as part of annexation.

- 3. Do you think the local fish tax will scare off commercial fisherman to other areas, rather than Nushagak?
 - No, because other fishing districts in the area already have a local fish tax, the Nushagak may be the only place that does not. Also, in a worst case scenario, if some did leave, that would be better for those that remained.
- 4. The proposed local fish tax will need to be paid by Aleknagik, Clark's Point and other area fishermen, yet, we won't get a benefit from this; this does not seem fair.
 - Dillingham understands this concern.
 - However, we believe that fishermen from other areas will benefit because they use Dillingham's regional port, harbor, boat launch ramps, and other services when fishing the Nushagak (and Wood River). In 2008, only 20% of those fishing the Nushagak are Dillingham residents, which is typical. The revenue from this annexation will allow Dillingham to better maintain and to improve the harbor, launch ramps and more to better support regional fisheries and fish-related businesses.
 - As part of our research we have looked at whether there are ways to offer a partial exemption (to the 2.5% local fish tax) to Dillingham residents due to the sales and property tax they already pay, or to other area fishermen. The idea of an exemption or rebate seems to be a grey area legally. The way to really share revenue with each other in the region is forming a borough, but there doesn't seem to be support for this at this time. Having a local fish tax does not prevent a borough from forming, as there are local and borough fish taxes in several places in the region. Perhaps the Council can think more about any other ways or agreements to share revenue.
- 5. Aleknagik residents are already supporting Dillingham by buying our groceries, fuels etc in Dillingham and paying sales tax, why should we be asked to provide further support to Dillingham?
 - Dillingham understands this concern. Dillingham needs additional revenue to be more financially sustainable, to maintain and improve the infrastructure and services that the regional fisheries –which are supported out of Dillingham- use, fish is the economic resource in this region, many other cities and boroughs in this region already have a local fish tax, and, if we commercial fishermen who live in Dillingham and neighboring communities pay this tax it enables us to collect money that is completely escaping the region now from the approximately 38% of Nushagak fishermen that are not Alaskan residents and from the approximately 50% of Nushagak fish that is processed outside of the region.
- 6. Regarding the Manokotak and Igushik River area, and Olsenville; there is property down in these places used now and in the future for a variety of things, will Dillingham be levying taxes on activities down here in the future?

- No land is part of this annexation, only commercial fishing waters. Will not be taxing any activities on land as a result of this annexation. There are some activities in the water that would be subject to the existing Dillingham 6% sales tax (sale of groceries, ice, fuel from tenders), but Dillingham is thinking about adding an exemption to the sales tax code to exempt sales off like this in the commercial fishing waters. We are wondering if people support exempting these sales?
- 7. What kind of services will Dillingham be providing to the Igushik and Ekuk setnetters now that the waters will be in the City of Dillingham? Igushik could use a harbor or ramp, when weather turns bad there are lots of fishermen trying to power up the creek as quick as possible for protection.
 - There is nothing proposed or promised now, however, on pages 4 and 5 of the
 informational handout there are a lot of ideas of improvements that could support
 and strengthen regional fisheries and fishery businesses. Dillingham is interested to
 know if any of these ideas, or others, are particularly supported by Aleknagik
 fishermen and would make the idea of paying the local 2.5% fish tax easier to
 support.
- 8. Seems unfair that outlying villages won't be voting on this, only Dillingham residents. Seems like everyone in Dillingham would support this.
 - Dillingham understands this concern.

Meeting adjourned at about 8:45 pm.

CITY OF DILLINGHAM ANNEXATION OF COMMERCIAL FISHING WATERS INFORMATIONAL MEETING Aleknagik North Shore School

Dillingham Informational Meeting on Annexation August 4, 2010 – Clark's Point School

6:00 pm – 8:00 pm Meeting Summary

Attendance (see sign-in sheet)

Harry (Tom) Egburt Kaylee Wassily-Walker (youth)

Harry Wassily Sr Samantha Clark (youth)
Jimmy Wassily Brian Clark (youth)
Richard Clark Ryland Clark (youth)

Karen Wassily Joe Wassily-Walker (youth)

Sharon Clark

Margaret Garding

Robert Wassily

Harry Wassily Jr

Kayla Wassily

Alannah Hurley

Carol Shade

Jayne Bennett

Janice Shilanski

Keggie Tubbs

Robert Himschoot

Barbara Sheinberg

The Clark's Point meeting was advertised by KDLG for about a week ahead of time, a flyer was posted around Dillingham, Clark's Point representatives agreed to the meeting date, a notice was faxed or emailed to Clark's before the meeting, and local residents in Clark's Point helped spread the word.

Dillingham City Council member Carol Shade welcomed all to meeting and thanked everyone for attending. At the beginning of the meeting it was noted that there was an agenda, informational handout, and map available for all to take. In addition, copies of the full petition are available on the table. At Ms. Shade's suggestion the group went around the room and every one introduced themselves. Next, consultant Barbara Sheinberg spent about 40 minutes explaining the annexation petition, the review process, opportunity to offer comment (deadline now is October 1), the proposed local fish tax, and why Dillingham is proposing this annexation. After her presentation Ms. Shade opened it up for discussion, question and answer. There was about an hour of discussion.

Clark's Point residents made the following comments or asked the following questions. After each, there was back-and-forth discussion, which is briefly summarized.

1. It doesn't seem fair for Dillingham to receive all the local fish tax revenue. The idea of sharing some of the revenue that Dillingham would gain from the local fish tax with Nushagak Bay communities is suggested. Developing some type of Memorandum of Agreement to do this is suggested. There is quite a bit of conversation about this and virtually all Clark's Point residents support this concept. 'We need to work together, let's write a Memorandum of Agreement to share some of this revenue. We want to avoid putting in competing petitions and arguing in front of the LBC if possible." One idea is to

form a Nushagak Bay Committee to consider this. "We all live here." Another idea if revenue sharing can't work, or in addition, is to earmark some of the local fish tax revenue to a "Village-Friendly Community" line item in the Dillingham budget. Some of the things this money could help fund would be a van to help transport villagers around Dillingham when in town. Making Dillingham friendlier to visiting village residents is good for villagers and good for Dillingham as this will mean more sales tax etc.

- Dillingham understands this concern.
- No one is getting this 'escaping' revenue right now as there is no entity that can legally levy a local fish tax; this is a primary thing that the Dillingham annexation will accomplish.
- The added revenue to Dillingham from a local fish tax will help pay for services and infrastructure that commercial fishermen and the fleet use and will help make the community more financially sustainable. It will help cover at least \$500,000 in real costs (harbor, public safety, solid waste) that the City of Dillingham taxpayers pay (through property and sales tax) in infrastructure, maintenance and services that support Nushagak Bay fisheries. Only about 20% of the fishermen in the Nushagak are Dillingham residents.
- However, Dillingham understands that fishermen from neighboring communities will be paying this tax too and wish to see some improvements or revenue that benefit them (as will the 42% of Nushagak bay fishermen who are not Alaskans -2008 data).
- We are thinking about ideas that we have been hearing about and heard tonight such as having a line item (a fraction of a percent of the local fish tax raised each year) that could go to a 'Fishing Support' or 'Village Friendly' fund. Some suggest a regional group could meet to decide priorities for this funding? How would it be divided? Perhaps the funding could be available for local match for communities? Would an MOA be a legal way to do this? Should the fish tax rate be raised a ½ percent to 3% so that a ½ percent could be used this way?
- 2. If there was agreement to share some of the revenue, should we amend the petition to include this?
 - Ms. Sheinberg notes that the Local Boundary Commission will be deciding on the annexation and its boundaries. They care about tax (and revenue) because they want to see that the municipality will be sustainable if the proposed annexation is approved. She suggests that because the LBC's primary concern is boundaries, the fact that this is a matter between local communities and not the state, and the fact that the LBC process is so lengthy and formal, she recommends that communities work this out among themselves and not amend the petition. The process of amending the petition would set this process back several months. There can be comments and testimony about this to the LBC and when they are here in March; that way it would become part of the formal record.

- 3. A significant part of the state business fish tax that Clark's Point gets each year (about \$100,000 now) goes directly to pay for our winter fuel at the school, this revenue is much needed by the community.
 - The Dillingham petition does not affect where processing is occurring. Processing occurring within the Clark's Point municipal boundary (and thus state fish tax payments to Clarks) is not affected by the petition.
 - In the petition budget (Exhibit C-1) Dillingham assumes that there will be no additional state business fish tax revenue to Dillingham as a result of annexation.
- 4. A resident notes that only Dillingham residents would vote on this.
 - This is correct.
- 5. Does Dillingham collect any revenue from sport fishing?
 - No it does not. Looking at the Dillingham city boundary on the map, there is not much sport fishing occurring within the city.
- 6. Residents name a variety of infrastructure that they are interested in developing in Clarks Point and between Clark's and Ekuk, including dock improvements, small boat harbor, a connecting road, and a longer airport runway.
- 7. Saguyak Inc's land straddles both sides of the Nushagak Bay. They are pursuing acquiring more jurisdiction on this land from the federal government and want rights to the adjacent Nushagak Bay water as well.
- 8. One resident notes he has always been against borough formation because the population of Clark's Point is so low compared to Dillingham that it would not work well for Clark's.
- 9. There is some talk about how high the price of fuel and groceries in Dillingham.

Meeting was adjourned just before 8:00 pm

ANNEXATION OF COMMERCIAL FISHING WATERS INFORMATIONAL MEETING Clarks Point School

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Alannah Hurky	Po BOX 178	DUO, 18K 99594	843483

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Page139 of 344

Attachment Two Sign-in Sheets from April 2011 Neighborhood Meetings

March 31, 2011 7:00pm SIGN IN SHEET Coty Council Chambers

PLEASE PRINT

NAME	E-MAIL
Alice Ruby	eitycker e dillinghamak.us assistante dillinghamak.us
Janice Williams	cityclerk & dillinghamak. 45
DAYNE BENNETT	assistanto dillinghamations
Terry Rogers	
Steve CROPSEY	
DeAr Barrett	harbore dillinghonakius.
Mickey Fosten	M/A /
Megan Hix I but	Megnumforce agmail.com
Carol Shade	
august Shade	
Kurt Sauers	Ksauers enushtelcom
TIM SANDS	
Faul Liedberg	
Elizabeth Pearch	
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March 31, 2011 7:00pm SIGN IN SHEET

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April 4, 2011, SDA School, 7:00pm SIGN IN SHEET

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	NAME	E-MAIL
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	Deb Milligan	dave-dla 907@yaha dndmilligan Zoyahacco
	Janice Williams	
	Africe Ruby	-
<u></u>	Tin Sawns	
	Tom D' Connor	
	Peter & Alaqui	, "
	STEVE PERLINS	
	Joe Faith	
	GREGG BURTON	
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دف	Steve Cropsey Keggie Tubbs	
	Reggie Tubbs	
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	Anna Marine Dad	
	Assented by Mayor Ruby cc- indicates city council	

April 11, 2011, Assembly of God Church, 7:00pm SIGN IN SHEET

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Zobert Heyano	heyanocenushtel. ne
PETER K HEYAND	DLE
Maryann Dicky	DLG.
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Paul Lieder	100
Timy Bel	
Vave Gladden	
Debbic Milligo.	-
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Neighborhood Meeting - Proposed Annexation

April 12, 2011, Lutheran Church, 7:00 pm SIGN IN SHEET

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NAME ·	E-MAIL
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O. O. Comell	
Wanda Falton	wfulton@nushtel.com
Jody July	<u>wfilton@nushtel.com</u> golyseitz@gmail.com
Day	5)
Luisa Hausen	trinity @ Nushter .com
Jery hilott	
Peter K. Heyens	

Dillingham Annexation Meeting April 13, 2011 Dillingham Elementary Gym

Name Summer Graher	email Summer adicaclora
Clint Reigh	Clintedysd.org
Kim Piazza	Kim @dlg.d.org
Becky Chandler	becky chandle + xahoo, con
Summer Burke	spurke@dbsd.org
Karleen Trazel	Kadyd 53 @ yakoo com
Janice Carson)anice -
Karen Bellegue	
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Jim Jaring	Simpollasd.org.
Shira Kattanan	Shira & dasdorg
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Marelyn Rosane	manufranzodlasa-org
Bill y Lend	mrosene @dlgsd.
Haidi Hink	hinks@nushtel.not
Con King	
Bubara Barrus	lity & digsd. org
Amelia Alarcon	
Sassa Bubel	sassaedlatt. og
Sophie Hoods	3.49
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Presented by Mayor Ruby

Dillingham Annexation Meeting April 13, 2011 Dillingham Elementary Gym

Name	email
Toresa Duncan	tduncan@ dlasd.org
Sharon Clavette	Sharon@dlasd.org
Souchie Wilson	juilson algstorg
Joni Snellan	ionic dosdiora
Barb Himseland	bar him @ yahancem
DustinBrito	dbritap quail.com
Jesuca Rodgers	And the second s
to Juala	dfrashieradlast, org
About Exphan	aprin @dlasdona
De forma Treat	nick@ algadore
MIKE LONGEN	mike@algsd.org
Raven Birkholz	rbrand z@dlegod.org
Amy Kuby	mmwright 88 @hughes. ne
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Neighborhood Meeting - Proposed Annexation

April 14, 2011, Bristol Bay Housing Authority, 7:00 pm SiGN iN SHEET

PLEASE PRINT

NAME	E-MAIL
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PETER HOYANO	
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Attachment Three Consultation Log Forms

Annexation Follow Up

						Date
23-May-11	Invitations to meet went out cert	ified mail to:				Delivered
	Mayor Moses Toyukak Sr	City of Manokotak	PO Box 170	Manokotak	99628	
	Mayor Berna Andrews	city of Aleknagik	PO Box 33	Aleknagik	99555	5/31/2011
	Mayor Harry Wassily Sr	City of Clarks Point	PO Box 110	Clarks Point	99569	5/31/2011
	Mr. Robert Heyano, President	Ekuk Village Council	PO Box 530	Dillingham	99576	
5/27/2011	Mr. Herman Nelson Sr, President	New Koliganek Village Council	PO Box 5057	Koliganek	99576-5057	6/2/2011
	Mayor Randy Hastings	City of New Stuyahok	PO Box 10	New Stuyahok	99636	6/2/11
6/3/2011	Mayor Julie Brandon	City of Ekwok	PO Box 49	Ekwok	99580-0049	7 4.



Mr. Robert Heyano President Ekuk Village Council PO Box 530 Dillingham AK 99576

Dear Robert:

The State of Alaska Local Boundary Commission met in Dillingham on April 25 and 26, 2011, and after a lengthy public hearing approved the City of Dillingham's annexation petition. This allows the City to hold a local election (fall or winter 2011) to determine whether residents want to annex the waters of the Nushagak fishing district and allow the city to impose a 2.5 percent raw fish tax.

However, as part of its approval, the LBC added a condition requiring the City of Dillingham to attempt to meet with the cities of Aleknagik, Clark's Point, New Stuyahok, Ekwok, Manokotak, and the Native Village of Koliganek and Native Village of Ekuk in order to discuss post-annexation financial matters affecting communities and residents due to the annexation. Dillingham will also file a report of the meeting attempts to the LBC by no later than November 30, 2011.

This condition was added to acknowledge the concern and heartfelt testimony of village residents about the impact of a 2.5% local raw fish tax. I, too, understand these concerns. On behalf of the City, I look forward to meeting with you to talk about these concerns and hear your ideas.

We are anxious to begin this process and would like to know when we can get together.

Please contact City Manager Don Moore <u>manager@dillinghamak.us</u> at 842-5148, or City Clerk Janice Williams <u>cityclerk@dillinghamak.us</u> at 842-5212, to discuss a date when we might schedule time to discuss post annexation financial matters.

I look forward to hearing from you and getting together.

Sincerely.

Alice Ruby

Mayor, City of Dillingham

alice A. Kuly



Mayor Harry Wassily Sr. City of Clarks Point PO Box 110 Clarks Point AK 99569

Dear Mayor Wassily:

The State of Alaska Local Boundary Commission met in Dillingham on April 25 and 26, 2011, and after a lengthy public hearing approved the City of Dillingham's annexation petition. This allows the City to hold a local election (fall or winter 2011) to determine whether residents want to annex the waters of the Nushagak fishing district and allow the city to impose a 2.5 percent raw fish tax.

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I look forward to hearing from you and getting together.

Sincerely,

Alice Ruby

Mayor, City of Dillingham

Blice A. Kule



Mayor Berna Andrews City of Aleknagik PO Box 33 Aleknagik AK 99555

Dear Mayor Andrews:

The State of Alaska Local Boundary Commission met in Dillingham on April 25 and 26, 2011, and after a lengthy public hearing approved the City of Dillingham's annexation petition. This allows the City to hold a local election (fall or winter 2011) to determine whether residents want to annex the waters of the Nushagak fishing district and allow the city to impose a 2.5 percent raw fish tax.

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I look forward to hearing from you and getting together.

Sincerely,

Alice Ruby

Mayor, City of Dillingham

alice A. Kuly



Mayor Moses Toyukak Sr. City of Manokotak PO Box 170 Manokotak AK 99628

Dear Mayor Toyukak:

The State of Alaska Local Boundary Commission met in Dillingham on April 25 and 26, 2011, and after a lengthy public hearing approved the City of Dillingham's annexation petition. This allows the City to hold a local election (fall or winter 2011) to determine whether residents want to annex the waters of the Nushagak fishing district and allow the city to impose a 2.5 percent raw fish tax.

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I look forward to hearing from you and getting together.

Sincerely,

Alice Ruby

Mayor, City of Dillingham

Blice A. Kuly



May 27, 2011

Mr. Herman Nelson Sr. President New Koliganek Village Council PO Box 5057 Koliganek AK 99576-5057

Dear Herman Nelson Sr.:

The State of Alaska Local Boundary Commission met in Dillingham on April 25 and 26, 2011, and after a lengthy public hearing approved the City of Dillingham's annexation petition. This allows the City to hold a local election (fall or winter 2011) to determine whether residents want to annex the waters of the Nushagak fishing district and allow the city to impose a 2.5 percent raw fish tax.

However, as part of its approval, the LBC added a condition requiring the City of Dillingham to attempt to meet with the cities of Aleknagik, Clark's Point, New Stuyahok, Ekwok, Manokotak, and the Native Village of Koliganek and Native Village of Ekuk in order to discuss post-annexation financial matters affecting communities and residents due to the annexation. Dillingham will also file a report of the meeting attempts to the LBC by no later than November 30, 2011.

This condition was added to acknowledge the concern and heartfelt testimony of village residents about the impact of a 2.5% local raw fish tax. I, too, understand these concerns. On behalf of the City, I look forward to meeting with you to talk about these concerns and hear your ideas.

We are anxious to begin this process and would like to know when we can get together.

Please contact City Manager Don Moore <u>manager@dillinghamak.us</u> at 842-5148, or City Clerk Janice Williams <u>cityclerk@dillinghamak.us</u> at 842-5212, to discuss a date when we might schedule time to discuss post annexation financial matters.

I look forward to hearing from you and getting together.

Sincerely,

Alice Ruby

Mayor, City of Dillingham

Mailing: Certified

Blice A. B



May 27, 2011

Mayor Randy Hastings City of New Stuyahok PO Box 10 New Stuyahok AK 99636

Dear Mayor Hastings:

The State of Alaska Local Boundary Commission met in Dillingham on April 25 and 26, 2011, and after a lengthy public hearing approved the City of Dillingham's annexation petition. This allows the City to hold a local election (fall or winter 2011) to determine whether residents want to annex the waters of the Nushagak fishing district and allow the city to impose a 2.5 percent raw fish tax.

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This condition was added to acknowledge the concern and heartfelt testimony of village residents about the impact of a 2.5% local raw fish tax. I, too, understand these concerns. On behalf of the City, I look forward to meeting with you to talk about these concerns and hear your ideas.

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Please contact City Manager Don Moore <u>manager@dillinghamak.us</u> at 842-5148, or City Clerk Janice Williams <u>cityclerk@dillinghamak.us</u> at 842-5212, to discuss a date when we might schedule time to discuss post annexation financial matters.

I look forward to hearing from you and getting together.

Sincerely,

Alice Ruby

Mayor, City of Dillingham

alice A. Kuly



June 3, 2011

Mayor Julie Brandon City of Ekwok PO Box 49 Ekwok AK 99580-0049

Dear Mayor Brandon:

The State of Alaska Local Boundary Commission met in Dillingham on April 25 and 26, 2011, and after a lengthy public hearing approved the City of Dillingham's annexation petition. This allows the City to hold a local election (fall or winter 2011) to determine whether residents want to annex the waters of the Nushagak fishing district and allow the city to impose a 2.5 percent raw fish tax.

However, as part of its approval, the LBC added a condition requiring the City of Dillingham to attempt to meet with the cities of Aleknagik, Clark's Point, New Stuyahok, Ekwok, Manokotak, and the Native Village of Koliganek and Native Village of Ekuk in order to discuss post-annexation financial matters affecting communities and residents due to the annexation. Dillingham will also file a report of the meeting attempts to the LBC by no later than November 30, 2011.

This condition was added to acknowledge the concern and heartfelt testimony of village residents about the impact of a 2.5% local raw fish tax. I, too, understand these concerns. On behalf of the City, I look forward to meeting with you to talk about these concerns and hear your ideas.

We are anxious to begin this process and would like to know when we can get together.

Please contact City Manager Don Moore <u>manager@dillinghamak.us</u> at 842-5148, or City Clerk Janice Williams <u>cityclerk@dillinghamak.us</u> at 842-5212, to discuss a date when we might schedule time to discuss post annexation financial matters.

I look forward to hearing from you and getting together.

Sincerely,

Alice Ruby

Mayor, City of Dillingham

Blice A. Kula

- Fill in a consultation log sheet for every consultation that takes place.
- A consultation is a phone conversation, in-person visit, or written correspondence (email or letter).
- Please print a copy of email and letters to attach to log book.

ENTITY CONSULTATION WAS WITH	Robert Heyano
DATE OF CONSULTATION	6/15/11
TIME OF CONSULTATION	11:00 a.m.
CONSULTATION METHOD (phone, email, letter, in person)	in person - stopped by my office
WHO ATTENDED	Alice, Robert

He wanted to let me know that the affected cities and tribal entities met, except Aleknagik (because Kay's had vehicle problems). They agreed that they want to meet with the City of Dillingham as a group. Each of them will go back to their entity and send a letter or resolution to the City that confirms the same. Helen Foster, Ekuk Village Council, is drafting a letter to me to advise us of their meeting and mutual decision.

KEY POINTS
DISCUSSED
DURING
CONSULTATION

(note it is job of Dillingham representative to fill this out immediately after consultation and submit to City Clerk)

He thinks that we will probably receive the letter from Ekuk and hopefully the other affected community entities before fishing. He indicated that they don't plan to identify a specific date to meet but it's likely that a meeting won't be able to be coordinated until after fishing.

I advised that it will be important to hear from each of the entities that were specifically referenced by the LBC (city governments for most and tribal entities for Ekuk and Koliganek). He indicated that they understood.

I asked that the letters be sent to City Hall and not to me personally.

I advised that we planned to send another invitation to the communities because we have not heard from any of them. We can hold off on sending those until later in the month though we may send them again anyway if we don't hear from the entities in the near future. He said that is why he wanted to talk with me personally before he leaves for fishing.

ANY NEXT STEPS DISCUSSED

- Fill in a consultation log sheet for every consultation that takes place.
- A consultation is a phone conversation, in-person visit, or written correspondence (email or letter).
- Please print a copy of email and letters to attach to log book.

ENTITY CONSULTATION WAS WITH	Robert Heyano, representing the City of Ekuk
DATE OF CONSULTATION	July 29, 2011
TIME OF CONSULTATION	1:45 pm
CONSULTATION METHOD (phone, email, letter, in person)	Return phone call from Robert
WHO ATTENDED	Janice Williams, City Clerk and Robert Heyano

KEY POINTS
DISCUSSED
DURING
CONSULTATION
(note it is job of
Dillingham
representative to
fill this out
immediately
after
consultation and
submit to City
Clerk)

Regarding my earlier phone message, he noted that leaving out the City of Ekwok was a clerical error in his letter of June 15. Luki Akelkok had represented Ekwok at a meeting they had held to talk about the April 26 meeting at which they drew up a resolution that they would all review. Aleknagik was the only community that wasn't represented, but it was his understanding they wanted to go in with the group. Since then he has not heard from anyone and he was prepared to make some phone calls. He also mentioned that there was discussion about village representation, but understood the LBC's direction was focused on the cities they named.

I summed up our phone call noting we would prepared to answer his letter now that fishing was behind us. We would be asking to meet and set up a time that was good for the group. I noted that the other six communities would receive a courtesy copy of the letter, and appreciated him clarifying Aleknagik and Ekwok's status as a group member. I thanked him for his time.

ANY NEXT STEPS DISCUSSED

Will be preparing a letter for Mayor Ruby's signature on Monday at the latest.

- Fill in a consultation log sheet for every consultation that takes place.
- A consultation is a phone conversation, in-person visit, or written correspondence (email or letter).
- Please print a copy of email and letters to attach to log book.

ENTITY CONSULTATION WAS WITH	Robert Heyano
DATE OF CONSULTATION	8/11/11
TIME OF CONSULTATION	est 11:00 a.m.
CONSULTATION METHOD (phone, email, letter, in person)	in person
WHO ATTENDED	Alice Ruby, Robert Heyano

Robert called and then stopped by my office. He acknowledged that Ekuk received the letter that the City sent recently. Helen Sifsof, their administrator, emailed him a copy.

DISCUSSED
DURING
CONSULTATION
(note it is job of
Dillingham

KEY POINTS

(note it is job of Dillingham representative to fill this out immediately after consultation and submit to City Clerk)

Robert wanted to clarify that Ekuk's reference to meeting with a group of village representatives was not meant to say that the communities had formally agreed. Rather there was a representative of each of the communities referenced in his letter at the meeting. Those representatives agreed that a joint meeting was preferable. Each of those representatives was supposed to go back to their respective organizations and seek concurrence to proceed in that manner. At this point Robert has not heard from the communities about whether their organizations agreed, with the exception that he heard that Manokotak might have taken formal action to agree. He said he called Moses Toyukuk to confirm but had to leave a message and has not heard from him as yet.

Robert said that he also talked to Luki Akelkok, Ekwok Village Council, to find out who to contact at the City of Ekwok. He says that the City is not really functioning at this point, for example the electric utility has been taken over by AVEC because the City was not actively managing the service. Robert says that Luki is not on the City Council and not interested in being involved with the City. Robert suggested that we contact one of the Council Members if we can determine who they are.

Robert confirmed that Ekuk is ready to move ahead with the joint meeting.

ANY NEXT STEPS DISCUSSED

I advised that the City plans to move forward to try to schedule the meeting.

Attempt No. 1 – Mayor Moses Toyukak

- Fill in a consultation log sheet for every consultation that takes place.
- A consultation is a phone conversation, in-person visit, or written correspondence (email or letter).
- Please print a copy of email and letters to attach to log book.

ENTITY CONSULTA WITH	TION WAS	Mayor Moses Toyukak Sr. Mayor for City of Manokotak		
DATE OF CONSULT	August 31, 2011			
TIME OF CONSULT	ATION	11:30 am		
CONSULTATION M (phone, email, lette		Phone to 289-2067 (Manokotak Village Council) directed to 289-6256, place of residence		
WHO ATTENDED		Phone call initiated by Janice Williams, City Clerk		
KEY POINTS DISCUSSED DURING CONSULTATION (note it is job of Dillingham representative to fill this out immediately after consultation and submit to City Clerk)	PM at City Hall Confirmed app	e in Dillingham Sept. 1 and 2 and available to meet Thursday, September 1, 5 t City Hall. rmed appointment at 12:15 PM Phone contact numbers: 289-6001 and 289-6256		
ANY NEXT STEPS D	DISCUSSED			

Attempt No. 1 - Mayor Berna Andrews

Consultation Log Book on Post Annexation Financial Matters

- Fill in a consultation log sheet for every consultation that takes place.
- A consultation is a phone conversation, in-person visit, or written correspondence (email or letter).
- Please print a copy of email and letters to attach to log book.

ENTITY CONSULTATION WAS WITH	Mayor Berna Andrew City of Aleknagik
DATE OF CONSULTATION	August 31, 2011, 12:25 pm, September 1, sometime in the afternoon, and September 2 around 11:00 am
TIME OF CONSULTATION	
CONSULTATION METHOD (phone, email, letter, in person)	Phone to 842-5512, North Shore Aleknagik Clinic Return call from 842-5953, City of Aleknagik office
<u> </u>	Phone call initiated by Janice Williams, City Clerk
WHO ATTENDED	

DISCUSSED DURING CONSULTATION (note it is job of Dillingham representative to fill this out immediately after consultation and submit to City Clerk)

KEY POINTS

August 31, 12:25 pm: Left message on work answering machine at the clinic 842-5512. "City official is looking to contact her next week to talk about annexation. Requested if she could please contact the city clerk to provide more information and to set up a time".

September 1, sometime in the afternoon. Returned a phone call to Joseph Coolidge, staff at the City of Aleknagik office. Mayor Berna Andrews was interested in the reason for holding a phone call to discuss annexation. He would see what was the best time for her and would return a call.

September 2, around 11:00 am. Placed a call to City of Aleknagik. Joseph answered that Mayor Andrews would be busy until 3:00 pm, but was intended to call.

ANY NEXT STEPS DISCUSSED

Attempt No. 1 – Mayor Harry Wassily Sr.

Consultation Log Book on Post Annexation Financial Matters

- Fill in a consultation log sheet for every consultation that takes place.
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- Please print a copy of email and letters to attach to log book.

ENTITY CONSULTA	Mayor Harry Wassily Sr. Mayor of City of Clarks Point President for Clarks Point Village Council			
DATE OF CONSULT	August 31 2011			
TIME OF CONSULT	TATION	ION 11:30 am		
CONSULTATION M		Phone to 236-1427, contact no. Clarks Point Village Council		
WHO ATTENDED	ci, iii person,	Phone call initiated by Janice Williams, City Clerk		
KEY POINTS DISCUSSED DURING CONSULTATION (note it is job of Dillingham representative to fill this out immediately after consultation and submit to City Clerk) Left a phone message on answering machine at his office desk. Introduced myself. "City official is looking to contact him next week to talk about annexation. Asked if he could return a phone call to city clerk to get more information and to schedule a time."				
ANY NEXT STEPS DISCUSSED				

Log Report 8/31/2011

Attempt No. 1 - Robert Heyano

- Fill in a consultation log sheet for every consultation that takes place.
- A consultation is a phone conversation, in-person visit, or written correspondence (email or letter).
- Please print a copy of email and letters to attach to log book.

TIME OF CONSULTATION CONSULTATION METHOD (phone, email, letter, in person) KEY POINTS DISCUSSED DURING CONSULTATION (note it is job of Dillingham representative to fill this out immediately after consultation and submit to City Clerk) August 31, 2011 at 11:35 am, September 2, 2011 at 9:30 am Phone to 842-3842, Ekuk Village Council Returned call from 842-1053, residence number Phone call initiated by Janice Williams, City Clerk August 31: Left message with staff member at Ekuk Village Council. "City official is looking to contact him next week to talk about annexation. Asked if he could please return a call to city clerk to provide more information and schedule a time." September 2, 9:35 am: Robert returned the call. He was curious about the meeting. He would be available at 4:00 pm, today, to visit with the City Manager.	ENTITY CONSULTA	TATION WAS Robert Heyano, President Ekuk Village Council		
CONSULTATION METHOD (phone, email, letter, in person) Returned call from 842-1053, residence number Phone call initiated by Janice Williams, City Clerk WHO ATTENDED KEY POINTS DISCUSSED DURING CONSULTATION (note it is job of Dillingham representative to fill this out immediately after consultation and submit to City Phone to 842-3842, Ekuk Village Council Returned call from 842-1053, residence number Phone call initiated by Janice Williams, City Clerk August 31: Left message with staff member at Ekuk Village Council. "City official is looking to contact him next week to talk about annexation. Asked if he could please return a call to city clerk to provide more information and schedule a time." September 2, 9:35 am: Robert returned the call. He was curious about the meeting. He would be available at 4:00 pm, today, to visit with the City Manager.	DATE OF CONSULT	DNSULTATION		
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	DISCUSSED DURING CONSULTATION (note it is job of Dillingham representative to fill this out immediately after consultation and submit to City	looking to conta return a call to September 2, 9	act him next week to talk about annexation. Asked if he could please city clerk to provide more information and schedule a time." 9:35 am: Robert returned the call. He was curious about the meeting.	

Attempt No. 1 – President Herman Nelson Sr

- Fill in a consultation log sheet for every consultation that takes place.
- A consultation is a phone conversation, in-person visit, or written correspondence (email or letter).
- Please print a copy of email and letters to attach to log book.

TIME OF CONSULTATION TIME OF CONSULTATION CONSULTATION METHOD (phone, email, letter, in person) Phone to 596-3519 (work desk at New Koliganek Village Council) (phone, email, letter, in person) Phone call initiated by Janice Williams, City Clerk WHO ATTENDED KEY POINTS DISCUSSED DURING CONSULTATION (note it is job of Dillingham representative to fill this out immediately after consultation and submit to City Clerk) Left a phone message on answering machine at his office desk. Introduced myself. "City official is looking to contact him next week to talk about annexation. Asked if he could please return a call to city clerk to get more information and submit to City Clerk)			
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	DISCUSSED DURING CONSULTATION (note it is job of Dillingham representative to fill this out immediately after consultation and submit to City	Introduced my annexation. As	self. "City official is looking to contact him next week to talk about sked if he could please return a call to city clerk to get more information

Attempt No. 1 – Mayor Randy Hastings

- Fill in a consultation log sheet for every consultation that takes place.
- A consultation is a phone conversation, in-person visit, or written correspondence (email or letter).
- Please print a copy of email and letters to attach to log book.

ENTITY CONSULTATION WAS WITH DATE OF CONSULTATION TIME OF CONSULTATION		Mayor Randy Hastings Mayor of the City of New Stuyahok August 31, 2011 11:45 am			
			CONSULTATION M (phone, email, lett		Phone to 693-3171 (city desk)
			WHO ATTENDED		Phone call initiated by Janice Williams, City Clerk
KEY POINTS DISCUSSED DURING CONSULTATION (note it is job of Dillingham Introduced myse		essage on answering machine at his office desk. self. "City official is looking to contact him next week to talk about ked if he could return a call to city clerk to get more information and to			
ANY NEXT STEPS D	DISCUSSED				

Attempt No. 1 – Mayor Julie Brandon

- Fill in a consultation log sheet for every consultation that takes place.
- A consultation is a phone conversation, in-person visit, or written correspondence (email or letter).
- Please print a copy of email and letters to attach to log book.

ENTITY CONSULTATION WAS WITH DATE OF CONSULTATION TIME OF CONSULTATION		Mayor Julie Brandon Mayor for the City of Ekwok August 31, 2011 11:35 am			
			CONSULTATION N (phone, email, lette		Phone to 464-3316
			(phone, email, letter, in person) WHO ATTENDED		Phone call initiated by Janice Williams, City Clerk
KEY POINTS DISCUSSED DURING CONSULTATION (note it is job of Dillingham representative to fill this out immediately after consultation and submit to City Clerk)		her work phone at the post office. She can be reached at the post am to 3 pm next week.			
ANY NEXT STEPS D	ISCUSSED				

- Fill in a consultation log sheet for every consultation that takes place.
- A consultation is a phone conversation, in-person visit, or written correspondence (email or letter).
- Please print a copy of email and letters to attach to log book.

ENTITY CONSULTATION WAS WITH	Moses Toyukak Sr. (no longer Mayor) President, Manokotak Village Council
DATE OF CONSULTATION	Sept. 1, 2011
TIME OF CONSULTATION	5:00 – 7:00 pm
CONSULTATION METHOD (phone, email, letter, in person)	In person at City Hall
WHO ATTENDED	Discussion with Mr. Moses Toyukak, Sr. President Manokotak Village Council note he was also the mayor of the village, which is now Melvin Andrews. Mr. Toyukak was mayor for 15 years and wears other "hats" in the community.

Outreach discussion regarding Annexation and Fish Tax

Statement

We are meeting with you to discuss what you believe are the major issues and concerns of members of your village related to the City of Dillingham's annexation effort and if successful the subsequent raw fish tax to be adopted.

Moses Toyukak:

We are opposed to the annexation and fish tax. Our community has a long history of commercial fishing in Bristol Bay. It has always been a resource available for all. The 2.5% tax is less than our neighbors pay at Naknek, even so it will be a burden on us. Our community is low income. Even a loss of \$1 means we go without something. We can't have that cup of coffee. I am afraid everything will cost more.

It would be good if the revenue was shared.

We will pay this tax but we have not direct benefit. Dillingham is a hub for goods, but what we will pay not be enough benefit to offset what we get. And, once government gets a tax, that tax often grows higher over time.

We have few ways to raise money for our community. There is a sales tax but not property tax. Dillingham should do what we do and pay wages less than "Bacon Davis".

We have 33 individuals who fish (fishing licenses?).

I am concerned about the future of my community. We have low income, low education levels. Many wonder why are the "whites" are doing this to us. They say, tax the outsiders but don't tax us, although I know that that is not legal.

In summary we are low income and can't afford the tax, we receive no direct benefit. Suggest we also talk with the mayor, Melvin Andrews.

ANY NEXT STEPS DISCUSSED Log Report 9/1/2011

KEY POINTS

DISCUSSED

Dillingham

fill this out

after

Clerk)

immediately

CONSULTATION

(note it is job of

representative to

consultation and

submit to City

DURING

·Outmitted 9/9/11

- Fill in a consultation log sheet for every consultation that takes place.
- A consultation is a phone conversation, in-person visit, or written correspondence (email or letter).
- Please print a copy of email and letters to attach to log book.

ENTITY CONSULTATION WAS WITH	Robert Heyano, President Ekuk Village Council
DATE OF CONSULTATION	September 2, 2011
TIME OF CONSULTATION	4:00 to 6:00 PM
CONSULTATION METHOD (phone, email, letter, in person)	In person at City Hall
WHO ATTENDED	Present: Bob Himschoot, Keggie Tubbs, Dan Forster

We are meeting with you to discuss what you believe are the major issues and concerns of members of your village related to the City of Dillingham's annexation effort and if successful the subsequent raw fish tax to be adopted.

Robert Heyano:

Our position is opposed to the annexation and fish tax. I don't have much to add from what is presented in our written comments already submitted. And, at this meeting I can only speak as an individual, the comments I make are mine, not necessarily those of the community.

We view the fish in Bristol Bay as a regional resource available to all, not one jurisdiction. We do not believe that this is Dillingham's right to levy the tax and keep all the revenue, it is all of ours.

KEY POINTS
DISCUSSED
DURING
CONSULTATION
(note it is job of
Dillingham
representative to
fill this out
immediately
after
consultation and
submit to City

Clerk)

What has troubled me is that Dillingham has followed a process where only now are you coming to us to seek out our ideas on how this annexation should be handled, not before. What you are doing now is just public relations. (It was pointed out to Mr. Heyano that there had been previous outreach efforts.)

The problem is that the tax collected will stay in Dillingham and not be shared. I recognize that Dillingham provides services to the regional fisheries but so does Ekuk. What funds will we get to help pay for those? The "Regional Fisheries Fund" will not help us.

The tax will negatively impact fishermen who are low income. This will be significant. This is viewed as a "tax grab" and a higher tax will come.

And, even if there was a mechanism to share the tax revenue with the communities, there is no way to guarantee that this will not change in the future. There is a trust issue. At this point the group talked about solutions. One idea was the possibility of forming a borough as a means of sharing resources. While Dillingham has proposed borough creation in the past the other communities in the region have generally opposed it. Now, such a proposal may be received in a more positive light. If a borough was the taxing authority then all the communities would have a voice in the allocation of the funds. While a pause the annexation process now is not practical if there was a parallel effort started to create a borough and a commitment to share revenues based on some formula until then, maybe even allocating proceeds from the fish tax to pay the effort to create a borough the reception in the communities may be more positive. But this idea still needs work and an education outreach effort in itself. Any borough would have to be based in such a way that Dillingham does not dominate like the model of the Lake and Peninsula Borough.

ANY NEXT STEPS DISCUSSED

Attempt No. 2 – Mayor Berna Andrews, City of Aleknagik

Consultation Log Book on Post Annexation Financial Matters

- Fill in a consultation log sheet for every consultation that takes place.
- A consultation is a phone conversation, in-person visit, or written correspondence (email or letter).
- Please print a copy of email and letters to attach to log book.

ENTITY CONSULTATION WAS WITH DATE OF CONSULTATION TIME OF CONSULTATION CONSULTATION METHOD (phone, email, letter, in person) WHO ATTENDED		Mayor Berna Andrews City of Aleknagik September 6, 2011, 4:30 pm		
		Phone call to 842-5953, City of Aleknagik Phone call initiated by Janice Williams, City Clerk		
			KEY POINTS DISCUSSED DURING CONSULTATION (note it is job of Dillingham representative to fill this out immediately after consultation and submit to City Clerk)	Sept. 6, 4:30 pm: Left message at City of Aleknagik office, 842-55953). I commen that we are still working to set up a phone call with Mayor Andrews and our new c manager and were hoping to get a return phone call. In the meantime, I talked with Carolyn Smith, Aleknagik Council member. She advised that we not give up on Berna, but attempt to call her back again. She not Berna does not like to take calls at work. She also mentioned that the City of Aleknagik had approved \$3,000 at their June 18 meeting to assist Ekuk in protesti annexation. (copy of their resolution is attached)

ANY NEXT STEPS DISCUSSED

RESOLUTION # 9

WHEREAS, the Local Boundary Commission has approved an annexation petition submitted by the City of Dillingham dated June 14, 2010.

WHEREAS, in its petition the City of Dillingham would be permitted to annex the waters of the Nushagak Commercial Salmon District and the Wood River Sockeye Salmon Special Harvest Area. Upon approval of the annexation by the qualified voters of the City of Dillingham, the city would impose a 2.5 cent tax on the sales of raw fish within the annexed territory.

WHEREAS the petition was granted on the condition that the City of Dillingham attempt to meet with the cities of Alekangik, Clark's Point, New Suyahok, Ekwok, and Mankotak and the entities of New Koliganek Village Council (dba Native Village of Koliganek) and the Native Village of Ekuk regarding post-annexation financial matters affecting such parties due to the annexation and file a report of the meeting attempts, whether or not held, and meetings held, if any with the Local Boundary Commission by no later than 11/30.2011.

WHEREAS it is in the best interest of the Western Bristol Bay Region that the communities listed above collectively form a board of individuals appointed from each community for the purpose of meeting with the City of Dillingham to discuss a fair and equitable solution to post-annexation financial matters.

THEREFORE, BE IT RESOLVED THAT:

- (1) The city [Native Village] of appoints to serve as its representative on a board made up of representatives of the municipalities and entities named in the Local Boundary Commission decision. This representative has the authority to negotiate on behalf of the City [Native Village] of to arrive at a fair and equitable solution to post-annexation financial matters affecting the residents of the city [village].
- (2) The appointed representative shall inform the council members during the course of the meetings in a timely manner.
- (3) The City [Native Village] of continues to oppose the annexation of the Nushagak Commercial Salmon District to the City of Dillingham and in furtherance of that opposition will contribute a pro-rata part of the cost incurred by the Native Village of Ekuk of appealing the decision of the Local Boundary Commission to the Superior Court of the State of Alaska. It is the intent of this resolution that the contribution will not exceed \$

0007740

Attempt No. 2 – Mayor Randy Hastings, Mayor of City of New Stuyahok

- Fill in a consultation log sheet for every consultation that takes place.
- A consultation is a phone conversation, in-person visit, or written correspondence (email or letter).
- Please print a copy of email and letters to attach to log book.

ENTITY CONSULTATION WAS WITH DATE OF CONSULTATION TIME OF CONSULTATION CONSULTATION METHOD		Mayor Randy Hastings Mayor of the City of New Stuyahok	
		Sept. 6, 2011	
		8:50 am 2:45 pm 2:55 pm Phone to 693-3171 (city desk)	
(phone, email, lett		Thore to doe on I (dity doesny	
WHO ATTENDED	er, in persony	Phone call initiated by Janice Williams, City Clerk	
KEY POINTS DISCUSSED DURING CONSULTATION (note it is job of Dillingham representative to fill this out immediately after consultation and submit to City Clerk)	Sept. 6, at 8:50 am. Employee directed me to call back at 9 am. Sept. 6, at 2:45 pm. Phone was busy. Will call back later. (Dennis Andrew Sr. is the President of the New Stuyahok Council (693-3173 or 693-3100) Sept. 6, at 2:55 pm. Left a phone message noting our new City Manager would like to discuss annexation with him and would like to set up a time if he could call me back.		

Attempt No. 2 – Mayor Julie Brandon, City of Ekwok

- Fill in a consultation log sheet for every consultation that takes place.
- A consultation is a phone conversation, in-person visit, or written correspondence (email or letter).
- Please print a copy of email and letters to attach to log book.

ENTITY CONSULTATION WAS WITH DATE OF CONSULTATION TIME OF CONSULTATION		Mayor Julie Brandon Mayor for the City of Ekwok Sept. 6, 2011 2:25 pm			
			CONSULTATION M (phone, email, lette		Phone to 464-3311 - Ekwok Post Office, Mayor Brandon's place of work
			(phone, email, letter, in person) WHO ATTENDED		Phone call initiated by Janice Williams, City Clerk
KEY POINTS DISCUSSED DURING CONSULTATION (note it is job of Dillingham representative to fill this out immediately after consultation and submit to City Clerk)	Office. The pho The number fo President of th	lay, 2:55 pm. Called Mayor Brandon's work number at the Ekwok Post one rang and rang, and never went to an answering machine. or the Ekwok Village Council is 464-3336. Luki Akelkok Sr is the e Ekwok Village Council. The phone rang and rang. Operator ated the call did not go through. Will try again later.			
ANY NEXT STEPS D	ISCUSSED				

Attempt No. 2 – Herman Nelson Sr. President of New Koliganek Village Council

- Fill in a consultation log sheet for every consultation that takes place.
- A consultation is a phone conversation, in-person visit, or written correspondence (email or letter).
- Please print a copy of email and letters to attach to log book.

ENTITY CONSULTATION WAS WITH DATE OF CONSULTATION TIME OF CONSULTATION		Herman Nelson Sr, President New Koliganek Village Council September 6, 2011 8:55 am work phone 2:40 pm work phone 3:35 pm work phone 3:40 pm home phone Phone to 596-3519 (work desk at New Koliganek Village Council) Phone call to 596-3440 home phone Phone call initiated by Janice Williams, City Clerk			
			WHO ATTENDED		
			KEY POINTS DISCUSSED DURING CONSULTATION (note it is job of Dillingham representative to fill this out immediately after consultation and submit to City Clerk)	Noted I was for Sept. 6, 2:40 p Vice President Sept. 6, 3:35 p	am. Left a phone message on answering machine at his office desk. bllowing up to my phone message of last Thursday. bm. Work phone was busy. Will try again later. (Gust Tungiung Jr is the t for the New Koliganek Village Council.) bm. Work phone still busy. bm. Home phone 596-3440 – operator message call did not go through
ANY NEXT STEPS [DISCUSSED				

Attempt No. 2 - Mayor Harry Wassily Sr., City of Clarks Point

Consultation Log Book on Post Annexation Financial Matters

- Fill in a consultation log sheet for every consultation that takes place.
- A consultation is a phone conversation, in-person visit, or written correspondence (email or letter).
- Please print a copy of email and letters to attach to log book.

ENTITY CONSULTATION WAS WITH	Mayor Harry Wassily Sr. Mayor of City of Clarks Point President for Clarks Point Village Council
DATE OF CONSULTATION	September 6, 2011
TIME OF CONSULTATION	8:55 am 2:00 pm
CONSULTATION METHOD	Phone to 236-1427 (Clarks Point Village Council)
(phone, email, letter, in person)	
WHO ATTENDED	Phone call initiated by Janice Williams, City Clerk

DISCUSSED
DURING
CONSULTATION
(note it is job of
Dillingham
representative to
fill this out
immediately
after

consultation and

submit to City

Clerk)

KEY POINTS

September 6, 9:55 am Left a phone message on answering machine at 236-1427 Clarks Point Village Council) that we had not heard back from him regarding message left on August 31.

September 6, 2 pm. Phone answered by Sharon Clark, Planner for Clarks Point Village Council. I asked for Betty Gardiner, Vice President, Clarks Point Village Council. (Betty is the VP, next in line after Harry Wassily Sr.) Sharon Clark replied if this was about annexation the villages were waiting to meet as a group. I noted that we had been waiting for them to set a date, but to date this had not happened. She made the comment the City just wanted to "reap the resources out of Clarks Point". She noted it was unlikely the villagers would be able to meet this week due to a surveying project. I noted our new manager was onboard and he would like to discuss annexation with the leaders of each of the communities [identified by the LBC]. I noted since I had not heard back from Harry, I was going to contact Betty Gardiner, Vice President for Clarks Point Village Council. She replied the VP was Logan Walker (BBNA website noted otherwise). She answered she would contact Harry Wassily Sr and would get back to us. I gave her Dan's direct line 842-5148.

ANY NEXT STEPS DISCUSSED

- Fill in a consultation log sheet for every consultation that takes place.
- A consultation is a phone conversation, in-person visit, or written correspondence (email or letter).
- Please print a copy of email and letters to attach to log book.

ENTITY CONSULTATION WAS WITH DATE OF CONSULTATION TIME OF CONSULTATION		Mayor Berna Andrews City of Aleknagik September 7, 2011, 9:01 am – returned call 9:40 am
		CONSULTATION N (phone, email, lett
WHO ATTENDED		Phone call initiated by Mayor Berna Andrews to Janice Williams
KEY POINTS DISCUSSED DURING CONSULTATION (note it is job of Dillingham representative to fill this out immediately after consultation and submit to City Clerk)	Sept. 7, 9:01 am received message on my answering machine from Mayor Ber Andrews to please return a call Sept. 7, 9:40 am, returned a call to Mayor Andrews. She asked when the meet be held was. I shared that our new city manager had come onboard and was interested in her comments on annexation and would like to meet with her indiveither by phone or in person and was looking at this week. Sept. 7, a phone meeting has been confirmed with both parties for Friday, Sept 9, 3:30 pm. The number to call at the City of Aleknagik office is 842-5953. In attendance with Berna will be the new city administrator, Kay Andrews.	

Subnitled to Dan 4/7/11

- Fill in a consultation log sheet for every consultation that takes place.
- A consultation is a phone conversation, in-person visit, or written correspondence (email or letter).
- Please print a copy of email and letters to attach to log book.

ENTITY CONSULTATION WA	City of Aleknagik
DATE OF CONSULTATION	September 9, 2011 at 3:30 pm rescheduled for September 14 at 3:30 pm
TIME OF CONSULTATION	
CONSULTATION METHOD (phone, email, letter, in pers	Phone call to 842-5953 City of Aleknagik Offices
WHO ATTENDED	Phone call initiated by City Manager Dan Forster
KEY POINTS DISCUSSED DURING CONSULTATION (note it is job of Dillingham representative to fill this out immediately after consultation and submit to City Clerk)	s meeting has been rescheduled to September 14 at 3:30 p.m.
ANY NEXT STEPS DISCUSSE	D

- Fill in a consultation log sheet for every consultation that takes place.
- A consultation is a phone conversation, in-person visit, or written correspondence (email or letter).
- Please print a copy of email and letters to attach to log book.

ENTITY CONSULTATION WAS WITH	Harry Wassily Sr. Mayor of City of Clarks Point President for Clarks Point Village Council
DATE OF CONSULTATION	September 9, 2011
TIME OF CONSULTATION	2:30 pm
CONSULTATION METHOD (phone, email, letter, in person)	In person
WHO ATTENDED	Janice Williams, City Clerk ran into Harry Wassily Sr at N&N Market

DISCUSSED DURING CONSULTATION

KEY POINTS

(note it is job of Dillingham representative to fill this out immediately after consultation and submit to City Clerk) I ran into Harry Wassily Sr. at N&N Market. I greeted him and then commented that our manager was really looking forward to hearing from him. Did he have some time before he went back to Clarks Point? "No", he answered, "I am leaving to go back at 4:00 pm". I shrugged and smiled and said okay.

I am also going to check with the City to see if Harry is still the Mayor. I have not been informed otherwise, and all of our communications to Clarks Point since annexation process began has been to Harry Wassily Sr., Mayor of City of Clarks Point. I also need to verify he is the President of Clarks Point Village Council, as indicated on the BBNA website.

ANY NEXT STEPS DISCUSSED

- Fill in a consultation log sheet for every consultation that takes place.
- A consultation is a phone conversation, in-person visit, or written correspondence (email or letter).
- Please print a copy of email and letters to attach to log book.

ENTITY CONSULTATION WAS WITH DATE OF CONSULTATION TIME OF CONSULTATION CONSULTATION METHOD (phone, email, letter, in person)		Mayor Randy Hastings Mayor of the City of New Stuyahok Sept. 13, 2011 2:15 pm Phone to 693-3171 (city desk)				
			WHO ATTENDED		Phone call initiated by Janice Williams, City Clerk	
			KEY POINTS DISCUSSED DURING CONSULTATION (note it is job of Dillingham representative to fill this out immediately after consultation and submit to City Clerk)	message askin interested in m	Sept. 13, at 2:15 pm. No answer. Call went to an answering machine. I left a nessage asking Randy to please return my phone call. The new city manager was nterested in meeting with him at least by phone to discuss annexation and to return a all to the city clerk at 842-5212.	
			ANY NEXT STEPS D	DISCUSSED		

Log Report 9/13/2011

submitted 9/13/11

Attempt No. 3 – Mayor Julie Brandon, City of Ekwok – 9.13.2011

Consultation Log Book on Post Annexation Financial Matters

- Fill in a consultation log sheet for every consultation that takes place.
- A consultation is a phone conversation, in-person visit, or written correspondence (email or letter).
- Please print a copy of email and letters to attach to log book.

ENTITY CONSULTATION WAS WITH DATE OF CONSULTATION TIME OF CONSULTATION CONSULTATION METHOD (phone, email, letter, in person)		Mayor Julie Brandon Mayor for the City of Ekwok Sept. 13, 2011 2:50 pm Phone to 464-3311 - Ekwok Post Office, Mayor Brandon's place of work			
			WHO ATTENDED		Phone call initiated by Janice Williams, City Clerk
			KEY POINTS DISCUSSED DURING CONSULTATION (note it is job of Dillingham representative to fill this out immediately after consultation and submit to City Clerk)	Sept. 13, Tuesday, 2:50 pm. Called Mayor Brandon's work number at the Ekwok Post Office. She can be available by phone at her home on Thursday, September 15, at 4 pm. The number is 464-3303. The phone service was pretty scratchy which she blamed on the electric service problems in Ekwok.	
			ANY NEXT STEPS DISCUSSED		

Log Report 9/13/2011

Dubritted 9/3/11

Attempt No. 3 – Herman Nelson Sr. President of New Koliganek Village Council

Consultation Log Book on Post Annexation Financial Matters

- Fill in a consultation log sheet for every consultation that takes place.
- A consultation is a phone conversation, in-person visit, or written correspondence (email or letter).
- Please print a copy of email and letters to attach to log book.

ENTITY CONSULTATION WAS WITH DATE OF CONSULTATION TIME OF CONSULTATION		Herman Nelson Sr, President New Koliganek Village Council		
		September 13, 2011		
		2:20 pm work phone		
		Phone to 596-3519 (work desk at New Koliganek Village Council)		
WIO ATTENDED		Phone call initiated by Janice Williams, City Clerk		
WHO ATTENDED				
KEY POINTS DISCUSSED DURING CONSULTATION (note it is job of Dillingham representative to fill this out immediately after consultation and submit to City Clerk) Sept. 13, at 2:30 pm. No answer. Call went to an answering machine. I left a message asking Herman to please return my phone call. The new city manager interested in meeting with him at least by phone to discuss annexation and to ple return a call to the city clerk at 842-5212.				
ANY NEXT STEPS D	NECLICED			

Attempt No. 3 & 4 - Mayor Harry Wassily Sr., City of Clarks Point - 9.12.2011 & 9.13.2011

Consultation Log Book on Post Annexation Financial Matters

- Fill in a consultation log sheet for every consultation that takes place.
- A consultation is a phone conversation, in-person visit, or written correspondence (email or letter).
- Please print a copy of email and letters to attach to log book.

Harry Wassily Sr. Mayor of City of Clarks Point
September 12, 2011 and September 13, 2011
Sept. 12 and Sept. 13
Phone messages to 236-1221 (City of Clarks Point) Phone messages to 236-1427 (Clarks Point Village Council)
Janice Williams, City Clerk, initiated the call to the City of Clarks Point (attempt to reconfirm he is the Mayor of Clarks Point)

DISCUSSED DURING CONSULTATION

KEY POINTS

(note it is job of Dillingham representative to fill this out immediately after consultation and submit to City Clerk)

September 12, 8:30 am, 9:05 am, called 236-1221, City of Clarks Point office Called and went to an answering machine. I did not leave a message, was hoping to get a live body to confirm Harry Wassily Sr. was Mayor of Clarks Point.

September 13, 10:30 am and 2:15 pm, called 236-1221, City of Clarks Point office Called and left a message on the answering machine both times. Same message basically, we're looking to set up a meeting between Mayor Wassily and our new city manager regarding annexation. No return calls.

September 13, 2:40 pm, called 236-1427, Clarks Point Village Council. No answer. Left a message we were looking to confirm that Harry Wassily Sr was Mayor of Clarks Point. Received a return call in a couple of minutes from Sharon Clark. She confirmed that Harry Wassily Sr is Mayor of Clarks Point.

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Consultation Log Book on Post Annexation Financial Matters

- Fill in a consultation log sheet for every consultation that takes place.
- A consultation is a phone conversation, in-person visit, or written correspondence (email or letter).
- Please print a copy of email and letters to attach to log book.

ENTITY CONSULTATION WAS WITH	Mayor Berna Andrew, City of Aleknagik Kay Andrews, Executive Assistant, City of Aleknagik
DATE OF CONSULTATION	September 14
TIME OF CONSULTATION	3:30 pm – 4:30 pm
CONSULTATION METHOD (phone, email, letter, in person)	Phone Call 842-5953, City of Aleknagik office
WHO ATTENDED	Phone call initiated by Dan Forster, City Manager

I am calling to discuss what you believe are the major issues and concerns of members of your village related to the City of Dillingham's annexation effort and if successful the subsequent raw fish tax to be adopted.

Comments:

The community is opposed to the annexation and raw fish tax.

It is unfair for Dillingham to take this shared resource.

If established, this action will preclude other communities such as Clarks Pt., Manokotak, and Ekwok, from establishing their own fist tax which limits a future source of revenue for them.

It is also not fair that Dillingham receives the full tax when other communities also have docks, roads, landfills, and people from the outside that use services, that all support commercial fishing same as Dillingham.

If there had been a proposal in place from the start to share this tax resource with adjacent communities this might not be an issue. But no such proposal was made in advance.

We are also concerned that while the proposed tax is 2.5% it could go higher later on. This tax will be a hardship. There are increased costs, harvests are unpredictable this years was not good for many. A tax may force people out of the fishing business as they may choose to sell their permits if they can't make it.

And, there could be a counter action that persons paying the tax outside of Dillingham may choose to not spend money in Dillingham.

We understand why Dillingham needs this funding but this tax is a big burden on our local fishers particularly those who are low income. And fishing is for many their only source of a cash income.

We feel there should be a group meeting for all concerned communities. Previously we had concerns with sport fisheries and hunting that they were interfering with our subsistence way of life. But with the advent of the Pebble mine these groups have joined with us in opposition so our previous differences have been put into a different context.

KEY POINTS DISCUSSED DURING CONSULTATION

(note it is job of Dillingham representative to fill this out immediately after consultation and submit to City Clerk)

ANY NEXT STEPS DISCUSSED

Consultation Log Book on Post Annexation Financial Matters

- Fill in a consultation log sheet for every consultation that takes place.
- A consultation is a phone conversation, in-person visit, or written correspondence (email or letter).
- Please print a copy of email and letters to attach to log book.

ENTITY CONSULTATION WAS WITH DATE OF CONSULTATION TIME OF CONSULTATION		Mayor Julie Brandon Mayor for the City of Ekwok Sept. 15, 2011 4:00 pm				
				CONSULTATION METHOD (phone, email, letter, in person)		Phone to 464-3303 – Home, Mayor Brandon
				WHO ATTENDED		Phone call initiated by Dan Forster, City Manager
(phone, email, letter, in person) Phone call initiated by Dan Forster, City Manager						
ANY NEXT STEPS DISCUSSED						

October 3, 2011

Robert Heyano-President Ekuk Village Council Box 530 Dillingham, Alaska 99576

Mayor Alice Ruby City of Dillingham Box 889 Dillingham, Alaska 99576

Mayor Ruby:

Ekuk Village Council is prepared to meet with the City of Dillingham to discuss the annexation petition per the LBC's conditions. Ekuk would prefer to meet collectively with the other communities and the City if that could be arranged. You can call our tribal office at 842-3842 or my cell phone 843-0833 for possible meeting dates and times.

Sincerely;

Robert Heyano-President

Robert Degans

OCT 03



October 4, 2011

Mr. Robert Heyano, President Ekuk Village Council P.O. Box 530 Dillingham, Alaska 99576

Dear Robert:

I am writing on behalf of the Dillingham City Council to express our pleasure at receiving your letter in response to our efforts over the past several months to organize meetings with communities in our region to discuss Dillingham's proposed annexation.

We would be happy to meet with a collective group if it can be arranged and remain hopeful that this will result in a positive outcome. We will be communicating with you shortly to coordinate a date that meets our mutual availability.

Thank you for your efforts.

alice A. Roley

Sincerely,

Alice Ruby Mayor

- Fill in a consultation log sheet for every consultation that takes place.
- A consultation is a phone conversation, in-person visit, or written correspondence (email or letter).
- Please print a copy of email and letters to attach to log book.

ENTITY CONSULTATION WAS WITH	Robert Heyano, President Ekuk Village Council
DATE OF CONSULTATION	October 5, 2011
TIME OF CONSULTATION	3:00 PM
CONSULTATION METHOD	Via phone call to cell number 843-0833
(phone, email, letter, in person)	
WHO ATTENDED	Janice Williams, City Clerk

KEY POINTS DISCUSSED DURING CONSULTATION

(note it is job of Dillingham representative to fill this out immediately after consultation and submit to City Clerk)

Robert hand-delivered a letter to the city clerk's office early on the morning of October 3. The letter was dated October 3 and addressed to Mayor Ruby:

- A return letter was hand delivered to Robert on October 4 and a copy put in the mail, noting the COD was interested in meeting collectively and would be looking for a date shortly that would be mutually acceptable.
- Phoned Robert on October 5. I noted the COD was following up on his letter
 of October 3 to call the tribal office or his cell phone for possible meeting dates
 and times to meet to discuss annexation petition and that he would prefer to
 meet collectively with the other communities and the COD if that could be
 arranged.

Robert was not sure how many would show up, he wasn't sure where the coalition stood at this time.

Robert did not have any days researched. I threw out Monday, October 24, the day after AFN, assuming their attendance and that they would come through Dillingham on their way back home. I noted we should contact these communities soon, because if they planned to attend, they would be making their flight arrangements, if they hadn't already. He was agreeable to Monday, October 24, and was going to contact the communities. He did not have any other dates in mind.

I will circulate an email to see if Monday, October 24 works for the COD.

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Consultation Log Book on Post Annexation Financial Matters

- Fill in a consultation log sheet for every consultation that takes place.
- A consultation is a phone conversation, in-person visit, or written correspondence (email or letter).
- Please print a copy of email and letters to attach to log book.

5117171/ CONCUE	TION! 14/40	
ENTITY CONSULTATION WAS		
WITH		
DATE OF CONSULTATION		
TIME OF CONSULT	ATION	
CONSULTATION M	IETHOD	
(phone, email, lette	er, in person)	
WHO ATTENDED		
KEY POINTS DISCUSSED DURING CONSULTATION (note it is job of Dillingham representative to fill this out immediately after consultation and submit to City Clerk)		
ANY NEXT STEPS DISCUSSED		

Consultation Log Book

- Fill in a consultation log sheet for every consultation that takes place.
- A consultation is a phone conversation, in-person visit, or written correspondence (email or letter).

ENTITY CONSULTATION WAS WITH		Robert Heyano
DATE OF CONSULT	TATION	10/14/2011 Morning some time
TIME OF CONSULT	ATION	
CONSULTATION N (phone, email, lett	_	Phone to City Clerk
WHO ATTENDED		
KEY POINTS DISCUSSED DURING CONSULTATION (note it is job of Dillingham representative to fill this out	can be available asked him does and Randy Hasti to send me a cop He asked if we h	called to inform me that all but 2 communities, Clarks Point and Manokotak, to meet on October 24, the proposed date to meet as a collective group. I that mean he contacted Herman Nelson, President, Julie Brandon, Mayor, ings, New Stuyahok were contacted. He wasn't sure, but would ask his office by of the list of officials that were contacted in the seven communities. and another date to meet? I answered I didn't, but the council would be cial meeting today and would ask them.
immediately after	Clerk Note: I have not received that list.	

after consultation and submit to City Clerk)

ANY NEXT STEPS DISCUSSED

Consultation Log Book on Post Annexation Financial Matters

- Fill in a consultation log sheet for every consultation that takes place.
- A consultation is a phone conversation, in-person visit, or written correspondence (email or letter).
- Please print a copy of email and letters to attach to log book.

ENTITY CONSULTATION WAS WITH	Robert Heyano
DATE OF CONSULTATION	10/23/11
TIME OF CONSULTATION	afternoon
CONSULTATION METHOD (phone, email, letter, in person)	telephone
WHO ATTENDED	Alice Ruby & Robert Heyano

Robert called to say that he just returned from Anchorage (AFN) and was checking his e-mail. He had an e-mail from Kim Williams, Executive Director of Nunamta, confirming that she has been able to confirm a meeting date/time with community reps for October 27 at 6:00 p.m.. Further, they accepted our invitation to hold it at the Senior Citizens Center.

I offered that the City of Dillingham will provide coffee and snacks.

KEY POINTS
DISCUSSED
DURING
CONSULTATION

(note it is job of Dillingham representative to fill this out immediately after consultation and submit to City Clerk)

Robert expects that there will be 1-2 leaders from each community. The only community that confirmed that they couldn't have their Mayor or Tribal Chief attend was Aleknagik. But they expect to have a community leader, probably Gusty Chythlook, attend.

Robert repeated the explanation that this meeting is at least partially because informal conversation at a Nunamta meeting a few weeks ago led them to suggest a conversation with the City of Dillingham regarding our annexation petition and possible borough formation. Nunamta is holding a meeting in Dillingham this week which allowed them to also coordinate this meeting with the City of Dillingham. Robert described that because of the unique make-up of Nunamta, these folks are probably not formally from the entities that we are mandated by the LBC to contact. Rather they are city or tribal council members or simply recognized leaders in their communities. He is aware that we will probably send a written invitation to the entities that were mandated by the LBC.

Robert volunteered to put together a kind-of agenda. He suggested that we call it something like "talking points". He will e-mail it to me so that we can collaborate on it.

Robert asked if we were going to be able to meet without making it a formally advertised meeting? We discussed that many of the individuals will be very reluctant to talk candidly if the meeting is recorded or if there is an audience. I advised that it is my intent to appoint less than a quorum of council members to attend. So, for our part, there won't be a problem with the Open Meetings law. I advised that I don't know yet which Dillingham council members it will be.

ANY NEXT STEPS DISCUSSED

follow up on agenda or talking points

Consultation Log Book on Post Annexation Financial Matters

ENTITY CONSULTATION WAS WITH	Group Meeting with leaders/representatives from neighboring communities
DATE OF CONSULTATION	27-Oct-11
TIME OF CONSULTATION	6:00 p.m.
CONSULTATION METHOD (phone, email, letter, in person)	In person & via Teleconference. Meeting in the dining room of the Dillingham Senior Citizens Center in Dillingham. Teleconference was paid for by Nunamta (I believe)
WHO ATTENDED	Robert Heyano, Ekuk Village Council; Harry Wassily, Clarks Point; Sharon Clark, Clarks Point Village Council, Jimmy Coupchiak, Togiak; Ferdinant Sharp, Manokotak, Mike Minista, Manokotak; Moses Toyukuk, Manokotak; Alice Ruby, City of Dillingham; Janice Williams, City of Dillingham; Jody Seitz, City of Dillingham; Dan Forster, City of Dillingham; Keggie Tubbs, City of Dillingham; Bob Himschoot, City of Dillingham; Via Teleconference: Luki Akelkok, Ekwok Village Council; Richard King, Ekwok Village Council, Kenny Jensen, Ekwok; Herman Nelson, Koliganek Village Council; Dennis Andrew, New Stuyahok.
KEY POINTS DISCUSSED DURING CONSULTATION (note it is job of Dillingham representative to fill this	Explained that the LBC decision made it mandatory to attempt to make contact with communities, have been attempting to do so since May. Thanked Ekuk Village Council and Nunamta Alukasti for assisting to bring this meeting about.
out immediately after consultation and submit to City Clerk)	Representatives from Aleknagik, Clarks Point and Manokotak separately explained their objections to the annexation petition which, in summary, are that their residents fish in the district and so they don't feel that it should be included in Dillingham's city boundaries, the district is on their doorstep so should not be a part of the City of Dillingham, they object to charging additional taxes to fishers who already earn less than non-resident fishers and they object to the tax going only to Dillingham. I explained Dillingham's need for revenue in order to sustain the community, that income is escaping from the region, and that we support and have been involved in alternative efforts in the past (i.e. borough formation); that the annexation will have a minimal effect on people's lives, the elders in Manokotak do not have any reason to be fearful of the City taking their land or affecting their daily lives. Aleknagik reps thanked the City for faxing the invitation letter as they had not been contacted about the meeting - they had to leave early because of a previously scheduled meeting in Aleknagik. I handed out a copy of the most current Dillingham Annexation Petition calendar as well as the Q&A sheet.
	Asked if Dillingham would consider requesting a delay from the LBC (of up to 2 years) for submitting the report and holding the election and instead join with the communities to study and consider forming a borough during that period. I indicated that the council has been firm that we will submit the report on time to fulfill the condition placed on the petition as part of the approval process. We are strongly in support of a borough, have always been in support of a borough, in fact, Dillingham noted that it has been in this position in the past with proposing borough formation and each time Dillingham was "left at the alter" while other communities walked away. We are at a point where Dillingham's council is not willing to put ourselves in that position again. We are committed to going forward with annexation and are also willing to work together on borough formation. The City is prepared to make a commitment of both time and money. I offered that there is a lot of time between the date that we file our report and

Petition for Annexation to the Ci	y of Dillingham June 14, 2010 as
Page192 of 344	revised May 11, 2015
	the date that the election will occur to actually make progress on borough
	formation and might influence the council on setting the election date.

s on borough tion date. Discussed that their concern is that a delay must come from the City before the LBC decision is final in order for Ekuk to avoid the expense of filing an appeal. Discussed the City's intent to avoid further expense and to meet the commitment made to the LBC to submit report. Communities will discuss how they can demonstrate commitment to borough research. I offered that in any case, meetings of the communities are always valuable and welcome as we have much in common, including borough formation research. At the end of the meeting, Dillingham representatives left the room to allow remaining community representatives to meet without our presence.

June 14, 2010 as

ANY NEXT STEPS DISCUSSED

Agreed to meet again sometime after the Nov 17 Dillingham City Council meeting.

EXHIBIT K. INFORMATION RELATED TO THE PRE-FILING/PRE-SUBMISSION PUBLIC HEARING & NOTICE

This exhibit provides information relevant to public notice of the pre-filing public hearing held on September 24, 2014 at City Hall in Dillingham [and additional public information/hearing sessions held as described below].

The City Council set the date of the public hearing by motion, Resolution No. 2014-42, at its meeting of August 7, 2014. The resolution and minutes are Attachment 1 and 2.

The City submitted a proposed public notice for the pre-filing public hearing to the Local Boundary Commission (LBC) staff on July 7, 2014. In response to comments received from LBC staff the draft notice was revised. The Pre-Submission Public Hearing notice was published in the Bristol Bay Times/Dutch Harbor Fisherman on the following dates: August 14, August 21, August 28, and September 11 and September 18, 2014. (note that the publication was changed slightly between August 14 and August 21 to add additional parties.) A copy of the notice, "Supplemental Notice of a Pre-Submission Public Hearing for a Petition for Legislative Review of an Annexation to the City of Dillingham", as it appeared is Attachment 3, and the affidavit of publication is Attachment 4.

The public notice ("Supplemental Notice of a Pre-Submission Public Hearing for a Petition for Legislative Review of an Annexation to the City of Dillingham") was hand-delivered to the Native Village of Ekuk. This, and a copy of the Proof of Delivery signed by Nancy S. Larsen on August 12, 2014, for Ekuk Village Council, is Attachment 5.

The public notice was also posted on the City of Dillingham web site beginning August 12, 2014.

The City submitted a request for a public service announcement of the hearing notice to Radio Station KDLG on August 21, 2014, and asked that it be announced during the 21 days preceding the pre-filing public hearing. This is Attachment 6. A similar request was made not made to a local cable television provider as there is no local cable TV station in Dillingham.

The notice of the Pre-Submission Public Hearing was sent out three times. The first was sent between August 11 and August 15, 2014 to the following:

- 1. Mayor Moses Toyukak Sr., Village of Manokotak
- 2. Mayor Moses Toyukak Sr., City of Manokotak
- 3. Mayor Harry Wassily Sr., c/o Village of Clark's Point
- 4. Mayor Jayne Gottshalk, City of Aleknagik
- 5. Robert Heyano, Ekuk Village Council
- 6. Luki Akelkok, Sr., Mayor, City of Ekwok
- 7. Allen Ilutsik, Tribal Administrator, Village of Alkknagik
- 8. Dorothy Larson, Tribal Administrator, Curyung Tribal Council
- 9. Randy Hastings, Mayor, City of New Stuyahok
- 10. Herman Nelson, Sr., Mayor, New Koliganek Village Council
- 11. Charlie Johnson, President, Portage Creek Village Council
- 12. Mayor Glen Alsworth Sr., Lake and Peninsula Borough

13. Mayor Dan O'Hara, Bristol Bay Borough

The certified letters and signed receipts are Attachment 7.

The second notice was sent August 15, 2014 to the following:

- 1. Moses Toyukak Sr., Village of Manokotak
- 2. Mayor Moses Toyukak Sr., City of Manokotak
- 3. Harry Wassily Sr., Village of Clarks Point
- 4. Mayor Jane Gottshalk, City of Aleknagik
- 5. Robert Heyano, Ekuk Village Council
- 6. Mayor Luki Akelkok Sr., City of Ekwok
- 7. Allen Ilutsik, Village of Alkknagik
- 8. Dorothy Larson, Curyung Tribal Council
- 9. Mayor Randy Hastings, City of New Stuyahok
- 10. Herman Nelson Sr., New Koliganek Village Council
- 11. Charlie Johnson, Portage Creek Village Council

We did this because LBC staff said we need a supplemental notice as the 1st notice didn't include 3 communities. This time we also included a comment card with return envelopes and noted that Dillingham, could be asked to make a presentation at a public or community meeting. The certified letters and signed receipts are Attachment 8.

A third mailing was also distributed August 15, 2014, to add additional entities to those receiving the petition and notice of public hearing, to include:

- 1. Robert Clark, Bristol Bay Health Corp.
- 2. Kay Andrews, Southwest Region Schools
- 3. Ralph Anderson, Bristol Bay Native Association
- 4. Brenda Akelkok, Bristol Bay Housing Authority
- 5. Dennis Andrew Sr., New Stuyahok Traditional Council
- 6. Carol Nicholai, Ekwok Village Council
- 7. Robin Samuelson Jr., Bristol Bay Economic Development Corp.
- 8. Mayor Harry Wassily Sr., City of Clark's Point

The certified letters and signed receipts are Attachment 9.

At the request of Manokotak, Dillingham Mayor Alice Ruby and City Manager Rose Loera traveled to Manokotak or September 26, 2014 to attend a community meeting. A meeting Summary and the sign-in sheet can be seen in Attachment 10.

The special meeting minutes from the Dillingham September 24, 2014, meeting can be reviewed in Attachment 11.

Written comments submitted on the pre-filing public hearing draft petition are found in Attachment 12.

Finally, see Exhibit J – Consultation Report, for additional information regarding consultant and public outreach.

CITY OF DILLINGHAM, ALASKA

RESOLUTION NO. 2014-42

A RESOLUTION OF THE DILLINGHAM CITY COUNCIL APPROVING A DRAFT PETITION TO ANNEX THE NUSHAGAK COMMERICAL SALMON DISTRICT AND THE WOOD RIVER SOCKEYE SALMON SPECIAL HARVEST AREA BY THE LEGISLATIVE REVIEW METHOD

WHEREAS, the City's annexation of the Nushagak Commercial Salmon District, and, the Wood River Sockeye Salmon Special Harvest area was remanded by the court to process the petition through the legislative review method, and

WHEREAS, the City feels the annexation is important in order for the City to continue to provide services to the commercial fishing industry and surrounding communities on a sustainable basis; and

WHEREAS, the original petition approved by the Local Boundary Commission has been updated by staff, attorney and consultant into a draft document for presentation to the public at a hearing dated September 24, 2014; and

WHEREAS, the draft petition needs City Council approval prior to presenting to the public; and

WHEREAS, once the draft petition is approved by the City Council it will be made available to the public by being posted on the City's website, being placed in public places and being placed in city offices; and

WHEREAS, a notice announcing the hearing on September 24, 2014 as well as where a copy of the draft petition can be obtained will be given to the local radio station and published in a local newspaper as required by the Local Boundary Commission; and

WHEREAS, changes to the draft petition may be made following the public hearing; and

WHEREAS, additional City Council authorization will be necessary before the City is authorized to submit the annexation petition to the Local Boundary Commission for approval;

NOW, THEREFORE, BE IT RESOLVED that the Dillingham City Council approves the draft Petition to the Local Boundary Commission for the Annexation of Nushagak Commercial Salmon District waters and Wood River Sockeye Salmon Harvest area waters, together consisting of approximately 396 square miles of water and 3 square miles of land (small islands) to the City of Dillingham by the Legislative Review Method and authorizes the City Clerk to make the draft petition available for public review and to provide notice to the public of the availability of the petition for public review and the time and place of the public hearing about the petition set for September 24, 2014.

PASSED and ADOPTED by the Dillingham City Council on August 7, 2014.

ATTEST:

Janice Williams, City Clerk

Alice Ruby, Mayor

[SEAL]

City of Dillir	ngham Information Memoran	dum Agenda of:	August 7, 2014			
Attachment t		2014 42				
Subject:						
PETITION 7	TION OF THE DILLINGHAM C TO ANNEX THE NUSHAGAK (O RIVER SOCKEY SALMON S ETHOD	COMMERCIAL SALMON	DISTRICT AND			
City Manage	r: Recommend Approval					
Signature: (Carola Shad	e, acting				
Route to	Department Head	Signature	Date			
Х	Finance Director	<u> </u>	8/5/14			
	Public Works Director					
	Planning Director					
		•				
Х	City Clerk	knue Wellians	8/5/14			
	<i>v</i>	inds Available:	res No			
Other Attac	hments:					
- August	7, 2014 DRAFT Revised Dillingh	nam Petition				
, laguet	7, 2011 DIVILLE TROUBURD	iam i oution				
Summary S	tatement:					
process the requires that petition before the high process and	eviewing the annexation ordered annexation through what is call the City prepare a draft petition ore deciding whether to make a ne Commission for approval. The learing is held it is best if the Coll the draft. This does not lock Coll to public input after the hearing	lled the legislative review on and hold a public hearing any changes to the draft are draft petition has been ouncil approve going forw. Council in. It will be possible	method. This ng on the draft nd submit the prepared but ard with the			

Page 1 of 2

CLK012

Ordinance No	/ Resolution No.	2014-42
Summary Statement contin	nued:	

I. CALL TO ORDER

A regular meeting of the Dillingham City Council was held on Thursday, August 7, 2014, at the Dillingham City Council Chambers, Dillingham, Alaska. Mayor Alice Ruby called the meeting to order at 7:03 p.m.

II. ROLL CALL

Mayor Alice Ruby was present.

Council Members present and establishing a quorum (a quorum being four):

Bob Himschoot (attended via teleconference) Paul Liedberg
Tracy Hightower Chris Maines
Holly Johnson

Council Member Keggie Tubbs was absent and excused.

Staff in attendance:

Rose Loera, City Manager
Jody Seitz, Planning Director
Carol Shade, Finance Director
City Attorney Brooks Chandler

III. APPROVAL OF MINUTES

- A. June 5, 2014 Regular Council Meeting
- B. June 19, 2014 Regular Council Meeting

MOTION: Chris Maines moved and Holly Johnson seconded the motion to adopt the minutes of June 5, 2014 and June 19, 2014.

VOTE: The motion passed unanimously by roll call vote.

IV. APPROVAL OF CONSENT AGENDA

A. Proclamation – Extra Mile Day is November 1, 2014

MOTION: Holly Johnson moved and Chris Maines seconded the motion to approve the consent agenda.

VOTE: The motion passed unanimously by roll call vote.

APPROVAL OF AGENDA

Mayor Ruby asked to add information item D. Bingman Property Update under Unfinished Business.

MOTION: Holly Johnson moved and Paul Liedberg seconded the motion to approve the

agenda as amended.

VOTE: The motion passed unanimously by roll call vote.

V. STAFF REPORTS

City Manager Loera reported on the following:

- Contracts awarded under \$20,000 will become a standing item in her manager's report;
- Action memorandum in the packet to ratify the award of a contract to Aleknagik Enterprises for delivering soil and gravel to the landfill;
- Purchasing riprap from Horizon Contractors, only contractor in town that can provide large rocks, for erosion at the outfall and Snag Point;
- RFP for two septic holding tanks will be awarded in the packet;
- RFP for design/build for aeration, only submittal came back as design only, but working with the vendor;
- Moved fish bin within landfill area and away from front gates, lots of dumping on the grounds;
- Landfill inspection improved from a score of 48 two years ago to 81; areas of improvement include burying metal pile, and a plan for an asbestos cell; received a quote to ship asbestos to Seattle;
- Incinerator is being shipped to the barge company;
- Compliance Order by Consent from AKDEC does not need to be signed since it would put city in a position of complying with time frames; they see the City as making progress;
- Hoping to at least get the pumps into the lagoon before winter.

MOTION: Chris Maines moved and Holly Johnson seconded the motion to assign a review of the records management policy to the Code Committee's To Do List.

VOTE: The motion passed unanimously by roll call vote.

Mayor Ruby suggested adding grants applied for to the City Manager's report as a standing item.

Mayor Ruby reported on the possibility of merging some committees, since there have not been enough people to populate the cemetery committee that will sunset in October.

VI. PUBLIC HEARINGS

Mayor Alice Ruby opened the public hearing. There being no comments, the public hearing closed.

A. Adopt Ordinance No. 2014-13, An Ordinance of the Dillingham City Council Authorizing the Disposal of Municipal Property, Identified in the Ordinance as Parcel A, for Use as a Public Driveway and Access Easement

B. Adopt Ordinance No. 2014-14, An Ordinance of the Dillingham City Council Authorizing the Disposal of Municipal Property, Identified in the Ordinance as Parcel B, for Use as a Public Driveway and Access Easement

VII. CITIZEN'S DISCUSSION (Prior Notice or Agenda Items)

A. Jessica Walker

Jessica Walker did not make an appearance.

Danielle Laarsgard – Some civil PBTs (Portable Breathalyzer Tests) are being court ordered but the police department is no longer providing the testing. She was interested in knowing why they were no longer being done.

VIII. ORDINANCES AND RESOLUTIONS

A. Adopt Ordinance No. 2014-13, An Ordinance of the Dillingham City Council Authorizing the Disposal of Municipal Property, Identified in the Ordinance as Parcel A, for Use as a Public Driveway and Access Easement

MOTION: Paul Liedberg moved and Chris Maines seconded the motion to adopt Ordinance No. 2014-13.

City Manager Loera reported this ordinance would provide an easement and access to two pieces of property located behind the public safety building and given to the City by the State.

VOTE: The motion passed unanimously by roll call vote.

B. Adopt Ordinance No. 2014-14, An Ordinance of the Dillingham City Council Authorizing the Disposal of Municipal Property, Identified in the Ordinance as Parcel B, for Use as a Public Driveway and Access Easement

MOTION: Holly Johnson moved and Chris Maines seconded the motion to adopt Ordinance No. 2014-14.

VOTE: The motion passed unanimously by roll call vote.

C. Adopt Resolution No. 2014-30, A Resolution of the Dillingham City Council Authorizing Foreclosure Proceedings on Delinquent Properties for the Years 2008-2013, and Repealing Resolution No. 2013-17, and Resolution No. 2014-14

MOTION: Chris Maines moved and Paul Liedberg seconded the motion to adopt Resolution No. 2014-30.

City Manager Loera reported the City had not started the process for the foreclosures listed on Resolution No. 2013-17 and 2014-14, but consolidated both lists.

VOTE: The motion passed unanimously by roll call vote.

D. Adopt Resolution No. 2014-41, A Resolution of the Dillingham City Council Amending Alaska Department of Environmental Conservation Municipal Matching Grant #28306 in the Amount of \$3 Million for Water System Improvement Projects

MOTION: Paul Liedberg moved and Holly Johnson seconded the motion to adopt Resolution No. 2014-41.

Manager Loera reported the grant was reappropriated from water system improvements to wastewater system improvements during the last legislative session. The resolution would formally accept the grant in the amount of \$3 Million.

VOTE: The motion passed unanimously by roll call vote.

E. Adopt Resolution No. 2014-42, A Resolution of the Dillingham City Council Approving a Draft Petition to Annex the Nushagak Commercial Salmon District and the Wood River Sockeye Salmon Special Harvest Area by the Legislative Review Method

MOTION: Chris Maines moved and Holly Johnson seconded the motion to adopt Resolution No. 2014-42.

VOTE: The motion passed with Chris Maines, Holly Johnson, Bob Himschoot, Paul Liedberg voting in favor, and Tracy Hightower voting against Res. No. 2014-42.

F. Adopt Resolution No. 2014-43, A Resolution of the Dillingham City Council Authorizing a Long Term Encroachment in Central Avenue and an Alley Between F and G Streets By Safe and Fear Free Environment (SAFE) to Tie Into the City's Sewer System

MOTION: Holly Johnson moved and Tracy Hightower seconded the motion to adopt Resolution No. 2014-43.

Manager Loera reported SAFE was having issues with their sewer line and was looking to pass their gray water system through the City's system. They would be responsible for maintaining the line that tied into the City's sewer system. She confirmed item 5 under NOW, THEREFORE, BE IT RESOLVED be amended to read SAFE (not Nushagak) would restore the public right-of-way.

VOTE: The motion passed unanimously by roll call vote.

G. Adopt Resolution No. 2014-44, A Resolution of the Dillingham City Council Authorizing a Long Term Encroachment Into First Avenue East by BBEDC to TIE Into the City's Sewer System

MOTION: Paul Liedberg moved and Tracy Hightower seconded the motion to adopt Resolution No. 2014-44.

Manager Loera reported BBEDC had installed a new septic line because of a number of breaks and had connected it to the City's sewer line.

Mayor Ruby disclosed that she worked for BBEDC and would not gain financially.

VOTE: The motion passed unanimously by roll call vote.

H. Adopt Resolution No. 2014-45, A Resolution of the Dillingham City Council Authorizing Boyd, Chandler & Falconer to Participate in an Appeal with the Lake and Peninsula Borough on the "SAVE OUR SALMON" Initiative

MOTION: Bob Himschoot moved and Paul Liedberg seconded the motion to adopt Resolution No. 2014-45.

MOTION: Paul Liedberg moved and Holly Johnson seconded the motion to amend the resolution to add language in the NOW, THEREFORE, BE IT RESOLVED that the Dillingham City Council authorize Boyd, Chandler & Falconer to participate on behalf of the City if there are other municipalities involved and the cost to the City of Dillingham does not exceed three thousand dollars

VOTE: The motion to amend the resolution passed unanimously by roll call vote.

VOTE: The motion to approve the amended resolution passed unanimously by roll call vote.

I. Adopt Resolution No. 2014-46, A Resolution of the Dillingham City Council Approving the 2015-2020 Capital Improvement Plan and Adopting the FY 2016 Legislative Priorities List

MOTION: Paul Liedberg moved and Chris Maines seconded the motion to adopt Resolution No. 2014-46.

Discussion:

 Noted would work through the School Facility Committee to include the school's projects in next year's city budget.

VOTE: The motion passed unanimously by roll call vote.

J. Adopt Resolution No. 2014-47, A Resolution of the Dillingham City Council Amending Long Term Encroachment 2014-02 for Installation of Utilities to Tract D Mission Subdivision for a New Courthouse

MOTION: Chris Maines moved and Tracy Hightower seconded the motion to adopt Resolution No. 2014-47.

Manager Loera reported this resolution would amend a long term encroachment previously approved to include telephone service.

VOTE: The motion passed unanimously by roll call vote.

K. Adopt Resolution No. 2014-48, A Resolution of the Dillingham City Council Designating Wastewater System Upgrades as the Number One Local State Funding Priority for Fiscal Year 2016

MOTION: Paul Liedberg moved and Tracy Hightower seconded the motion to adopt Resolution No. 2014-48.

Manager Loera reported this resolution was required annually by AkDEC if seeking funding.

VOTE: The motion passed unanimously by roll call vote.

L. Adopt Resolution No. 2014-49, A Resolution of the Dillingham City Council Authorizing the City Manager to Enter Into a Lease Agreement with Ford Motor Credit for a Public Safety Vehicle

MOTION: Paul Liedberg moved and Tracy Hightower seconded the motion to adopt Resolution No. 2014-49.

Manager Loera reported the funds had been budgeted.

VOTE: The motion passed unanimously by roll call vote.

X. UNFINISHED BUSINESS

- A. Citizen Committee Appointments
 - 1. Cemetery Committee, 4 Seats Open
 - 2. Planning Commission, 2 Seats Open
 - 3. Parks and Recreation Committee, 3 Seats Open
 - 4. Senior Advisory Board, 2 Seats Open

Mayor Ruby reported there were no letters of interest to present.

- B. Annexation Reconsideration Update
 - 1. Public Hearing Set for September 24 at 6 PM, in the Council Chambers

Manager Loera reported the City of Dillingham was holding this public hearing to present the City's draft petition. The public hearing would be advertised on the City's website and posted around town.

C. Squaw Creek Road Update

revised May 11, 2015

Manager Loera reported on a letter from the city dated 1993 to the private owners that stated there was some BIA road money available that could be applied for. It appeared they could not come to an agreement on the width of the right-of-way, but in any case it did not go any further. Agreed a copy of AkDot's reply letter would be dispersed to the residents along the road, BBNA, and Curyung Tribal Council.

D. City of Dillingham vs. James Bingman Sr.

Manager Loera reported the City had received a final judgment in the amount of \$292,000 and would pursue the next step to foreclosure, a lengthy process.

X. NEW BUSINESS

A. Action Memorandum No. 2014-11, Award Contract for a Design/Build Thermal Conversion Building to G&S Management

MOTION: Chris Maines moved and Holly Johnson seconded the motion to approve Action Memorandum No. 2014-11.

VOTE: The motion passed unanimously by roll call vote.

B. Action Memorandum No. 2014-12, Award Contract for Engineering Services to Michael L. Foster & Associates, Anchorage

MOTION: Paul Liedberg moved and Chris Maines seconded the motion to approve Action Memorandum No. 2014-12.

Manager Loera and Gary Gordon had visited with and interviewed the top four companies. Michael Foster's staff was very experienced, had the lowest bid, and their references were excellent.

VOTE: The motion passed unanimously by roll call vote.

C. Action Memorandum No. 2014-13, Ratify the Award of a Contract to Aleknagik Enterprises for Providing Soil to Build a New Landfill Cell

MOTION: Paul Liedberg moved and Chris Maines seconded the motion to approve Action Memorandum No. 2014-13.

Manager Loera reported Res. No. 2014-38 gave staff approval to move forward with a RFP. There were three bids, and Aleknagik Enterprises was the lowest. The City would only be responsible for paying to transport the free soil.

VOTE: The motion passed unanimously by roll call vote.

D. Action Memorandum No. 2014-14, Authorize the Purchase of Two 9,000 Gallon Septic Holding Tanks

REGULAR MEETING MINUTES AUGUST 7, 2014

DILLINGHAM CITY COUNCIL

MOTION: Chris Maines moved and Paul Liedberg seconded the motion to approve Action Memorandum No. 2014-14.

Manager Loera noted with the addition of the two tanks and the use of geotubes, it would keep from dumping raw sewage directly into the lagoon.

VOTE: The motion passed unanimously by roll call vote.

E. DMV Options

Manager Loera felt the options were a lot to absorb in one meeting, and was not in favor of continuing to subsidize the DMV office. The state would put it out for bid for someone else to operate if the City did not want to continue providing the service. The item was sent to the Finance and Budget Committee to come back with a recommendation.

XI. CITIZEN'S DISCUSSION (Open to the Public)

There was no citizen's discussion.

XII. COUNCIL COMMENTS

Bob Himschoot:

• Thanked the council for being patient while he attended by teleconference.

Chris Maines:

 Thanked staff for the work they did on the petition for annexation, noting he was looking forward to the public hearing on September 24.

Paul Liedberg:

• Thanked staff for not scheduling meetings this summer.

Tracy Hightower:

- Received a complaint from Jessica Walker [regarding City not providing PBTs] and felt the City should not be defying the court order; and
- Noted there was a rumor going around that the City was looking to raise the sales tax to 8%.

Holly Johnson: No comment.

XIII. MAYOR'S COMMENTS

Mayor Ruby:

- Thanked public works for the work they did around BBEDC this past summer;
- Encouraged public to run for Council seat;
- Noted the City's attorney usually visits in the fall and if he was coming out for annexation maybe could get a presentation on the City's current legal activity;

- Asked Mgr. Loera and Police Chief Pasquariello to bring back a report next month on the issue of providing PBTs; and
- Asked for a moment of silence to recognize those lost since the last meeting.

XIV. **EXECUTIVE SESSION**

- Legal Matter Discuss Village of Ekuk vs. Local Boundary Commission Α.
- Personnel Matter Discuss City Manager Contract B.

Chris Maines moved and Holly Johnson seconded the motion to enter into MOTION: executive session to discuss Legal Matters, Ekuk vs. Local Boundary Commission and Personnel Matter, Discuss City Manager Contract [8:34 p.m.].

The motion to enter into executive session passed unanimously. VOTE:

(The meeting recessed for a short break.)

Mayor Alice Ruby invited Manager Loera and Janice Williams into the executive session on Ekuk vs. Local Boundary Commission, which was joined by Attorney Brooks Chandler.

Chris Maines moved and Paul Liedberg seconded the motion to come out of MOTION: executive session [9:12 p.m.].

The motion to come out of executive session passed without **GENERAL CONSENT:** obiection.

Paul Liedberg moved and Holly Johnson seconded the motion to direct staff to MOTION: send a letter to the neighboring communities and regional organizations inquiring if they would like to invite the City to a meeting to discuss the petition for annexation.

The motion passed unanimously by roll call vote. GENERAL CONSENT:

XV. **ADJOURNMENT**

Mayor Ruby adjourned the meeting at 9:13 p.m.

Mayor Alice Ruby

ATTEST:

[SEAL]

Supplemental Notice of a Pre-Submission Public Hearing for a Petition for Legislative Review of an Annexation to the City of Dillingham

The **public hearing** will be conducted by the **City of Dillingham** on:

Date & time: September 24, 2014, at 6:00 p.m.

Location: Dillingham City Hall, 141 Main Street, Dillingham Alaska

Teleconference Number: Dial 1-800-791-2345. The participant code is 57103.

This notice supplements the notice posted on August 12, 2014, by adding more communities where the petition is available for public review. The City of Dillingham (Petitioner or City), a first class city in the unorganized borough, intends to file an annexation petition by legislative review with the Local Boundary Commission. The petitioner's representative is Dillingham Mayor Alice Ruby. The territory proposed by the City for annexation consists of approximately 399.08 square miles (approximately 396 square miles of water, and three miles of land (small islands)). The annexation would increase the area of the City to approximately 434.78 square miles. The territory contemplated for annexation is generally described as follows: the Nushagak Commercial Salmon District, and the Wood River Sockeye Salmon Special Harvest Area. The legal description of the territory proposed for annexation is set out in the petition.

Copies of the petition summary, the prospective petition and related documents, including a map, are available for public review at the following locations, days, and times open to the public:

- 1. Dillingham City Hall, 141 Main Street, Dillingham, Monday to Friday, 8 am to 5 pm.
- 2. Dillingham Library, 306 D Street West, Dillingham, Monday, Tuesday & Thursday, 10 am 5 pm, Wednesday, 10 am 6 pm, Friday, 12 pm 7 pm, and Saturday, 10 am 2 pm.
- 3. Dillingham Small Boat Harbor office, 15 Harbor Spur Road, Dillingham, June 1 through August 15, Monday through Sunday, 7 am 10 pm, and August 16 through May 31, Monday through Friday, 7 am 5 pm.
- 4. Dillingham Senior Center, 515 1st Avenue East, Dillingham, Monday through Friday, 8 am 4 pm.
- 5. City of Dillingham website, http://www.dillinghamak.us, available anytime.
- 6. Curyung Tribal Council, 390 D Street, Dillingham, Monday to Friday, 8 am 4:30 pm.
- 7. Ekuk Village Council, 300 Main Street, Dillingham, Monday to Friday, 8 am 4:30 pm.
- 8. City of Aleknagik, City office, Aleknagik, Monday to Friday, 9 am 4 pm.
- 9. Village of Aleknagik, Village office, Aleknagik, Monday to Friday, 9 am 5 pm.
- 10. Village of Clark's Point, Village office, Clark's Point, 9 am 4:30 pm, Monday through Friday.
- 11. City of Manokotak, City office, Manokotak, Monday through Friday, 9 am 5 pm.
- 12. Village of Manokotak, Village office, Manokotak, Monday to Friday, 9 am 5 pm.
- 13. Bristol Bay Borough, Borough office, Naknek, 8 am 4:30 pm, Monday through Friday.
- 14. Lake and Peninsula Borough, Borough Clerk's office, King Salmon, 8 AM 5PM, Monday through Friday.
- 15. City of Ekwok, City office, Ekwok, 10 AM 5 PM.
- 16. City of New Stuyahok, City office, New Stuyahok, 8AM 3 PM.
- 17. New Koliganek Village Council, Village office, Koliganek, Monday through Friday, 8 am 4:30 pm.

Copies of the petition summary will be available free of charge at all the above locations.

The scope of the public hearing will include addressing the appropriate annexation standards and their application to the annexation proposal, legislative review annexation procedures, the reasonably anticipated effects of the proposed annexation, and the proposed transition plan required under 3 AAC 110.090 – 3 AAC 110.150, 3 AAC 110.400 – 3 AAC 110.700, and 3 AAC 110.900 – 3 AAC 110.990.

Public comments will be accepted during the public hearing. The comment time period may be limited to five minutes each if there are a number of commenters at the hearing. Comments can also be submitted to the City of Dillingham, by 5:00 pm on September 30, by:

Mail: City of Dillingham, Attention Janice Williams, City Clerk / Box 889/ Dillingham, AK 99576 Fax: (907)842-2060

Email: cityclerk@dillinghamak.us

Any questions can be directed to City Manager Rose Loera at manager@dillinghamak.us or by phone to: (907) 842-5148. The City of Dillingham complies with the Americans with Disabilities Act. If you require special accommodations to attend a meeting, please contact us sufficiently ahead of the meeting date so that arrangements can be made.

- August 15, 2014

Below is a map of the territory proposed for annexation:

Bristol Bay Times

CASE/PO/AIO: City of Dillingham - Notice of Pre-Submission

AD# or identifier: Public Hearing for a Petition for

Legislative Review of an Annxation

REMIT TO:

Alaska Media, LLC P.O. Box 241582 Anchorage, AK 99524 Ph: (907) 770-0836 Fax: (907) 770-0822

INVOICE(S):

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NITED STATES OF AMERICA STA ISTRICT BEFORE ME, THE UNDER UBLIC THIS DAY PERSONALLY AF I/HO, BEING FIRST DULY SWORN AYS THAT S/HE IS General Mana Imes/Dutch Harbor Fisherman ISTRICT AND STATE OF ALASKA DVERTISEMENT, OF WHICH THE I A TRUE COPY, WHICH WAS PUT UBLICATION ON HE 14 th DAY OF August HE 21st DAY OF August HE 21st DAY OF August HE 11th DAY OF September HE 18th DAY OF September HE DAY OF HE DAY	RSIGNED, A NOTARY PEARED Steve Sauder ACCORDING TO LAW, ger OF The Bristol Bay PUBLISHED AT AND THAT THE ANNEXED OR ATTACHED BLISHED IN SAID , 2014 AND , 2015 AND ,	ATTACH PROOF OF PUBLICATION HER

Alaska Media LLC

P.O. Box 241582 Anchorage, Alaska 99524 907-770-0820 / 907-770-0822 fax accounting@reportalaska.com

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AUG 18 2014

Date Invoice # 8/14/2014 10166

CITY OF DILLINGHA

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Dillingham, City of Attn: Payables PO Box 889 Dillingham, AK 99576



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Quantity	Item		Description	Rate	Class	Class Issue Date T/DHF 8/14/2014		Amount
1	Special Size	BBT/DHF: Public Hear	Ill Color Advertisement Notice of Pre-Submission ing for a Petition for Legislative n Annexation to the City of	754.00	BBT/DHF			754.00
1	FC		Full Color BBT/DHF 300.00			8/14/2	014	300.00
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Publishing the Arctic Sounder, Bristol Bay Times/Dutch Harbor Fisherman, Alaska Bush Shopper and the **Equipment Shopper**



Feds charge plant employee for covering up emission violations

BY JERZY SHEDLOCK

Federal prosecutors in Alaska have charged a previously unnamed Dutch Harbor seafood plant employee with a Clean Air Act violation, stemming from allegations he falsified emissions forms that were then used unwittingly by his employer.

Raul Morales faces a single charge for violating the federal law that regulates air pol-lutant emissions. The government filed a plea agreement on Tuesday. Morales is set to enter his plea on Aug. 21. He faces up to two years in prison and a \$500,000 fine.

Morales worked as the powerhouse supervisor at Westward Seafood Inc's Dutch Harbor facility. The company is a subsidiary of Japan-based Maruha-Nichiro Holdings Inc., which maintains a headquarters in Seattle. It processes 254 million pounds of seafood each year.

The plant produces its own electricity with three diesel-fueled generators, as well as steam for fish production using two diesel-fired steam generators. Westward holds a Clean Air Act permit, which requires the use of systems that saturate the air, decreasing the nitrogen dioxide emissions dis-charging through the plant's single smoke-stack, according to the plea agreement.

Those emissions-culting systems were scarcely in use from August 2009 to August 2011, according to the charges against two men. Former Westward employee Bryan Beigh crafted a makeshift tool to make the dials on the systems' water gauges spin in an attempt to cover up the disuse.

In the charges against Beigh filed last week, an unnamed supervisor conspired with Beigh to falsify the gauges' readings on paperwork. Now the government has outlined how Morales allegedly duped Westward's environmental compliance

Beigh has agreed to plead guilty, accord-ing to federal prosecutor Kevin Feldis. He monitored and repaired equipment in the powerhouse.

As powerhouse supervisor, Morales was responsible for all aspects of the engine room, including the generators, the plea agreement says. Part of the job required reports that measured the saturation sys tems' water use.

Instead of properly filling out reports, "Defendant Morales used a preprinted sheet which he would consult to determine, based on how long the engine had been operating on any particular day, how much water the (systems) would have used had it been in operation," the plea agreement says.

The false information about water usage "was unwittingly used for Westward's semi-annual operating reports and annual compliance certifications," the plea agreement says, adding there appeared to be no deviations from permit requirements when, in fact, "there were gross violations." Westward said in a prepared statement

that the company first uncovered the illegal acts of Beigh and "other rogue employees" in September 2011. The employees were immediately fired and federal authorities were contacted, according to the statement.

"We have a zero-tolerance policy for any behavior of this nature," said Westward President Rick Dutton. "The charged ex-employee, and others who participated in this scheme, fabricated documents, lied to their supervisors, and acted in a manner that is entirely contrary to the company's values and policies. We have redoubled our compliance efforts to ensure that this will never happen again."

This story first appeared in the Alaska Dispatch, Alaska's source for online news.

Notice of a Pre-Submission Public Hearing for a Petition for Legislative Review of an Annexation to the City of Dillingham

The City of Dillingham (Petitioner or City), a first class city in the unorganized borough, include to file an annexation petition by legislative review with the Local Boundary Commission. The petitioner's representative is Dillingham Mayor Aloc Ruby. The territory proposed by the City for annexation consists of approximately 398 square miles of water, and three miles of land (small islands)). The annexation would increase the area of the City to approximately 434.78 square miles. The territory contemplated for annexation is generally described as follows: the Nushagak Commercial Salmon District, and the Wood River Sockeye Salmon Special Harvest Area. The legal description of the territory proposed for annexation is set out in the petition.

Copies of the petition surrmary, the prospective petition and related documents, including a map, are available for

- Copies of the pection's solurinary, we prospective pecunion and related boothmens, activiting a map, are available public review at the following focations, days, and times open to the public.

 1. Dillingham Chy Hall, 141 Main Street, Dillingham, Monday Tuesday & Thursday, 10 am 5 pm, Undersday, 10 am 5 pm, Friday, 12 pm 7 pm, and Salurday, 10 am 2 pm

 3. Dillingham Small Boat Harbor office, 15 Harbor Spur Road, Dillingham, June 1 through August 15 Monday through Sunday, 7 am 10 pm, and August 16 through May 31, Monday through Friday, 7 am
 - Dillingham Senior Center, 515 1st Avenue East, Dillingham, Monday through Friday, 8 am 4 pm.

- Dillingham Senior Center, 515 1st Avenue East, Dillingham, Monday through Friday, 8 am 4 pm City of Dillingham website, http://www.dillinghamak.us.svalable anytime: Curyung Tribal Council, 390 D Street, Dillingham, Monday to Friday, 8 am 4:30 pm Exuk Village Council, 390 Main Street, Dillingham, Monday to Friday, 8 am 4:30 pm: City of Jakensagik, City office, Alexhagik, Monday to Friday, 9 am 5 pm. Village of Alexhagik, Village of Mexhagik, Village of Mexhagik, Village of Mexhagik, Village office, Clark Point 9 am 4 30 pm. Monday through Friday. City of Manokotak, City of Manokotak, Konday through Friday, 9 am 5 pm. Village of Osta Village office, Manokotak, Monday through Friday, 9 am 5 pm. Bristol Bay Borough, Borough office, Naknek, AK. 98633, 8 am 4:30 pm, Monday through Friday, Lake and Peminsula Borough, City Clerk's Office, King Salmon, AK 99613, 8 AM 5PM, Monday through Friday.

Copies of the petition summary will be available free of charge at all the above locations.

The public hearing will be conducted by the City of Dillingham on:

Out o & time: September 24, 2014, at 5.00 p.m.
Location: Dillingham City Hall, 141 Main Street: Dillingham Alaska
Teleconference Number: Dial.1-800-291-2945, The carticipant code is 57103.

The scope of the public hearing will include addressing the appropriate annexation standards and their applic to the annexation proposal, legislative review annexation procedures, the reasonably anticipated effects of the proposed annexation, and the proposed transition plan required under 3 AAC 110.090 – 3 AAC 110.150, 3 AAC 110.400 - 3 AAC 110.700, and 3 AAC 110.900 - 3 AAC 110.990

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mail cityclerk@dillinghamak.us

Any questions can be directed to City Manager Rose Loera at manager@dilinghamak.us or by phone to: (907) 842-5148. The City of Dillingham complies with the Americans with Disabilities Act. If you require special accommodations to attend a meeting please contact us sufficiently ahead of the meeting date so that arrangements can be made.

To the right is a map of the territory proposed for an





P.O. No.		Terms	Due on receipt	Due D	ate	8/31/2014	Rep	HOUSE
Quantity	Item	Description		Rate	Class	s Issu	e Date	Amount
1	Special Size	BBT/DHF:S Pre-Submis Petition for	ull Color Advertisement supplemental Notice of a sion Public Hearing for a Legislative Review of an to the City of Dillingham BT/DHF	754.00 300.00	BBT/DHF		8/21/2014	
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			NS Pa	yments/C	redits	\$0.00		
REGARDIN		E. OR YOU	CAN EMAIL ALL QUESTION			alance	Due	\$895.90

Publishing the Arctic Sounder, Bristol Bay Times/Dutch Harbor Fisherman, Alaska Bush Shopper and the Equipment Shopper

Odds of infant death higher in remote villages, research shows

Alaska Native babies in small, remote villages die at twice the rate of Native infants in cities, according to new research from the Alaska Native Tribal Health Consortium.

Epidemiologists for the statewide non-profit estimate the odds of a child dying before his or her first birthday increase by 3 percent for every 10 miles the family lives from a regional hospital. The findings for 2006-2010 showed no significant difference, however, between death rates among Native infants in hub cities like Bethel versus larger

cities such as Anchorage and Fairbanks.
The safest way for babies to sleep is on their backs, alone in their cribs, doctors say. Toys, blankets and even bumper pads might increase the odds of suffocation. Other risk factors for infant sleeping deaths include:

• Exposure to second hand smoke.

- Sleeping in same beds as people or pets.
 Caregivers who are very tired or under

the influence of alcohol and drugs.

The number of babies dying before 12 months of age has long been a public health concern in Alaska. The mortality rate for all Alaska infants ranks about in the middle of all

states and has dropped sharply since 1980. Among Alaska Natives, however, the rate of 9.2 deaths per 1,000 live births remains roughly 50 percent higher than the national average. Native infant death figures leveled off and possibly increased slightly between 2006 and 2010, the most recent period studied The research identified the child's hometown based on the mother's residence listed on birth certificates

A mother's health, access to quality medi-cal care and poverty all influence the child's chances of survival. The Tribal Health Consortium research compared infant death rates in villages that are accessible only by boat or plane to cities and hubs with

regional hospitals.
"We observed an 80 percent increase in the odds of death for infants whose mother's residence was reached by air or boat compared with those whose mothers lived on the road system," Britton wrote in a presentation prepared for the conference. The mother's hometown did not significantly affect survival rates for non-Native infants, the research found.

The precise causes of the disparity in urban and rural and Alaska Native and non-Native death rates is unclear.

"It could be any number of things and we

haven't necessary drilled down," said Stephanie Birch, section chief for Women's, Children's and Family Health at the state Public Health Division



Supplemental Notice of a Pre-Submission Public Hearing for a Petition for Legislative Review of an Annexation to the City of Dillingham

The public hearing will be conducted by the City of Dillingham on: Date & time: Seatherster 24, 2014, at 6,00 p.m.
Location: Dillingham City Hall, 141 Main Street, Dillingham Alaska
Teleconference Number: Dial 1-600-791-2345, The participant code is 57103.

This notice supplements the notice posted on August 12, 2014, by adding more communities where the petition is available for public review. The City of Dillingham (Petitioner or City), a first class city in the unorganized borough, intends to file an agreeable petition by legislative review with the Local Boundary Commission. This petitioner's representative is Dillingham Mayor Alice Ruley. The territory proposed by the City for americation consists of approximately 399.08 square miles of water, and three miles of land (small sistands). The americation would increase the area of the City to appreximately 434.78 square miles of land (small sistands). The americation vould increase the area of the City to appreximately 434.78 square miles. The territory contemplated for annexation is generally described as follows: the Nushagaka Commercial Salmon District, and Whood River Sockeye Salmon Special Harvest Avea. The legal description of the territory proposed for annexation is set and in the polition. is set out in the petition.

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Copies of the petition summary, the prospective petition and related documents, including a map, are available for public review at the following locations, days, and times open to the public:

1. Dillingham City Half, 141 Main Street, Dillingham, Monday to Friday, 8 am to 5 pm.

2. Dillingham City Half, 141 Main Street, Dillingham, Monday to Friday, 8 am to 5 pm.

3. Dillingham Small Boat Harbor office, 15 Harbor Spur Road, Dillingham, Honday, 10 am – 2 pm.

4. Dillingham Small Boat Harbor office, 15 Harbor Spur Road, Dillingham, Honday through Friday, 7 am – 5 pm.

4. Dillingham Senior Center, 515 1st Avenue East, Dillingham, Monday through Friday, 8 am – 4 pm.

5. City of Dillingham Verboide, http://www.dillinghamak.us. available anylime.

6. Curyung Tribal Council, 390 D Street, Dillingham, Monday to Friday, 8 am – 4:30 pm.

7. Ekvik Village Council, 390 Main Street, Dillingham, Monday to Friday, 8 am – 4:30 pm.

9. Village of Jakehagik, City office, Alekhagik, Monday to Friday, 9 am – 5 pm.

10. Village of Clark's Point, Willage office, Clark's Point, 8 am 4:30 pm.

13. Bristol Bay Borough, Borough Office, Naknek, 8 am – 4:30 pm.

14. Lake and Peninsula Borough, Borough Office, Naknek, 8 am – 4:30 pm. Monday through Friday.

15. City of Manokotak, City office, Manokotak, Monday through Friday, 9 am – 5 pm.

16. City of New Stuyahok, City office, New Stuyahok, Monday through Friday, 8 am – 3 pm.

17. New Koliganek Village Office, Monday through Friday, 10 am – 5 pm.

18. City of New Stuyahok, City office, New Stuyahok, Monday through Friday, 8 am – 3 pm.

19. New Koliganek Village office, Monday through Friday, 8 am – 3 pm.

19. New Koliganek Village office, Koliganek, Monday through Friday, 8 am – 3 pm.

19. New Koliganek Village office, Monday through Friday, 9 am – 5 pm.

s of the petition summary will be available free of charge at all the above location

The scope of the public hearing will include addressing the appropriate annexation standards and their application to the annexation proposal, legislative review annexation procedures, the reasonably anticipated effects of the proposed annexation, and the proposed transition plan required under 3 AAC 110.090 – 3 AAC 110.150, 3 AAC 110.400 – 3 AAC 110.150, 3 AAC 110.400 – 3 AAC 110.890.

Public comments will be accepted during the public hearing. The comment time period may be limited to five minutes each if there are a number of commenters at the hearing. Comments can also be submitted to the City of Dillingham, 95.00 pm on September 30, by.

Mail: City of Dillingham, Atlention Janice Williams, City Clerk / Box 889/ Dillingham, AK 99576

Fax: (907)842-2060 Email: cityclerk@dillinghamak.us

Any questions can be directed to City Manager Rose Loera at manager@delinghamak.us or by phone to (907) 642-5146. The City of Delingham complies with the Americans with Disabilities Act. If you require special accommodelions to attend a meeting, please contact us sufficiently altered of the meeting date so that arrangements

To the right is a map of the territory proposed for annexation:



DILLINGHAM - PROPOSED ANNEXATION BOUNDARIES

June 14, 2010 as revised May 11, 2015



P.O. No.		Terms	Due on receipt	Due D	ate	9/7/20	014	Rep	HOUSE
Quantity Item Description		Description	Rate	Class		Issue Date		Amount	
1 S	FC Discount	BBT/DHF: Su Pre-Submissic Petition for Le Annexation to Full Color BB Discount Affidavit to be	Affidavit to be sent on final run date of 9/18/14. Run dates 8/14, 8/21, 8/28, 9/11,		BBT/DH BBT/DH	F	8/28/2014 F 8/28/2014		300.00 1,054.00 -158.10
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Publishing the Arctic Sounder, Bristol Bay Times/Dutch Harbor Fisherman, Alaska Bush Shopper and the Equipment Shopper

Togiak celebrates opening of new library

Facility has more than 17,000 books, 12 public computers, and a reading area for pre-school children

BY DALE RICHESIN For the Bristol Bay Times-Dutch Harbo

More than 75 people showed up for the grand opening of the new Toglak Public Library this week. The new facility is a com-pletely rehabbed facility built from portion of the old Togiak School

It now has more than 17,000 books, 12 public computers, and a special reading area for pre-school children and their parents. In addition, it has a corner for Alaska and Yupik art, artifacts and books.

Thanks to the OWL funding, we also

have equipment for Distance Delivery and

Internet services for our patrons.

Jeff Baird from the Rasmuson Foundation was on hand for the grand opening. His agency was one of the major contributors for the new space.

Other contributors were the Pebble Partnership, the Harry and Jeanette
Weinberg Foundation, and the Bristol Bay
Economic Development Corporation.
Honored at the ceremony were Daryl
Thompson and Jim Forbes, who received

the Ivory Book Award, for their support in this four year project. The library board president is Corey Ceika, the vice president is Michael Lee, the librarian and board secretary is Dale Richesin.

Brian Mason and Greg Cejka are also board members. Togiak City Mayor Teo Pauk and Togiak School Principal Sam Goguk also spoke at the ceremony. Letters of congratulation were read from Gov. Sean Parnell, Sen. Lisa Murkowski, and Sen. Mark Begich.



More than 75 people showed up for the grand opening of the new Togiak Public Library





Supplemental Notice of a Pre-Submission Public Hearing for a Petition for Legislative Review of an Annexation to the City of Dillingham

The public hearing will be conducted by the City of Dillingham on: Date & time: <u>September 24, 2014, at 5.00 nm.</u> Location: <u>Dillingham City Hall</u> 141 Main Street <u>Dillingham Alasks</u> Teleconference Kumber: <u>Dill 1-850-781-2845</u>, The participant code is 57103.

This notice supplements the notice posted on August 12, 2014, by adding more communities where the petition is available for public review. The City of Dilangham (Petitioner or City), a first class city in the unorganized borough, intends to file an annexation petition by legislative review with the Local Boundary Commission. The petitioner's representative is Dillingham Mayor Alice Ruby. The territory proposed by the City for annexation consistion approximately 399.08 square miles (approximately 399.08 square miles approximately 399.08 square miles of land (small islands)). The annexation would increase the area of the City to approximately 434.78 square miles. The territory contemplated for annexation is generally described as follows: the Nushagaik Commercial Salmon District, and the Wood River Sockeye Salmon Special Harvest Area. The legal description of the territory proposed for annexation is set out in the petition.

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 Copies of the petition summary, the prospective petition and related documents, including a map, are available for public review at the following locations days, and times open to the public:

 Dilingham Cay Hall, 141 Main Street, Dilingham, Monday to Friday, 8 am to 5 pm.
 Dilingham Cay Hall, 141 Main Street, Dilingham, Monday Tuesday & Thursday, 10 am 5 pm.
 Wednesday, 10 am 5 pm. Friday, 12 pm 7 pm. and Saburday, 10 am 2 pm.
 Dilingham Small Bost Harbor office, 15 Harbor Spur Read, Dillingham, June 1 through August 15, Monday through Sunday, 7 am 10 pm, and August 16 Intropul May 31, Monday through Friday, 8 am 5 pm.
 Dillingham Senior Center, 515 1st Avenue East, Dillingham, Monday through Friday, 8 am 4 pm.
 City of Dillingham vebsite, http://www.dillinghamak.us. available anytime.
 Curyung Tribal Council, 390 D Street, Dillingham, Monday to Friday, 8 am 4:30 pm.
 Etaix Village Council, 390 Main Street, Dillingham, Monday to Friday, 8 am 4:30 pm.
 City of Alexhagik, Cyll office, Alexhagik, Monday to Friday, 9 am 5 pm.
 Village of Clark's Point, Village office, Clark's Point, 8 am 4:30 pm. Monday through Friday.
 City of Manokotak, City office, Manokotak, Monday through Friday, 9 am 5 pm.
 Sitistol Bay Borough, Borough Office, Manokotak, Monday through Friday, 9 am 5 pm.
 Sitistol Bay Borough, Borough Office, Manokotak, Monday through Friday, 9 am 5 pm.
 City of Ekwok, City office, Ewok, Monday through Friday, 9 am 5 pm.
 City of Ekwok, City office, Ewok, Monday through Friday, 8 am 3 pm.
 City of New Stuyahek, City office, Citiks, Point, Friday, 1 am 5 pm.
 City of New Stuyahek, City office, Citiks, Point, Friday, 8 am 5 pm.
 City of New Stuyahek, City office, Citiks, City office, Alexhagik, Prod of Charce at all the above torations.

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Dillingham, by 5:00 pm on September 30 by: Mail: City of Dillingham, Attention Janiże Williams, City Clerk / Box 589/ Cillingham. AK 99576 Email: crtyclerk@dilinghamak.us

Any questions can be directed to City Manager Rose Loera at manager@d-flinghamak.us or by phone to (907) 842-5148. The City of Offiningham compiles with the Americans with Disabilities Act. If you require special accommodations to attend a meeting, please contact us sufficiently ahead of the meeting date so that arrangement

To the right is a map of the territory proposed for annexation





New boats arrive for Bristol Bay VPSOs

BY DAVE BENDINGER

Fifteen new boats have been purchased for use by Village Public Safety Officers in the Bristol Bay region, courtesy of a \$582,054 grant from the U.S. Department of Justice. The Public Safety and Community Policing (COPS) grant was awarded to the Bristol Bay Native Association, which oversees the

area's VPSO program.
"I think our folks are really going to appreciate these new boats, and I think they represent a major improvement over our current equipment," said Carla Akelkok, who manages the VPSO program for BBNA. She said several villages do not currently have any boats for use by the VPSO.

The 18' Lund Alaska skiffs are outfitted to the hilt. Features include an open bow, rugged flooring, four pedestal chairs, new curved windshields and eventual canopy top. The skiffs are powered by a locally favored new four-stroke 70 horsepower Yamaha motor, and come with a heavyduty trailer. All 15 boat, motor, and trailer packages were purchased through L&M Supplies in Dillingham, and have turned more than few heads as they are assembled in the parking lot.

Akelkok says the boats will be delivered to the village as soon as possible. Some may arrive this fall, but a few that will need to be barged to the village may be delayed till

next spring.
"We believe these boats will be an important asset as our VPSOs, who are our first responders, assist in various emergencies, search and rescues, and river patrols between villages," she said.

The villages set to receive the new boats are Aleknagik, Ekwok, New Stuyahok, Koliganek, Igiugig, Levelock, New Halen, Kokhanok, Pilot Point, Port Heiden, Chignik Bay, Manokotak, and Togiak. Akelkok said details are still being arranged place the remaining skiffs in two Iliamna Lake villages, neither of which has a perma-nent VPSO assignment.

There are currently 11 VISOs in Bristol Bay, and Akelkok says she is hoping to fill a 12th position this year. She would like to add six more positions if the funding is pro-

"We've got a great team of VPSOs in this region that really work well together and



These slick new Lunds will serve the VPSOs in 15 villages, thanks to a \$582,054 grant from the U.S. Dept. of Justice.

with the other local authorities," she said. As for picking out the right boat for the bb, Akrikok says she took valuable input from the men and women on the ground

"Several VPSOs helped us decide what kind of boat would suit us best across the board, and I think we've settled on a great setup that will last for decades, hopefully."

AFN convention expected to bring \$6 million for Anchorage merchants

The Alaska Federation of Natives' annual convention will descend on Anchorage in six weeks, and the annual gathering of 4,000 to 5,000 delegates is expected to net the city and its businesses more than \$6 million, according to AFN co-chair Tara Sweeney.

Sweeney discussed the upcoming convention at the weekly "Make it Monday" forum sponsored by the Anchorage Chamber of Commerce.

From humble beginnings in 1966, when 400 Alaska Natives gathered in Fairbanks to discuss land rights before the passage of the Alaska Native Claims Settlement Act, the convention has grown to host thousands of attendees annually. It is the largest single convention in Alaska and, according to Sweeney, the largest representative annual gathering of any Native peoples in the U.S. Its economic and cultural effects foom large for its host city.

Sweeney said that only Anchorage and Fairbanks are large enough to host the con-ference. Both cities lobby hard to bring the AFN convention - where delegates meet to set policy guidelines and advocacy statements by passing resolutions - to their respective convention venues. Open to the public as well, the AFN convention has influence beyond mere dollars for the host town, also representing a major cultural

The AFN convention will be Oct. 23 to 25

at the Dena'ina Center in downtown Anchorage. It will be in Anchorage again next year, with a planned move to Fairbanks in 2016. Sweeney said AFN board members would decide the location of the convention for following years in December.

"Anchorage and Fairbanks both compete fiercely to host the convention in their city," Sweeney said.

Supplemental Notice of a Pre-Submission Public Hearing for a Petition for Legislative Review of an Annexation to the City of Dillingham

The public hearing will be conducted by the City of Dillingham on:
Data & time: September 24, 2014, at 50.0 n.m.
Location: Dillingham City Hall 151 Main Street Dillingham Haskly
Telecontrivence Number: Dail 1450-791-2345. The participant code is 57102.

This notice supplements the notice posted on August 12, 2014, by adding more communities where the petition is available for public review. The City of Dillingham (Petitioner or City), a first class city in the unorganized borough intends to file an annexation petition by legislative review with the Local Boundary Commission. The petitioner' representative is Oitlingham Mayor Alice Ruby. The territory proposed by the City for annexation consists of approximately 399.08 square miles (approximately 396 square miles of water, and three miles of land (small islands)). The annexation would increase the area of the City to approximately 434.78 square miles. The territor, contemplated for annexation is generally described as follows: the Nushragat Commercial Salmon District, and the Wood River Sockeye Salmon Special Harvest Area. The legal description of the territory proposed for annexation

- Copies of the petition summary, the prospective petition and related documents, including a map, are available for public review at the following locations, days, and times open to the public:

 1. Dillingham Chy Hall, 141 Main Street, Dillingham, Monday to Friday, 8 am to 5 pm:

 2. Dillingham Library, 306 D Street West. Dillingham, Monday, Tuesday & Thursday, 10 am 5 pm, Wednesday, 10 am 6 pm, Friday, 12 pm 7 pm, and Salurday, 10 am 2 pm.

 3. Dillingham Small Boal Harbor office, 15 Harbor Spur Road, Dillingham, Wonday through Friday, 7 am 5 pm, 4. Dillingham Serior Center, 515 1st Avenue East, Dillingham, Monday through Friday, 8 am 4 pm.

 5. City of Dillingham Westler, BhyrWwwd Illingham, Monday to Friday, 8 am 4:30 pm.

 6. City of Dillingham Westler, BhyrWww dillinghamark, Monday to Friday, 8 am 4:30 pm.

 7. Ekik Village Council, 300 Main Street, Dillingham, Monday to Friday, 8 am 4:30 pm.

 8. City of Alensayk, Chy office, Aleknagik, Monday to Friday, 9 am 5 pm.

 9. Village of Aleknagik, Chy office Manokotak, Monday to Friday, 9 am 5 pm.

 10. Village of Manokotak, City office, Manokotak, Monday to Friday, 9 am 5 pm.

 11. Sitstel Bay Borough, Borough office, Natonek, 8 am 4 30 pm. Monday through Friday.

 - Village of Manokotak, Village office, Manokotak, Monday to Friday, 9 am 5 pm.

 Bristol Bay Borugh, Borugh office, Nakhek, 8 am 43 0pm, Monday through Friday,
 Lake and Peninsula Borough, Borough Clerk's office, King Salmon, 8 am 5 pm, Monday through Friday
 City of Ekwok, City office, Ekwok, Monday through Friday, 10 am 5 pm.
 City of New Stuyahok, City office, New Stuyahok, Monday through Friday, 8 am 3 pm.
 New Koliganek Village Council, Village office, Koliganek, Monday through Friday, 8 am 4:30 pm.

Copies of the petition summary will be available free of charge at all the above locations

The scope of the public hearing will include addressing the appropriate annexation standards and their application to the annexation proposal, legislative review annexation procedures, the reasonably anticipated effects of the proposed manesition, and their proposed annexation, and the proposed manistion plan required under 3 AAC 110.090 – 3 AAC 110.700, and 3 AAC 110.900 – 3 AAC 110.900. — 3 AAC 110.900, and 3 AAC 110.900 – 3 AAC 110.900. — 3 AAC 110.900 is a second to the public comments will be accompleted during the public hearing. The comment time period may be limited to five minutes each if there are a number of commenciers at the hearing. Comments can also be submitted to the City of Cillipothom by 150 np. on Schembers 20, bis:

influence act in these are a number 30, by:

Mail: City of Dillingham, by 5:00 pm on September 30, by:

Mail: City of Dillingham, Attention Janice Williams, City Clerk / Box 889/ Dillingham, AK 99576

Email: oryoterk@dillinghamak.us

Any questions can be directed to City Manager Rose Leera at manager@dilinghamak.us or by phone to (907) 842-5148. The City of Dillingham compiles with the Americans with Disabilities Act. If you require special accommodations to attend a meeting, please contact us sufficiently effect of the meeting date so that arrangements to be received.

DILLINGHAM - PROPOSED ANNEXATION BOUNDARIES

Petition for Annexation to the City of Dillingham Page 216 of 344

June 14, 2010 as revised May 11, 2015



Alaska Media LLC

P.O. Box 241582 Anchorage, Alaska 99524 907-770-0820 / 907-770-0822 fax accounting@reportalaska.com

SEP 1 5 2014

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DILLINGHAM

Date	Invoice #
9/11/2014	10493

Invoice

Bill To

Dillingham, City of Attn: Payables PO Box 889

Dillingham, AK 99576



P.O. No.		Terms	Due on receipt	Due D	ate	9/21/2014	Rep	HOUSE
Quantity	Item		Description	Rate	Clas	s Issue	e Date	Amount
1	Special Size	BBT/DHF: S Pre-Submiss Petition for L	II Color Advertisement Supplemental Notice of sion Public Hearing for a Legislative Review of an to the City of Dillingham BT/DHF		BBT/DHF			754.00 300.00
	Discount	Discount Affidavit to be sent on final run date of 9/18/14. Run dates 8/14, 8/21, 8/28, 9/11, 9/18/14		-15.00%	BBT/DHF	9/11/20	9/11/2014 9/11/2014	1,054.00 -158.10
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Publishing the Arctic Sounder, Bristol Bay Times/Dutch Harbor Fisherman, Alaska Bush Shopper and the **Equipment Shopper**

Alaska Media LLC

Invoice

P.O. Box 241582 Anchorage, Alaska 99524 907-770-0820 / 907-770-0822 fax accounting@reportalaska.com

RECEIVED

SEP 2 2 1314

Date	Invoice #
9/18/2014	10545

Bill To

Dillingham, City of Attn: Payables PO Box 889

Dillingham, AK 99576

CITY OF DILLING

alaskamedia

P.O. No.		Terms	Due on receipt	Due D	ate 9	/28/2014	Rep	HOUSE
Quantity	Item		Description	Rate	Class	Issu	e Date	Amount
- 1	Special Size	BBT/DHF: Su Pre-Submission Petition for Le	Color Advertisement upplemental Notice of on Public Hearing for a egislative Review of an the City of Dillingham	754.00	BBT/DHF	9/18/2	014	754.00
1	FC	Full Color BB	T/DHF	300.00	BBT/DHF	9/18/2	014	300.00 1,054.00
1	Discount Affidavit Internet Surc	Discount Affidavit Fee Internet Surch Run dates 8/1	narge 14, 8/21, 8/28, 9/11, 9/18/14	4.70.70	BBT/DHF BBT/DHF BBT/DHF	9/18/2 9/18/2 9/18/2	014	-158.10 5.50 10.00
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			AN EMAIL ALL QUESTION			once I	200	¢011.40

Publishing the Arctic Sounder, Bristol Bay Times/Dutch Harbor Fisherman, Alaska Bush Shopper and the **Equipment Shopper**

ACCOUNTING@REPORTALASKA.COM

\$911.40

Balance Due

ALASKA SCIENCE FORUM

Maverick red aspens in a world of gold leaves

Sugary red pigment present in red and orange aspens, but not in vellow aspens

BY NED ROZELL

Will Lentz, a reader from Fairbanks, asks a question that flares every fall; why do some aspens turn red?

A few scientists from Fort Collins, Colo-pondered that subject in the late 1970s. Curious about red aspen trees people had noticed for half a century, they studied why these existed amid those with the more common leaf color, yellow.

Before getting to the scientists' results, a quick refresher on why tree leaves change color. Deciduous trees (the broad-leafed ones that drop their leaves in the fall, in contrast to our needle-leaved spruce) are gamblers now folding their hands after a few months of prosperity.

Sensing shorter periods of daylight, trees have quit refreshing their leaves with chlorophyll, the green pigment that helps capture the sun's energy and allows the tree to convert it to the sugars that make it taller

Right about now, when a tree reaches its daylight threshold, cork-like cells develop where leaf meets stem. This abscission layer, which later reveals itself as a handsome restricts the flow of sugars from leaf to tree.

As the tree informs its solar panels their

services will no longer be needed, chlorophyll production stops. In mid-summer, chlorophyll was the loudest kid in the family. The parent tree replenished its leaves' chlorophyll as the sun faded them like colored paper left on the windowsill. The tree's autumn refusal to ante any more chlorophyll allows the quiet pigments in the leaf to express themselves

These include yellow (xanthophylls) and orange pigments (carotenoids). Reds and

purples come from anthocyanins. Kuo-Gin Chang, Gilbert Fechner and Herbert Schroeder, then at Colorado State University, a few decades ago dropped aspen leaves into a blender and pushed the button. From the solution of liquid leaves, they determined that a sugary red pigment was indeed present in red and orange aspens, but not in yellow aspens.

The scientists hinted that the red occurs

on only some trees, meaning it is probably a genetic trait - a red aspen is sort of like a person with red hair. The researchers also vrote that yellow trees remained yellow from year to year but one tree they selected for its redness at the start of their five-year observation was red only for the first year and yellow each following year. And most of those lovely reds and orang-

es did not endure to carpet the forest floor, fading to bland yellow within a week of fall-

Another intriguing question: in this don't-waste-a-molecule world, why do trees invest in creating pigments other than energy-gathering green? Nobody seems to have answered that, but scientists have speculated that red acts as a sunscreen to keep played-out leaves from getting overexcited by photons. Another idea is that color might also either throw off green-munching bugs or be a tree's way of showing insects its vigor compared to its drab, easy-to-attack neighbor.

Since the late 1970s, the director of the Geophysical Institute at the University of Alaska Fairbanks has supported the writing and free dis-tribution of this column to news media outlets. 2014 is Ned Rozell's 20th year as a science writer for the Geophysical Institute.





A few aspen trees go their own way in Alaska, with

leaves turning red and orange when the majority turn wellow

Supplemental Notice of a Pre-Submission Public Hearing for a Petition for Legislative Review of an Annexation to the City of Dillingham

The public hearing will be conducted by the City of Dillingham on Date & time: September 24, 2014, at 6:00 p.m.

Location: Dillingham City Hall, 141 Main Street, Dillingham Alaska Teleconference Number: Dial 1-800-791-2345. The participant code is 57103.

This notice supplements the notice posted on August 12, 2014, by adding more communities where the petition is available for public review. The City of Dillingham (Petitioner or City), a first class city in the unorganized borough, intends to file an annexation petition by legislative review with the Local Boundary Commission. The petitioner's representative is Dillingham Mayor Alice Ruby. The territory proposed by the Cdy for annexation consists of approximately 399.08 square miles of percentage of the City to approximately 434.78 square miles of land (small islands)). The annexation would increase the area of the City to approximately 434.78 square miles of land (small islands). The schedule of contemptated for annexation is generally described as follows: the Nushagak Commercial Salmon District, and the Wood River Sockeye Salmon Special Harvest Area. The legal description of the territory proposed for annexation is set out in the netition.

Copies of the petition summary, the prospective petition and related documents, including a map, are available for public review at the following locations, days, and times open to the public:

Oilingham Ciby Hall, 141 Main Street Dilingham, Monday, Tuesday, 8 am to 5 pm.

Dilingham Ciby Hall, 141 Main Street Dilingham, Monday, 10 am – 5 pm.

Wednesday, 10 am – 5 pm, Friday, 12 pm – 7 pm, and Saturday, 10 am – 2 pm.

Dilingham Small Boat Harbor office, 15 Harbor Spur Road, Dilingham, June 1 through August 15, Monday through Small Boat Harbor office, 15 Harbor Spur Road, Dilingham, June 1 through August 15, Monday through Friday, 7 am – 5 pm.

Dilingham Seriol Center, 515 1st Avenue East, Dilingham, Monday through Friday, 8 am – 4 pm.

City of Dilingham website, http://www.dilinghamak.us, available anytime,

Curyung Tribal Council, 390 O Street, Dilingham, Monday to Friday, 8 am – 4:30 pm.

Ekuk Village Council, 300 Main Street, Dilingham, Monday to Friday, 8 am – 4:30 pm.

Village of Aleknagik, Cytoffice, Aleknagik, Monday to Friday, 9 am – 5 pm.

Village of Clairk's Point, Village office, Clark's Point, 9 am 4:30 pm, Monday through Friday.

Village of Manokotak, City office, Manokotak, Monday through Friday, 9 am – 5 pm.

Village of Manokotak, Village office, Clark's Point, 9 am 4:30 pm, Monday through Friday.

Lake and Peninsula Borough, Borough office, Kolknek, 8 am – 4:30 pm, Monday through Friday.

Lake and Peninsula Borough, Borough Office, Kinds, 6 finday, 10 am – 5 pm, Monday through Friday, 8 am – 3 pm.

City of New Stuyahok, City office, New Stuyahok, Monday through Friday, 8 am – 3 pm.

New Koliganek Village Council, Village office, Koliganek, Monday through Friday, 9 am – 5 pm.

Copies of the petition summany will be available free of charce at all the above locations. Copies of the petition summary, the prospective petition and related documents, including a map, are available to

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The scope of the public hearing will include addressing the appropriate annexation standards and their application to the annexation proposal, legislative review annexation procedures, the reasonably articipated effects of the proposed ransition plan required under 3 AAC 110.090 – 3 AAC 110.150, 3 AAC 110.400 – 3 AAC 110.700, and 3 AAC 110.900 – 3 AAC 110.900.

Public continents will be accepted during the public hearing. The comment time period may be limited to five minutes each fitnee are a number of commenters at the hearing. Comments can also be submitted to the City of Dillingham, by 5:00 pm on September 30, by.

Mail: City of Dillingham, Attention Janice Williams, City Clerk / Box 889/ Dillingham, AK 99576
East (807)842-2080
Email: cityclerk@dillinghamak.us

Any questions can be directed to City Manager Rose Loera at manager@ddlinghamak.us or by phone to (807) 842-5148. The City of Diflingham compiles with the Americans with Disabilities Act. If you require special accommodations to attend a meeting, please contact us sufficiently ahead of the meeting date so that arrangements

DILLINGHAM - PROPOSED ANNEXATION BOUNDARIES





Robert Heyano **Ekuk Village Council** PO Box 530 Dillingham, AK 99576

SUBJECT: City of Dillingham Petition to Annex Commercial Fishing Waters

Dear Robert:

Enclosed is a public review draft of a petition to annex territory to the City of Dillingham and a copy of the public notice of a public hearing being held in Dillingham on September 24, 2014. Please post the notice of the public hearing at the place where public notices are usually posted in your community and keep the draft petition available for review by the public.

We have also enclosed ten copies of a summary of the petition which may be distributed to members of the public upon request. If you run out of copies of the summary please inform our City Clerk, Janice Williams, at 842-5212 and we will send more.

We hope members of your community will participate in this most important public process.

Sincerely,

Rose Loera City Manager

Attachment: Copy of Draft Petition

Notice of Public Meeting

Petition Summary (ten copies)

Hand Delivered

Letters submitted to:
Village of Clarks Point
City of Aleknagik
Village of Aleknagik
City of Manokotak
Village of Manokotak
Ekuk Village Council
Curyung Village Council
Bristol Bay Borough
Lake and Peninsula Borough

PROOF OF DELIVERY

CITY OF DILLINGHAM

This is to acknowledge that <u>Ekuk Village Council</u> received a hand-delivered packet from the City of Dillingham on <u>August 12, 2014</u>, that contained a Draft Petition to the Local Boundary Commission for Annexation of Nushagak Commercial Salmon District Waters and Wood River Sockey Salmon Special Harvest Area Waters and Land.

Nancy S. Larse	in for Etuk Village Council
Print Name	V
nany s. Lusar	
Signature	
8-12-14	
Date	

Withersed: James Willingham Clerk City & Sillingham

PUBLIC SERVICE ANNOUNCEMENT REQUEST

(Please broadcast this PSA for 21 days from the date of receipt)

City of Dillingham Will Hold a Pre-submission Public Hearing on an Annexation Petition

The prospective Petitioner City of Dillingham plans to file a legislative review petition with the Local Boundary Commission to annex roughly 399 square miles within Nushagak Bay. The City of Dillingham will hold a public hearing on the prospective petition on September 24 at 6 pm at Dillingham City Hall. The hearing will be telephonically accessible. Public comments can be submitted to the City of Dillingham either at the hearing, or by 5:00 pm on September 30.

The prospective petition is available for public review at the following locations during their regular business hours:

- Dillingham City Hall, Library, Small Boat Harbor office, Senior Center, and City of Dillingham website
- Curyung Tribal Council office
- Ekuk Village Council office
- City of Aleknagik office
- Village of Aleknagik office
- Village of Clark's Point office
- City of Manokotak office
- Manokotak Village office
- Bristol Bay Borough office
- Lake and Peninsula Borough office
- City of Ekwok office
- City of New Stuyahok office
- New Koliganek Village Council office

Copies of the petition summary will be available free of charge at all those locations. Questions can be directed to City Manager Rose Loera at 842-5148.



Mayor Moses Toyukak Sr. Village of Manokotak PO Box 169 Manokotak, Alaska 99628

SUBJECT: City of Dillingham Petition to Annex Commercial Fishing Waters

Dear Mayor Toyukak:

Enclosed is a public review draft of a petition to annex territory to the City of Dillingham and a copy of the public notice of a public hearing being held in Dillingham on September 24, 2014. Please post the notice of the public hearing at the place where public notices are usually posted in your community and keep the draft petition available for review by the public.

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We hope members of your community will participate in this most important public process.

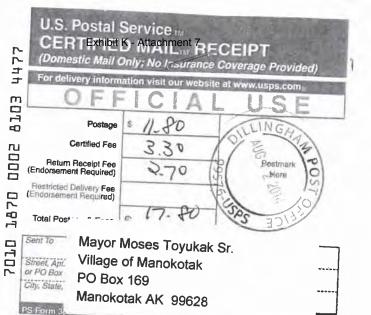
Sincerely,

Rose Loera City Manager

Mailing: Certified Mailing

Attachment: Copy of Draft Petition

Notice of Public Meeting



SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse	A. Signature X Rot Wand Agent Addressee
so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits.	
1. Article Addressed to:	D. Is delivery address different from item 1? Li res If YES, enter delivery address below: No
Mayor Moses Toyukak Sr.	
PO Box 169 Manokotak AK 99628	3. Service Type ☐ Certified Mail ☐ Express Mail ☐ Registered ☐ Return Receipt for Merchandise ☐ Insured Mail ☐ C.O.D.
	4. Restricted Delivery? (Extra Fee) ☐ Yes
Article Number (Transfer from service label)	7010 1870 0002 8103 4477
S Form 3811, February 2004 Don	Domestic Return Receipt 102595-02-M-1540



Mayor Moses Toyukak Sr. City of Manokotak PO Box 170 Manokotak, Alaska 99628

SUBJECT: City of Dillingham Petition to Annex Commercial Fishing Waters

Dear Mayor Toyukak:

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We hope members of your community will participate in this most important public process.

Sincerely,

Rose Loera City Manager

Mailing: Certified Mailing

Attachment: Copy of Draft Petition

Notice of Public Meeting

Domestic Return Receipt 102595-02-M-1540	PS Form 3811, February 2004 Domestic I
7010 1870 0002 8103 3555	Article Number (Transfer from service label)
4. Restricted Delivery? (Extra Fee) ☐ Yes ‡	
Certified Mail	Manokotak AK 99633
	Mayor Moses Toyukak Sr. City of Manokotak
D. Is delivery address different from item 1?	1. Article Addressed to:
A. Signature X. Alluni Sell Dagent Daddressee B. Received by (Printed Name) C. Date of Designy C. Date of Designy	Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits.
COMPLETE THIS SECTION ON DELIVERY	SENDER: COMPLETE THIS SECTION

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*******	DO Box 170
	Mayor Moses Toyukak Sr. City of Manokotak
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Tdl	CERTIFIED MAIL. RECE



Mayor Harry Wassily Sr. c/o Village of Clark's Point PO Box 110 Clark's Point, Alaska 99569

SUBJECT: City of Dillingham Petition to Annex Commercial Fishing Waters

Dear Mayor Wassily:

Enclosed is a public review draft of a petition to annex territory to the City of Dillingham and a copy of the public notice of a public hearing being held in Dillingham on September 24, 2014. Please post the notice of the public hearing at the place where public notices are usually posted in your community and keep the draft petition available for review by the public.

We have also enclosed ten copies of a summary of the petition which may be distributed to members of the public upon request. If you run out of copies of the summary please let me know and we will send more.

We hope members of your community will participate in this most important public process.

Sincerely,

Rose Loera City Manager

Mailing: Certified Mailing

Attachment: Copy of Draft Petition

Notice of Public Meeting

Petition of Summary (ten copies)

www.dillinghamak.us

Letters submitted to:
Village of Clarks Point
City of Aleknagik
Village of Aleknagik
City of Manokotak
Village of Manokotak
Ekuk Village Council
Curyung Village Council
Bristol Bay Borough
Lake and Peninsula Borough

and 3. Also complete livery is desired. ddress on the reverse the card to you. back of the malipiece, permits.	A. Signature B. Racewed by (Printed Name) C. Date of Delivery address different from Item 1? If YES, enter delivery address below:
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Harry Wassily Sr. Village of Clark's Point	
PO Box 90 Clark's Point AK 99569 Clark's Point AK 99569	lype ed Mail
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	oc ords 4507



11 3 June 14, 2010 as



Mayor Jayne Gottshalk City of Aleknagik PO Box 33 Aleknagik, AK 99555

SUBJECT: City of Dillingham Petition to Annex Commercial Fishing Waters

Dear Mayor Gottshalk:

Enclosed is a public review draft of a petition to annex territory to the City of Dillingham and a copy of the public notice of a public hearing being held in Dillingham on September 24, 2014. Please post the notice of the public hearing at the place where public notices are usually posted in your community and keep the draft petition available for review by the public.

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We hope members of your community will participate in this most important public process.

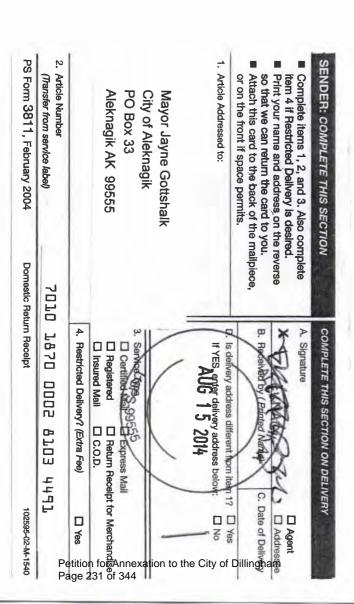
Sincerely,

Rose Loera City Manager

Mailing: Certified Mailing

Attachment: Copy of Draft Petition

Notice of Public Meeting







Robert Heyano Ekuk Village Council PO Box 530 Dillingham, AK 99576

SUBJECT: City of Dillingham Petition to Annex Commercial Fishing Waters

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Sincerely,

Rose Loera City Manager

Attachment: Copy of Draft Petition

Notice of Public Meeting

Petition Summary (ten copies)

Hand Delivered

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City of Manokotak
Village of Manokotak
Ekuk Village Council
Curyung Village Council
Bristol Bay Borough
Lake and Peninsula Borough

PROOF OF DELIVERY

CITY OF DILLINGHAM

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Nancy 5. Larsen for Eku	& Village Council
Print Name	0
nanny S. Lasen	
Signature	
8-12-14	
Data	

Withersed: Jame Willingham Clerk City & Sillingham



August 13, 2014

Luki Akelkok, Sr., Mayor City of Ekwok PO Box 49 Ekwok, AK 99580

SUBJECT: City of Dillingham Petition to Annex Commercial Fishing Waters

Dear Mayor Akelkok:

Enclosed is a public review draft of a petition to annex territory to the City of Dillingham and a copy of the public notice of a public hearing being held in Dillingham on September 24, 2014. Please post the notice of the public hearing at the place where public notices are usually posted in your community and keep the draft petition available for review by the public.

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Sincerely,

Rose Loera City Manager

Mailing: Certified Mailing

Attachment: Copy of Draft Petition

Notice of Public Meeting

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Village of Aleknagik
City of Ekwok
City of Manokotak
Village of Manokotak
City of New Stuyahok
Ekuk Village Council
Curyung Village Council
Bristol Bay Borough
Lake and Peninsula Borough





Allen Ilutsik, Tribal Administrator Village of Aleknagik PO Box 115 Aleknagik, AK 99555

SUBJECT: City of Dillingham Petition to Annex Commercial Fishing Waters

Dear Allen:

Enclosed is a public review draft of a petition to annex territory to the City of Dillingham and a copy of the public notice of a public hearing being held in Dillingham on September 24, 2014. Please post the notice of the public hearing at the place where public notices are usually posted in your community and keep the draft petition available for review by the public.

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Sincerely.

Rose Loera City Manager

Mailing: Certified Mailing

Attachment: Copy of Draft Petition

Notice of Public Meeting

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Village of Clarks Point
City of Aleknagik
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Village of Manokotak
Ekuk Village Council
Curyung Village Council
Bristol Bay Borough
Lake and Peninsula Borough

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PS Form 3811, February 2004 Domest	2. Article Number (Transfer from service label)	Village of Aleknagik PO Box 115 Aleknagik AK 99555	Article Addressed to: Allen Ilutsik, Tribal Administrator	Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits.	SENDER: COMPLETE THIS SECTION
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Dorothy Larson, Tribal Administrator Curyung Tribal Council PO Box 216 Dillingham, AK 99576

SUBJECT: City of Dillingham Petition to Annex Commercial Fishing Waters

Dear Dorothy:

Enclosed is a public review draft of a petition to annex territory to the City of Dillingham and a copy of the public notice of a public hearing being held in Dillingham on September 24, 2014. Please post the notice of the public hearing at the place where public notices are usually posted in your community and keep the draft petition available for review by the public.

We have also enclosed ten copies of a summary of the petition which may be distributed to members of the public upon request. If you run out of copies of the summary please inform our City Clerk, Janice Williams, at 842-5212 and we will send more.

We hope members of your community will participate in this most important public process.

Sincerely,

Rose Loera

City Manager

Attachment: Copy of Draft Petition

Notice of Public Meeting

Petition Summary (ten copies)

Hand Delivered

Letters submitted to:
Village of Clarks Point
City of Aleknagik
Village of Aleknagik
City of Manokotak
Village of Manokotak
Ekuk Village Council
Curyung Village Council
Bristol Bay Borough
Lake and Peninsula Borough

PROOF OF DELIVERY

CITY OF DILLINGHAM

This is to acknowledge that <u>Curyung Tribal Council</u> received a hand-delivered packet from the City of Dillingham on <u>August 12, 2014</u>, that contained a Draft Petition to the Local Boundary Commission for Annexation of Nushagak Commercial Salmon District Waters and Wood River Sockey Salmon Special Harvest Area Waters and Land.

Print Name

Signature

08/12/14

Date

Withersed: Januar Welhard, dry Clark

with of Dillington



Mayor Glen Alsworth Sr. Lake and Peninsula Borough PO Box 495 King Salmon, AK 99613

SUBJECT: City of Dillingham Petition to Annex Commercial Fishing Waters

Dear Mayor Alsworth:

Enclosed is a public review draft of a petition to annex territory to the City of Dillingham and a copy of the public notice of a public hearing being held in Dillingham on September 24, 2014. Please post the notice of the public hearing at the place where public notices are usually posted in your community and keep the draft petition available for review by the public. The LBC indicated your community was within 20 miles of the proposed new boundary for the City of Dillingham. That is why we are providing you a copy of the draft petition. The City has not verified the distance of your community from the proposed new boundary of Dillingham.

We have also enclosed ten copies of a summary of the petition which may be distributed to members of the public upon request. If you run out of copies of the summary please inform our City Clerk, Janice Williams, at 842-5212 and we will send more.

We hope members of your community will participate in this most important public process.

Sincerely,

Rose Loera City Manager

Mailing: Certified Mailing

Attachment: Copy of Draft Petition

Notice of Public Meeting

PS Form 3811, February 2004	Article Number (Transfer from service label)	PO Box 495 King Salmon AK 99613	 Article Addressed to: Mayor Glen Alsworth Sr. Lake and Peninsula Borough 	Attach this card to the back of the mailpiece or on the front if space permits.	■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. ■ Behat your name and address on the reverse	SENDER: COMPLETE THIS SECTION
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Mayor Dan O'Hara Bristol Bay Borough PO Box 189 Naknek, AK 99633

SUBJECT: City of Dillingham Petition to Annex Commercial Fishing Waters

Dear Mayor O'Hara:

Enclosed is a public review draft of a petition to annex territory to the City of Dillingham and a copy of the public notice of a public hearing being held in Dillingham on September 24, 2014. Please post the notice of the public hearing at the place where public notices are usually posted in your community and keep the draft petition available for review by the public. The LBC indicated your community was within 20 miles of the proposed new boundary for the City of Dillingham. That is why we are providing you a copy of the draft petition. The City has not verified the distance of your community from the proposed new boundary of Dillingham.

We have also enclosed ten copies of a summary of the petition which may be distributed to members of the public upon request. If you run out of copies of the summary please inform our City Clerk, Janice Williams, at 842-5212 and we will send more.

We hope members of your community will participate in this most important public process.

Sincerely,

Rose Loera City Manager

Mailing: Certified Mailing

Attachment: Copy of Draft Petition

Notice of Public Meeting

Letters submitted to:
Village of Clarks Point
City of Aleknagik
Village of Aleknagik
City of Manokotak
Village of Manokotak
Ekuk Village Council
Curyung Village Council
Bristol Bay Borough
Lake and Peninsula Borough

PS Form 3811 February 2004 Domesti	2. Article Number (Transfer from service label)		PO Box 189 Naknek AK 99633	Mayor Dan O'Hara	1. Article Addressed to:	so that we can return the card to you. Attach this card to the back of the mailplace, or on the front if space permits.	 Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse 	SENDER: COMPLETE THIS SECTION
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August 13, 2014

Randy Hastings, Mayor City of New Stuyahok PO Box 10 New Stuyahok, AK 99636

SUBJECT: City of Dillingham Petition to Annex Commercial Fishing Waters

Dear Mayor Hastings:

Enclosed is a public review draft of a petition to annex territory to the City of Dillingham and a copy of the public notice of a public hearing being held in Dillingham on September 24, 2014. Please post the notice of the public hearing at the place where public notices are usually posted in your community and keep the draft petition available for review by the public.

We have also enclosed ten copies of a summary of the petition which may be distributed to members of the public upon request. If you run out of copies of the summary please inform our City Clerk, Janice Williams, at 842-5212 and we will send more.

We hope members of your community will participate in this most important public process.

Sincerely,

Rose Loera City Manager

Mailing: Certified Mailing

Attachment: Copy of Draft Petition

Notice of Public Meeting

Petition Summary (ten copies)

Page 246 of 344

Letters submitted to:
Village of Clarks Point
City of Aleknagik
Village of Aleknagik
City of Ekwok
City of Manokotak
Village of Manokotak
City of New Stuyahok
Ekuk Village Council
Curyung Village Council
Bristol Bay Borough
Lake and Peninsula Borough

PS Form 3811, February 2004	Article Number (Transfer from service label)		PO Box 10 New Stuyahok, AK 99636	Randal Hastings, Mayor City of New Stuvahok		. Article Addressed to:	so that we can return the card to you. Attach this card to the back of the maliplece or on the front if space permits.	Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse	SENDER: COMPLETE THIS SECTION
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August 15, 2014

Herman Nelson, Sr., Mayor New Koliganek Village Council PO Box 5057 Koliganek, AK 99576-5057

SUBJECT: City of Dillingham Petition to Annex Commercial Fishing Waters

Dear Mayor Nelson:

Enclosed is a public review draft of a petition to annex territory to the City of Dillingham and a copy of the public notice of a public hearing being held in Dillingham on September 24, 2014. Please post the notice of the public hearing at the place where public notices are usually posted in your community and keep the draft petition available for review by the public.

We have also enclosed ten copies of a summary of the petition which may be distributed to members of the public upon request. If you run out of copies of the summary please inform my assistant, Bernadette Packa, at 842-5148 and we will send more.

We hope members of your community will participate in this most important public process.

Sincerely,

Rose Loera City Manager

Mailing: Certified Mailing

Attachment: Copy of Draft Petition

Notice of Public Meeting

Letters submitted to:
Village of Clarks Point
City of Aleknagik
Village of Aleknagik
City of Ekwok
City of Manokotak
Village of Manokotak
City of New Stuyahok
Ekuk Village Council
Curyung Village Council
Bristol Bay Borough
Lake and Peninsula Borough
Portage Creek Village Council

PS Form 3811, February 2004 Domestic	2. Article Number (Transfer from service label) 7010 16	•	PO Box 5057 Koliganek, AK 99576-5057	Article Addressed to: Herman Nelson, Sr., President New Koliganek Village Council PO Box 5057		 Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 		SENDER: COMPLETE THIS SECTION
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7.5	U.S. Postal Service TM. CERTIFIED MAIL TO RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)								
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August 15, 2014

Charlie Johnson, President Portage Creek Village Council 1327 E. 72nd, Unit B Anchorage, AK 99515

SUBJECT: City of Dillingham Petition to Annex Commercial Fishing Waters

Dear Mr. Johnson:

Enclosed is a public review draft of a petition to annex territory to the City of Dillingham and a copy of the public notice of a public hearing being held in Dillingham on September 24, 2014. Please post the notice of the public hearing at the place where public notices are usually posted in your community and keep the draft petition available for review by the public.

We have also enclosed ten copies of a summary of the petition which may be distributed to members of the public upon request. If you run out of copies of the summary please inform my assistant, Bernadette Packa, at 842-5148 and we will send more.

We hope members of your community will participate in this most important public process.

Sincerely.

Rose Loera City Manager

Mailing: Certified Mailing

Attachment: Copy of Draft Petition

Notice of Public Meeting

Petition Summary (ten copies)

www.dillinghamak.us

Letters submitted to:
Village of Clarks Point
City of Aleknagik
Village of Aleknagik
City of Ekwok
City of Manokotak
Village of Manokotak
City of New Stuyahok
Ekuk Village Council
Curyung Village Council
Bristol Bay Borough
Lake and Peninsula Borough
Portage Creek Village Council





Moses Toyukak Sr. Village of Manokotak PO Box 169 Manokotak, AK 99628

SUBJECT: City of Dillingham Petition to Annex Commercial Fishing Waters

Dear Moses Toyukak Sr.:

The City of Dillingham has prepared a draft petition to annex the commercial fishing waters of Nushagak Bay and the part of Wood River where the special sockeye harvest sometimes occurs. We sent a copy of the draft petition for display and included copies of the summary petition for handouts, and asked if you could assist us by displaying them in your office during working hours.

We also enclosed a copy of the notice of the public hearing that is scheduled for September 24, 6 PM, in the Dillingham Council Chambers. We ask that you please replace it with the attached amended copy (Supplemental Notice) dated August 15, 2014.

Also enclosed are some comment cards with return envelopes to make available to the public. Comments will be accepted through September 30, postmark date. If you run out of comment cards, please contact Bernadette Packa at City Hall, at 842-5148, or email her at assistant@dillinghamak.us. Thank you for assisting us by making this material available.

This annexation will:

- Help Dillingham pay for services and infrastructure that commercial fishermen and the fleet use and will help make the community more financially sustainable. It will help cover real costs that the City of Dillingham bears to support Nushagak Bay fisheries.
- Allow Dillingham to capture some revenue that is escaping the area from fishermen that are not regional residents in Nushagak Bay, and, from Nushagak Bay fish that are processed outside the Bay.

If you would like to have us make a presentation at a public or community meeting, perhaps a council meeting, so that we can talk about this together, please let City Manager Rose Loera or her Executive Assistant, Bernadette Packa, know what would be a good time to meet. They can be reached at 842-5148. We hope to hear from you.

Sincerely,

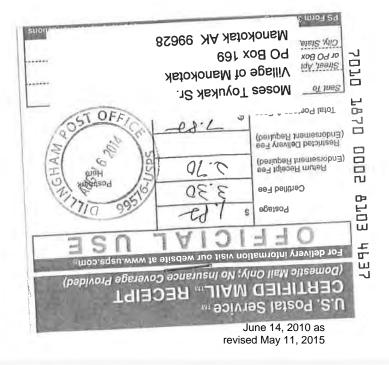
Alice Ruby, Mayor

Subject: City of Dillingham Petition to Annex Commercial Fishing Waters

Mailed: Certified/Receipt

Attachment: Supplemental Notice of Public Hearing - August 15, 2014

S Form 3811, February 2004 Dome	2. Article Number (Transfer from service label) 7010 1		PO Box 169 Manokotak AK 99628	Moses Toyukak Sr. Village of Manokotak	1. Article Addressed to:	 so that we can return the card to you. Attach this card to the back of the mailpiece or on the front if space permits. 	 Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery Is desired. Print your name and address on the reverse 	SENDER: COMPLETE THIS SECTION
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Mayor Moses Toyukak Sr. City of Manokotak PO Box 170 Manokotak, AK 99628

SUBJECT: City of Dillingham Petition to Annex Commercial Fishing Waters

Dear Mayor Toyukak Sr.:

The City of Dillingham has prepared a draft petition to annex the commercial fishing waters of Nushagak Bay and the part of Wood River where the special sockeye harvest sometimes occurs. We sent a copy of the draft petition and included copies of the summary petition for handouts, and asked if you could assist us by displaying them in your office during working hours.

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Sincerely,

Alice Ruby, Mayor

Subject: City of Dillingham Petition to Annex Commercial Fishing Waters

Mailed: Certified/Receipt

Attachment: Supplemental Notice of Public Hearing - August 15, 2014

PS Form 3811, February 2004	Article Number (Transfer from service label)		PO Box 170 Manokotak AK 99628	Mayor Moses Toyukak Sr. City of Manokotak	Attach this card to the back of the mailpiece, or on the front if space permits.	 Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse 	SENDER: COMPLETE THIS SECTION
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Harry Wassily Sr. Village of Clarks Point PO Box 90 Clark's Point, AK 99569

SUBJECT: City of Dillingham Petition to Annex Commercial Fishing Waters

Dear Harry Wassily Sr.:

The City of Dillingham has prepared a draft petition to annex the commercial fishing waters of Nushagak Bay and the part of Wood River where the special sockeye harvest sometimes occurs. We sent a copy of the draft petition for display and included copies of the summary petition for handouts, and asked if you could assist us by displaying them in your office during working hours.

We also enclosed a copy of the notice of the public hearing that is scheduled for September 24, 6 PM, in the Dillingham Council Chambers. We ask that you please replace it with the attached amended copy (Supplemental Notice) dated August 15, 2014.

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Sincerely,

Alice Ruby, Mayor

Subject: City of Dillingham Petition to Annex Commercial Fishing Waters

Mailed: Certified/Receipt

Attachment: Supplemental Notice of Public Hearing - August 15, 2014

Comment Cards

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SENDER: C LETE THIS SECTION	Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits.	Article Addressed to: Harry Wassily Sr. Village of Clark's Point	PO Box 90 Clark's Point AK 99		2. Article Number (Transfer from service label)	PS Form 3811, February 2004 Domestic R

Page 257 of 344

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Mayor Jane Gottshalk City of Aleknagik PO Box 33 Aleknagik, AK 99555

SUBJECT: City of Dillingham Petition to Annex Commercial Fishing Waters

Dear Mayor Gottshalk:

The City of Dillingham has prepared a draft petition to annex the commercial fishing waters of Nushagak Bay and the part of Wood River where the special sockeye harvest sometimes occurs. We sent a copy of the draft petition for display and included copies of the summary petition for handouts, and asked if you could assist us by displaying them in your office during working hours.

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- Allow Dillingham to capture some revenue that is escaping the area from fishermen that are not regional residents in Nushagak Bay, and, from Nushagak Bay fish that are processed outside the Bay.

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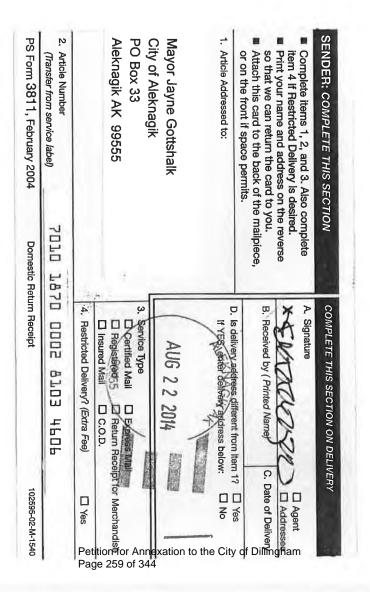
Sincerely,

Alice Ruby, Mayor

Subject: City of Dillingham Petition to Annex Commercial Fishing Waters

Mailed: Certified/Receipt

Attachment: Supplemental Notice of Public Hearing - August 15, 2014







Robert Heyano Ekuk Village Council PO Box 530 Dillingham, AK 99576

SUBJECT: City of Dillingham Petition to Annex Commercial Fishing Waters

Dear Robert Heyano:

The City of Dillingham has prepared a draft petition to annex the commercial fishing waters of Nushagak Bay and the part of Wood River where the special sockeye harvest sometimes occurs. We sent a copy of the draft petition for display and included copies of the summary petition for handouts, and asked if you could assist us by displaying them in your office during working hours.

We also enclosed a copy of the notice of the public hearing that is scheduled for September 24, 6 PM, in the Dillingham Council Chambers. We ask that you please replace it with the attached amended copy (Supplemental Notice) dated August 15, 2014.

Also enclosed are some comment cards with return envelopes to make available to the public. Comments will be accepted through September 30, postmark date. If you run out of comment cards, please contact Bernadette Packa at City Hall, at 842-5148, or email her at assistant@dillinghamak.us. Thank you for assisting us by making this material available.

This annexation will:

- Help Dillingham pay for services and infrastructure that commercial fishermen and the fleet use and will help make the community more financially sustainable. It will help cover real costs that the City of Dillingham bears to support Nushagak Bay fisheries.
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If you would like to have us make a presentation at a public or community meeting, perhaps a council meeting, so that we can talk about this together, please let City Manager Rose Loera or her Executive Assistant, Bernadette Packa, know what would be a good time to meet. They can be reached at 842-5148. We hope to hear from you.

Sincerely,

Alice Ruby, Mayor

Subject: City of Dillingham Petition to Annex Commercial Fishing Waters

Mailed: Certified/Receipt

Attachment: Supplemental Notice of Public Hearing - August 15, 2014

PS Form 3811, February 2004 Domestic	2. Article Number (Transfer from service label) 7.01.0		Dillingham AK 99576	PO Boy 530	1. Article Addressed to: Robert Heyano Ekuk Village Council	 Attach this card to the back of the mailpiece, or on the front if space permits. 	 Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse 	SENDER: COMPLETE THIS SECTION
Domestic Return Receipt	2010 3090 0000 9524 5683	4. Restricted Delivery? (Extra Fee)	aii Vai	3 Service Type	If YES, enter delivery address below:	B. Received by (Printed Name) Maxicul Dill (N) State D. Is delivery address different for	* Morin Bus	COMPLETE THIS SECTION ON DELIVERY
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Mayor Luki Akelkok Sr. City of Ekwok PO Box 49 Ekwok, AK 99580

SUBJECT: City of Dillingham Petition to Annex Commercial Fishing Waters

Dear Mayor Akelkok Sr.:

The City of Dillingham has prepared a draft petition to annex the commercial fishing waters of Nushagak Bay and the part of Wood River where the special sockeye harvest sometimes occurs. We sent a copy of the draft petition for display and included copies of the summary petition for handouts, and asked if you could assist us by displaying them in your office during working hours.

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Sincerely,

Alice Ruby, Mayor

alice A. Ruly

141 Main Street • P.O. Box 889 • Dillingham, Alaska 99576 City Hall & Finance Dept. (907) 842-5211 • Fire Dept. 842-2288 • Library/Museum 842-5610 Police Dept. 842-5354 • Harbor Office 842-1069 • Public Works 842-4598 • Senior Center 842-1231

Subject: City of Dillingham Petition to Annex Commercial Fishing Waters

Mailed: Certified/Receipt

Attachment: Supplemental Notice of Public Hearing - August 15, 2014

Comment Cards

PS Form 3811, February 2004 Domestic	2. Article Number (Transfer from service label) 7010 3	Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 1. Article Addressed to: Luki Akelkok Sr., Mayor City of Ekwok PO Box 49 Ekwok AK 99580	SENDER: COMPLETE THIS SECTION Complete items 1, 2, and 3. Also complete them 1 is Destricted Political in decired.
Domestic Return Receipt	7010 3090 0000 9524 5690	B. Received by (Printed Name) C. Date of E C. St < (C C C C S D. Is delivery address different from item 1? The S If YES, enter delivery address below: 3. Service Type Contified Mail Registered Insured Mail Restricted Delivery? (Extra Fee) 3. Restricted Delivery? (Extra Fee) 1 Add C C Date of E C. Da	A. Signature
102595-02-M-1540		ery address below: C. Date of Delivering	HY Anant E





Allen Ilutsik Village of Aleknagik PO Box 115 Aleknagik, AK 99555

SUBJECT: City of Dillingham Petition to Annex Commercial Fishing Waters

Dear Allen Ilutsik:

The City of Dillingham has prepared a draft petition to annex the commercial fishing waters of Nushagak Bay and the part of Wood River where the special sockeye harvest sometimes occurs. We sent a copy of the draft petition for display and included copies of the summary petition for handouts, and asked if you could assist us by displaying them in your office during working hours.

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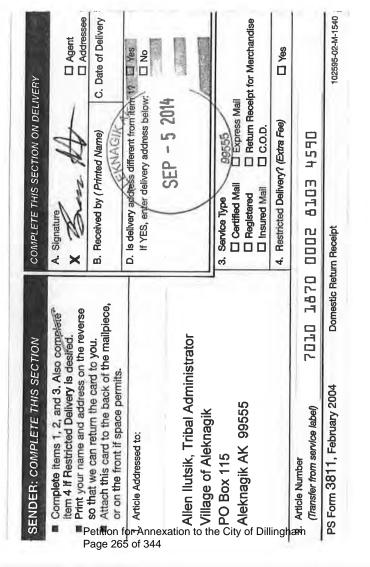
Sincerely,

Alice Ruby, Mayor

Subject: City of Dillingham Petition to Annex Commercial Fishing Waters

Mailed: Certified/Receipt

Attachment: Supplemental Notice of Public Hearing - August 15, 2014







Dorothy Larson Curyung Tribal Council PO Box 216 Dillingham, AK 99576

SUBJECT: City of Dillingham Petition to Annex Commercial Fishing Waters

Dear Dorothy Larson:

The City of Dillingham has prepared a draft petition to annex the commercial fishing waters of Nushagak Bay and the part of Wood River where the special sockeye harvest sometimes occurs. We sent a copy of the draft petition for display and included copies of the summary petition for handouts, and asked if you could assist us by displaying them in your office during working hours.

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Alice Ruby, Mayor

alice A. Kuly

www.dillinghamak.us

Subject: City of Dillingham Petition to Annex Commercial Fishing Waters

Mailed: Certified/Receipt

Attachment: Supplemental Notice of Public Hearing - August 15, 2014

(Transfer from service lause) Des Form 3811. February 2004 Domestic F		Curyung Tribal Council PO Box 216 Dillingham AK 99576	Article Addressed to: Dorothy Larson, Tribal Administrator	 Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the malipiece, or on the front if space permits. 	■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.	SENDER: COMPLETE THIS SECTION
Domestic Return Receipt 102595-02-M-1540	7010 3090 0000 9524 5676	3. Service Type Certified Mail	If YES, enter delivery address bosons	B. Received by (Printed Name) C. Date of Delivery D (1.26 / 14 5) D. Is delivery address different from item 1? No o o	X Gignature G G Agent and G Addressee G	THIS SECTION ON DELIVER

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Mayor Randy Hastings City of New Stuyahok PO Box 10 New Stuyahok, AK 99636

SUBJECT: City of Dillingham Petition to Annex Commercial Fishing Waters

Dear Mayor Hastings:

The City of Dillingham has prepared a draft petition to annex the commercial fishing waters of Nushagak Bay and the part of Wood River where the special sockeye harvest sometimes occurs. We sent a copy of the draft petition for display and included copies of the summary petition for handouts, and asked if you could assist us by displaying them in your office during working hours.

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Sincerely,

Alice Ruby, Mayor

Blice A. Kuly

Subject: City of Dillingham Petition to Annex Commercial Fishing Waters

Mailed: Certified/Receipt

Attachment: Supplemental Notice of Public Hearing - August 15, 2014





Herman Nelson Sr. New Koliganek Village Council PO Box 5057 Dillingham, AK 99576-5057

SUBJECT: City of Dillingham Petition to Annex Commercial Fishing Waters

Dear Herman Nelson Sr.:

The City of Dillingham has prepared a draft petition to annex the commercial fishing waters of Nushagak Bay and the part of Wood River where the special sockeye harvest sometimes occurs. We sent a copy of the draft petition for display and included copies of the summary petition for handouts, and asked if you could assist us by displaying them in your office during working hours. We also enclosed a copy of the notice of the public hearing that is scheduled for September 24, 6 PM, in the Dillingham Council Chambers.

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Sincerely,

Alice Ruby, Mayor

Mailed: Certified/Receipt
Attachment: Comment Cards



SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
 Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	A. Signature X
1. Article Addressed to:	D. Is delivery address different from item 1?
Herman Nelson Sr. New Koliganek Village Council	
PO Box 5057	3. Service Type
Koliganek AK 99576-5057	
	4. Restricted Delivery? (Extra Fee)
2. Article Number (Transfer from service label)	7010 1870 0002 8103 4651
PS Form 3811, February 2004 Domest	Domestic Return Receipt



Charlie Johnson Portage Creek Village Council 1327 E. 72nd, Unit B Anchorage, AK 99515

SUBJECT: City of Dillingham Petition to Annex Commercial Fishing Waters

Dear Charlie Johnson:

The City of Dillingham has prepared a draft petition to annex the commercial fishing waters of Nushagak Bay and the part of Wood River where the special sockeye harvest sometimes occurs. We sent a copy of the draft petition for display and included copies of the summary petition for handouts, and asked if you could assist us by displaying them in your office during working hours. We also enclosed a copy of the notice of the public hearing that is scheduled for September 24, 6 PM, in the Dillingham Council Chambers.

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Mailed: Certified/Receipt

Attachment: Comment Cards

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Charlie Johnson Portage Creek Village Council				4
Anchorage, AK 99515		3. Service Type Certified Mail Registered Insured Mail	☐ Express Mail ☐ Express Mail ☐ Return Receipt for Merchandise ☐ C.O.D.	or Merchandise
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June 14, 2010 as revised May 11, 2015



Robert Clark Bristol Bay Area Health Corp. PO Box 130 Dillingham, AK 99576

SUBJECT: City of Dillingham Petition to Annex Commercial Fishing Waters

Dear Robert Clark:

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Sincerely,

Alice Ruby, Mayor

Mailed: Certified/Receipt

Attachment: Supplemental Notice of Public Hearing - August 15, 2014

U.S. Postal Service TO CERTIFIED MAIL RECEIPT
Exhibit K - Attachment 9
(Domestic Mail Only; No insurance Coverage Provided) 071.5 For delivery information visit our website at 8102 48 Certified Fee 3.30 5000 Return Receipt Fee (Endorsement Required) 2.70 Restricted Delivery Fee (Endorsement Required) 1870 209 MA 6.48 Total P Sent To **Robert Clark** 7010 Bristol Bay Area Health Corp. Street, / or PO B. PO Box 130 City, Sta Dillingham AK 99576 uctions

PS Form

SENDEB: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
 Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	A. Signature A Addressee B. Received by (Printed Name) C. Date of Delivery B. Received address different from item 1? D. Is delivery address different from item 1?
Article Addressed to: Robert Clark	If YES, enter delivery address below:
Bristol Bay Area Health Corp. PO Box 130 Dillingham AK 99576	Mail tecelpt for
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Kay Andrews Southwest Region Schools PO Box 90 Dillingham, AK 99576

SUBJECT: City of Dillingham Petition to Annex Commercial Fishing Waters

Dear Kay Andrews:

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Alice Ruby, Mayor

Mailed: Certified/Receipt

Attachment: Supplemental Notice of Public Hearing - August 15, 2014

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CERTIFIED MAIL... RECEIPT
(Domestexhibit Kn Attachment 9rce Coverage Provided)

For delivery information visit our website at www.usps.com.

Postage
Certified Fee
(Endorsement Required)
Restricted Delivery Fee
(Endorsement Required)
Restricted Delivery Fee
(Endorsement Required)

Kay Andrews
Southwest Region Schools
PO Box 90
Dillingham, AK 99576

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
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1. Article Addressed to:	b. is delivery address dinerent from rem 17. — res if YES, enter delivery address below: \[\text{In YES, enter delivery address below: } \]
Kay Andrews Southwest Region Schools	
PO Box 90 Dillingham, AK 99576	Service Type Certifled Mail
	4. Restricted Delivery? (Extra Fee)
2. Article Number (Transfer from service label) 7010 30	7678 4524 0000 040E 0107
PS Form 3811/ February 2004	un Reaelpt 102595-02-M-1540



Ralph Andersen Bristol Bay Native Association PO Box 310 Dillingham, AK 99576

SUBJECT: City of Dillingham Petition to Annex Commercial Fishing Waters

Dear Ralph Andersen:

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141 Main Street • P.O. Box 889 • Dillingham, Alaska 99576 City Hall & Finance Dept. (907) 842-5211 • Fire Dept. 842-2288 • Library/Museum 842-5610 Police Dept. 842-5354 • Harbor Office 842-1069 • Public Works 842-4598 • Senior Center 842-1231 www.dillinghamak.us



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1. Article Addressed to:		D. Is delivery address different from Item 1? ☐ Yes If YES, enter delivery address below: ☐ No
Ralph Andersen Bristol Bay Native Association		
PO Box 310 Dillingham, AK 99576		Service Type Certified Mail Express Mail Registered Hetum Receipt for Merchandise Insured Mail C.O.D.
		4. Restricted Delivery? (Extra Fee)
2. Article Number (Transfer from service label)	7010	2010 3090 0000 9524 5775
PS Form 3811, February 2004	Domest	/ Damestic Return Receipt



Brenda Akelkok Bristol Bay Housing Authority PO Box 50 Dillingham, AK 99576

SUBJECT: City of Dillingham Petition to Annex Commercial Fishing Waters

Dear Brenda Akelkok:

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www.dillinghamak.us



SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
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Dennis Andrew Sr. New Stuyahok Traditional Council PO Box 49 New Stuyahok, AK 99636

SUBJECT: City of Dillingham Petition to Annex Commercial Fishing Waters

Dear Dennis Andrew Sr.:

The City of Dillingham has prepared a draft petition to annex the commercial fishing waters of Nushagak Bay and the part of Wood River where the special sockeye harvest sometimes occurs. We've enclosed a copy of the notice of the public hearing (Supplemental Notice, dated August 15, 2014) that is scheduled for September 24, 6 PM, in the Dillingham Council Chambers.

We sent a copy of the draft petition for display and included copies of the summary petition for handouts to various locations (noted in the supplemental notice) with a request to please assist us by making these documents available to the public. We also sent some comment cards with return envelopes to make available to the public.

This annexation will:

- Help Dillingham pay for services and infrastructure that commercial fishermen and the fleet use and will help make the community more financially sustainable. It will help cover real costs that the City of Dillingham bears to support Nushagak Bay fisheries.
- Allow Dillingham to capture some revenue that is escaping the area from fishermen that are not regional residents in Nushagak Bay, and, from Nushagak Bay fish that are processed outside the Bay.

If you would like to have us make a presentation at a public or community meeting, perhaps a council meeting, so that we can talk about this together, please let City Manager Rose Loera or her Executive Assistant, Bernadette Packa, know what would be a good time to meet. They can be reached at 842-5148. We hope to hear from you.

Sincerely,

Alice Ruby, Mayor

Mailed: Certified/Receipt

Attachment: Supplemental Notice of Public Hearing - August 15, 2014

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Carol Nicholai Ekwok Village Council PO Box 70 Ekwok, AK 99580

SUBJECT: City of Dillingham Petition to Annex Commercial Fishing Waters

Dear Carol Nicholai:

The City of Dillingham has prepared a draft petition to annex the commercial fishing waters of Nushagak Bay and the part of Wood River where the special sockeye harvest sometimes occurs. We've enclosed a copy of the notice of the public hearing (Supplemental Notice, dated August 15, 2014) that is scheduled for September 24, 6 PM, in the Dillingham Council Chambers.

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Mailed: Certified/Receipt

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Robin Samuelsen Jr.
Bristol Bay Economic Development Corp.
PO Box 1464
Dillingham, AK 99576

SUBJECT: City of Dillingham Petition to Annex Commercial Fishing Waters

Dear Robin Samuelsen Jr.:

The City of Dillingham has prepared a draft petition to annex the commercial fishing waters of Nushagak Bay and the part of Wood River where the special sockeye harvest sometimes occurs. We've enclosed a copy of the notice of the public hearing (Supplemental Notice, dated August 15, 2014) that is scheduled for September 24, 6 PM, in the Dillingham Council Chambers.

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Sincerely.

Alice Ruby, Mayor

Mailed: Certified/Receipt

Attachment: Supplemestal Notice of Public Hearing - August 15, 2014

141 Main Street • P.O. Box 889 • Dillingham, Alaska 99576
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Police Dept. 842-5354 • Harbor Office 842-1069 • Public Works 842-4598 • Senior Center 842-1231
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August 15, 2014

Mayor Harry Wassily Sr. City of Clark's Point PO Box 110 Clark's Point, AK 99569

SUBJECT: City of Dillingham Petition to Annex Commercial Fishing Waters

Dear Mayor Wassily Sr.:

The City of Dillingham has prepared a draft petition to annex the commercial fishing waters of Nushagak Bay and the part of Wood River where the special sockeye harvest sometimes occurs. We've enclosed a copy of the notice of the public hearing (Supplemental Notice, dated August 15, 2014) that is scheduled for September 24, 6 PM, in the Dillingham Council Chambers.

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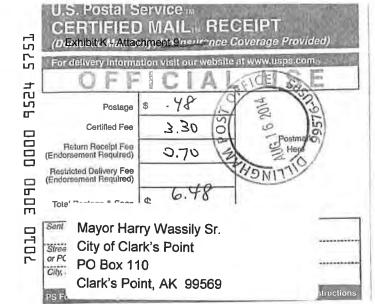
Sincerely,

Alice Ruby, Mayor

Mailed: Certified/Receipt

Attachment: Supplemental Notice of Public Hearing - August 15, 2014

141 Main Street • P.O. Box 889 • Dillingham, Alaska 99576 City Hall & Finance Dept. (907) 842-5211 • Fire Dept. 842-2288 • Library/Museum 842-5610 Folice Dept. 842-5354 • Harbor Office 842-1069 • Public Works 842-4598 • Senior Center 842-1231 www.dillinghamak.us



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Dillingham Informational Meeting on Annexation September 26, 2014 – Manokotak City Office Building 1:00 PM -3:30 PM Meeting Summary

Attendance (see sign-in sheet)

Dillingham Mayor Alice Ruby and Manager Rose Loera welcomed all to the meeting. It was noted that invitations to meet had been sent to all the communities that received a copy of the draft petition for public display. Two communities had responded, Manokotak and New Stuyahok. The 2014 petition was a continuation of the process that was started in 2011/2012. The court didn't think the proper process was followed. They didn't throw out the tax or the geographic area, but had determined that instead of going to a vote of the Dillingham residents, the annexation should have gone to the legislature to decide the outcome. The Council has since held one public hearing [September 24] as required by the Local Boundary Commission. The City's expectation is that the petition would go before the LBC by 2016 unless it was expedited.

The following handouts were referenced and made available including the Frequently Asked Questions, the Nine Reasonably Anticipated Effects of Annexation, 2008/2013 Bristol Bay Harvest data, Transition Talking Points, Summary of the Legislative Review Process, and the Petition Summary.

Manokotak residents made the following comments or asked the following questions. After each, there was back-and-forth discussion, which is briefly summarized.

- 1. Why is the City annexing?
 - The COD is facing some financial challenges. As a first class city the COD has to support its schools; it has contributed \$1.3M the past several years.
 - The regional fisheries are already paying a tax, so decided to tap a resource that is not taxed. The raw fish tax applied in 2012 and 2013 was 2 ½%.
 - The City is not trying to grow services, but to pay for existing services.
 - The City taxes everything it can, but it is not enough to run the city. Property owners are already paying a high enough property tax.
- 2. Has the COD looked at a borough instead?
 - The COD had tried three times, but it never went. The people were concerned about combining schools and being with Dillingham, which they considered to be a big city.
 - The borough revenue would have just supported the schools. There would have been no revenue sharing.
- 3. A majority of Manokotak resident fishers fish in the Igushik. Would the COD be willing to decrease their boundaries and allow Manokotak to petition for their area?
 - The LBC has the authority to change the boundaries as well as the legislature.
 There is a process that Manokotak could file to annex on that area.

- 4. The COD would encourage the two cities to get together and discuss the annexation. There are a lot of other mutual areas that would be of interest to both of the communities, like schools, and substance abuse.
- 5. Will 2012/2013 raw fish taxes be refunded?
 - The court only required that the City go through the legislative process.
 - The COD received a letter from an attorney considering to take this on as a lawsuit, but it hasn't been legally filed.
- 6. How much did the City garner from the 2012/2013 fish tax?
 - The average over the two years was \$664,000.
- 7. A copy of the geographic area that the City was proposing to annex was displayed in a diagram that was one of the handouts. It does not include any land.
- 8. The revenue from the fish tax was used to set aside three percent of the tax collected to go toward a Borough Fund. Five percent was set aside for a Fisheries Infrastructure Fund (Regional Fisheries Improvement Fund), plus there was a refund program for low income fishers, and a refund program for real property owners owning land in Dillingham.
 - Low income fishers would need to meet the federal poverty guidelines for Alaska, same guidelines used for food stamp recipients.
 - It was noted most of the Manokotak fishermen would fall under the poverty levels.
- 9. One of the standards requires that a City provide services for the annexed area.
 - Only on the water. The City assists the Alaska State Troopers who are the primary responders on the water. If the City or AST couldn't respond the Coast Guard would be called in.
- 10. If there was an oil spill, how would COD respond?
 - Participating agencies would develop a command center, and the COD would monitor their progress; agencies including EPA, Coast Guard, etc.
 - The COD is in the process of purchasing oil spill response equipment.
- 11. Manokotak fishers were taxed for the fish that were given to the Lone Star and processed by Trident Seafoods.
 - That money went to the services the COD provides for fishermen.
 - COD doesn't know who the fishermen are unless they apply for a low income refund or a rebate against real property. The fish tax is collected by processors and forwarded to the City.
 - The COD did not collect a raw fish tax in 2014.
- 12. When the annexation was being filed, it had not been suggested to exclude lgushik.

- This would be for Igushik set net fishers, otherwise couldn't determine where
 the fish were coming from unless it was an Igushik fish opening only, not when
 the Nushagak was open to all.
- It would make sense to annex the bay for outsiders that come in, but bring the message home that Manokotak is interested in annexing the Igushik for set netters.
- Manokotak fishers are serious about their fishing. In years past, the entire community closed down, electricity was shut off, and everyone moved to Igushik to fish.
- 13. Next step after the public hearing is to adopt the petition as is or amend it. Then it would go to the LBC, who will hold a public hearing, and submit a draft to the legislature. Once it goes to the LBC it is out of the COD's control. The meeting September 24 was a public hearing as required by the LBC. The meeting in Manokotak is more informal.
- 14. Is there a possibility of revenue sharing?
 - Would have to ask what formula would be used to share the revenue.
 - If we want to act like a borough, let's form a borough. This is too difficult to do as a City alone. The City council cannot obligate funds for a budgeted item for a future Council.
- 15. City could apply a rebate on personal property tax on boats, but couldn't discriminate who would receive the rebate.
- 16. COD would not own the Nushagak waters by annexing this area, the state owns the water. The COD would not be taxing any cabins on land, because it is not annexing any land in the proposed annexation.
 - The COD excluded its 6% sales tax from goods and services purchased in the annexed area.
- 17. Why do SWRS, BBAHC, and BBEDC oppose the annexation?
 - In general, they would like to see revenue sharing. They think borough formation is a better choice. SWRS felt this would add more expenses to their resident's pockets, and would affect the school count.
- 18. If Manokotak were to move ahead with annexation of the Igushik district, would the COD help process the paperwork?
 - The COD hired a consultant, because there's a number of standards that need to be met and would definitely recommend hiring a consultant as well.
- 19. Why not tax the sport fish industry?
- It has looked at other ways to tax sport caught fish, but they were not viable. This annexation petition focuses on water. The COD already applies a 10% bed tax, and a 6% sales tax. Most of the sport fish are caught up the Nushagak.

Informational Meeting – Proposed Annexation

September 26, 2014, Manokotak, SIGN IN SHEET

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Mike Minista	
CHRISTIAN G-LOKO	
Diana Gamechuk	alatan 1041@yahoo.com
Norman Gloko	normanpaloko Byahoo.
Kenneth Nukwak	
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Jame Williams, DLG-1	ity Clerk

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DILLINGHAM CITY COUNCIL

I. CALL TO ORDER

The Special Meeting of the Dillingham City Council was held on Wednesday, September 24, 2014, at the Dillingham City Council Chambers, Dillingham, Alaska. Mayor Alice Ruby called the meeting to order at 6:03 p.m. The teleconference line was opened at 5:45 p.m.

II. ROLL CALL

Mayor Alice Ruby was present.

Council Members present and establishing a quorum (a quorum being four):

Holly Johnson

Tracy Hightower

Chris Maines

Paul Liedberg

Bob Himschoot – attended via teleconference

Keggie Tubbs - absent and excused

Staff in attendance:

Rose Loera

Jody Seitz

Dan Pasquariello

Janice Williams

Carol Shade

Bernadette Packa

Guests:

Attorney Brooks Chandler

Barb Sheinberg

An attendance sheet for the public hearing is attached to these minutes.

III. SPECIAL BUSINESS

Mayor Ruby welcomed all to the meeting, and reviewed the process for conducting the public hearing for those that wanted to testify via the teleconference (1 person) and from the audience (22 people). It was noted copies of the petition were available on the table as well as at 17 locations as advertised on the City's website.

A. PUBLIC HEARING

- Present Draft Petition to the Local Boundary Commission for Annexation of Commercial Salmon District Waters and Wood River Sockeye Salmon Special Harvest Area Waters and Land
 - a. Legislative Review Process and Procedures

Attorney Brooks Chandler provided the overview noting State law required that the City hold a public hearing to discuss certain information (four items listed under item A) before any annexation petition could be submitted to the Local Boundary Commission (LBC).

The draft is an update of the 2010 petition which was approved by the Council and a date set September 24 for public hearing. The requisite advertising was done 30 days prior to the public

to hold informational meetings, of which one was scheduled with the City of Manokotak, and another one pending with the City of New Stuyahok. The Council will have an opportunity to review any amendments made to the draft petition resulting from the public hearing at their October 2, Council meeting, and vote whether to submit the petition to the LBC. The process is similar to what was followed when the petition was submitted in 2010, and the City would be asking to expedite the process because many of the steps had already taken place with the 2010 petition, which was fully vetted and reviewed by LBC staff and passed by the LBC. If the LBC followed its standard process it would not formally vote on it until 6 - 12 months after submittal. It they approved the petition, it would be submitted to the Alaska Legislature. They would have an opportunity to veto it within 45 days. A legislative review from the LBC could only be submitted during the first ten days of a legislative session, Jan. 19-29. Deadline is the same for 2015 and 2016.

b. Annexation Standards and their Application to Petition

Consultant Barbara Sheinberg spent about 20 minutes explaining the annexation standards that were located in the draft petition Exhibit E. Supportive Brief. The LBC determined in December 2011 that the proposed annexation met each of the seven standards for annexation.

c. Reasonably Anticipated Effects of Annexation

Consultant Barbara Sheinberg shared a list of observations that were learned as the result of annexation being in place for two years:

- 1. Dillingham levied a 2.5% fish tax which brought in an average of \$664,000 after two full fishing seasons.
- 2. Dillingham was no longer the only commercial fishing district in the BB region without a local fish tax.
- 3. Dillingham made good on its word and provided tax relief to real property owners who owned property in Dillingham.
- 4. Dillingham made good on its word and provided a tax refund to low income fishers no matter where they resided.
- 5. Local fish tax didn't appear to be affecting local participation in the Nushagak fishery comparing 2008 data with 2013 (tax was in effect in 2013, the amount of the harvest was half in 2013, more local residents participating percentage wise 2013 over 2008).
- 6. Local fish tax was bringing in tax revenue to Dillingham from people that lived outside the region and state; in 2013 approx. 69% of the local fish harvested was caught by fishermen outside the region.
- 7. Dillingham was now collecting tax revenue from Nushagak Bay fish that no one was getting before. 46% of the Nushagak Bay fish were processed outside the region. When there's no local fish tax, the state fisheries business tax was based on the point of processing not harvest, so other regions would be getting that revenue.
- 8. Dillingham was already using some of the fish tax collected, including the emergency purchase of a new loader to put the harbor floats in when its loader was no longer usable.
- 9. If the annexation passed the legislative review process, Dillingham would again collect the local fish tax to help build the Nushagak Fish Tax fund for fisheries related expenditures, support a Fisheries Infrastructure Fund (Regional Fisheries Improvement Fund), support a Borough Study Fund, and property tax relief and low income refunds.

d. Proposed Transition Plan

Manager Loera referenced Exhibit D in the draft petition. In the 2010 petition the City informed it would:

- Levy and collect raw fish severance and sales tax. If the draft 2014 petition is approved, the transition to collecting taxes will be seamless since the City has already developed the system.
- 2. Provide increased environmental protection within City Boundaries by purchasing and maintaining an oil spill response cache at the City Boat Harbor and possibly in other areas.
- 3. Enhance public safety response and coordination by better support for volunteer search and rescue, enhanced coordination with Alaska State Troopers, and cross training and use procedures between harbor and police staff for use of the City skiff.

Progress in these areas include:

- 1. The COD developed the tax structure and a fish tax refund program for fishers owning real property, and for low-income fishers regardless of residency, and established the Regional Fisheries Improvement Fund.
- 2. The COD will be purchasing Oil Spill Response equipment this spring along with equipment for cleaning soiled material and a container to put the equipment in. This past spring the barge that spilled fuel on the Nushagak River was assisted by Harbor staff by lending pumps to wash down the oil sheen on Kanakanak beach.
- 3. Public Safety efforts to work out a mutual aide agreement with the Alaska State Troopers hit a dead end once the appeal was filed. Plan to have the AST remain the "first" responders on the water similar in other regions. Work on a MAA with AST.
- 4. The City of Dillingham Police and Alaska State Troopers has worked together numerous times to respond to emergencies in the annexed water using State boats. Public Safety and AST continues to work cooperatively together on drug issues and emergencies.
- 5. The DPD purchased rescue equipment and PFDs for all their patrol vehicles to respond to emergencies in and outside the harbor.
- 6. DPD participated in boat operation training sponsored by US Fish & Wildlife. Will continue to work with other agencies on joint training of staff.
- 7. The harbor skiff assists fishermen to secure and protect their boats.
- 8. Harbor staff worked with Coast Guard, F & G and other agencies to monitor the sinking of the Lone Star in Igushik during the 2013 commercial fishing season.

(The meeting recessed around 7:03 p.m. for a short break.)

2. Public Testimony on Draft Plan (Limited to Three Minutes)

Mayor Ruby reviewed the process for presenting testimony, limited to three minutes, same as Council meetings. Written testimony as well as verbal testimony would be submitted to the LBC.

Public testimony began at 7:10 p.m.

Tom Tilden, a drift fisher, lived on a Native allotment in Dillingham, paid boat and harbor fees, and was a recipient of other City services. He favored annexation. He wished the City would be talking about Borough formation instead of annexation, but favored the tax. Future predicted

State deficit-spending which would result in declining City revenues. Money will have to be made up somehow, or do without some services. BUT, we have to live with our neighbors, and hopes the City will work hard and close with local communities to give breaks.

Diane Wetter, Ekuk fisher. She felt collecting a tax on a public resource without sharing it with others was wrong. Asked not to approve annexation.

Norm Van Vactor, CEO of BBEDC. Spoke on behalf of BBEDC and the 17 communities they represent; New Stuyahok and Koliganik are not within the BBEDC governance. In 2010 BBEDC's Board opposed the annexation and raw fish tax, and that position has not changed. Spoke about the concern with sustaining communities and the fairness of placing a tax burden on the Nushagak fishery which would only benefit DLG. BBEDC questions- what conversations about fish-related issues affecting their communities have taken place, tax sharing with other communities. DLG is choosing to go down this path on its own, should be reaching out more to the surrounding communities, because their opinions matter.

Billy Maines, DLG resident and former council member who had pushed for annexation. When it was later put in place, he thought it was a done deal. He noted the numbers presented by the consultant spoke for itself. It was generating revenues that were now going away. There is a small group of homeowners (not on native allotments) that pay the bulk of city taxes. He was fully in favor of continuing the process and to continue to provide relief for low income and homeowners.

Ferdinand Sharp, Manokotak resident and an Igushik set netter. He noted that he did not receive any Dillingham services and that was why he opposed annexation. During the oil spill in Igushik, they did not get any service from Dillingham. They lost out on fishing that season. There were other incidents, when their cabins flooded, when they needed police service, that they did not get any service from DLG.

Carolyn Smith, Aleknagik resident, and a drift netter. Was in favor of the annexation petition, because she liked what taxes could do to sustain the ability of a community. She noted about 30-40 people drove to Dillingham which provided an economic opportunity. People that come here for a couple of months don't really support services. Maybe the extra fish tax could lead to sales tax exemption for food.

Moses Toyukak Sr., from Manokotak, speaking for his City Council. Thanked the Council for the upcoming visit to Manokotak for an informational meeting, for an opportunity to hear what their residents have to say. He asked to have the meeting treated as an official meeting and put on record for the LBC. He noted over 100 Manokotak vessels fished the Nushagak district. The proposed annexation was the biggest city annexation ever proposed in Alaska. Does not want DLG to control subsistence and economic resources and urged the City to drop the Igushik section from the proposed annexation. Also wanted revenue sharing and tax relief for village based fishermen. Manokotak was looking for grants to prepare their own annexation petition. (Copy of written testimony attached.)

Richard O'Connor, Ekuk set netter. He was opposed to annexation and the tax. He felt the two year test trial was a failure. He agreed the City needed revenue sources, but couldn't see where not sharing the tax with the neighboring communities was a good thing. He did not see

Page 297 of 344

evidence of money actually spent to support commercial fishery industry. He felt the purchase of a loader did not count because it does other things than put floats in. He noted another example where the taxes would go to city streets, in the spring of 2013 at the end of Wood River Road, the road fell apart, and the City did not fix their own street, because they said Icicle had torn it up. Icicle had to pay a construction company to repair it. While the vessel was sunk in the Igushik, DLG was unable to respond to it. Petition said money would be put towards off shore spill response, but there was no response and DLG did not do anything to help Manokotak. We should not have collected tax from them that year, they had a hard year. Public safety went down when the City annexed the fishing district. State troopers were not willing to respond to calls of intoxicated vessel operators or domestic violence because they said it was Dillingham's jurisdiction. City did not have the personnel or equipment to respond.

Robert Heyano, represented Ekuk Village Council. (A copy of his written statement provided.) Judge Douglas's decision made it clear that the public hearing was the public's chance to put on record their opposition and for the City to hear those concerns. He questioned how serious the Council was taking this decision by allowing only three minutes for testimony. Economically and physically Dillingham was the envy of the region. He noted the commercial fishing industry already paid more than its fair share in taxes. Overall the fishing industry was a big financial plus for Dillingham not a financial liability. The City stated the importance of the people deciding the annexation. He felt the closeness of the election was evidence of the popularity of annexation.

Robert Clark worked for BBAHC. The Health Corp. was opposed. All the villages needed to share, if there was a regional entity that would be best. He wanted Dillingham to succeed, but not at the expense of the other villages. Even if there was a regional government there would still be a concern that DLG would get most of the benefit. He was concerned with the trails to town blocked off to snowmobilers from outlying villages. Shouldn't have to struggle to get their gas and food. Make Dillingham a welcome place. He saw lots of needs, and some improvements, if we want more, we need to find a way to pay for it. He felt there should be more meetings with the villagers, and look at a region-wide borough.

Jane Gottshalk, Mayor of Aleknagik. City of Aleknagik opposed the petition to annex. She presented a copy of Resolution 11-10 (copy attached) to replace resolution on p. 62 of the draft petition as it was incomplete.

Susan Jenkins Brito, Dillingham resident, and her husband owned and operated a drift boat. She was in favor with some serious reservations. She understood the need for a tax or some way to capture the revenue from the salmon resource to alleviate some of the burden put on the City's infrastructure. DLG was only one community of eight in the region who have fisheries that will inevitably fish in the district and pay the raw fish tax, but some of those communities may not use the services in Dillingham. Should have some tax revenue sharing in place. She was in favor of the low income fishers rebate and real property owner rebate. The City needed more outreach and education to make sure folks know rebates exist.

Dan Dunaway, Dillingham resident, and his son was a commercial fisher. He strongly supported the annexation. He felt the original annexation effort was done properly and Judge Douglas was wrong and did not do her due diligence. He sat in on efforts to form a borough two or three times and it was shot down. The LBC required that Dillingham do additional hearings and meetings

and it was shot down. The LBC required that Dillingham do additional hearings and meetings after annexation. Some of the communities that say they have not had a say could never organize a meeting for the representatives of the City to go and talk to them. Time to move on. DLG essentially acts like a borough already, providing the essential infrastructure with its harbor, docks, airports, and a lot of other facilities. Most every villager benefits somewhat from strength and the function of the infrastructure the City provides. He was concerned that the harbor would slowly slough off, because the City now had to come up with matching funds to fix it, and where would the money come from. He would like to see a plan for other communities to join/merge with DLG and explore revenue sharing. Alternative funding sources are drying up. Fish tax here evens out the competitive advantage, attractiveness of this bay to people coming from other areas, reduces the competition if we locally fish here. He respected the concerns of his neighbors.

Mike Davis, was a fisher and property tax payer and supported the annexation petition. He hoped an outcome would result in working more closely with other communities and move towards the formation of a borough.

Curt Armstrong, in favor of annexation. He commended the Council for pursuing the annexation, noting borough formation had been an issue since 1961. He felt it was a smokescreen at this time; the villagers claimed they wanted more sharing, but believed a borough was the way to go but the villages were resistant. He felt Judge Douglas had made an error in her decision. The local voter option provided more opportunity to participate, glad that occurred first, and now the City should move forward. He noted this was a revenue source that was not being collected. 70% went to Washington and Oregon. In his view the election was not a close election. With all the effort that went into ax the tax, he felt the election was a landslide.

Tina Tinker, Vice Mayor of Aleknagik, opposed annexation. She felt that now there would be support for a borough, and there should be revenue sharing. She noted in Aleknagik's resolution there was reference to forming a borough.

Joe Faith, opposed annexation and the tax proposed. Commercial fishing already pay business tax, personal property tax on boats, fisheries business tax passed through to DLG, sales tax related to commercial fishing, real property tax. He had never seen data on revenue realized from commercial fishing. If there was a fish tax there should be revenue sharing within region and sharing with other villages. Borough formation has not happened, because the villages do not want to be dominated by Dillingham. He thought changes in state tax on fishing should be explored.

Kay Andrews, Aleknagik resident, Ekuk set netter. She noted she was giving the same testimony presented in 2010 with a few changes. She was asking the Council to reconsider the petition, because it is a shared natural resource and infringes on the boundaries of existing communities. She noted it is not cheap to move a family to Ekuk for the fishing season. She believes in local support, and purposely purchases all her goods, supplies and fuel in DLG and uses the local barge service. She understood the need to tax and the potential benefits, but she was opposed to seeing DLG benefitting and would rather the revenue go to where it was derived from. The tax is lost revenue to the families that already don't have much. How does this help the Nushagak communities collectively? Does it help with their infrastructure and basic essential needs? Only see City of Dillingham reaping the benefits. The petition would essentially be

their communities. Hoped the City would have an opportunity to visit the communities so they could share their concerns. Commended the City of Dillingham for looking for revenues for its needs impacted by public users, but we all share in the same dilemma. Leave the money on the table until it can be shared.

Jerry Liboff noted he was resubmitting the testimony previously given to LBC (copy attached). He was still opposed to annexation. One thing he has learned is that the local tradition is one of sharing. A common belief is Dillingham is only for Dillingham. He was still in favor of some kind of Borough. He thinks it will be more difficult to get people to form a borough unless additional steps are taken: 1) Travel to every village to listen in public hearings; 2) should have another opportunity for people to speak who didn't get their entire presentation in three minutes. It would go a long way; 3) Need to include revenue sharing and will get lots more support.

Patricia Treydte, taxpaying resident of Dillingham, various majority of her income derives from commercial fishing. She felt with the tax she was getting a double whammy supporting the City. Acknowledged the City needed money, but this was an unfair way to get money. There is a good reason we are the only district that does not have fish tax. When the season was poor in 2013, the number of residents weren't deterred, but were paying a bigger percentage. We are taxing region fishers out of proportion. A lot has been made that we want to tax the outside fishermen, they catch more fish per boat, therefore they will pay more tax, but that is not how it works. The expenses are the same no matter how many fish you catch. We are being taxed an income tax on gross income. Take the expenses away, we are taxing ourselves a way higher percent, percentage-wise. For a resident of Manokotak that is the majority of their income. They are being taxed a way higher percentage. If we share the revenue, which we should do, will we be ahead or not? There must be a more fair way.

Dave Piazza, Superintendent with SW Region School District. Read from a resolution opposing annexation that was adopted 9/23/14 (copy attached).

Dave Gladden. He was opposed to annexation for all reasons stated in the testimony. He felt the new tax would drive people away, that it getting so expensive to live here. We need to be back at borough formation before we have annexation discussion. Should have done this first.

Frank Woods, Dillingham resident all his life and a commercial fisher. He commercial fishes in pretty much every district. In favor of fish tax because he pays a fish tax everywhere else no matter where he goes. It is not a hindrance. Our infrastructure lacks because we do not have a tax, noting the comparison with Naknek and its large fishing dock. The harbor is expensive to run, and the infrastructure around that harbor should be developed on both sides. There is no infrastructure to handful the fleet other than PAF boatyard and a handful of outsiders providing services. There is enough business that people could move in set up shop and make a living year round. Would like to see the property refund go towards the property tax on his boat.

Mayor Ruby noted it was not too late to enter comment cards or additional written testimony. The due date to submit is by September 30, at 5 PM. (Information can be found on the notice of the public hearing and on the City's website.)

The hearing portion of the meeting concluded at 8:34 PM.

revised May 11, 2015

IV. CITIZEN'S DISCUSSION

Kay Andrews:

- Commended the COD for its recent improvements including the store renovations, the gardening, building murals, repairs to the roads and airport; and
- Asked how a record of the testimony would be submitted.

Mayor Ruby answered the minutes would be taken, and a disk copy of the recorded meeting submitted to the LBC.

Misty Savo:

 noted those that had adhered to the three minute time limit were put to a disadvantage, had they known they could have had a longer time would have had a stronger position, but did not think others going over the time limit had been allowed in a biased way.

Dan Dunaway:

• Stated he was frustrated with the poor road construction, soft spots, near Scandinavian Creek, had shared a number of complaints with the project manager.

V. COUNCIL COMMENTS

Paul Liedberg:

• Thanked everyone for coming out and being part of the public process, that's what was needed, don't have all the answers.

Chris Maines:

Echoed Paul's comments; learned a lot.

Holly Johnson:

 Thanked everyone for coming out that it was important that the communities are recognized.

Tracy Hightower:

Thanked everyone for coming out; was listening to all the comments.

Bob Himschoot:

• Thanked everyone for the participation and to ensure the Council was listening.

VI. MAYOR'S COMMENTS

Mayor Ruby:

- Received responses from Manokotak and New Stuyahok to hold meetings, asked Council members to inform her if they had scheduling conflicts; and
- Appreciated Dan being the road advocacy, good to have citizen input.

VII. ADJOURNMENT

revised May 11, 2015

Mayor Ruby adjourned the meeting at 8:42 p.m.

Mayor Alice Ruby

ATTEST:

[SEAL]

Janice Williams, City Clerk

Approval Date:

June 14, 2010 as revised May 11, 2015

Page

PUBLIC HEARING - ANNEXATION OF COMMERCIAL FISHING WATERS SPECIAL COUNCIL MEETING HELD SEPTEMBER 27, 2014, 6 PM, COUNCIL CHAMBERS CITY OF DILLINGHAM

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CITY OF DILLINGHAM
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SPECIAL COUNCIL MEETING HELD SEPTEMBER 27, 2014, 6 PM, COUNCIL CHAMBERS

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SPECIAL COUNCIL MEETING HELD SEPTEMBER 27, 2014, 6 PM, COUNCIL CHAMBERS

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CITY OF DILLINGHAM
PUBLIC HEARING - ANNEXATION OF COMMERCIAL FISHING WATERS
SPECIAL COUNCIL MEETING HELD SEPTEMBER 27, 2014, 6 PM, COUNCIL CHAMBERS

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Statement on Dillingham Annexation Proposal Pre-filing Hearing, Dillingham, Alaska, September 24, 2014

by

Moses Toyukak, Sr. City of Manokotak City Council

Good evening, Mayor Ruby and City Council members. I am Moses Toyukak, Sr. I'm on the Manokotak City Council. I'm here representing my City and its residents.

First, we want to thank you for planning an informational meeting in Manokotak. It's good for the City of Dillingham to go and hear what other Manokotak people have to say. Not everyone can pay to come to Dillingham for your hearing here tonight. But an informational meeting is not the same as an official hearing like this, where everything goes on record for the LBC. We asked for a pre-filing hearing in Manokotak, but the City didn't agree. Therefore, we respectfully ask that the City record and document what is said at the meeting in Manokotak, just like LBC regulations require for this pre-filing hearing. Manokotak people deserve to have what they say saved and put and on record for the LBC. If the City thinks our part of Nushagak Bay is close enough to annex, then we're not too far away to be heard in the official record. We hope the City will respectfully agree to this.

Now, everyone here should know that we Manokotak people use the Igushik and Snake Rivers to go to Nushagak Bay. We go back every year to the old Igushik village site where some of us were born. We go back to our fish camps and set net sites near the river mouths and up and down the coastline. We fish Nushagak Bay for subsistence and commercial fishing, and for other traditional food-gathering as well. Almost all the set netters and drift netters who fish our part of the Bay are from Manokotak. The Manokotak fleet numbers over 100 vessels ranging from 14 feet to 32 feet. The commercial fishermen deliver mostly to tenders stationed nearby. Most of the local fishermen store their boats near Manokotak. Few of them use Dillingham's harbor facilities.

So, we object to this big annexation that Dillingham is proposing, the biggest city annexation ever proposed in Alaska. Manokotak isn't looking to take anything away from Dillingham. We don't want Dillingham to take anything away from us, especially control over our subsistence and economic resources, and make us pay for the favor.

We urge you to drop the Igushik Section of the Nushagak Commercial Salmon District from your annexation proposal.

Then, if Dillingham decides to go for a major annexation and a raw fish tax elsewhere in the Bay, we urge these two things. First, the Dillingham should provide revenue sharing with other Nushagak Bay communities. Second. Dillingham should provide tax relief for village-based commercial fishermen. If tax relief is right and fair for Dillingham fishermen, then it's even more right and fair for village fishermen who don't even live in Dillingham or use its boat harbor much.

Lastly, I want to tell you that the City of Manokotak is looking now for grant funds to prepare our own annexation petition. We just want to annex our part of Nushagak Bay, the part that Manokotak people have used traditionally and use and rely on today.

In addition to my statement, I am also submitting for the record comments collected from Manokotak residents. I hope what you hear at the informational meeting in Manokotak becomes part of the record, too.

Thank you.

Statement of Robert Heyano
President of Ekuk Village Council

Public Hearing on the City of Dillingham's Draft Annexation Petition for Annexation of Nushagak Commercial Salmon District Waters and Wood River Sockeye Salmon Special Harvest Area Waters and Land

> City of Dillingham September 24, 2014

Good evening Mayor Ruby and City Council members. I am Robert Heyano and I'll provide a print copy of my statement for the record. I am speaking mainly for the Ekuk Village Council. But my comments will also include many concerns that tribal, city, and regional organizations and many subsistence and commercial fisherman raised about the City's last failed annexation attempt. You are considering a new petition, so those concerns have to be restated for you and for the LBC's record.

I welcome this chance to speak at this pre-filing hearing, before you finalize any annexation petition. Judge Douglass's decision vacating the last annexation attempt made one thing clear. This hearing is an important opportunity that the public was denied the last time around. Judge Douglass also made it clear that this hearing is not meant to be an empty exercise. It's the public's chance to put on record its concerns about a proposed annexation. And it's the City's chance to hear and consider those concerns before it finalizes any petition.

My first point is this. The Nushagak Bay villages and Dillingham have shared the bounty of Nushagak Bay since long before any of us here today got here. They have also shared the burden of supporting each other's fishermen and the commercial fishing industry. No single community monopolized the bounty. No single community monopolized the burden. We shared then and we share now.

During the LBC's comment period and public hearing, the City's last petition roused many concerns throughout the region. All of those concerns apply to the current petition as drafted, plus one new important concern that I'll come back to later. The City's draft petition is very long and full of details, too much to reply to here. Instead, my statement focuses on three central issues. It:

- 1. Underlines some of the widespread concerns about the geographic scale of the proposed annexation;
- Points out some practical revenue alternatives the City might pursue before settling on an excessive annexation; and

Suggests ways to design any eventual annexation petition so that it meets the City's revenue needs and respects the territorial and economic interests of others who share the Bay with Dillingham.

First, let me underline some of the main concerns people throughout the region have about the proposed annexation.

- 1. The village fishermen of Ekuk, Clark's Point, Manokotak, Aleknagik, New Stuyahok, Koliganek, and Ekwok are all deeply concerned. They have traditionally used and continue to use Nushagak Bay and/or Wood River for subsistence and commercial fishing. The Alaska Department of Fish and Game and other researchers have documented their use in many studies. Various tribal and city councils, village corporations, and regional agencies have documented it in resolutions to the LBC opposing annexation. The residents of these villages are concerned that Dillingham is seeking city jurisdiction over their traditional subsistence and commercial fishing grounds. Since most of their resident commercial fishermen make little or no use of Dillingham's boat harbor or related services, they think it's unfair to tax them for Dillingham's benefit.
- 2. Similarly, many non-resident commercial fishermen who fish distant Nushagak Bay make little or no use of Dillingham's facilities and services. Many deliver their catch to near-shore tenders and on-shore processors far from Dillingham. They think it unfair for Dillingham to tax them for services and facilities they do not need or much use.
- 3. The Bristol Bay Native Association opposed the last annexation. BBNA noted that several Nushagak Bay villages – not just Dillingham - deliver various shorebased services to the Nushagak Bay commercial fishery in their vicinity.
- 4. The Bristol Bay Area Health Corporation opposed the last annexation. BBAHC was concerned that the annexation and new raw fish tax would disrupt the ability of village health clinics to continue local delivery of services. BBAHC also noted that the villages throughout Nushagak Bay help fund local health clinics that serve the fishing industry.

- The Southwest Region School District urged the LBC to deny the last petition.
 The District cited annexation's negative impact on the economic, health, and educational well-being of the villages it serves, and on the viability of any future borough.
- The President/CEO of the Bristol Bay Economic Development Corporation told
 the LBC about how approving the annexation and raw fish taxes that Dillingham
 sought would further undermine the economic sustainability of the village-based
 commercial fishery in Nushagak Bay.

These are not baseless or trivial concerns. They all deserve to be taken into account by the City before it finalizes any annexation petition. The city would do itself good to hold more face-to-face hearings like this one in other communities of the region, so that people living there can believe they have been truly heard before a petition is filed with the Local Boundary Commission.

Now, let's turn to the main issue that seems to be driving the City's annexation effort – more money for city services.

Dillingham is by far the region's richest community. It enjoys by far the region's bestfunded city facilities and services. Economically and fiscally, Dillingham is the envy of the region. For this, Dillingham owes thanks largely to the commercial fishing industry. The fishing industry already pays more than its fair share in sales taxes, property taxes, user fees, etc., to fund city services, including city schools and many other facilities and services non-local fisherman do not use. Overall, the fishing industry is a big financial plus for the City of Dillingham, not a liability.

But if the City still needs some more revenue for its small boat harbor or harbor-side trash collection, there is a simple and fair solution. Charge everyone who uses those services – city and non-city residents alike – honest user fees that cover the cost of the services. Or just make them user-funded enterprises like a lot of other cities do. And if Dillingham-based processors don't pay their way for the City, then the City should

charge them their honest costs. End of fiscal problem. These are not wild ideas. They are ideas that the LBC staff guidebook on annexation recommends that cities consider first as alternatives to annexation. Another money-saving idea from the LBC guidebook: look at cutting back on services the city delivers outside its boundaries.

If the City doesn't like any of these fiscal solutions, well, its latest financial report shows it has a general fund balance of \$5,664,380 as of July 31, 2014. That's a pretty healthy unbudgeted surplus. The city should consider using a small part of this surplus, much of which came from the fishing industry, to help cover harbor operations.

But if after considering all these alternatives, the City still thinks it must pursue some sort of boundary change, then I suggest this: that the City and other impacted parties in the region first work together to see if there might be a new will to create a regional borough designed to meet the needs of the city and the communities that may wish to join. If that fails, then I suggest a joint effort to develop a scaled-back annexation proposal that meets the City's legitimate need for money **and** respects the legitimate concerns of the rest of the region **and** that all parties can accept and support before the LBC. Depending on the extent of a reduced annexation, a revised annexation that involves a new raw fish tax may need to offer substantial tax relief for all affected resident commercial fishermen in the region, not just Dillingham residents. And it may need to include some revenue sharing with the other communities that share the bounty and burden of the Bay's commercial fishery.

To sum up, I think there are workable solutions to the City's fiscal needs that do not involve an urgent and aggressive annexation that offends almost everyone in the region outside Dillingham. The City does not have to hurry itself and the Local Boundary Commission and the rest of the region down the path of another contentious, costly and risky annexation attempt.

Now, earlier I said that the current petition raises one important new concern. I remember something Mayor Ruby swore to here in Dillingham at the LBC's hearing on

the failed petition. Mayor Ruby told the Commission why the city council wanted a vote of the residents before the petition and tax became final. Mayor Ruby said then that, "The city council in Dillingham strongly and unanimously supported the community election route. They felt very strongly this is an important decision and it's best made by the people directly impacted and who will live with the consequences in the future".

The city council got that part right then, even if only some of the people directly impacted got to vote. As the closeness of the election showed, the annexation and new fish tax isn't all that popular in Dillingham either. The city council should do it right again, if it pursues another annexation. The City should put approval of annexation and a new raw fish tax to a vote by its residents.

To sum up my remarks, I urge the City to:

- 1. Give full consideration to all the concerns voiced by the other impacted people who share Nushagak Bay with Dillingham;
- 2. Pursue practical revenue alternatives to meet the City's money needs before pursuing annexation; and
- 3. If the City chooses to pursue annexation, work with other directly impacted people in the Bay area to draft an annexation petition that can win broad regional support and sure success before the LBC.

Thank you.

CITY OF ALEKNAGIK Resolution 11-10

A RESOLUTION OF THE ALEKNAGIK CITY COUNCIL TO APPOINT A REPRESENTATIVE TO NEGOTIATE ON BEHALF OF THE CITY OF ALEKNAGIK ON POST-ANNEXATION FINANCIAL MATTERS

- **WHEREAS,** the Local Boundary Commission has approved an annexation petition submitted by the City of Dillingham dated June 14, 2010.
- WHEREAS, in it's petition the City of Dillingham would be permitted to annex the waters of the Nushagak Commercial Salmon District and the Wood River Sockeye Special Harvest Area. Upon approval of the annexation by the qualified voters of the City of Dillingham, the city would impose a 2.5 cent tax on the sales of raw fish within the annexed territory.
- WHEREAS, the petition was granted on the condition the City of Dillingham attempted to meet with the cities of Aleknagik, Clark's Point, New Stuyahok, Ekwok, and Manakotak and the entities of New Koliganek Village Council (dba Native Village of Koliganek) and the Native Village of Ekuk regarding post-annexation financial matters affecting such parties due to the annexation and file a report of the meeting attempts, whether or not held, and meetings held, if any with the Local Boundary Commission by no later than 11/30/2011.
- WHEREAS, it is in the best interest of the Western Bristol Bay Region that the communities listed above collectively form a board of individuals appointed from each community for the purpose of meeting with the City of Dillingham to discuss a fair and equitable solution to post-annexation financial matters.

NOW THEREFORE BE IT RESOLVED THAT:

- (1) The Council of the City of Aleknagik appoints Berna Andrews to serve as it's representative on a board made up of representatives of the municipalities and entities named in the Local Boundary Commission decision. This representative has the authority to negotiate on behalf of the City of Aleknagik to arrive at a fair and equitable solution to post-annexation financial matters affecting the residents of the City of Aleknagik.
- (2) The appointed representative shall inform the council members during the course of the meetings in a timely manner
- (3) The City of Aleknagik continues to oppose the annexation of the Nushagak Commercial Salmon District to the City of Dillingham and in furtherance of that opposition will contribute a pro-rata part of the cost incurred by the Native Village of Ekuk of appealing the decision of the Local Boundary Commission to

Resolution 11-10 Page 1 of 2 the Superior Court of the State of Alaska. It is the intent of this resolution that the contribution will not exceed \$3,000.

SIGNED:

Mayor

ATTEST:

APPROVED JUN 18 RECT

Resolution 11-10 Page 2 of 2

CITY OF ALEKNAGIK

RESOLUTION 11-16

A RESOLUTION SUPPORTING AN ENGAGEMENT TO THE FORMATION OF A WESTERN BRISTOL BAY REGION BOROUGH

WHEREAS, the City of Aleknagik in resolution 97-20 supported a petition to annex with Lake and Peninsula Borough; and,

WHEREAS, the City of Dillingham conducted a Dillingham Area Analysis of a Borough Formation that included Dillingham, Aleknagik, Ekuk, Clarks Point, Portage Creek, Ekwok, New Stuyahok, and Koliganek, September 2003; and,

WHEREAS, the City of Dillingham petitioned the Alaska State Local Boundary Commission on June 14, 2010 for annexation of Nushagak Commercial Salmon District Waters and Wood River Sockeye Salmon Special Harvest Area Waters, together consisting of approximately 396 square miles of water and 3 square miles of land (small islands) of which 99.2 % is water, using the local option (voter approval) method; and,

WHEREAS, the City of Aleknagik is therefore committed to assisting in organizing a Bristol Bay Western Region Borough that could include the communities of Aleknagik, Dillingham, Ekuk, Clarks Point, Portage Creek, Ekwok, New Stuyahok, Koliganek, Manokotak, and Togiak; and,

WHEREAS, formation of a Bristol Bay Western Region Borough would allow unincorporated communities an opportunity to continue to share in the Bristol Bay Commercial Salmon District Waters including the Wood River Sockeye Salmon Harvest Area Waters and its potential to provide revenue which is a primary economic resource engine for all communities in Bristol Bay; and,

WHEREAS, all communities mentioned herein are tributaries of the Western Bristol Bay Region; and,

WHEREAS, fiscal independence from uncertain forms of revenue for overall governmental operations is critical for all communities;

NOW, THEREFORE BE IT RESOLVED; that the Council and the Mayor or Designee is directed by this resolution to encourage the City of Dillingham to postpone the annexation vote in order to allow said communities an opportunity to engage in the formation of a borough that would allow all to share in the primary economic resource of the Bristol Bay Commercial Salmon Fishery Industry of Western Alaska.

Passed and approved by a duly constituted quorum of the City of Aleknagik this 15th day of November 2011.

SIGNED:

ATTEST:

Carolyn M. Smith, Mayor

Jeri Alakayak, Clerk

DATE

DATE

LIBOFF TESTIMONY BEFORE THE BOUNDARY COMMISSION

1. MY CREDENTIALS....

My name is Jerry Liboff. I have been a resident of BB since 1969 and a resident of Dilly since 1980.

I commercial fish for salmon and have been doing so for over 35 years.

I manage 2 small Ak Native Village Corporations.... Koliganek and Igiugig.

I am a loan correspondent for CFAB Bank, helping local fishers fill out loan apps for boats and permits.

And, I have a tax preparation business, which I have operated since 1971. I file taxes for many people here in Dilly, and the surrounding villages. This year I did approximately 100 taxes for residents of Dilly, and about 150 taxes for folks from Clarks Point, Manokotak, Aleknagik, Ekwok, Stuyahok, Togiak, Twin Hills, and Koliganek. Approximately ½ of these taxes were for people who commercially fished.

I sit on a number of local boards, including: KDLG radio station advisory board, BBCRSA board, and the BBNC Ed Foundation Board.

I WISH TO EMPHASIZE THAT I AM SPEAKING ONLY FOR MYSELF, AND NOT FOR ANYONE ELSE.

2. I HAVE 3 CONCERNS WITH THE CITY ANNEXATION PROPOSAL WHICH I WOULD LIKE TO SHARE WITH YOU

- a. The process of developing the proposal to annex and tax the fishery did not include the surrounding villages.
- b. The results of the annexation, if approved, will leave the surrounding villages with no revenue from the tax collected,
- c. AND, the tax will impose a disproportionate burden on fishers from the villages

3. FIRST.... THE PROCESS

Just like Dillingham. Services which include fishery related infrastructure, like boat storage, boat hauling, and road maintanence. If a fish tax transpires, should not these city governments get monies from this tax? I THINK SO. Do they not have community service needs equal to or maybe greater than Dillingham? I THINK SO. IF THERE IS A TAX, IT SHOULD BE SHARED BY ALL THE SURROUNDING VILLAGES. Especially since the villages have a larger share of its residents who are poor and out of work.

5. MY THIRD CONCERN......

The BBEDC commissioned a study in 2009 by Northern Economics called "The importance of the BB Salmon Fisheries to the region and its residents". This study talks in length about the outmigration of permits for BB watershed residents. Resident BB drift permits have dropped from about 700 in 1980 to about 400 today. BB resident setnet permits have dropped from about 450 to 300 in the same period. And, they continue dropping. The percentage of permit loss, in my opinion, is even greater in the villages, than in Dillingham.

AND, to compound the loss, every drift fisher hires 2-3 crewmen. In the villages, these crewmen are generally family or neighbors from the village. So a permit lost to a community here, results in the loss of 3-4 village seasonal jobs.

The fishery has been very profitable for some people, but for most locals, it has not been very profitable. The NES indicates that the average BB watershed resident DRIFT FISHER grossed \$35000-\$45000/year in the period 2005-2008. My experience as a tax preparer for fishers in the area tells me that, on average, a fisher will take home about 20%-30% of his gross income after expenses. This equates to \$7000-\$14,000 for local permit holders. The study also shows that only 25% of resident fishers have other jobs. .So, 75% of resident BB fishers had no other jobs, and earned only \$7000-\$14,000/year during the years 2005-2008. It was worse in the period from 1999-2005 when prices and average catches were less. This is less than minimum wage. My experience doing taxes in the surrounding villages tells me that this percentage of non working fishers is even more pronounced in the villages outside Dillingham. I think only 10%-15% of village fishers have other work in their communities. It is no surprise that we see an outflow of permits in the bay. Many of Our locals are barely surviving in the fishery. SHOULD WE BURDON THESE VILLAGERS WITH AN ADDITONAL 21/2% tax? Drifters are already paying a 1% tax to support the Regional seafoods marketing association. I think it will just add to their difficulty in surviving in the fishery. Therefore, I believe, if a a tax scheme is imposed, it should give these fishers some credits and reductions in the tax they pay.

SUMMARY....

Dillingham is a HUB for all the surrounding communities, and even more, is a REGIONAL HUB for all 32 BB villages. Its long term health and success as a community requires healthy villages around it, growing communities which will come to Dillingham to shop, go the the regional hospital, take classes at the local branch of the University of Alaska,, stop in to the regional offices of the State and Federal Government, and utilize Dillingham's fishery related services. If our villages wither and die, if the villages and their local governments cant sustain themselves, then Dillingham will surely follow. I think passing this proposal as written, will add one more nail to the coffin . None of us who live here want that. That much we all agree on.

I thank the city fathers of Dillingham for being concerned enough about the health of our community to bring this issue to the table for discussion. I commend them for their time and effort. We all agree that we must find a way to pay for the services we want. I believe that if we go back to the drawing board, and address the issues I outlined above, AND, bring into the discussions, leaders from the surrounding villages, we will come up with an equitable plan that we all can support.

Thank You for Your time.....



Southwest

Region School

District

September 24, 2014

City of Dillingham Attn: Mayor Alice Ruby 141 Main Street

P.O. Box 889

Dillingham, AK 99576

To Mayor Ruby:

P.O. Box 90 574 Kenny Wren Road Dillingham, AK 99576

(907) 842-5287 • Phone (907) 842-5428 • Fax Please find attached a resolution in which the Southwest Region School District opposes the City of Dillingham efforts for annexation because it would impose taxes on the residents of the area without provision of services which reduction income is likely to negatively impact the health of families in the area with attendant decreases in student's educational performance or force families to move from the communities, leaving insufficient populations to support school sites.

The Resolution was passed, approved and adopted by the School Board of the Southwest Region School District on September 23, 2014.

Sincerely yours,

Aleknagik

Clark's Point

David Piazza Superintendent

Ekwok

Koliganek

Manokotak

New Stuyahok

Portage Creek

Togiak

Twin Hills

SOUTHWEST REGION SCHOOL BOARD

RESOLUTION NO. 15-03

A RESOLUTION REGARDING THE PETITION FOR ANNEXATION BY THE CITY OF DILLINGHAM

WHEREAS Southwest Region School District serves students in a Regional Educational Attendance Area bordered by Bristol Bay to the south, the Kuskokwim Mountains to the west and north, and the Aleutian Range to the east including the communities of Aleknagik, Ekwok, Koliganek, Manokotak, New Stuyahok, Togiak, and Twin Hills;

WHEREAS the villages served by Southwest Region Schools are located 15 to 75 miles from Dillingham, the largest community in the region. Of the seven villages, only Aleknagik is accessible by road from Dillingham and all of the other villages are accessed by air, primarily using small, single engine planes;

WHEREAS the families of a significant percentage of the students served by Southwest Region Schools live below the poverty line;

WHEREAS the region's primary economic base is commercial fishing in the summer, and subsistence hunting and fishing in the winter. The permanent populations of some of the communities served by Southwest Region schools are relatively small;

WHEREAS the Southwest Region School District is concerned that if the fishermen who live in the communities whose students it serves are required to pay new taxes to the City of Dillingham without receiving equivalent services in exchange, those fishermen may not have sufficient funds available to take care of the basic needs of themselves and their families, resulting in reductions in the quality of life of school children and associated decreases in educational performance or in families being forced to leave the village and thereby decreasing the permanent population below levels necessary to support a school;

WHEREAS the proposed annexation may also affect the Southwest Region School District, which has the power to petition to create a borough in the region, 3 AAC 110.410(a)(5). If Dillingham annexes and taxes fishing activity in territory that is part of the region, but not really part of the community of Dillingham, then that may lessen the capacity of surrounding areas to produce or maintain revenue to support a borough or may foster Dillingham opposing borough formation. In light of these dynamics, the boundary commission should consider the appropriateness of creating a borough before permitting the City of Dillingham to claim that territory;

NOW THEREFORE BE IT RESOLVED that the Southwest Region School District affirms the need for stable minimum populations in the communities it serves to provide sufficient numbers of students to maintain its school sites;

BE IT FURTHER RESOLVED that Southwest Region School District urges the Local Boundary Commission to deny the petition for annexation because it would impose taxes on the residents of the area without provision of services which reduction income is likely to negatively impact the health of families in the area with attendant decreases in student's educational performance or force families to move from the communities, leaving insufficient populations to support school sites.

PASSED, APPROVED AND ADOPTED BY THE SCHOOL BOARD OF THE SOUTHWEST REGION SCHOOL DISTRICT THIS 23RD DAY OF SEPTEMBER, 2014:

west Region Schools

Superintendent, Southwest Region Schools

 $\frac{9-23-14}{\text{Date}}$

Written Public Comment

Kim Parker	Page 2	2
Misty Savo		
Unknown	_	
Diane Wetter	Page :	3
David Wetter	Page 4	4
Petla Noden	Page 4	4
Nancy H. George		
Peter K. Heyano	Page !	5
Unknown		
Charlie J. Johnson	Page (6
David Gary Gladden		
Unknown		
Kay Andrews	Page :	7-9
Melvin Andrew	Page	10
Ralph Anderson, BBNA President & CEO	Page	11 – 13
Violet Apalayak	Page	14
Dan Dunaway	Page	15 – 17
John, Siera, and Victoria Weber	Page	18
Iosenh R. Faith	Page	19 – 21



COMMENT CARD:

The City of Dillingham is seeking public comment on potential benefits and/or concerns associated with the proposed 2014 annexation of commercial fishing waters. RECEIVED

• Write comments. Use space on the back of card as needed.

• If you choose, provide address and sign card. SEP 1 7 2014

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D <u>ĽLÍŇGŮÁ</u> M	COMMENT CARD:	The City of Dillingham is seeking public con benefits and/or concerns associated with th annexation of commercial fishing waters.	e proposed 2014
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COMMENT CARD:

The City of Dillingham is seeking public comment on potential benefits and/or concerns associated with the proposed 2014 annexation of commercial fishing waters.

- Write comments. Use space on the back of card as needed.
- If you choose, provide address and sign card.
- Insert the completed comment card in the stamped envelope, seal it, and mail the envelope.

Postmark deadline is September 30, 2014.

Comment: The proposed annexation Will not make Pillinghum a botter community.

More money will not make Allinghum a better community. When leaders make decisions based on money without concerns for its citizens, those decisions disenfianchings their citizens.

Disenfranchised citizens leads to a disengaged community. A cycle begins. More money >

P.O Box or E-Mail: Box 336

Signature: Que with

15 heeded to address the effects of a broken community. Lets cut the wasteful spending, Let's hold those accountable that cause unnecessary spanding. Lets get this right and build a community of people. Fisherman and area residents make Dillingham what it is. All the BB's that call Pillingham home are (BBEOK, BBNA, BBMAC) Village sponsored. Take away the dollars spart by individuals and groups from the villages and fisherman and there is not much left. The city should be thanking them and treating them with respect. Not with scorn of as a burden.

Page 327 of 344



COMMENT CARD:

The City of Dillingham is seeking public comment on potential benefits and/or concerns associated with the proposed 2014 annexation of commercial fishing waters.

revised May 11, 2015

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COMMENT CARD:

The City of Dillingham is seeking public comment on potential benefits and/or concerns associated with the proposed 2014 annexation of commercial fishing waters.

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COMMENT CARD:

The City of Dillingham is seeking public comment on potential benefits and/or concerns associated with the proposed 2014 annexation of commercial fishing waters.

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Page 328 of 344

June 14, 2010 as revised May 11, 2015



COMMENT CARD:

The City of Dillingham is seeking public comment on potential benefits and/or concerns associated with the proposed 2014 annexation of commercial fishing waters.

- Write comments. Use space on the back of card as needed.
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OPTIONAL: Name: Charlie J. Johnson
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The City of Dillingham is seeking public comment on potential benefits and/or concerns associated with the proposed 2014 annexation of commercial fishing waters.

revised May 11, 2015

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SEP 30 2014

CITY OF DILLINGHAM CITY CLERK

Kay Andrews Public Testimony City of Dillingham September 24, 2014

Supplemental Notice of a Pre-Submission Public Hearing for a Petition for Legislative Review of an Annexation to the City of Dillingham

Specific Purpose:

To persuade my audience and the City of Dillingham not to Petition the Alaska Local Boundary Commission for Annexation of Nushagak Commercial Salmon District waters and Wood River Sockeye Salmon Special Harvest Area waters for the purpose of Fish Tax Revenue.

Statement:

The proposed City of Dillingham Fish Tax Annexation on waterways should not be approved by the Alaska Local Boundary Commission as it is a shared natural resource by fishermen, and it infringes on the boundaries of existing municipalities within an unorganized borough in Alaska

Madam Mayor, members of the council and city staff, thank you for allowing me to address you this evening. My name is Kay Andrews. I'm a resident commercial fisher from the community of Aleknagik. I'm married and have ten children and five grandchildren. As you may know, I'm employed with the City of Aleknagik and serve on several boards locally and regionally, but I speak to you today in my own capacity as an Ekuk commercial set net fisher with unique insight in region.

Our family moves to Ekuk every summer to take part in the commercial fishery and subsistence activities and it is not cheap to move a family my size (or any size for that matter) and all the gear, equipment, and goods necessary to meet the fishery.

I/we do believe in local support and purposely purchase my/our fishing business needs from the local vendors that operate in Dillingham for supplies, groceries, fuel, and transport. We also use most of the same vendor's year around since we live in the community of Aleknagik. However, some vendors only arrive during the fishing season. Some of these vendors include L & M Supply, Nukluq Variety, Alaska Net & Supply, LFS, N&N Market, AC Value, Delta Western, Bristol Alliance, Big Foot, and Stelling Enterprises all of which have a tax due to the City of Dillingham who supports the fishing industry. I/we also utilize a locally operated barge service from the City of Dillingham that provides service to and from Ekuk to haul my/our fishing vehicles and equipment for the fishery season with each its own expenses.

Although this is sensitive information, I feel it necessary to share with you what I earned as a set net fisher last season from Ekuk Beach. My gross income from fishing was \$19,278.

After expenses, I earned 9,052. (And, some of these expenses are depreciated overtime). If this annexation is approved, in this scenario, I would be levied a 2.5 percent tax, and my bottom line would further be reduced to \$8,570. \$482 does not seem like much, but for our family it means less on our table to meet our needs. Personally, I would much rather see the revenue benefit the community it derived. I/we already pay for many fishing expenses coupled with increased costs every year. If this taxation is approved it would add to our already burdensome expenses which is equal to lost revenue for our family. I don't mind paying tax because I know the taxes will generate income to pay for some of the public services provided, but I am opposed to the idea that I would pay a fish tax to the City of Dillingham, that was generated in another community, like Ekuk. Is it fair to Ekuk? Is it fair to Clark's Point and Manokotak where population is the formula for revenue from the State of Alaska? How does this "help the Nushagak communities collectively" as mentioned in the recommendation's final report. Does it help with their

infrastructure and basic essential service needs? I only see the City of Dillingham reaping the benefits if this annexation is approved. It doesn't seem fair to tax a fishery and not give back to where it was actually generated. Infrastructure is important in order to maintain any fishery in Bristol Bay, whether in Dillingham or Ekuk. If you approve the current proposed annexation, you will be essentially banning Ekuk, Clark's Point and Manokotak, from the same opportunity the City of Dillingham petition's LBC, to seek revenue that would help meet and sustain community essential services, in their respective communities. I hope you visit each community and give them an opportunity to share with you their concerns as you have in Dillingham today to Petition by Legislative Review Method.

I'd like to take this opportunity and commend the City of Dillingham for all the work it has done to seek additional revenue for its community needs (impacted by public users.) We all share in the dilemma of unmet basic essential needs in our communities from education, transportation, water & sewer, housing, including to the ever increasing high energy costs.

In closing, I urge you to keep the doors open, and leave the money on the table, until this untapped shared fishery resource can truly be shared by all those it affects. Please help us continue our legacy in Bristol Bay; sharing our resources.

Thank you very much for your time and consideration.

Janice Williams

From:

Melvin Andrew

Sent:

Tuesday, September 23, 2014 3:49 PM

To:

cityclerk@dillinghamak.us

Subject:

Comment on Annexation

MEDEWED

SEP 7 3 2014

My name is Melvin Andrew, Mayor of Manokotak.

Manokotak residents are the primary users of the Igushik and Snake rivers, and return every year to Igushik summer fish camp and along the shorelines and coastal waters of Nushagak Bay for subsistence and commercial fishing.

We object to this excessive proposed annexation. We aren't trying to take any revenue or jurisdiction away from DLG and don't want DLG to take anything away from us.

We urge you to drop the Igushik Section from the proposed annexation area.

If you decide to pursue any major annexation and raw fish tax in the Nushagak Section, we urge you to provide for revenue sharing with other Nushagak Bay communities. We also urge you to provide tax relief for village-based commercial fishermen. If tax relief is fair for DLG fishermen, and then it's even more fair for village fishermen who don't even live in DLG.

And I'd like to inform you that the City of Manokotak is looking at submitting its own annexation petition to annex lands and Bay waters traditionally used by Manokotak residents to our city.

Mayor Melvin Andrew
City of Manokotak
PO Box 170 Manokotak, AK 99628
(907)289-1027, Cell (907)717-8259

BRISTOL BAY NATIVE ASSOCIATION

P.O. BOX 310 DILLINGHAM, ALASKA 99576 PHONE (907) 842-5257

OF DILLINGHAW

Tribal Councils

Served by BBNA:

September 29, 2014

Aleknagik Chignik Bay

Chignik Lagoon

Chignik Lake

Clarks Point

Curyung

Egegik

Ekuk Ekwok

Igiugig Iliamna

Ivanof Bay

Kanatak

King Salmon Kokhanok

Koliganek

Levelock

Manokotak

Naknek New Stuvahok

Newhalen

Nondalton

Pedro Bay

Perryville Pilot Point

Port Heiden

Portage Creek

South Naknek

Togiak

Twin Hills

Ugashik

Hand-Delivered

Alice Ruby, Mayor

City of Dillingham

Attention: Janice Williams, City Clerk

PO Box 889

Dillingham, Alaska 99576

Dear Mayor Ruby and City Council members:

Re: Comments on the Draft Annexation Petition

On behalf of the BBNA Board of Directors, I wish to reiterate BBNA's opposition to the proposed annexation. BBNA's full board formally opposed the annexation by Resolution 2010-28 dated September 17, 2010, when the initial petition was pending with the Local Boundary Commission (LBC). Substantively, the new petition is the same, and we object to it for the same reasons.

First, the Nushagak fishing district and the fish taxes it may generate do not "belong to" Dillingham in any meaningful sense; the fishery is a shared resource with the other Nushagak Bay and Nushagak River communities. It is very difficult to conceive of the annexation as anything other than a money grab for the benefit of Dillingham itself, most likely at the long-term expense of the surrounding villages.

Second, there has been no appreciable effort to initiate borough formation or to explore alternatives that might bring some benefit to neighboring communities. While we do not know whether revenue sharing or perhaps a regional tax administration structure would be feasible, the point is that alternatives should be analyzed and have not We would be very interested to know, for example, what impact the City's annexation would have on the financial viability of a future borough. The City is in the best position to take the lead on these issues.

It has actually been quite a long time – the late 1980s - since borough formation within the Dillingham Census Area was seriously considered. In the early 1990s the City of Dillingham petitioned for an annexation to the Lake and Pen Borough, but otherwise

the City appears to have been interested only in expanding its own boundaries. Why not broaden the discussion? Dillingham officials seem to assume that borough formation is not feasible for political or perhaps fiscal reasons, but things may have changed in the two decades since it was seriously studied.

Third, the proposed boundaries are illogical when viewed from the perspective of service delivery. By taking the fishing district waters from the mean high tide line and around the boundaries of the City of Clarks Point, Dillingham is essentially severing the potential tax resource from all onshore areas outside of Dillingham itself that may need services or which may support future development. Municipal-level services such as solid waste disposal and emergency services are needed onshore, such as at Ekuk. Dillingham appears to have structured its annexation proposal to maximum its revenue while minimizing its responsibility to provide service. This is bad policy from any broader regional perspective.

Additionally, there are several areas where the petition and its supporting documents are misleading at best. The city attempts to make the case that because it is the hub for the Nushagak fishery, Dillingham pays disproportionately for support services to the fishery. Or put another way, that the commercial fishery doesn't pay its share. Yet in reality the City only has two "local" tax sources, the sales tax and the property tax, while it generates some funding through fees and is dependent on external grant sources for larger capital projects. In regard to sales taxes, Dillingham is also the shopping hub for area villages and for the fishing fleet in season. Village residents and even outside fishermen pay sales taxes in Dillingham; it's not clear there is much difference between Dillingham and village residents in regard to the sales tax burden. The city's argument is somewhat stronger in regard to property taxes, but many Dillingham residents don't pay property taxes. The onshore fish processors within Dillingham do pay property taxes, as do boat owners who store their boats here. The argument that Dillingham unfairly supports or subsidizes the fishery is circular anyway, since the fishery supports the overall economy in Dillingham. It's not at all clear Dillingham would even be a "hub" if there were no fishery. The real issue is that the City wants to expand its tax base and has concluded that annexing and taxing the fishery is the easiest or best way to do it. Whether or not that is a good policy choice, it is not based on "fairness."

Another misleading topic is the expected service delivery, including first response law enforcement and search and rescue. The petition asserts that the Alaska State Troopers will continue to be first responders in the annexation area, but doesn't provide any supporting information for that assertion from the Troopers or from state law. In fact, it appears from Exhibit D to the Petition regarding the transition plan that the City has not been able to get commitment from the Alaska State Troopers on this issue. Building a response capacity to the commercial fishery could be a considerable burden, but the City doesn't appear to be planning any real expansion regarding emergency response or law enforcement. The petition mentions a \$30,000 purchase of oil spill response equipment and some failed grant applications, but otherwise doesn't offer anything specific in regard to expanding services. Emergency response, whether law

enforcement or rescue, is a service where using the mean high water mark as a service area or jurisdictional boundary is particularly inappropriate.

The City's website refers to an "83 page" Consultation Report on Post Annexation Financial Matters, which was filed with the LBC on November 15, 2011. This is attached to the current draft petition as Exhibit J. While this report speaks for itself, the gist of it boils down to a little more than a page of meeting notes from a single meeting between the City of Dillingham and city or tribal leaders of other stakeholder communities on October 27, 2011. Although there was some discussion about the possibility of borough formation, it does not appear that "post annexation financial matters" were discussed at all. Most of the 83 pages is taken up by documentation of prepetition meetings, including neighborhood meetings in Dillingham attended only by Dillingham residents, and of attempted telephone contacts while the City was trying to comply with the LBC requirement to meet with the villages during the summer and early fall of 2011. There is nothing in the report to justify calling it a "consultation report." No actual consultation occurred, and it contains no record that post annexation financial matters were ever discussed.

In conclusion, BBNA understands the City of Dillingham's need for revenues and its wish to provide better infrastructure for its citizens and for the commercial fishery. However, BBNA takes a regional perspective. All of the other Nushagak Bay and Nushagak River communities appear to oppose the annexation, for reasons that make sense from a regional perspective. We are disappointed that no concrete steps have been taken to explore borough formation or other alternatives that might share the benefit of a common resource with the other villages. Dillingham may be the regional hub, but the City's "go it alone" approach to the annexation and fish tax issues undermines trust and puts Dillingham at odds with the surrounding communities. That is bad for the region. There are also serious practical and policy problems with Dillingham's annexation proposal in regard to service delivery.

For the above reasons, BBNA respectfully requests that the City of Dillingham postpone the annexation petition at least until other alternatives including borough formation are thoroughly considered and discussed with the Nushagak area villages. This should be an actual consultation process with the villages as equal players.

Sincerely,

Ralph Ahdersen

President & CEO

RECEIVED

SEP 2 6 2014

Janice Williams

Violet Apalayak

Friday, September 26, 2014 3:09 PM Sent: To:

cityclerk@dillinghamak.us

Cc:

From:

Violet Apalayak

Annexation of commercial fishing waters Subject:

RECEIVED

SEP 2 6 2014

Hello! Please know that the annexation of the commercial fishing waters must be shared between all of the communities surrounding Dillingham, Alaska. The tax monies that do come in must be shared between the communities surrounding Dillingham, Alaska. It is very important that this happens. Yes, Dillingham is the current hub village for this region since it has been developed. Please think of all the surrounding villages which are a family in Bristol Bay! Thank you! Quyana! Violet Apalayak 907-289-6167 cell phone. aallaaq@icloud.com email address

Sent from my iPhone



Comments on Dillingham Annexation 9-30-14

Dan Dunaway PO Box 1490 Dillingham, Ak 99576 842-2636 SEP 30 2016 CITY OF DILLINGHAM CITY CLERK

I've lived in Dillingham since November 1989 and Alaska all my life. I've watched 2 or 3 attempts to form boroughs here as well as the recently court rejected annexation. I lived in Sand Point AK before and during the formation of the Aleutians East Borough. My wife became the borough planner there so I have some experience observing related processes.

I strongly support allowing the City of Dillingham to annex Nushagak Bay commercial fishing district. The City currently provides the main airport, boat harbor, fish processing center, freight docks, library, police and other infrastructure essential to the local commercial fishery and the nearby villages. A very high proportion of the residents of the area use the City services of Dillingham at some time or other during the year. Nonlocal and nonresident fishery related people also heavily use city services during the fishing season.

The non city residents clearly contribute to the economy through sales taxes, use fees, and purchase of locally offered goods & services. However its my belief their contribution is not in proportion to their demands (especially dock time, harbor, and sometimes police and emergency services) compared to the tax paying property owners and other full time residents of the city.

Under the current situation there is a substantial portion of the commercial fishers that earn income in the Bay but pay little to no support for the city services; the nonlocal, nonresident fishers. They essentially enjoy a tax break compared to fishing in any other district in Bristol Bay as well. While annexation involves adding a tax burden to the local fishers, the tax would capture significant revenue that currently "sails away" to the lower 48.

Many houses in Dillingham are on Native lands and are not taxable. Some federal housing here is similarly not taxable. Further, HUD and/ or Tribal Housing groups have demanded and received significant tax concessions from the City of Dillingham thus removing or very significantly reducing the property tax base to the City yet the Payment In Lieu of Taxes (PILT) from the Federal govt has stayed flat for years and in no way keeps pace with the substantial cost increases in the area. The increased number of subsidized houses and associated families, increase service demands on the city while those same houses do not pay their full share. Some of these residents are actually former residents of nearby villages which used tribal funds to build housing for them IN DILLINGHAM. Housing that was then granted tax concessions. It should be noted that while the "Village of Ekuk" vigorously opposes the annexation, NONE of those villagers live in Ekuk year 'round, and many if not most live in Dillingham and enjoy the available services and infrastructure. To my knowledge only a fish plant watchman lives year 'round in Ekuk.

Some of the same people vigorously fighting the annexation are beneficiaries of the subsidized housing in Dillingham and/or had a hand in demanding and getting the tax concessions.

Some of the same people fighting annexation, and housing taxes, were also vigorously involved in opposing the 1990's efforts to form a borough in the area. So I believe current calls to form a borough are just another delay tactic. As one life time resident pointed out there have been numerous efforts to form a borough here since statehood but an ingrained fear of Dillingham as the largest population center has resulted in paralysis.

From studies in the 1990's, borough formation in this area looked very marginally viable. I think that situation remains so or is worse. I seriously doubt the area could afford another layer of government, employees etc. in the near term.

Therefore, as THE hub, Dillingham serves in some capacities as a de facto borough and would be better able to do so if it was allowed to annex Nushagak Bay. Further, in the first annexation, the city committed to investing some of the resultant revenues for the benefit of the commercial fishery. That WAS done. The better city dock and much larger freight handling equipment allow the city to more efficiently handle outgoing processed fish and incoming freight. These efficiencies save money to all involved in the fishery as well as other residents of the area. The taxes collected in the annexed area helped make those purchases possible.

The Dillingham harbor is breaking down due to erosion. This harbor is the ONLY one in all of Bristol Bay. It serves the whole commercial fleet and many set-netters and recreational users as well as some freight haulers servicing surrounding villages. Use fees can't fully cover the work needed to restore or protect the harbor from becoming unusable through bank erosion. Once scheduled for restoration funds from the Corps of Engineers, the funding formula was reinterpreted a few years ago and now the city must come up with a much larger match before any work will start. The city has no other real means to come up with the 5-7 million dollars than to find new revenue sources.

Some testimony was given that in the 2 seasons Dillingham was able to tax the district, the outlying communities and the fishery had not seen any benefit - with a long list of items they wanted to see. I submit that some of those wishes like better oil spill response equipment and supplies, longer range emergency vessels, etc might have become available eventually but in the short period of the district was annexed, the revenues had to be spent on a few of the highest priorities. It is unreasonable to think that 2 seasons of tax revenues (lower than expected) would be sufficient to purchase every item on an extensive and very expensive wish list.

<u>Landfill</u>: The summer fishery puts a substantial increase in the amount of materials going into the landfill. While city based fish processors pay their way, the fleet influx produces a large amount of trash too. Processors outside of city boundaries also contribute to the landfill burden and pay fees, but not other city taxes that are needed to cover full expense of operation. The city is struggling to meet the proper disposal requirements. Annexation and a modest tax would help alleviate this problem, distribute the burden more fairly, and

would contribute substantially to the environmental health and sustainability for the entire fishing district.

<u>Sewer</u>: Dillingham needs more complete sewage treatment than it currently provides. The city needs matching funds to improve its treatment or it will have to pay significant fines to the EPA. Proper sewage treatment is critical to protect the image the Alaska's clean waters and healthy salmon products. Improving the city's tax base such that it can afford to build better sewage treatment will protect and enhance the Nushagak fishery for ALL users.

<u>Law Enforcement</u>: It is very common when non city residents are in Dillingham, they significantly add to the law enforcement burden on the city. The city has to increase patrol efforts in the boat harbor and down town area during the commercial fishery.

Elements of the law enforcement issue needs clearer guidance from State authorities and may need legislative attention. It appears that once the Dillingham annexation was in place, the State Troopers decided that it was the City of Dillingham's responsibility to provide enforcement within the whole area. This was not the expectation of the city prior to annexation.

I submit that NO Boroughs or municipalities that I know of provide complete (if any) law enforcement / public safety coverage for the far flung waters within their boundaries. Certainly Aleutians East, Kenai, Mat-Su nor Anchorage Municipality fully patrol their waters- marine or fresh. Anchorage and some other boroughs may have some emergency response vessels of limited range. So why was (would) Dillingham (be) expected to have a greater enforcement capacity than those much larger, more populated and much more wealthy municipalities? Especially immediately after the annexation. This issue should not be a limiting factor in the annexation issue.

I should add that as this being written 15 new VPSO skiffs are being outfitted in Dillingham for outlying villages. Some of these skiffs will go to villages adjacent to the area of question. Regardless of jurisdiction, there will soon be more emergency response skiffs available in the whole region.

Merger Option: As part of annexation, I support inclusion of an option or method to allow adjacent communities to merge with Dillingham after 5 years and up to 10 years, possibly one by one, with the goal to share revenues and eventually form some sort of borough - as might become feasible. I think many in Dillingham realize it is in the interest of the city for the outlying villages to remain viable as well.

Finally, it is my opinion that in its first effort at annexation, the City of Dillingham went to great lengths to properly follow legal process and to respect the concerns of the villages and people who opposed the action. The City conducted or attempted to conduct additional public meetings in adjacent communities as specified by the Local Boundary Commission. I think the court was mistaken to nullify the annexation and did not fully appreciate the extensive efforts and process made in the first effort.

Please grant and approve the petition of the City of Dillingham to annex the Nushagak Bay area they have requested. Thank you.

Janice Williams

From:

John Weber

Sent:

Tuesday, September 30, 2014 9:01 PM

To:

cityclerk@dillinghamak.us

Subject:

Regarding the Annexation and Taxation

To the City of Dillingham,

First, we all know the moral arguments for taxation: it pays for police, roads, hospitals and other vital services. But there is a strong moral case against taxation too. Tax is extracted by force, and the use of force is an evil that we should minimize. Taxing puts an enormous responsibility on governments to ensure that every penny they extract through coercion is spent wisely. Waste and bureaucracy are not just a drain on the economy – they are a moral outrage.

First Question: Have you considered the cost of supplying services to the "New Dillingham?" Or will there be no services provided for setnetters on the far outreaches of your "New Dillingham?"

Second, taxation is not only a form of confiscation by coercion, but it is also confiscation by groups who believe their values and priorities are superior to other people's – a breathtaking moral claim. It can even force individuals to pay for things they fundamentally disagree with. Being confiscated that money is now no longer available to be spent on products and services of our choosing with those who actually provide services.

Second Question: As setnetters on the south end of your "New Dillingham," how are we costing the City of Dillingham anything? While costing you nothing, we bring money in. You will find that we spent more money, which benefits those who actually provided services, and through them, the City of Dillingham, then you will now collect through a tax.

Third, tax reduces people's ability to act morally. They might prefer to spend their money on helping their children become good citizens, caring for their elderly relatives, or supporting good causes. Instead they see it taken and going elsewhere, some expenses justifiable and others not. Though we wish to see individuals, families and local groups taking more responsibility for their own lives and welfare, taxation leave them less able to do so.

Third Question: What justification is Dillingham using for this attempted annexation? Has Dillingham considered whether this taxation will truly benefit its people or discourage its people, and others, from living morally responsible lives.

Taxation, then, rests on force. It undermines morality, crowds out charity, rewards power, undermines personal responsibility, promotes group conflict and turns governments and the public into cheats. Taxation may be a necessary evil – but it is still an evil.

We stand opposed to the Annexation because we recognize the sole purpose of such action is to increase a great evil—taxation. And we might add in this case, Taxation without representation.

John Weber Siera Weber Victoria Weber

Permit holders who have fished the Nushagak Bay for years with joy and gratitude

To:

City of Dillingham

From:

Joseph R. Faith

Re:

2014 Draft Annexation Petition

1. COMMERCIAL FISHING ALREADY PAYS IT FAIR SHARE TO THE CITY OF DILLINGHAM. THE CITY OF DILLINGHAM RECEIVES A SUBSTANTIAL AMOUNT OF MONEY FROM COMMERCIAL FISHING THROUGH TAXES AND FEES.

I oppose the annexation and tax as currently proposed. Commercial Fishing already pays its fair share to the City of Dillingham. The City of Dillingham already receives a substantial amount of money from commercial fishing through taxes and fees. Specifically, those revenue sources include at least the fisheries business license tax, real property taxes from Peter Pan, Icicle, PAF, and others, personal property taxes on fishing boats, sales taxes related to fishing, dock wharfage fees, and harbor fees.

For examples, the fisheries business tax that is paid by Peter Pan and now Icicle to the state with the 50% pass through to Dillingham. For 2013, the City of Dillingham received \$276,513, and for 2011, Dillingham received \$446,588. Peter Pan and Icicle pay this money to Dillingham from the value of the fish. Take another example, it is my understanding that in 2012, every boat at the PAF boat yard pays an average of \$400 each year to Dillingham for personal property taxes. So many boats are in the PAF boat yard that they are extremely difficult to count. Take yet another example, sales taxes related to fishing. It is my understanding in 2012 that just PAF alone paid Dillingham \$45,000 on average each year. These are just a few examples of the take that Dillingham receives from the value of the salmon.

In 2012, Dillingham was asked to list how much revenue it receives from all of its revenue sources from commercial fishing in 2012. I have never seen the raw data to make these calculations or any response to this request to date.

Exhibit C of the draft petition lists revenues for the City of Dillingham. For FY 2014, it lists in part:

\$524,511 for personal property taxes;

\$1,578,248 for real property taxes; and

\$2,629,448 for 6% sales taxes;

How much of each of these revenue amounts can be reasonably attributable to commercial fishing?

It is also noted that Exhibit C does not list harbor fees. Harbor fees raise substantial revenue.

2. IF THERE IS GOING TO BE A FISH TAX, SHARE THE TAX REVENUE AMONG ALL THE VILLAGES IN THE NUSHAGAK AREA.

If there is going to be a fish tax, the tax revenue should be shared among all the villages on the Nushagak. Dillingham, however, does not want to share; Dillingham wants it all. This just creates division and hard feelings.

The salmon belong to all the people in the Nushagak region. They are a regional resource of regional importance, and therefore, should benefit the entire Nushagak region.

There's precious little justification for just one community getting all the sales tax revenue. All villages on the Nushagak have general costs of operations, that's largely what Dillingham is counting as costs. All villages on the Nushagak also have costs associated with commercial fishing to varying degrees. For example, Alekanagik has an anchorage, and a boat haul out area. Clarks' Point has a large anchorage inside and outside of its village waters and a boat haul out area. I understand that Manokotak hauls boats in and out of the water. Ekuk fisherman use numerous trucks and skiffs to go up and down Ekuk's beaches and around ithe village. There's garbage for Ekuk and Clark's Point from the fishermen there.

Countless people up and down the Nushagak also act as guardians for the salmon and have taken action when necessary to protect them. If you look at what's most important to salmon, most of the land and water areas important to salmon, and the spawning and early development areas are much closer to the villages than Dillingham. For example, I've heard testimony from villagers at government meetings about trips they have taken and observations they have made of the salmon. They don't ask for compensation for their time, expenditures for gas, and equipment usage. Maybe they should, maybe this is the time when they should be compensated. The salmon largely just swim by Dillingham. Yet, what the villages do as a matter of course as guardians of the salmon doesn't seem to get any recognition in this discussion.

3. There may be alternatives so that the fish sales tax can be shared with the other villages.

There may be alternatives so that the fish sales tax can be shared with the other villages. Specifically, I would like to see exploration of a Borough, and alternatively, perhaps, legislation passed for a tax to allow some kind of revenue sharing, similar to the fisheries business license tax, but tailored more for the circumstances similar to those in the Nushagak area.

Thank you.

Joseph R. Faith