

**Organized Village of Kwethluk  
Multi-Use Facility  
Feasibility Study & Business Plan**

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Prepared By:  
**Katasse Financial Management**

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## List of Acronyms

<b>ADA</b>	American for Disabilities Act
<b>AFA</b>	Annual Funding Agreement
<b>ANA</b>	Administration for Native Americans
<b>ANCSA</b>	Alaska Native Claims Settlement Act
<b>ANICA</b>	Alaska Native Industries Cooperative Association
<b>ATV</b>	All Terrain Vehicles
<b>AVCP</b>	Association of Village Council Presidents
<b>CC</b>	Capital Costs
<b>CDBG</b>	Community Development Block Grant
<b>CRC</b>	Capital Replacement Cost
<b>DCCED</b>	Department of Commerce, Community and Economic Development
<b>D&amp;E</b>	Design & Engineering
<b>DEC</b>	Alaska Department of Environmental Conservation
<b>DF</b>	Discretionary Funds
<b>DHHS</b>	Department of Health & Human Services
<b>DLF</b>	Design Life Factor
<b>DOI</b>	Department of Interior
<b>EACC</b>	Equivalent Annual Cycle Cost
<b>FY</b>	Fiscal Year
<b>ICDBG</b>	Indian Community Development Block Grant
<b>IR</b>	Indirect Rate
<b>IRA</b>	Indian Reorganization Act of June 18, 1934, as amended on May 1, 1936
<b>LKSD</b>	Lower Kuskokwim School District
<b>NDF</b>	Non-Discretionary Funds
<b>O&amp;M</b>	Operations & Maintenance
<b>OVK</b>	Organized Village of Kwethluk
<b>R&amp;R</b>	Replacement & Renewal
<b>USDARD</b>	United States Department of Agriculture/Rural Development
<b>USPS</b>	United States Postal Service
<b>ROM</b>	Rough Order of Magnitude

# Multi-Use Facility Feasibility Study

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## Section 1 Introduction & Scope of Study

The Multi-Purpose Facility Feasibility Study for the Organized Village of Kwethluk (OVK) is designed to serve as a preliminary evaluation and analysis tool to measure the potential feasibility of constructing a new multi-purpose facility within the community of Kwethluk, Alaska.

The scope of the feasibility study encompassed evaluations of the key market, organizational, as well as technological considerations of a new multi-purpose facility - in an effort to assist decision-makers in determining an appropriate conceptual design as well as types of applicable grant funds in which to pursue ultimate construction. Furthermore, the scope of the feasibility study was designed to complement the development of the accompanied Multi-Use Facility Business Plan as prescribed the Denali Commission.

The following feasibility study is based on extensive research which includes interviews with key project stakeholders in the community, as well as an comparative evaluation of prior and current operational practices of OVK projects and programs - thus measuring their respective impact on the immediate area and community and therefore justifying the construction of a new multi-purpose facility.

The feasibility study will transition into a pro-forma operational business plan for a new multi-purpose facility. The facility business plan will contain qualitative as well as quantitative data related to financial and operational impact and will include anticipated capital replacement costs as prescribed by the Denali Commission. It is important to note that historical operational figures as well as estimates on construction based upon preliminary pre-conceptual designs were utilized. Katasse Financial Management performed financial estimates and projections based upon information readily available and provided by the Organized Village of Kwethluk.

## Section 2 Market Analysis

### Target Market

The current or projected demand for a new multi-purpose facility and complimentary OVK social services provided is best measured in terms of lack of alternatives or substitutes in the immediate sub-region. The community of Kwethluk and to a greater extent the immediate sub-region depends heavily upon the infrastructure of OVK. The recent loss of the community facility due to fire has created a high demand for community facilities, community-based programs as well as office space for OVK.

In terms of operational efficiency, OVK can address two current hindrances to effective delivery of tribal and community services. First, while funding currently exists for four additional staff to serve the growing demand and need of tribal residents of Kwethluk and surrounding communities, OVK is unable to fill these positions due to a lack of available office space. Secondly, OVK currently has staff housed in three separate buildings which makes conducting business more costly and less efficient as consolidation of staff currently does not exist. The lack of consolidation of OVK programs and offices which house them has created an unanticipated increase in overhead costs and therefore a higher in-direct rate for OVK.

The identified target market for a new multi-purpose facility and the complimentary services is anticipated not only the 940 residents (921 enrolled members and 19 non-tribal members) in Kwethluk but also the greater extent of 1,322 residents from the surrounding communities; which include Akiak (population 309), Akiachak (population 585) and Tuluksak (population 428). It is important to note that all the communities identified above have historically utilized Kwethluk's previously destroyed multi-purpose facility.

## Supply Analysis

The projected supply of similar services within the area is expected to be minimal as surrounding communities and entities utilized the community of Kwethluk and to a great extent OVK, as a central role player in providing multi-purpose facility services. Furthermore, the consolidation of services was also a result of economies of scale and consolidation of capacity between each community tribal entity within the immediate sub-region of Kwethluk, Alaska.

## Competition/Substitute Analysis

Current limitations for competition and/or substitutes for the services OVK wishes to provide revolve around limitations in surrounding communities and their respective limited carrying capacity to operate and maintain a multi-use facility which can accommodate the needs and demands of all potential users. OVK's fiscal year (FY) 2006 membership identified approximately 940 members which constitute the largest tribal entity within the immediate sub-region. Collectively, it has been determined that OVK is the most appropriate entity to seek to provide a multi-purpose facility to the community and immediate sub-region.

With the recent destruction of the community multi-purpose facility in Kwethluk, there currently is not a facility within the community or surrounding sub-region which can provide comparable levels and diversity of multi-purpose facility services.

## Key Assumptions

Community (market) related assumptions are as follows:

- Demographic information obtained from the State and Federal census is reliable.
- Current population size, number of households, commercial and business establishments (using actual count data) are used to quantify the estimated number of users, and sample sizes are appropriate to make generalized determinations.
- Population will continue to grow at the present rate.
- OVK staff to expand over the next 2-3 years by 5

## **Section 3 Organization & Technology Analysis**

### **Organizational Structure Analysis**

The appropriate organizational structure for the proposed facility will encompass OVK's plans to utilize the existing OVK organizational structure as it has been determined that creating an additional layer of management would not provide additional efficiencies in management to justify the increase in operational costs and resultant overhead.

### **Leadership Analysis**

The current OVK council members, equivalent to a Board of Directors, will continue to serve in leadership capacity of the newly proposed facility. At this time, it has been determined that an advisory board is not necessary.

According to the tribal charter and bylaws for OVK, positions of leadership are open to any eligible OVK tribal member and likewise, current OVK council members may serve multiple terms. A copy of the resume for each current OVK council member serving on the OVK council is furnished within the Appendix of this document.

Mr. Herman Evan, whom currently serves as the OVK Tribal Administrator, will oversee the development and will have OVK fiduciary responsibility for eventual construction of a newly proposed 5,000 square foot multi-purpose facility. OVK has furnished a copy of the job description for the OVK Deputy Director within the Appendix of this document.

### **Key Personnel & Staffing Requirements**

Current positions within the OVK organizational chart include:

- A Janitor, although this position will be expanded to a Janitor/Maintenance with the incumbent responsible for caring for the new building.
- OVK currently has twelve (12) staff and is unable to fill five (5) additional positions due to lack of office space. The proposed new Multi-Purpose Facility will enable OVK to hire key personnel for the following programs; Administration for Native Americans (ANA),

Environmental, Child Care Coordinator, Tribal Courts Coordinator and Administration for Children & Families (DHHS).

## **Technology Needs Assessment**

The anticipated technology needs for the newly proposed OVK Multi-Purpose Facility equate to the nominal office technology needs such as connectivity to the Internet, facsimile capabilities as well as telephony technologies.

The Kwethluk power generation system utilizes diesel powered generators and several public buildings will utilize recovered heat in the future - therefore OVK intends to seek recovered heat as approach to reduce heating costs and ultimately reduce operations and maintenance (O&M) costs for the new proposed multi-purpose facility.

## **Equipment Needs/Demands**

OVK intends to comply with any and all public facility health & safety code requirements for federally funded infrastructure as well as compliance with State of Alaska building codes. Therefore, the need for adequate fire and safety equipment and apparatus such as a sprinkler system and/or fire suppressants, i.e. fire extinguishers, etc., as required.

Non-safety equipment such as folding tables and chairs for use within the community section of the building are anticipated. Due to the relative ease of availability of such equipment in Anchorage, Alaska, the anticipated costs and delivery times are not anticipated to deter further progress or the projected timetable of the project.

## **Key Assumptions**

Organizational and/or Technology -related assumptions are as follows:

- OVK will have fiduciary responsibility in seeking and distributing grant funds.
- OVK anticipates office technology needs can easily be met through traditional procurement processes.
- OVK will provide adequate training or access to such training for all facility management and/or technology requirements anticipated for the project.

## Section 4 Financial Analysis

### Estimated Start-Up Costs (programmatic and overall project start-up)

The following are estimated Start-Up Costs (programmatic and overall project) for a newly proposed 5000 sq ft. Multi-Purpose Facility in Kwethluk, Alaska.

1. Legal, Accounting, Professional services	\$ 45,000
2. In-Kind	17,945
3. Licenses & Permits	2,000
4. Prepaid insurance	5,000
5. Land Preparation	10,000
6. Design & Engineering	280,000
7. Materials & Construction	<u>3,501,000</u>
<b>Estimated Project Total</b>	<b>\$3,860,945</b>

### Operating Costs (Operation & Maintenance O&M)

The anticipated O&M costs for a new 9000 sq ft new Multi-Purpose Facility are estimated to be roughly \$1,595,273. Please refer to the Breakeven Analysis table below for a detailed anticipated revenues and expenses.

### Break-even Analysis for OVK FY07

#### VARIABLE EXPENSES :

Travel	105,121
Prof. Fees	<u>86,459</u>
Total Variable	191,580

#### FIXED EXPENSES:

Personnel	647,116
Telephone	9,121
Electricity	7,500
Heating Oil	16,443
Equip. &	
Maintenance	139,909
Program Services	545,193
Insurance	

Office Supplies	-18,079
Maintenance	
Gaming	<u>57,140</u>
Total Fixed	1,404,343
 TOTAL EXPENSES:	 1,595,932
 Projected Revenue	 1,500,000
Excess(Shortage) Funds	(95,932)

### Other Funding Sources: Financing & Grants

To date, OVK has spent roughly \$45,000.00 to secure a State of Alaska Mini-Grant and has used the proceeds to procure the development of the Organized Village of Kwethluk Multi-Purpose Feasibility Study & Business Plan. The proposed 9000 sq ft. Multi-Purpose Facility is estimated to cost roughly \$3,500,000 to construct; based upon on an estimated cost of \$389/sq ft. This construction cost estimate includes materials, mobilization & demobilization, labor, as well as other contingencies.

Phase I will be to seek grant funding to pay for the expense to procure the initial and ultimately the final design and civil engineering components of the project which are estimated to be about 8% of the cost to construct the facility, or \$280,000 ( $\$3,500,000 \times 8\%$ ).

Finally, upon receipt of the design & engineering funding, the OVK project will move into Phase II, the construction of the new Multi-Purpose facility. To achieve this phase, OVK will seek grant funding for the construction of the Multi-Purpose Facility from either the Denali Commission or the United States Department of Agriculture Rural Development (USDARD) program. Other complimentary funding sources could include, but not limited to the Department of Community Commerce & Economic Development (DCCED) Community Development Block Grant CDBG), the Indian Community Development Block Grant (ICDBG) or the Alaska Funding Forum. The Alaska Funding Forum is facilitated by the Foraker Group and the Rasmuson Foundation and is comprised of various State and Federal funding agencies, banks and foundations, who meet quarterly to discuss grant and/or loan requests from applicants with the purpose of offering grant funding and/or bank financing for projects like the proposed OVK Multi-Purpose facility.

## **Profitability Analysis**

Because the OVK is a non-profit entity, a profitability analysis is not applicable.

## **Financial Summary & Feasibility**

To date OVK has spent roughly \$45,000 to procure the Organized Village of Kwethluk Multi-Purpose Feasibility Study & Business Plan and has incurred expenses totaling in the amount of \$17,945.00, for professional services related to drafting the Feasibility Study & Business Plan, and furthermore has “In-Kind” contributions towards the project as well. Phase I expenses involve the cost of Design & Engineering (D&E) for the newly proposed facility which is estimated to be roughly \$280,000. OVK plans to seek grant funding with the DCCED, CDBG, or the Denali Commission to procure these services towards the project. While upon completion of the D&E for the project, Phase II will involve OVK seek additional grant funds most likely from the Department of Environmental Conservation (DEC), with the funds used to clean up the old debris left on the subject property. The remaining start-up costs, comprised of the Insurance and the Licenses/Permits, will be paid from the funds obtained for the actual construction of the proposed facility.

The FY 2007 Break-Even Analysis assumes that overall O&M expenses in terms of OVK operations will be roughly the same level as 2006, with an anticipated slight increase in revenues due to more capacity and capabilities gained through the construction of a new Multi-Purpose Facility. Based on these assumptions, Variable Expenses are estimated to be roughly \$191,580 with Fixed Expenses estimated to be \$1,404,343 for a combined expense of roughly \$1,595,932. In comparison, projected revenue for 2007 is anticipated to be roughly \$1,500,000. The Break-Even Analysis reveals that OVK can expect a deficit of (\$95,932). This Break Even Analysis reveals that OVK can avoid this deficit by decreasing the overall Variable expense for Travel and/or Professional Fees.

Sources of additional financing are heavily dependent upon grant funding. OVK plans to seek grant funding and use the proceeds to pay for most, if not all, aspects and phases of the proposed project. While OVK is already in the process of formulating a plan to identify possible funding sources, one of the primary sources is anticipated to be the Funding Forum. This is because members are comprised of major State, Federal, charitable foundations and institutional lenders who have contributed in the past to projects similar the proposed OVK Multi-Purpose Facility.

# Multi-Use Facility Business Plan

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## Section 5 Executive Summary

The previous multi-purpose community facility owned and operated by Organized Village of Kwethluk (OVK) served roughly 2,262 residents within the immediate sub-region of Kwethluk, Alaska. The purpose of this business plan is to demonstrate the operational capacity and detail the need of the 940 residents (921 enrolled members and 19 non-tribal members) in Kwethluk, Alaska but also the impact the construction of a new community multi-purpose facility would have on the roughly 1,322 residents from the surrounding communities of Akiak, Akiachak and Tuluksak, Alaska.

For the purpose of defining business plan objectives, a quantitative and qualitative analysis was performed to examine OVK's prior as well as proposed facility and programmatic management practices, cash flow (including facility management), as well as projected community capital replacement contribution requirements for proposed construction of Denali Commission funded multi-purpose facility within the community of Kwethluk, Alaska. The focus of this business plan is to define a pragmatic management strategy to encourage best management practices as they pertain to the fiscal and managerial operations of a tribally operated community multi-purpose facility. The prescribed management strategy accounts for existing as well as anticipated costs associated with operating, maintaining and ultimately replacing the communities recently destroyed multi-purpose facility.

The OVK Multi-Purpose Facility project is a multi-phase project that proposes to design and construct a new multi-purpose facility within the community of Kwethluk, Alaska which will not only serve the needs of the community of Kwethluk, but also the needs of several communities within the immediate sub-region.

The Organized Village of Kwethluk (OVK) Multi-Purpose Facility project is a multi-phased capital project spanning "concept to commission" of a new 9000 sq ft facility in Kwethluk, Alaska. Phase 0 is already underway and will involve the completion of a Feasibility Study & Business Plan for the proposed facility which meets or exceeds program requirements of the Denali Commission. Phase I secures funding for all design and engineering of the newly proposed facility, and Phase II will secure adequate funding for the actual construction and commissioning of the newly proposed facility.

Research into previous as well as current OVK operations of the community multi-purpose facility demonstrated that the facilities operated at an estimated net operating loss of roughly \$111,831.00 in FY 2006; the last operating year of the fire destroyed OVK facility. This loss can be attributed to the Tribe operating multiple facilities and not maximizing economies of scope for their operations.

As part of this business plan, pro forma cash flow analysis was conducted to determine projected revenues based upon OVK leasing facility space for multiple uses to local and regional programs and entities. The identified breakeven point for the proposed multi-purpose facility incorporates improvements and associated operational efficiencies such as consolidated administration and reduction in absolute costs of operations and management (O&M) of the newly proposed multi-purpose facility.

A rate analysis conducted on the proposed lease rates for the proposed multi-purpose facility space use incorporated anticipated revenue and expense levels for a roughly a 9000 sq ft facility. For the purposes of this initial draft business plan, the identified break-even point is based upon the assumption that the proposed leasing fees will be nearly identical to identified fees charged for the previous facility. Furthermore, additional O&M expenses such as Repairs and Replacement (R&R) contributions were held to their approximate escalation factors. As per Denali Commission programmatic and capital funding guidelines, incorporating a Capital Replacement Contribution (CRC) was required – and therefore included in the break-even analysis for the newly proposed multi-purpose facility.

The OVK Multi-Purpose Facility Business Plan utilized community information gathered from State, Federal, and local sources within the community. Assumptions included in this plan are made with the most current information available and all financial projections are based on 2006 dollars.

## Section 6 Community Overview

### Location

Kwethluk is a Yup'ik community located 12 air miles east of Bethel on the Kwethluk River at the confluence of the Kuskokwim River. The village is the second largest along the Lower Kuskokwim River, following Bethel. The community lies at approximately 60.812220° North Latitude and -161.435830° (West) Longitude. (Sec. 05, T008N, R069W, Seward Meridian.)<sup>1</sup>



www.wikipedi.org

Kwethluk is a second class city located in the Bethel Recording District. The area encompasses 10.0 sq. miles of land and 1.7 sq. miles of water. Kwethluk's precipitation averages 16 inches, with snowfall of roughly 50 inches per annum. Summer temperatures average from 42 to 62 degrees Fahrenheit (F), while winter temperatures average -2F to 19F degrees. Extremes have been recorded from a high of 86F to a low of -46F. The Kuskokwim River is typically ice-free from June through October.<sup>1</sup>

### Population Served

One of 56 villages located in the Association of Village Council Presidents (AVCP) region in Southwest Alaska - the Organized Village of Kwethluk (OVK) is the federally-recognized tribe in the community.

According to the 2005 Department of Commerce, Community and Economic Development (DCCED) certified population estimate, the population in Kwethluk was estimated at 721, of which

<sup>1</sup> <http://www.commerce.state.ak.us/dca/commdb/CIS.cfm>

roughly 94.8% are of Alaska Native; predominantly Yup'ik Eskimo. The village of Kwethluk mainly practices and depends upon a subsistence lifestyle. Scarcity of employment opportunities makes it difficult to maintain a cash economy – therefore it is more challenging to make the transition from one economy to another.

The largest employers within the community of Kwethluk, Alaska are the Lower Kuskokwim School District (LKSD), the Alaska Native Claims Settlement Act (ANCSA) Village Corporation, the local store and local health clinic. Sixty-one (61) residents hold commercial fishing permits. Subsistence activities play a central role in the lifestyle; salmon, moose and caribou are the staples of the diet. Seal meat and seal oil are obtained in trade with coastal relatives and neighbors. Most families participate in a subsistence lifestyle and travel to “fish camps” each summer.

Although local membership within OVK is estimated to be approximately 940, the anticipated population to be served will include 1,322 tribal members from the surrounding villages of Akiak, Akiachak and Tuluksak, Alaska.

<b>Population (2000 Census Data)</b>	
2000	713
1990	558
1980	454
1970	408
1960	325
1950	242
<b>Housing (2000 Census Data &amp; Community Input)</b>	
Occupied Housing	153
Vacant Housing From Seasonal Use	33
Other Vacant Housing	46
Average Household Size	4.66
<b>Economic Data (2000 Census Data)</b>	
Unemployment Rate	46.1
Median Household Income	24,417

## Transportation Available

Kwethluk is dependent upon air transportation for year-round movement of freight and passengers. A State-owned 1,750' long by 35' wide gravel airstrip are available. For cargo delivery, a Bethel-based barge service is used during the summer months, while a hovercraft is used year-round. Currently, Kwethluk does not have docking or long shoring facilities.<sup>2</sup>

All Terrain Vehicles (ATVs), skiffs are used for local travel primarily during summer months – as the Kuskokwim River becomes an ice road during winter allowing Snowmobiles are used as a means of transportation between villages. Winter trails are marked to Eek (45 mi.), Three Step Mountain (55 mi.), Columbia Creek (49 mi.), and Napaskiak (18 mi.) respectively.<sup>2</sup>

## Current Infrastructure

The City of Kwethluk, Kwethluk, Inc., and OVK have formed the Kwethluk Utilities Commission to provide water treatment, honey bucket, washeteria and refuse services. The school and teachers' housing have individual septic systems. Electricity is provided by Kwethluk, Inc., operating as Kuiggluum Kallugvia.

Residents currently haul water for household use and there are sewage container disposal bins for solid waste collection which are then hauled to the community sewage lagoon. The washeteria and water treatment plant are currently being rehabilitated. None of the 162 homes have complete plumbing, but many residents have steam baths for personal use.

There is one school located in the community with 220 students, and a Headstart program operated by RuralCap. Local health clinics include the Sarah S. Nicholai Memorial Health Clinic and a new health clinic being constructed in 2006, to be completed in 2007. Kwethluk is classified as an isolated village, it is found in EMS Region 7A within the Yukon/Kuskokwim Region. Emergency Services have river, air and floatplane access. Immediate emergency service is provided by a local health aide professional.

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<sup>2</sup> <http://www.commerce.state.ak.us/dca/commdb/CIS.cfm>

### Summary of Current OVK Infrastructure

Infrastructure Type	Operator	Current Status
Commercial Retail (Kwethluk Native Store)	ANICA	In Use
Commercial Offices ( US Post Office)	US Postal Service	In Use
Commercial Offices (IRA Council Administrative Office)	OVK	In Use
Commercial Offices (IRA Council Chamber)	OVK	In Use
Public Facility ( Old Well Building)	OVK	Vacant
Commercial Offices (Old Post Office/Clinic) Complex	OVK	In Use
Tribal Resident Council	OVK	In Use
Old Bureau of Indian Affairs Building	OVK	In Use

### Key Assumptions

Community-related assumptions are as follows:

- Demographic information obtained from the State and Federal census is reliable.
- Current population size, number of households, commercial and business establishments are used to quantify the estimated number of users, and sample sizes are appropriate to make generalized determinations.

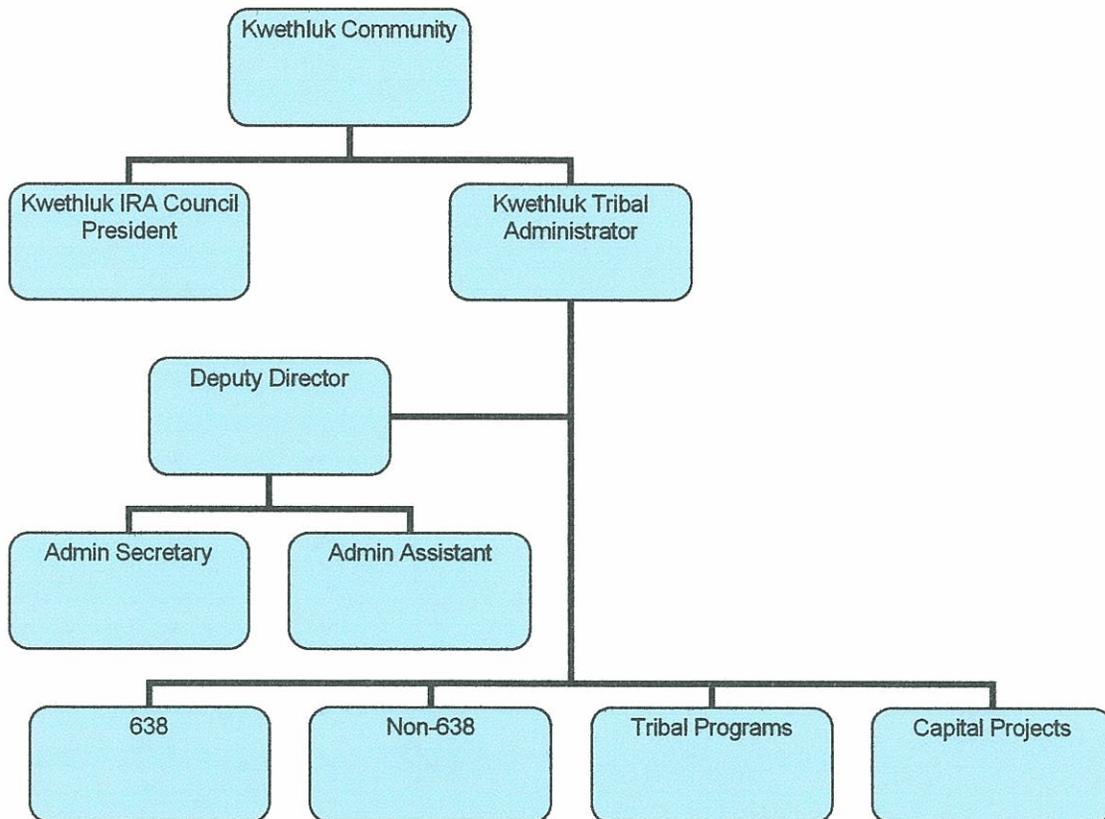
## Section 7 Management Structure

### Organizational Chart

The following organizational chart illustrates the current staff relationships as well as those proposed for O&M of the planned Multi-Purpose Facility: The applicable current administration of the Organized Village of Kwethluk consists of the 340 tribal member, who select six (6) Council members; comprised of the President, Vice-President, Secretary/Treasure, Traditional Chief and two (2) Council members.

Day to day management is the responsibility of the Tribal Administrator, Deputy Director, Accountant, and Secretary/Clerk, who oversee fourteen other program staff.

The Organized Village of Kwethluk carries out local government activities for the Native people of Kwethluk. Based on annual funding appropriations received from the federal government, OVK offers the following program services; Realty, Housing Improvement, Social Services, Higher Education, and Child Care.



The current process flow for tribal services encompasses the following:

OVK IRA Council – Comprised of seven (7) council members; President, Vice-President, Secretary/Treasurer, Traditional Chief and two (2) members. Approves all resolutions, budgets, and expenditures, and negotiates with all outside stakeholders for capital projects and has fiduciary responsibility of the tribal entity. The IRA Council is the recognized legal signatory for all contractual arrangements for OVK.

Tribal Administrator – The duties and responsibilities include but are not be limited to:

- Appointed by and reports to the Council
- Appoint, train, hire, promote, lay-off, suspend, demote, or removal employees of OVK.
- Administers budget and capital improvement programs enacted by the OVK IRA Council.
- Prepares and submits to the OVK IRA Council - annual budgets, monthly financial statements, and capital improvement requests, and make recommendations thereon for the efficient and economical operation of all programs and OVK facilities.
- At the end of each fiscal year, prepares and submits to the OVK IRA Council, a report on the finances and administrative activities of OVK programs and prepares an annual report on OVK program finances.
- Formulates and enforces the general rules and policies pertaining to OVK tribal operation practices within the village and generally maintains a full and complete surveillance of OVK facilities including operational and fiscal affairs.

Deputy Director – The duties and responsibilities include but are not limited to:

- Reports to the Tribal Administrator
- Supervises all department heads of each program
- Oversee all program requirements, including monitoring of all required financial and performance reports for each program
- Act a Comptroller of all budgets
- Seeks other funding, grants and contracts, for the benefit of the tribal memberships and community of Kwethluk
- Is Acting Tribal Administrator, in the absence of the Tribal Administrator

Administrative Accountant - The duties and responsibilities include but are not be limited to:

- Reports to the Tribal Administrator
- Keeps a complete set of records of the financial transactions of the Council
- Balances checkbooks and ledgers, reconciles bank statements monthly
- Prepares grant progress and other reports to the grant agencies
- Prepares financial reports and presents to the Tribal Administrator and the Council

Secretary/Clerk – The duties and responsibilities include but not limited to:

- Reports to the Tribal Administrator
- Perform necessary typing, filing, answering phones, and in-coming & out-going mail
- Recordkeeping of grants and contracts for Tribal Government

Custodian/Janitor – Responsible for upkeep and maintenance of OVK facilities, maintains records and drafts reports as directed by the Tribal Administrator. Primarily responsible for maintaining cleanliness as well as conducting refuse collection and maintaining proper and safe facility usage through periodic maintenance as required.

## **Staffing & Training**

There are two primary departments that make up OVK, Administration and Program Staff. Administration consists of the Tribal Administrator, Deputy Director, two Accountants, Secretary/Clerk, Administrative Assistant, Janitor and Janitor/Maintenance. Programs offered include: Realty, Housing Improvement, Social Services, Higher Education, and Child Care. There is a Program Coordinator for each program responsible for administering each program

## **Key Personnel**

Key personnel are comprised of a Tribal Administrator, a Deputy Director, an Accountant and Secretary/Clerk. The Tribal Administrator and the Deputy Director share the responsibility of supervising a staff of fourteen (14).

## Key Assumptions

Employee related assumptions are:

- The cost of training new employees will be constant and supported by OVK.
- Training will be available for new employees.
- Employees will be stable and there will not be significant staff turnover.
- Key personnel will be available for hire.
- Key O&M personnel for proposed facility will primarily consist of OVK employees.
- Key technical and overall programmatic assistance can be provided by skilled professional consultants as required.

## Section 8 Financial Data

Using “un-audited” financial statements, the OVK reported Fiscal Year (FY) 2006 Revenues of \$1,484,093.00 with Expenses of \$1,595,924; the \$111,831 shortfall will be paid by re-negotiating the “Indirect Rate” with the Federal government. The “Indirect Rate” is usually expressed as a percentage of total program funds, or monies that the Federal government pays tribal organizations, like OVK, to use to offset expenses incurred by delivering program services. OVK projects FY2007 revenues to increase to approximately \$1,500,000.00, which is a modest increase compared to FY 2006.

Because of prior year’s management turnover, OVK has fallen behind in having their annual audits completed. As of this writing, the FY 2004 audits have just been completed. When the author inquired about the status of the FY 2005 and FY 2006 audits, OVK stated that they are currently working with their CPA firm to have both audits completed by August of 2007. OVK plans to update any and all projects accordingly.

### Revenue Source

The Organized Village of Kwethluk was organized under the Indian Reorganization Act (IRA) of 1934. Entities that are organized as an IRA can register as a federally recognized tribe and offer social services to their membership as well as can establish a “for-profit” businesses entity. OVK falls into this category status.

Consequently, OVK derives its revenue from two sources. The first comes from receipt of federal funds, with the proceeds used to provide social type services to their members, and secondly from for profit enterprises, such as gaming.

The receipt of federal funds by OVK is by way of an Annual Funding Agreement (AFA) with the United States Department of Interior (DOI). Typically these funds are Non-Discretionary Funds (NDF), meaning that these federal monies are earmarked for a particular use and must be spent for the intended purpose. Tribes who administrator NDF like OVK have no discretionary authority to make changes as to how the funds can be spent. In prior years, OVK has received NDF to offer its tribal membership the following program services: realty, housing improvement, social services, higher education and child care.

Furthermore, organizations like OVK normally incur expenses as a result of administering such social programs and the DOI allows tribes to use some of the NDF to pay for the administration and overhead by using a mechanism referred to as the “Indirect Rate” (IR). In the past, the average IR for OVK has been approximately 26% of total program dollars. For example, in FY 2006, OVK received \$1,484,039.00 therefore their IR proceeds equal \$385,850 (1,484,039.00 x 26%); all of which was used to defray administrative expenses. Being federal funds, unlike the private sector, there is no “cash flow”.

Revenues from profit enterprises like games of chance and bingo are included in the same revenue category as rental of commercial property and “Patronage Dividends” received from the local grocery store jointly operated by OVK and the Alaska Native Industries Cooperative Association (ANICA). These sources of income are commonly referred to as Discretionary Funds (DF) because OVK can spend these monies as they see fit.

For the past ten years, most tribes have experienced cutbacks in the amount of NDF received from the Federal government, even though the demand for program services to eligible members continues to steadily increase as a result of reductions in rural funding from the State of Alaska. Therefore, to supplement the dwindling NDF, tribes have routinely turned to other sources of income, like OVK’s gaming, rental and patronage dividends, and use these sources of income to subsidize or supplement federal program funding. OVK has used most, if not all, of their DF to supplement Federal program funding.

Since OVK uses its In-Direct Rate proceeds and Discretionary Funds to pay for its operating expenses. The following is a breakdown of the sources of revenue, comprised of the In-Direct Rate and Discretionary Funds:

1. IR: FY 2006, OVK received \$1,484,039 therefore their IR proceeds equaled \$385,850 (1,484,039.00 X 26%). For FY 2007, OVK projects the total NDF to increase to approximately \$1,500,000, which would result in an IR of \$390,000; when program funds increase, the IR increases, which, in turn, increases the NDF amount.
2. Games Of Chance - Bingo: For FY 2006, bingo revenues were roughly \$86,916 and for FY 2007, projected bingo revenues are expected to be approximately \$91,261, which represents a 5% increase.

3. Rental Income: The US Postal Service rents a building from OVK for \$250.00/month. For FY 2006, the USPS paid \$3,000. For FY 2007, projected rental income will remain the same at \$3,000.00.
4. Alaska Native Industries Cooperative Association (ANICA): ANICA is a regional retail grocery cooperative with stores throughout rural Alaska communities. The basic arrangement calls for ANICA to be the operator, being responsible for inventory, personnel and paying all the operating expenses. At the end of each operating year, ANICA shares part of the profits with OVK commonly referred to as "Patronage Dividends". For FY 2006, OVK's share of the Patronage Dividend was approximately \$40,000. For FY 2007, the projected Patronage Dividend will be approximately \$42,000.00, or an increase of 5%.

Bear in mind that the each year the amount of federal funding received from the federal government and earnings from the profit enterprises will fluctuate. It appears that Federal funds and earnings from the profit enterprises appear to have stabilized when comparing FY 2006 to projected FY 2007.

The proposed multi-purpose building is important to OVK who has agreed to earmark future DF needed to pay for the general maintenance of the proposed Multi-Purpose Facility.

Revenue Source	Rate	# of Customers	Collection Rate	Yearly Revenues
Grants	Varies	940	100%	\$1,395,677
Rental/Lease	\$ 125.00	1	100%	\$ 1,500
Games of Chance: Bingo	Varies	940	100%	\$86,916
			0%	
<b>Total Revenue</b>				<b>\$ 1,484,093</b>
<b>Notes Assumptions</b>				

### Estimated Annual Expenses

There will be two common cost categories that normally detail the ongoing operation and upkeep of the newly proposed Multi-Purpose Facility – Operations and Maintenance (O&M) as well as Replacement and Renewal (R&R). In addition to these annual expenses, funding agencies such as the Denali Commission requires that grant recipient communities to put aside funds (roughly 10% of total asset cost) on an annual basis for eventual total replacement of all newly constructed infrastructures.

## Operations & Maintenance

OVK can expect to incur a number of expenses related to the operation and maintenance of the proposed Multi-Purpose Facility over its design life cycle. O&M items are defined as expenses that are incurred on a regular basis to sustain the operation of a Multi-Purpose Facility as well as the cost of facility administration.

Administration	\$	246,745
Salaries	\$	340,742
Payroll Taxes & Fringe	\$	59,629
Travel/Training	\$	105,121
Phone	\$	9,071
Electricity	\$	7,500
Heating Oil	\$	16,443
Support Costs & Professional Fees	\$	67,780
Annual Repairs and Maintenance	\$	139,909
Program Services	\$	545,193
Gaming	\$	57,140
R&R Account Contributions (TBD)	\$	-
Capital Replacement Account (TBD)	\$	-
<b>Total Annual Expenses</b>	<b>\$</b>	<b>1,595,273</b>

## Repairs & Replacement

OVK should anticipate recurring expenses related to the repairs and replacement of the proposed Multi-Purpose Facility throughout its normal lifetime. R&R costs are those expenses defined as items costing more than \$1,000 that are not replaced on an annual basis and have a useful life between 1 & 7 years. R&R costs are capital costs that will be depreciated over the useful life of the item rather than expensed in the year incurred.

Decription of Facility Equipment	Number	X	Cost	÷	Useful Years of Life	=	Annual cost to set aside
Boiler(s) & Furnaces	1	X	\$ 5,000	÷	7	=	\$ 714
Water Heater	1	X	\$ 4,900	÷	7	=	\$ 700
Tables (17) & (200) Chairs	217	X	\$ 50	÷	7	=	\$ 1,550
Desks	12	X	\$ 50	÷	7	=	\$ 86
Desks	12	X	\$ 500	÷	7	=	\$ 857
Conf. Table (1) & (10) Chair	11	X	\$ 364	÷	5	=	\$ 801

<b>Total amount that should be set aside annually for major R&amp;R costs</b>	<b>\$</b>	<b>2,964</b>
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### Annual Profit/Break-even Point

Tribal entities such as OVK, who use Federal, grant funds to offer social services programs to their members - cannot earn or report a profit. The sole reason is that government funding agencies require that every dollar that a tribe applies for and receives must be spent on offering services to the membership. Any funds left over at the end of the year must be returned to the federal government. On the other hand, any deficits may be paid from subsequent years funding by renegotiating the Indirect rate. Another option, as stated in the Break Even Analysis, is for OVK to decrease spending for discretionary expense items, like the Travel and/or Professional Fees.

### Annual Estimated Operating Cash Flow

Annual estimated operating cash flow depicts the annual flow of money in and out of the OVK operating budget over the course of an operating year; regardless of whether or not the expenditure is fully tax deductible, such as capital expenditures (annual R&R) or loan principal payments.

<b>Cash Sources</b>	
Grants	\$ 1,395,677
Current Rental Revenues	\$ 1,500
Games Of Chance: Bingo	\$ 86,916
Local Capital Contribution	\$ -
<b>Total Cash Sources</b>	<b>\$ 1,484,093</b>
<b>Cash Uses</b>	
Annual Operation and Maintenance Costs	\$ 1,595,273
Annual Repair and Replacement Costs	\$ 2,964
	\$ -
	\$ -
	\$ -
R&R Account Contributions	\$ -
Capital Replacement Account	\$ -
<b>Total Cash Uses</b>	<b>\$ 1,598,237</b>
<b>Excess (Shortage) of Cash Over Expenditures</b>	<b>\$ (114,144)</b>

## Key Assumptions

Key Financial assumptions are:

- Electricity: As of 12/06 was .44¢/kwh-to remain the same
- Fuel Oil: As of 12/06 was \$4.91/gal., to remain the same
- Water: As of 12/06 was 10¢/gal., to remain the same
- Sewer/Garbage: As of 12/06 was \$40/month, to remain the same

## Section 9 Capital Replacement Schedule

### Funding

Ultimately, the OVK Multi-Use Facility will require major capital replacement; in order to receive construction funding from the Denali Commission, grant recipients are required to set-aside 10% of total project costs for future replacement. Given a typical system design life of 30 years for most Multi-Purpose Facilities, it would be necessary to accumulate sufficient funds to replace the OVK Multi-Purpose Facility at the end of 30 years. The annual portion of such an annuity, or equivalent annual cycle cost (EACC) is calculated in the table on the following page.

For this calculation the design life of the system is set at 30 years and the design life factor (DLF), using an interest rate of 3.5%. Therefore, 10% of the estimated Capital Cost (CC) for the system is \$350,000. The equivalent annual deposit requirements to offset the complete facility replacement capital costs are anticipated to be roughly \$13,336 per annum or roughly \$1,111 per month.

#### Funding Major Components

OVK intends to seek design/construction funds from the Denali Commission's Multi-Purpose Facility program. Additional grant funding solicitations will be made to the United States of Department of Agriculture Rural Development (USDARD) as well as the Rasmuson Foundation.

#### Available Resources for the Infrastructure

Capital infrastructure funds will be sought from the DCCED Community Development Block Grant Program (CDBG) as well as the Denali Commission. It is important to note that the Denali Commission requires local set-aside contributions towards eventual infrastructure replacement.

#### Emergency and Contingency Plan Needs

OVK intends to adopt emergency as well as applicable contingency plans to address potential disaster and freeze up problems with the proposed Multi-Purpose Facility water and wastewater systems. This effort can be incorporated into as the community's comprehensive planning efforts.

Equivalent Annual Cycle Cost						
Inflation Rate: 3.5%			Reinvestment Rate: 5.0%			
Year	Project Replacement Costs		Capital Replacement Fund Balance			
	Total Assets Inflated Cost	10% of Total Asset Cost	Start of Year Balance	Annual Deposit	Interest Earnings	End of Year Balance
1	\$3,500,000	\$ 350,000	\$ -	\$ 13,336	\$ -	\$ 13,336
2	\$3,500,000	\$ 350,000	\$ 13,336	\$ 13,336	\$ 667	\$ 27,339
3	\$3,500,000	\$ 350,000	\$ 27,339	\$ 13,336	\$ 1,367	\$ 42,043
4	\$3,622,500	\$ 362,250	\$ 42,043	\$ 13,336	\$ 2,102	\$ 57,481
5	\$3,749,288	\$ 374,929	\$ 57,481	\$ 13,336	\$ 2,874	\$ 73,691
6	\$3,880,513	\$ 388,051	\$ 73,691	\$ 13,336	\$ 3,685	\$ 90,712
7	\$4,016,331	\$ 401,633	\$ 90,712	\$ 13,336	\$ 4,536	\$ 108,584
8	\$4,156,902	\$ 415,690	\$ 108,584	\$ 13,336	\$ 5,429	\$ 127,350
9	\$4,302,394	\$ 430,239	\$ 127,350	\$ 13,336	\$ 6,367	\$ 147,054
10	\$4,452,977	\$ 445,298	\$ 147,054	\$ 13,336	\$ 7,353	\$ 167,743
11	\$4,608,832	\$ 460,883	\$ 167,743	\$ 13,336	\$ 8,387	\$ 189,466
12	\$4,770,141	\$ 477,014	\$ 189,466	\$ 13,336	\$ 9,473	\$ 212,276
13	\$4,937,096	\$ 493,710	\$ 212,276	\$ 13,336	\$ 10,614	\$ 236,226
14	\$5,109,894	\$ 510,989	\$ 236,226	\$ 13,336	\$ 11,811	\$ 261,373
15	\$5,288,740	\$ 528,874	\$ 261,373	\$ 13,336	\$ 13,069	\$ 287,778
16	\$5,473,846	\$ 547,385	\$ 287,778	\$ 13,336	\$ 14,389	\$ 315,503
17	\$5,665,431	\$ 566,543	\$ 315,503	\$ 13,336	\$ 15,775	\$ 344,615
18	\$5,863,721	\$ 586,372	\$ 344,615	\$ 13,336	\$ 17,231	\$ 375,182
19	\$6,068,951	\$ 606,895	\$ 375,182	\$ 13,336	\$ 18,759	\$ 407,277
20	\$6,281,364	\$ 628,136	\$ 407,277	\$ 13,336	\$ 20,364	\$ 440,978
21	\$6,501,212	\$ 650,121	\$ 440,978	\$ 13,336	\$ 22,049	\$ 476,363
22	\$6,728,755	\$ 672,875	\$ 476,363	\$ 13,336	\$ 23,818	\$ 513,517
23	\$6,964,261	\$ 696,426	\$ 513,517	\$ 13,336	\$ 25,676	\$ 552,529
24	\$7,208,010	\$ 720,801	\$ 552,529	\$ 13,336	\$ 27,626	\$ 593,492
25	\$7,460,291	\$ 746,029	\$ 593,492	\$ 13,336	\$ 29,675	\$ 636,503
26	\$7,721,401	\$ 772,140	\$ 636,503	\$ 13,336	\$ 31,825	\$ 681,664
27	\$7,991,650	\$ 799,165	\$ 681,664	\$ 13,336	\$ 34,083	\$ 729,084
28	\$8,271,357	\$ 827,136	\$ 729,084	\$ 13,336	\$ 36,454	\$ 778,874
29	\$8,560,855	\$ 856,085	\$ 778,874	\$ 13,336	\$ 38,944	\$ 831,154
30	\$8,860,485	\$ 886,048	\$ 831,154	\$ 13,336	\$ 41,558	\$ 886,048
			<b>\$ 400,089</b>	<b>\$ 485,959</b>	<b>\$ 886,048</b>	

## **Key Assumptions**

Key R&R assumptions are:

- Reinvestment and inflation rates are per the Denali Commission Business Plan Guide
- Repairs and maintenance are anticipated to increase as the facility ages
- Needed parts as well as skilled labor will be readily available during the replacement phase.

## **Section 10 Legal Authority & Issues**

### **Ownership**

OVK will have one hundred percent (100%) ownership of the proposed Multi-Purpose Facility and all associated equipment. Entities such as the Denali Commission, DCCED, and USDA may fund construction of future improvements and transfer the infrastructure and equipment to OVK after a prescribed period.

### **Resolutions/Ordinances related to new project**

Resolutions and ordinances for the project will strictly depend upon the grant funding requirements and guidelines of the project sponsors. OVK has pledged to support and provide any and all applicable resolutions as well as seek out those of other applicable governing bodies – as required.

### **Special Permits, Licenses and Regulations**

OVK has identified the following potential permitting issues for the proposed Multi-Purpose Facility that will either be addressed and/or resolved during the design, engineering and/or construction phases of the project:

- Any site control or land ownership conflicts related to the specific site chosen for the project.
- All rights-of-way and utility easements will be completed prior to construction.
- The need for Denali Commission and/or State of Alaska engineering approval for project plans, specifications, and as-built code compliance.

- The possibility of ADEC requirement for water and wastewater connectivity..
- The approval of grantors for project plans and execution.
- The approval of the Denali Commission for sustainability and O&M plans
- Successful completion of DCCED Consistency Review
- Endangered Species Act Compliance
- American Disabilities Act (ADA) compliance

## **Key Assumptions**

Key Legal assumptions are:

- OVK will have legal authority over as well as ownership of the proposed Multi-Purpose Facility
- In the event of total facility failure and/or damage the Organized Village of Kwethluk is ultimately responsible for capital replacement and/or insurance premiums.

## **Section 11 Interagency Relationships**

### **Involvement of Other Agencies**

#### **Involvement in Construction Phase**

OVK intends to seek capital project funding for conceptual/final design and eventual construction funds from the Denali Commission and USDARD.

#### **Involvement in Ongoing Operations**

OVK intends to seek operational and programmatic supplemental funds from the Denali Commission, DCCED, the Alaska Department of Health and Social Services (DHSS), as well as the Administration of Native Americans (ANA) grant programs.

#### **Replacement Agencies**

Given the nature of mandating capital replacement funds by the project host communities, it is assumed that OVK will initiate the replacement process should the proposed facility serve throughout its projected useful life. It is further assumed, that in the event the facility experiences total failure and needs replacement prior to its anticipated design life – the same agencies who constructed the

infrastructure would be sought to assist again. In addition, emergency funding appropriations could be sought from the Alaska Legislature and the U.S. Congress - in the form of congressional earmarks.

### **Regulatory Agencies**

The primary regulatory agency for the OVK Multi-Purpose Facility project will be the State of Alaska as it has the authority to regulate a wide array of public facilities within Alaska pertaining to issues including but not limited to: building code compliance, operator training standards, fire safety and engineering plan approval.

### **Key Assumptions**

Agency and phase assumptions are:

- Prior to construction, all required permits and certificates will be sought and acquired by OVK and/or appropriately licensed and certified design/construction management firm.
- The OVK IRA Council will accept the findings within the Organized Village of Kwethluk Multi-Purpose Facility Feasibility Study and Business Plan as demonstrated by passage of a resolution drafted by the OVK IRA Council.

## Section 12 Summary

### Wrap-up

The OVK Multi-Purpose Facility Business Plan incorporates O&M revenues and expenses of a fully functional multi-purpose facility suiting the needs of the community of Kwethluk and those of communities within the immediate sub-region.

The OVK Multi-Purpose Facility Business Plan as designed to incorporate the revenues and expenses of a proposed new facility located in Kwethluk, Alaska as it pertained to O&M, R&R, start-up costs, as well as Rough Order of Magnitude (ROM) design/construction estimates and ultimately capital contribution obligations as required by the Denali Commission.

This business plan was completed in accordance with the Denali Commission Multi-Purpose Facility Business Plan Guidelines and all tables incorporated within provided by DCCED. All financial projections were made in 2007 U.S. dollars and reflect the OVK FY2006 (un-audited financial statements) as well as FY2007 budgets as presented by the OVK Tribal Administrator. Disclaimer: All capital infrastructure design and construction estimates are ROM and were not prepared by a licensed engineering or construction management professionals.

### Effect on Community

OVK has expressed that the effect upon the community of Kwethluk and surrounding sub-region as a result of replacing the recently destroyed community facility with the proposed OVK Multi-Purpose Facility project will be highly positive. This assessment was made in the belief that in addition to providing the community an adequate facility to conduct programs, community meetings, as well as facility community planning and events – OVK can enhance tribal self-determination and sustainability through better management and delivery of desperately needed community services. In short, OVK and other entities will be able to provide a higher level of service and do so at a lower cost through consolidation and cost sharing.

## Section 13 Appendix

- Organized Village of Kwethluk Resolution Accepting Multi-Purpose Facility Feasibility Study and Business Plan
- FY2007 OVK Budget
- Comprehensive Plan
- Resume of each Council Member
- Resume of Tribal Administrator







2007 FUNDING SOURCES	
<b>Final</b>	
Aid to Tribal Gov't	1,486
CTGP	129,406
Tribal Courts	370
Social Services	3,515
ICWA	5,231
Scholarships	1,457
Jobs (AVT/DE)	296
Economic Development	567
Natural Resources	1,534
Agriculture	185
Trust Svcs - General	926
Other Rights Protection	369
Realty	29,355
<b>Subtotal</b>	<b>174,697</b>
NR	(1,534)
AG	(185)
<b>Subtotal</b>	<b>172,978</b>

ORGANIZED VILLAGE OF KWETHLUK							Mod 6
2007 Approved Budgets							
Director	ATG	TC	SS	HE	ICWA	Realty	Total
Fringe	20,958		24,180	9,680	27,300	19,760	101,878
Travel/Per Diem	2,995		3,023	1,210	3,413	2,470	13,111
Supplies	2,780		2,844		2,844	5,400	13,868
Telephone	2,000					450	2,450
Stipends	3,752	139		257		529	4,677
Grants (70%)	3,000	3,000		20,000			6,000
Postage	974					241	20,000
Utilities	3,971	143	1,223	1,278	1,364	1,800	1,215
							9,779
<b>Subtl Budgets</b>	<b>40,430</b>	<b>3,282</b>	<b>31,270</b>	<b>32,425</b>	<b>34,921</b>	<b>30,650</b>	<b>172,978</b>
Supplemental	5,500		4,000			6,049	5,500
Supplemental						1,075	4,000
Supplemental							6,049
Supplemental							1,075
CSF							23,247
<b>Total Award</b>							<b>212,849</b>



# **ECONOMIC DEVELOPMENT PLAN 2000-2004**

**For  
The Organized Village of Kwethluk  
including:**

**Kwethluk IRA Council  
City of Kwethluk  
Kwethluk, Inc.  
Kwethluk Tribal Resident Council**

**February, 2000**

**Developed with assistance from:  
*The Arcturus Group*  
Box 244904  
Anchorage, Alaska 99524  
907-248-3934**

ORGANIZED VILLAGE OF KWETHLUK  
Kwethluk Economic Development Plan, 2000-2004  
February, 2000

The purpose of the Kwethluk Economic Development Plan is to:

- Establish a direction for economic development to broaden the economic base of the community of Kwethluk for the years 2000-2004.
- Investigate the top economic development concepts from the Long Range Plan and determine which are feasible and are of long term benefit.
- Develop the public infrastructure in Kwethluk to support new economic development activities.
- Develop business enterprises owned and operated by the IRA Council and/or Joint Group organizations to enhance self-sufficiency and decrease dependency on outside funding sources.
- Develop businesses which utilize local renewable resources, including value-added processing and eco-tourism.
- Support business opportunity development among individual community residents for business ownership and successful operation.
- Maximize employment opportunities for the Kwethluk residents.
- Explore marketing opportunities for locally-generated products, including value-added and arts and crafts products.

The approach for developing the Kwethluk Economic Development Plan incorporated already-existing documentation and expanding upon the initial concepts in these documents. The following process was utilized:

- Review of the *Community Assessment and Comprehensive Community Development Long Range Plan*. These documents provided a basis for determining what economic development concepts to consider.
- Community meetings for input; workshop discussions with community leaders and members.
- Discussion of each economic development concept as a business enterprise- defining the scope of the business, etc.

- Prioritizing of the economic development concepts as to feasibility and benefit to the community of Kwethluk and moving toward long range goal accomplishment.

ORGANIZED VILLAGE OF KWETHLUK  
Economic Development Plan, 2000-2004

Economic Development Projects in Progress

The Organized Village of Kwethluk has two major economic development projects currently underway. They are: construction of a community center facility and a post office. Both facilities will be income-generators for the Organized Village of Kwethluk.

Community Center: The Community Center will feature a large meeting room area which will be utilized for community activities and events. The facility will be available for rental use by organizations (local, regional, state) for workshops, conferences and meetings. Additional space in the building will be for program services offices. Both the meeting room and office space will generate income through rental fees. The building is scheduled for construction Summer, 2000.

Funding for the facility was obtained by packaging a number of resources: Magnuson-Stevens Act grant, HUD CDBG grant, ANA grant, NAHASDA grant through the Kwethluk Tribal Residents Council, and ANICA.

Post Office: The post office will provide a new facility for postal services. The building is being constructed per U.S. Postal Services requirements. The Postal Service will be renting the facility once it is constructed. Construction is scheduled for Summer, 2000.

Funding for the facility is being obtained through a loan to the Kwethluk IRA Council.

ORGANIZED VILLAGE OF KWETHLUK  
ECONOMIC DEVELOPMENT PLAN  
PROJECT PRIORITIES for 2000-2004  
February, 2000

The Organized Village of Kwethluk is committed to diversifying the economy of the community of Kwethluk. A diversified economy is the basis of a healthy, vital community. The continued reliance on subsistence and commercial fishing has proved to be unreliable and devastating to community members; sustaining a viable means of making a living. As such, the Organized Village of Kwethluk embarked on a project to prepare an Overall Economic Development Plan. This Plan features the potential business enterprises which are viewed as necessities and as the means for diversification.

Based on the efforts of the Organized Village of Kwethluk, the following list of priority projects was developed. Each is discussed in further detail on the following pages of the Economic Development Plan. Note: those items in bold type indicate the economic development projects to focus on developing during the next five years. These projects were selected by the Joint Group of the Organized Village of Kwethluk during a workshop session held in February, 2000.

A. Determine the feasibility of:

- a. **Restaurant and lodge complex**
- b. Service, maintenance & repair shop; welding shop
- c. **Processing/manufacturing for value added products beyond seafood, including berry jellies, honey, fur tanning.**
- d. **Transportation (cab operation/local bus services)**
- e. Barber shop/Beauty salon
- f. Agriculture, gardening

B. Determine the feasibility of the following tourism enterprises:

- a. Guiding/fishing
- b. Archeological site tours
- c. **Snow machine trips/winter excursions**
- d. **Bird, animal, fish watching/boating/fish camp visits**
- e. **Arts and crafts sales**

The Organized Village of Kwethluk recognizes the importance of developing infrastructure to support not only an improved quality of life for villagers, but for furthering the economic development potential of the community. Therefore, there is considerable effort being expended to ensure that the infrastructure of the village is significantly upgraded. The following are the key infrastructure projects in development by the organizations of the Kwethluk Joint Group. All of these projects are vital to future economic success in Kwethluk. They are:

- a. **Water and Sewer project.**
- b. **Housing development**
- c. **Road improvements**
- d. **New airport**
- e. **Bulk fuel tanks upgrade and relocation**
- f. **Electrical distribution upgrades**
- g. **Heavy equipment acquisition**
- h. **Head start/early childhood development center**
- i. **Erosion control**
- j. **Public safety and emergency services building and vehicles**

The following pages contain details on the economic development concepts listed on the prior page and on the infrastructure projects listed above. These details are based on information provided during a workshop session held February 8-10,2000 in Kwethluk, Alaska with the Joint Group. Each concept is examined and discussed to determine its preliminary feasibility. With this information, the Joint Group decided which concepts to explore further. For those prioritized, future development will include completion of an in-depth feasibility study, preparation of a business plan, followed by design and engineering and construction. Each priority concept will receive further scrutiny in terms of economic benefit and employment opportunities generated.

Each infrastructure project is considered a top priority by the Joint Group. The infrastructure projects are vital to enhancing the quality of life and well being of community members. Any successful economy requires basic infrastructure be in place, including running water, a reliable power source and effective transportation.

Each project is discussed in terms of its current status and the timeframe for its development, where applicable. Since the majority of these are multi-million dollar projects, it is necessary to approach them in phases.

## RESTAURANT/LODGE COMPLEX

Feasibility on Scale of 1-5:

1      2      3      (4)      5

### Who Should Develop:

IRA take lead role to develop funding sources for development; joint ownership and benefit to the Joint Group once operational.

### Project Concept:

A restaurant and lodge to provide services to locals and visitors. The restaurant will feature fast food dishes and Native foods (dry fish, etc.). The suggested location is on property near the new airport site. The lodge will feature private guest rooms with a common bath area.

### Potential Audience/Volume:

The volume of use is expected to be high among locals and visitors. Currently, there is no eating or overnight establishments in Kwethluk. The visitor traffic is steady into the community with visitors relying on overnight accommodations at the school, clinic or private homes. Breakfast and lunch meals may be purchased at the school (during the school year). Otherwise, visitors bring their own meals or purchase microwavable food at the stores.

### Potential Revenue/Employment:

Based on comparison of similar concepts in other communities, the restaurant and lodge has the potential to have a positive cash flow after the first year of operation. The business has the potential for job opportunities for approximately 5 part time/ full time employees- lodge manager, housekeeper, clerks/servers, cook.

### Potential Cost Considerations:

- A full restaurant may not be cost-effective due to the permitting and costliness of equipment found in a full restaurant kitchen. A canteen concept which features a warm-up kitchen may be more appropriate.
- Availability of land at a site which is easily accessible for the potential users.
- Determination of how to operate the business- ie, lease out or operate by the Council.

### Overall Assessment:

The Joint Group rates this project a moderate-high feasibility (4). A restaurant and lodge in Kwethluk has tremendous potential as a money-maker for the Joint Group organizations. It will provide a much-needed service for the community.

Funding Resources:

State REDI program for feasibility and business plan  
CDBG for construction

## SERVICE MAINTENANCE & REPAIR SHOP /WELDING SHOP

Feasibility on Scale of 1-5:

1      ② ↔ ③      4      5

### Who Should Develop:

IRA Council or Individual; IRA Council develop then lease to individual.

### Project Concept:

Develop a repair shop for work on auto, other vehicles (snow machines, 4 wheelers), outboard motors. The concept should include welding equipment.

Alternatives: Provide the space and let people do their own repairs.  
Provide parts store only.

### Potential Audience/Volume:

Considered low volume potential. People already do their own repairs and/or take their equipment into Bethel for repairs.

### Potential RevenueEmployment

Considered low. Parts operation may be money-maker.  
Employment for store manager/owner; possible work for part time mechanics.

### Potential Cost Considerations:

High immediate start up costs, including liability, equipment and building. Concern about high operating costs. The operation will require maintaining a qualified and capable labor pool. Labor pool would need to have proper certifications and licenses.

The prior experience of ANICA in operating a repair shop may be a negative factor in such an operation. In that instance, the shop closed due to poor management. The shop developed a poor reputation for the reliability of its repairs.

### Overall Assessment:

The feasibility of this concept received mixed reviews from the Joint Group. Most participants ranked this with low-moderate feasibility with a ranking of 2 to 3. This business may be better suited for an individual. The Council may consider providing space in a building for such an operation- modified incubator concept.

### Funding Resources:

Sources interested in the incubator concept- the Joint Group would construct a building for rental by small business owners.

## PROCESSING/MANUFACTURING PLANT for value-added products

Feasibility on Scale of 1-5:

1

2

3

4

5

### Who Should Develop:

IRA Council take lead role in development; Joint Group oversee operation, control and distribution of products.

### Project Concept:

Develop processing shop for various marketable products. Employee local people as product providers and processors. Potential products include: Native traditional herbs and medicines, meats (caribou, reindeer), berries, fish.

### Potential Audience/Volume:

This concept may be well suited for marketing over the internet. There is increasing interest in 'natural' and traditional medicines and in 'healthy' foods.

### Potential Revenue/Employment:

Marketing and product availability will be key to ensuring adequate revenue for the operation. A full feasibility and business plan is necessary to access the financial stability of the business.

There is potential employment opportunities as product processors/packagers. The number of jobs available will depend on the product line developed, the consistency of raw product availability and markets developed.

### Potential Cost Considerations:

Significant amounts of funds will be necessary for start up costs to cover a suitable building and proper equipment. The equipment must be capable of multi-uses for handling a variety of products. Or, it may be found more feasible to focus on a small line of highly profitable products with future expansion planned.

### Overall Assessment:

The Joint Group gave this concept a somewhat high (4) ranking. It will be very important to make sure that there are reliable levels of product available. Concern was expressed in the Joint Group of the potential for over harvest. Standards and quotas will need to be established to prevent this. It was mentioned that YKHC is gathering information on traditional medicines and that native medicines are being marketed by outside entities. There needs to be research on the possibility to protect the native medicines through copyright or other means. The ownership of the product in the harvest areas needs to be determined.

### Funding Resources:

Secure funds for feasibility study and business plan- possible REDI grant projects or through small foundation who focuses on economic development for Natives. The construction funds could come from EDA and HUD CDBG, if the project is found to be feasible.

TRANSPORTATION SYSTEM (bus, taxi)

Feasibility on Scale of 1-5:

1      2      3      4      5

Who Should Develop:

IRA Council or individual

Project Concept:

Provide transportation to and from the new airport; transport into Bethel and other neighboring communities.

Potential Audience/Volume:

Local residents and visitors to the community.

Potential Revenue/Employment:

This will be a steadily utilized service. People will need some way to get their bags and themselves to the new airport site. The new airport will be located several miles from the village. People will rely on a taxi/bus service to get them there.

This business has the potential to employ two people on a part time/will call basis.

Potential Cost Considerations:

Start up costs will include purchase of a suitable vehicle and obtaining the proper insurance coverage and licensing.

Overall Assessment:

The Joint Group gave this concept a high ranking (5). A valuable community service with income-earning potential.

Funding Resources:

DOT; possible used van purchase through federal and state surplus.

## BARBER SHOP/BEAUTY SALON

Feasibility on Scale of 1-5:

1    ②    3    4    5

### Who Should Develop:

Private individual

### Project Concept:

Establish a private business within the community of Kwethluk which offers hair cuts and hair care.

### Potential Audience/Volume:

Community residents are the target audience. However, most people have their own barbers they currently use. The business would need to establish a reputation of quality service and comparable price.

### Potential Revenue/Employment:

Good potential revenue for qualified individual with business know-how. This would likely be a one-person business operation with the potential for adding assistants should there be substantial demand.

### Potential Cost Considerations:

Start up costs for equipment; trained and licensed operators.

### Overall Assessment:

The Joint Group gave this concept a low ranking (2). This is probably a feasible business enterprise, but will require a dedicated individual to provide the quality service necessary to keep the business operating at a profit.

### Funding Resources:

Bank loan to an individual.

## AGRICULTURE/GARDENING

Feasibility on Scale of 1-5:

1      2      3      (4)      5

### Who Should Develop:

IRA Council develop as a community garden concept.

### Project Concept:

Develop a community garden where community residents can grow their own produce. The village corporation would contribute the land; the IRA Council would make any necessary land improvements and individuals would stake and plant a plot.

An alternative would be to operate as a 4-H Club project.

### Potential Audience/Volume:

There is a past history in the community of gardening and growing vegetables. Several people had garden plots and grew vegetables such as potatoes, turnips, rhubarb, cabbage and carrots. There was even a village fair at one time. Elders advised people to 'grow vegetables where cottonwood leaves fall' and the results proved them right!

### Potential Revenue/Employment:

The garden project could generate some small revenue from sales of excess product. However, the project has significance as a promoter of self-sufficiency. This enterprise has the potential to employ approximately two part time positions to provide maintenance to the garden area. Individuals would voluntarily maintain their own garden plot to grow items for their home use.

### Potential Cost Considerations:

Minimal costs are involved for this project. It seems likely the corporation will contribute the land, the community already has a rototiller. Expenses will involve seeds and plants, and administering the project.

### Overall Assessment:

This has a somewhat high feasibility rating from the Joint Group (4). The garden has the potential to encourage self-sufficiency and be a community-strengthening project. It also encourages healthy eating and reduces costs of purchasing produce in stores.

### Funding Resources:

Possible help from a foundation with self-sufficiency goals. This would probably be a small grant for start up costs.

## GUIDING/FISHING

Feasibility on Scale of 1-5:

(1) 2 3 4 5

### Who Should Develop:

The IRA Council, Natural Resources Department program

### Project Concept:

Provide wilderness experiences for hunting and fishing by outside visitors.

### Potential Audience/Volume:

This is a small, niche tourist market.

### Potential Revenue/Employment:

While each trip may generate a large fee, cost considerations may offset profitability. This business could create several seasonal positions.

### Potential Cost Considerations:

There are high cost factors: permits, insurance, licenses, equipment. The guide would need a boat and be able to deal with engine repairs/breakdowns. Marketing could be a substantial portion of the budget. Finding the right access to the right market could be challenging. The internet could help.

### Overall Assessment:

The Joint Group gave this a low feasibility rating (1). There is concern that there is already heavy traffic on the river, with considerable pressure on the resources with the big game operations to the north. The critical issue is ownership of Kwethluk River use. The Elders would disapprove of any situation where fish and game might be wasted or misused. This whole concept needs more research as part of the Integrated Resources Management Plan.

### Funding Resources:

The Integrated Resources Management Plan could be funded through ANA. Also, an overall tourism package development might be an objective for future ANA applications.

## ARCHEOLOGICAL SITE TOURS

Feasibility on Scale of 1-5:

① 2 3 4 5

### Who Should Develop:

The IRA Council as part of the Natural Resources Department

### Project Concept:

Offer tours of archeological sites within the Kwethluk community area.

### Potential Audience/Volume:

This may appeal to a small, niche tourist market.

### Potential Revenue/Employment:

Dependent on reaching small market; large cost outlays vs. relatively low return. This would be a seasonal employment opportunity for several people.

### Potential Cost Considerations:

Projected high cost operation- insurance, equipment

### Overall Assessment:

The ranking of the Joint Group indicated a very low feasibility at this time (1). It was the feeling of the Group that, while there are some old village and grave sites, there really isn't much archaeologically that has been identified. There is concern about ensuring respect and privacy for traditional lands.

### Funding Resources:

Possible funding through tourism development approach. Also, possible funding through historical mapping of archeological sites.

BIRD, ANIMAL, FISH WATCHING/BOAT TOURS/FISH CAMP VISITS

Feasibility on Scale of 1-5:

1

2

3

④↔⑤

Who Should Develop:

IRA Council Natural Resources Department

Project Concept:

Small groups of visitors (3-6) would visit Kwethluk during the summer months. Visitors would have the opportunity for participating/observing traditional Yup'ik summer activities and nature-related activities.

Potential Audience/Volume:

This concept will appeal to small, niche markets of tourists. The Lower Kuskokwim Economic Development Council has developed a web site which advertises village tours. The Kwethluk project could utilize this service.

Potential Revenue/Employment:

This concept may have higher revenue potential than the winter activities. There is increasing interest among a select group in exploring nature in remote areas. The ability to visit Native communities would be an added attraction.

This business could provide seasonal employment for 5-6 people depending on the volume of bookings.

Potential Cost Considerations:

While revenue may be higher than winter, the costs are still a major factor. Any visitations would require owners' consent; logistics would be challenging. Start up costs would include the licensing and permitting, equipment, insurance and advertising. Knowledgeable guides will be needed. Possible conflict with subsistence activities may prove challenging to maintain the staff needed for the business.

Overall Assessment:

The Joint Group gave this somewhat high to high rating (4-5). There is interest in providing this type of program. However, setting up the structure of the program (fees, destination, marketing, etc.) and the logistics of program delivery may prove to be too costly for the concept to be feasible.

Funding Resources:

Possible funding as an economic development project focusing on tourism. Should include marketing aspect in any proposals.



## ARTS & CRAFTS SALES

Feasibility on Scale of 1-5:

1      2      3      4      (5)

### Who Should Develop:

IRA Council and/or private individuals

### Project Concept:

Develop markets for local arts and crafts products. Local products include ivory, grass baskets, dolls, fur caps, beading.

### Potential Audience/Volume:

Visitors to the community are potential customers. Making contact and developing markets with organizations such as the Cultural Heritage Center and AK Native Medical Center would be good approaches to reach a high number of visitors to those facilities. Having booths at fairs, craft shows and gatherings, such as AFN, Camai, etc.

### Potential Revenue/Employment:

This concept probably has the potential to increase the revenue and demand that locals currently receive for their goods. The IRA Council could receive a percentage for their assistance in setting up the markets.

This could provide employment for at least one person to administer the business. Individuals would increase their sales of goods.

### Potential Cost Considerations:

This concept has relatively low start up costs. Will require time for networking with established potential markets and for exploring other marketing opportunities, including internet. Of key importance is assuring a steady supply of product for sale.

### Overall Assessment:

The Joint Group rated this very high as a feasible project (5). While people are currently selling things on their own, it was felt that a strong marketing program would help enhance the sales levels.

There was an arts and crafts cooperative operating at one time in Kwethluk, but there were few participants. A good marketing approach was needed. Unfortunately, the cooperative closed. This concept will need the structure and participation levels in order to make it a success.

### Funding Resources:

Several foundations have funded cooperatives in the State, with limited success to date. It may be challenging to locate a funding source. However, this concept is not necessarily a cooperative approach- more to help put together the markets with the product and supplier. This approach in a proposal may be successful.

**ORGANIZED VILLAGE OF KWETHLUK**

**INFRASTRUCTURE PRIORITY PROJECTS  
2000-2004**



## WATER AND SEWER PROJECT

Importance on Scale of 1-5:

1      2      3      4      ⑤

### Who Should Develop:

City of Kwethluk, Kwethluk Utilities Commission; Joint Group input. Boris is the main contact.

### Project Concept:

Implement the community-wide water and sewer system plan. This plan, including feasibility study and concept development has been prepared. As a result, the community will be plumbed for running water and flush toilets. The challenge will be in acquiring the remaining funding necessary for the project.

### Potential Audience/Volume:

Community of Kwethluk

### Potential Revenue:

Fee structure adopted to offset maintenance and operations costs of water/sewer project.

### Potential Cost Considerations:

Project must be approached in phases to ensure access to funding.

### Overall Assessment:

This infrastructure project received a top priority rating from all the Joint Group attending the workshop (5). A reliable water source is necessary for improving sanitation conditions in Kwethluk and for economic expansion. The Village is working with ANTHC to develop this project. This project will be completed in a series of five phases with Phase I to be completed in the Summer, 2000. Phases II through V will take place through 2006.

### Funding Resources:

The funding for Phase I of the project is in place. The well in Phase I will be built the Summer, 2000. Phase II has \$2-3 million in funding in place.

## HOUSING DEVELOPMENT

Importance on Scale of 1-5:

1

2

3

4

5

### Who Should Develop:

Kwethluk Tribal Residents Council

### Project Concept:

The development of housing for tribal residents of Kwethluk. KTRC receives funding through the HUD NAHASDA program. The funding level is approximately \$500,000 per year.

### Potential Audience/Volume:

Tribal residents of Kwethluk

### Potential Revenue:

Housing will be purchased by qualified homeowners

### Potential Cost Considerations:

Construction and land costs

### Overall Assessment:

This important infrastructure received a top priority from the Joint Group attending the workshop (5). Current plans call for developing a new housing development near the airport. The pending airport access road will open up new property for development. The housing development land could be cleared at the same time as the airport construction occurs. Lots will then be surveyed and access roads constructed.

### Funding Resources:

Housing funding is through the HUD NAHASDA program which allocates funds to the village each year. Additional funds will be leveraged.

## NEW AIRPORT CONSTRUCTION

Importance on Scale of 1-5:

1      2      3      4      ⑤

### Who Should Develop:

City of Kwethluk is taking a lead role in the new airport construction. The Joint Group provides input.

### Project Concept:

Construct a new airport which complies with FAA safety regulations.

### Potential Audience/Volume:

Community members of Kwethluk and visitors

### Potential Revenue:

N/A

### Potential Cost Considerations:

Need to determine responsibility for maintenance and operations; determine if there will be a terminal building.

### Overall Assessment:

Airport construction is considered a top priority by the Joint Group attending the workshop.(5) Having the airport will make a large difference in accessibility for the community. Right now, only small planes can land at the community and spring floods overrun the runway. Work on the new airport will start in the Summer, 2000 and end in approximately 3 years.

### Funding Resources:

State and federal funds.

**BULK FUEL TANKS**

Importance on Scale of 1-5:

1      2      3      4      ⑤

Who Should Develop:

Kwethluk , Inc. is taking a lead role; input from Joint Group

Project Concept:

Relocate and upgrade fuel tank farm.

Potential Audience/Volume:

Community of Kwethluk

Potential Revenue:

Fuel purchases

Potential Cost Considerations:

unknown

Overall Assessment:

The Joint Group gives this project a top priority. Currently, the existing tanks do not have adequate containment systems to alleviate spill damage. The tanks are located in a flood area. The project will enable the use of waste heat for buildings. It will take approximately \$3.1 million, based on year 2000 dollars. The Denali Commission has been approached for possible funding. The documentation is in process to show that all technical requirements are in place for receipt of fuel.

Funding Resources:

Denali Commission

ELECTRICAL DISTRIBUTION UPGRADES

Importance on Scale of 1-5:

1      2      3      4      ⑤

Who Should Develop:

Kwethluk, Inc. is taking a lead role; input from Joint Group

Project Concept:

Increase electrical capacity to the village of Kwethluk. The project includes acquiring larger generators and installing sub outlets and upgrades to a more computerized system. With sub outlets, sections of the power grid could be shut down for repairs. The upgrades will allow the system to move from manual operation.

Potential Audience/Volume:

Community of Kwethluk

Potential Revenue:

Electrical utility customer fees

Potential Cost Considerations:

unknown

Overall Assessment:

This received a top priority from the Joint Group attending the workshop.

Funding Resources:

unknown

HEAVY EQUIPMENT ACQUISITION

Importance on Scale of 1-5:

1      2      3      4      5

Who Should Develop:

Kwethluk IRA Council with Joint Group input and participation.

Project Concept:

Purchase identified heavy equipment for upcoming infrastructure and other development projects. Explore options available for surplus property purchases.

Potential Audience/Volume:

Community of Kwethluk

Potential Revenue:

High potential of equipment rental as an income generator.

Potential Cost Considerations:

Purchase price of equipment and shipping costs; insurance for vehicles; training for operators.

Overall Assessment:

High priority of the Joint Group attending the workshop. The Group developed a list of equipment which could be used in Kwethluk. Representatives from Kwethluk Joint Group organizations toured the surplus property warehouse. Several items are being selected for purchase.

Funding Resources:

Council general funds; currently have ANA proposal pending which requests funds for surplus purchasing; other funding through small foundations.

HEADSTART/DAY CARE FACILITY

Importance on Scale of 1-5:

1      2      3      4      5

Who Should Develop:

IRA Council to take a lead role. Joint Group and community input.

Project Concept:

The facility would house the Head start program, early toddler learning program and provide day care services for youngsters. An option for the facility would be to include room for a Senior Center and a Teen Center. The old Head start building could be converted into a Teen Center.

Potential Audience/Volume:

Community members of Kwethluk.

Potential Revenue:

The day care could provide child care services for working parents at a reasonable fee.

Potential Cost Considerations:

Facility construction costs, acquisition of property for the building. Operation and maintenance costs, including insurance, equipment, labor.

Overall Assessment:

This project is given a high priority by the Joint Group at the workshop. Providing child care services is critical to supporting the parents of Kwethluk.

Funding Resources:

Head Start program funds; foundation funds; ANA for concept development; HUD CDBG for facility construction.

EROSION CONTROL

Importance on Scale of 1-5:

1      2      3      4      5

Who Should Develop:

City of Kwethluk to take a lead role.

Project Concept:

Develop a plan to address flood control, drainage, excess surface water and erosion of river banks. Current focus is on flood control to reduce risk to the school and neighboring properties. Extensive work is needed from the east to west edge of town. Cost estimates are \$7.0 million.

Potential Audience/Volume:

Community of Kwethluk

Potential Revenue:

N/A

Potential Cost Considerations:

High costs

Overall Assessment:

This project is a top priority of the Joint Group at the workshop. Efforts are underway to work with the U.S. Army Corps of Engineers to address the erosion problems. Should the 'ox bow' area along the river bank break off, the village will flood. The school and adjacent properties are all at risk.

Funding Resources:

U.S. Army Corps of Engineers; FEMA; Kuskokwim School District may be able to access State funds.

## PUBLIC SAFETY & EMERGENCY SERVICES

Importance on Scale of 1-5:

1      2      3      4      5

### Who Should Develop:

Kwethluk IRA Council

### Project Concept:

This project is to construct a building which will house public safety and emergency services and to obtain vehicles for use by these services. The building will provide a facility for a vehicle garage, equipment storage, offices for police, fire, search and rescue, tribal court chamber, 6-cell jail and a small conference room.

Equipment needs include: portable fire fighting equipment, a truck/van for transporting patients to the airport, 4-wheelers, snow machines, fire extinguishers for each house, escape ladders, a radar gun, VHF's/pagers and camcorders.

### Potential Audience/Volume:

Community of Kwethluk

### Potential Revenue:

N/A

### Potential Cost Considerations:

Cost for building construction and land acquisition. Cost for maintenance and operation of facility. Cost for purchase and freight for equipment. Cost for training to use equipment.

### Overall Assessment:

This project is a top priority of the Joint Group who attended the workshop. During that workshop, these priorities were determined. Surplus property can provide some items on the equipment list.

### Funding Resources:

Explore possible funding through emergency services organizations; foundations interested in community protection, Justice Department (COPS program)

**Resumes of each of the Council members**

**Willie J. Larson Sr.**  
**P.O. Box 122**  
**Kwethluk, Alaska 99621**  
**(907)757-6069 Hm.**  
**6015 Wk.**

**Education:** - Attended highschool and graduated from Napaskiak Zacharias J. Williams Highschool in 1991.

- Village Public Safety Officer training Sitka, Ak.

- AKARNG(Active Duty)  
Basic training at Fort Benning, GA  
Honorable discharge

- Summer Institute in Bethel, Ak.

**Work History:-** Construction worker for Orutsarmiut Native Council in Bethel, Ak.  
(Build new houses, weatherized old houses, leveling, etc.)

- Village Public Officer for City of Kwethluk.  
(Transport prisoners to Bethel Correctional Center, patrolling, paperwork, etc.)

-Constuction worker.for Kwethluk Tribal Residence Council.  
(Build new houses, weatherized old houses, leveling, etc.)

**Employed:** - Associate Teacher II for Kwethluk Community School  
(Teach on how to read, write, and speak in Yup'ik) Still employed

- Site Tech for Kwethluk Community School  
(Maintain operational on staff's and students desktop and laptops.) Still employed)

- Indian Reorganization Act(I.R.A) Council Member 2006/07'

**John W. Andrew**  
**P. O. Box 188**  
**Kwethluk, Alaska 99621**

John W. Andrew  
D. O. B. 03-07-45  
SS# 574-16-1903

### **Education and Credits**

Kwethluk Junior High School	May 10, 1962	Certified
Mt. Edgecumbe High	May 13, 1966	Certified
Anchorage Community College	April 12, 1968	Social Services
Alaska Army National Guards	8/3/66-2/1/67	H. Discharge
Alaska Methodist University	Eng 101/Ed 210	Certified
Anchorage Community College	Maintainence Mechanics	Certified 1968
Yukon-Kuskokwim Mink Festival	1991-92-1993	Award
Association of Council President	1991	Excellence Award
Association of Council Presidents	2004	Excellence Award
Mt. Edgecumbe High	1962-66	Physical Fitness Awards
Kwethluk High School	1976-79	Community Service Awards

### **Work History**

11/04/05-08/31/07	Organized Village of Kwethluk	Court Clerk
2002-2004	Association of Council Presidents	Coordinator
1992-2000	U.S Fish and Wildlife Services	Coordinator (Regional)
1987- 1992	Association of Council Presidents	Resource Spec.
1980- 1992	Nunam Kitlutstiti	Natural Resource Specialist
1968-1976	State of Alaska	Human Services Program
2004-2005	Organized Village of Kwethluk	Council member
2000- Present	City of Kwethluk	City Council Treasurer

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**Max Daniel Olick, Sr.**  
**P.O. Box 56**  
**Kwethluk, Alaska 99621**  
**(907) 757-6027- Home**  
**(907) 757-6629- Work**

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### **EDUCATION**

Kwethluk Day school - 1959 to 1968 - Graduated May 1968

Mount Edgecumbe High School - 1968 to 1972 -  
Graduated High School Diploma May 1972

University of Alaska 1972 to 1976 - Awarded Associate of  
Arts May 1976

Village Public Safety Officer Academy - Awarded  
Certificate 1983

Municipal Police Academy - Awarded Certificate 1989

### **EQUIPMENT/SOFTWARE/OTHER SKILLS**

Equipment: Computer, calculator, inter-net and other  
computer skills

Software: Microsoft Excel

Other skills; Type thirty words a minute

### **WORK EXPERIENCE**

Village Public Safety Officer - 1983 to present

Search and Rescue Personnel - 1983 to present

Staff Assistant Village Public Safety Officer Program -  
1983 to present

### **OTHER AFFILIATIONS**

Organized Village of Kwethluk/ Kwethluk Indian  
Reorganization Act Council Member  
2003 to present

Kwethluk School Board Member - 1989 to present

Kwethluk Sprint Club - 1980 to present

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Martin Andrew  
P.O. Box 201  
Kwethluk, Alaska 99621  
907. 757. 6281 – Home  
907. 757. 6014 – Work

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### **EDUCATION**

Kwethluk Community School, Kwethluk, Alaska- High School Graduate- General Education Received diploma in May 1989.  
Other classes: woodworking/carpentry.  
University of Alaska – Fairbanks – 1991-1993

### **EQUIPMENT, SOFTWARE AND OTHER SKILLS**

Equipment: Computer operations of Microsoft, calculators, typewriters, copy machines, facsimile machines.

### **WORK EXPERIENCE**

Ashwater and Burns Co.

1990- Project Foreman- Oversee the debris removal of the old Kwethluk Native Store.

Association of Village Council Presidents

Rural housing Authority 2004- Lay out vinyl in 20 unit housings.

2002- Replaced stairways in 15 housing units.

Lower Kuskowim School District- 1997 to present.

Teacher Aide- Work with kindergarteners immersing them in the Yup'ik curricula

### **OTHER AFFILIATIONS**

Organized Village of Kwethluk/Kwethluk Indian Reorganization Act Council

1994-to present- Served as member, secretary, president, and Vice President

City of Kwethluk

Accomplished getting the City of Kwethluk out of debt.

Kwethluk Utilities Commission

Advisory Board member since it's inception.

*Resume of Kwethluk IRA Council President  
James M. Nicori*

*Kwethluk IRA Council 1998-2006*

*1998-2002 Member*

*2002-2004 Vice Chairman*

*2004-Present President*

*Kwethluk Incorporated*

*2000-2004 Member*

*2004-2005 Chairman*

*2005-2006 Vice Chairman*

*Yukon Kuskokwim Health Corporation*

*2005-Present Member*

*Financial Committee*

*Governing Body Committee*

*North Star Gas*

*2004-Present Executive Committee Board Member*



**Herman Nick Evan  
P.O. Box 91 Kwethluk, Alaska 99621**

**907.757.6299 Home telephone  
907.757.6714/6715 Work Telephone**

**Date of birth: September 29, 1953  
Social security number: 574.22.9856**

**EDUCATION:**

**Kwethluk Day School  
Kwethluk, Alaska 99621  
Kindergarten to eight grades  
Graduated: May 24, 1969**

**Chemawa Indian High School  
Salem, Oregon  
Ninth to twelfth grades  
Graduated: May 12, 1974**

**Haskell Indian Junior College  
Lawrence, Kansas 66044  
Associate of Arts: Liberal Arts Degree  
December 12, 1982**

**Haskell Indian Nations University  
Lawrence, Kansas 66044  
Bachelor of Science Degree: Elementary Education  
January 12, 2000**

**WORK HISTORY:**

**OVK/Kwethluk IRA Council- Tribal Administrator  
December 11, 2006 to Present**

**OVK/Kwethluk IRA Council- Weir Manager  
May 15, 2003 to June 15, 2003**