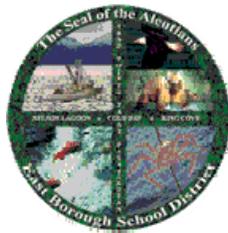
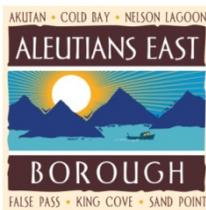


In the Loop



Bringing the Aleutians East Borough, the AEB School District and Eastern Aleutian Tribes together by sharing common goals.

U.S. Supreme Court Shifts Exxon Interest Payment Decision Back to Ninth Circuit Court



Alaska fishermen and other plaintiffs who have been waiting for a payout in the Exxon Valdez lawsuit will have to exercise more patience. On Tuesday, August 12, 2008, the U.S. Supreme Court declined to decide whether Exxon Mobil Corp. should pay interest on the punitive damages. That interest could nearly double the \$507 million award for Exxon's role in the tanker spill of 11-million gallons of crude in Prince William Sound. The Supreme Court officially sent the case back to the Ninth

Circuit Court of Appeals in San Francisco to determine what the interest should be in addition to the punitive damages.

[Read more - Anchorage Daily News article](#)

Alaska Legislature Approves Energy Relief Measures

Alaska state lawmakers gave the green light to a nearly \$1 billion package of energy relief measures last week, including the \$1,200 resource rebate for Alaska residents. A one-year increase to the Power Cost Equalization (PCE) program was also adopted. The legislation contained several short- and long-term energy proposals. The bill passed with just a few hours before the midnight deadline of the scheduled end of the 30-day special session. The House of Representatives voted 35 – 3 to accept some revisions the Senate had made.

Governor Sarah Palin is expected to sign the bill. She was the one who had proposed that lawmakers pay out a \$1,200 energy rebate to residents, partly to share some of the state's multibillion-dollar oil revenue surplus with Alaskans and partly to help alleviate the struggle of skyrocketing energy prices.

Highlights of the Bill:

Power Cost Equalization (PCE): The upper end of the formula was increased to \$1 per KWH, which will greatly benefit many of the smaller communities that are paying rates exceeding the current ceiling of 52 cents. The individual benefit stays at 500 KWH per month.

Governor's \$1,200 Payment: Will be added to the 2008 permanent fund dividend (PFD) payment, which is expected to be \$2,000, providing each eligible resident with a combined payment of \$3,200.

Bulk Fuel Revolving Loan and Bridge Loan Programs: The two programs received additional funding of nearly \$11 million.

Suspension of the Fuel Taxes for One-Year Period: Applies to all fuel taxes including 8 cents per gallon on gasoline, 5 cents per gallon on marine fuel, etc. The estimated savings are \$36 million for Alaska residents.



Renewable Energy Fund: \$50 million was added to the \$100 million appropriated during the last session.

[Read more - Anchorage Daily News article](#)

Alaska Senate Approves TransCanada Gas Line Permit



Alaska State Capitol/Juneau

The Alaska state senate gave the green light to an exclusive license for TransCanada Corp. to permit, develop and build the largest construction project in the history of North America. Last Friday, the senate voted 14 – 5 in favor of the license for the 1,715-mile natural gas pipeline from Prudhoe Bay to the Alberta Hub in Canada. The Alaska House gave its nod to the permit about three weeks ago.

Governor Sarah Palin called the legislature’s passage of the Alaska Gasline Inducement Act (AGIA), “a historic day in Alaska.”

[Link to Alaska Journal of Commerce article](#)



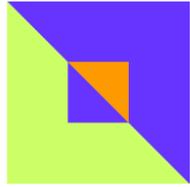
MMS Holds Scoping Meetings in Bristol Bay and the Aleutians East Borough for Proposed Lease Sale in North Aleutian Basin

Anchorage, Alaska – July 28, 2008 - The U.S. Department of Interior's Minerals Management Service (MMS) will hold scoping meetings in the Bristol Bay region and in the Aleutians East Borough to gather information to be included in an Environmental Impact Statement (EIS) for a proposed Outer Continental Shelf (OCS) lease sale in the North Aleutian Basin Planning area. Lease Sale 214 is scheduled for late 2011 under the Final 2007-2012 Oil and Gas Leasing Program. The meetings will be held in the following locations:

- **King Salmon**, Monday, August 18, 7-9:30 p.m., Lake and Peninsula Borough Administration Building
- **Naknek**, Tuesday, August 19, 11 a.m. -1 p.m., Borough Assembly Chambers
- **Dillingham**, Tuesday, September 2, 7-9:30 p.m., Dillingham City Council Chambers
- **Sand Point**, Monday, September 15, 7-9:30 p.m., Aleutians East Borough Offices
- **Nelson Lagoon**, Tuesday, September 16, 11 a.m.-1 p.m., Nelson Lagoon Community Building
- **Cold Bay**, Tuesday, September 16, 7-9:30 p.m., Cold Bay Community Center
- **King Cove**, Wednesday, September 17, 7-9:30 p.m., King Cove City Council Chambers

***A hovercraft charter has been arranged for MMS and AEB staff traveling to King Cove for an evening scoping meeting. (Time: TBA).**

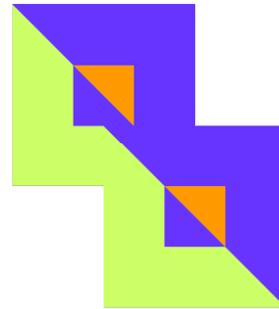
[Read more](#)



Who makes the
BEST DESSERT
in Sand Point?
In Cold Bay?

Is it you?

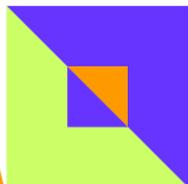
Would you like
To be a judge?



Enter the best dessert contest
to win \$50 at the
Minerals Management Service Meeting

Sand Point Sept 15 Monday at 7:00pm
City Council Chambers

Cold Bay Sept 16 Tuesday at 7:00 pm
Community Center



To enter, bring a
dessert to the meeting.
To judge, just show up!

Aleutians East Borough Mayor Lauds Alaska's U.S. Senators for Small Commercial Fishing Boat Discharge Exemption Bill



**Sen. Lisa Murkowski
(R – Alaska)**

Sand Point, AK – July 25, 2005 – Aleutians East Borough (AEB) Mayor Stanley Mack is commending Sen. Lisa Murkowski (R – Alaska) and Sen. Ted Stevens (R- Alaska) for successfully getting legislation passed in Congress providing a two-year moratorium for commercial fishing boats from getting pollution permits under the Clean Water Act.



**AEB Mayor
Stanley Mack**

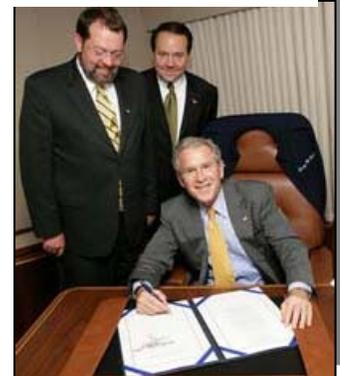
“This is a major accomplishment. We are very grateful to Sen. Murkowski and Sen. Stevens for working so hard on this bill,” said Aleutians East Borough Mayor Stanley Mack. “We are especially proud of Senator Murkowski’s determination in bringing this issue to a close. We appreciate that Senator Murkowski was willing to take on Senator Barbara Boxer (D – California), who supported an exemption for recreational boaters but opposed the moratorium for small commercial fishermen. In the end, Senator Murkowski’s hard work, diligence and collaboration with Senator Patty Murray (D – Washington) paid off,” Mack added.

[Read more](#)

[Link to Sen. Murkowski's Press Release](#)

President Signs Clean Boating Act of 2008 into Law

President Bush signed the Clean Boating Act of 2008 into law on July 29, 2008, aboard Air Force One. The law was enacted just two days before the public comment period closed on what would have been a devastating new EPA regulation. Without the new law, fishermen and recreational boaters would have been subjected to unnecessary federal



**President Bush Signs Clean
Boating Act of 2008 into law.**

regulations and heavy penalties if they did not get the required expensive permits designed for industrial polluters. The Clean Boating Act of 2008 represents a significant victory for commercial fishermen and the recreational boating community.

[Read more - Alaska Journal of Commerce article](#)

[Read more - Reuters News article](#)



Aleutia Provides Community Protection for the City of King Cove Through Processor Quota Share (PQS) Acquisition

Sand Point, AK – July 29, 2008 – Aleutia, a local marketing association for harvested seafood within the Aleutians East Borough (AEB), has reached an agreement with Peter Pan Seafoods, Inc. to acquire processor quota shares (PQS) of Bristol Bay Red King and Bairdi Crab. The agreement, finalized on July 18, 2008, was completed just in time for the 2008 crab fishing season. Aleutia owns and manages the PQS, and will have Peter Pan Seafood in King Cove custom process and assist in marketing the crab.

After the merger of two giant Japanese seafood companies, Maruha Group and Nichiro Corporation, subsidiary Peter Pan Seafoods was required to divest the company of the Bristol Bay Red King and Bairdi PQS held in excess of the allowable cap. Aleutia is the eligible crab community organization for King Cove, and therefore held the right of first refusal for the PQS. If Aleutia had decided against purchasing the PQS, Peter Pan could have sold the PQS on the commercial market. This likely would have taken the PQS out of the community and possibly the Borough. The non-profit corporation was able to acquire the shares after the AEB and the City of King Cove agreed to support Aleutia's efforts. Aleutia's purchase of the PQS provides community protection with tax revenues and jobs, which benefits the AEB and the City of King Cove.

[Read more](#)

Federal Officials Visit King Cove and Tour Proposed Road to Cold Bay



From left to right are Ashley Banister (Dept. Of Interior), Lyle Laverty (Dept. of Interior) and TelAlaska employee Hector Isaza on the Hovercraft Suna-X, waiting to depart Cold Bay for King Cove.

On August 7th, Lyle Laverty, Assistant Secretary, Fish Wildlife and Parks, Department of the Interior, Ashley Banister, Special Assistant to the Senior Advisor, Department of the Interior and Mike Boylan, Refuge Supervisor, Alaska National Wildlife Refuges, U.S. Fish and Wildlife Service arrived in Cold Bay to travel to King Cove.

The visitors were accompanied by Sandra Siekaniec, Izembek National Wildlife Refuge Manager, Della Trumble, King Cove Corporation President and Ernest

Weiss King Cove Mayor on the hovercraft to King Cove. The group then toured the community of King Cove and was greeted at the City Office with locally prepared dishes and questions and comments from residents.

Later that evening, the visitors flew over parts of the Izembek National Wildlife Refuge and the route of the proposed road between King Cove and Cold Bay.

Borough Holds Assembly Meeting on Aug. 28th in False Pass



The next Aleutians East Borough Assembly meeting is scheduled in False Pass on Thursday, August 28, 2008. Weather-permitting, the hovercraft will assist with providing transportation for some of the Assembly members. The Suna-X will depart King Cove about 9:00 a.m. that day, then pick up folks in Cold Bay, and then proceed to False Pass. The trip should take about one hour and 40 minutes each way.

The hovercraft will stay in False Pass until approximately 4:00 p.m., and then depart for Cold Bay, eventually returning to King Cove Thursday evening.

As in the past, the August meeting is designed to catch up on the summer's activities. The meeting normally consists of reports and updates with a minimum of action items. As of August 15, 2008, the only action item on the agenda is the public hearing on the adoption of the revised coastal management plan.



Aleutians East Borough Declaration of Candidacy

Opens Soon

The regular election for the **Aleutians East Borough** will be held **October 7, 2008**. Declaration of Candidacy (DOC) must be filed with the Borough Clerk in Sand Point or with an Assistant Borough Clerk **beginning August 25 through September 5, 2008**.

THE FOLLOWING SEATS ARE OPEN:

ALEUTIANS EAST BOROUGH MAYOR.....THREE (3) YEAR TERM

ALEUTIANS EAST BOROUGH ASSEMBLY:

SEAT A.....THREE (3) YEAR TERM

SEAT F..... THREE (3) YEAR TERM

ALEUTIANS EAST BOROUGH SCHOOL BOARD:

SEAT C.....THREE (3) YEAR TERM

SEAT D.....THREE (3) YEAR TERM

Document forms may be obtained from the Borough Clerk's Office in Sand Point or from the following Borough Assistant Clerks:

KING COVE CITY OFFICE..... DEVONA MILLER

AKUTAN CITY OFFICE..... AMANDA TCHERIPANOFF

FALSE PASS CITY OFFICE..... MELANIE HOBLET

COLD BAY CITY OFFICE..... DAWN LYONS

NELSON LAGOON..... NANETTE JOHNSON

For further information contact the Borough Clerk, Tina Anderson at 383-2699, outside Sand Point 1-888-383-2699 or e-mail at tanderson@aeboro.org

Update on New Borough Administrator Search

The application period for Borough Administrator closed on July 31, 2008. Through that date, 25 applications were received. Information received on the applications shows the applicants' municipal government experience in Alaska varies from zero to 20 years, with an average of 5.78 years. (No reference checks or background checks have been done yet.)

The next task is to develop and refine a spreadsheet showing the qualifications of all applicants. This information should be available no later than September 30, 2008.

Progress Made on False Pass Harbor



The last shipment of floats for the False Pass Harbor has arrived. This photo shows the floats loaded on a Kelly-Ryan barge in Seattle. The shipment will likely be stored in False Pass until next spring and then they will be placed in the inner harbor by Lash Corporation.

False Pass Installs Electric Utility Pre-Pay Metering System

By Melanie Hoblet



Wes Shales installs the customer information unit at the Isanotski B&B.

The City of False Pass installed a new pre-pay metering system for its electric utility at all *residential* service areas. These meters were not installed at commercial or industrial service areas.

Marsh Creek did the installation. Clarissa Quinlan and Connie Fredenberg traveled to False Pass July 28, 2008 - July 31, 2008.



Connie Fredenberg discusses the new meter system with Isanotski Interim Manager Chuck Martinson.

They trained all City staff, Wes Shales - Maintenance, Siri Goulette - Asst. Maintenance, Melanie Hoblet - Clerk, Michelle Traugher - Deputy Clerk.



Siri Goulette takes a final reading from old meters.

Wes and Siri were trained in installation and maintenance of the new meters and customer information units at all residential locations. Melanie and Michelle were able to watch and learn this process and train on the new computer system installed at the

City Office. The transition went extremely well, and the system seems to be working fine.

Crews Complete Re-siding on Akutan School

Borough Maintenance Director Jim Brown and his crew recently completed the re-siding of the Akutan School. The crew also completed some interior work and serviced the boilers.



School Playground Projects Take Shape



King Cove School Playground

New playground equipment and rubber surfacing was installed this summer at Cold Bay and King Cove, thanks to the concerted efforts of several individuals and organizations. The School District obtained a grant for the rubber surfacing through the Alaska Department of Education. The equipment and installation is being paid for

with general funds. The hard working crew consisted of Geoff Flaherty as foreman along with Sunshine Gould, Jenifer Samuelson, Randy Dushkin, Zackery Dushkin, Adrian Walker and Miles Walker. Other projects included installation of buried drainage pipes at the King Cove School, grading the parking area, and other maintenance work at both locations.



Cold Bay School Playground

Twenty-eight tons of rubber mulch was also purchased through the grant for the existing Sand Point School playground, which the crew is planning to address next. This should be a big safety improvement over the rocky surface the playground now has. Finally, Jim Brown has been making plans with Geoff to install fencing around the Nelson Lagoon playground as a barrier to provide safety from roving bears.

The School District would like to thank Joe Calver and the City of King Cove for the essential use of equipment for excavation and moving materials; Roxann Newman with the Borough for payroll and record keeping; Paul Schaack with the Cold Bay airport maintenance department for the donation of time and equipment; and Gary Ferguson with G&K Electric, among others.

WEATHERING WINTER



Residents of the communities of Eastern Aleutian Tribes have been asked to provide input via a recorded videoconference on the effect of high energy costs during the upcoming winter on the health of Alaska's communities and individual citizens.



This month's Joint Legislative Health Caucus will greatly value input from Alaskans living in the areas that will be most dramatically affected by dropping temperatures and rising energy costs: outlying villages where the cost of energy is already unmanageable. The Caucus is asking for your help to make rural village voices heard in this impending crisis, through taped testimony on what has happened and is likely to happen in the villages because of high energy costs.

Have your voice heard by participating in a taped videoconference at one of the Eastern Aleutian Tribes clinics in:

Adak, Akutan, Cold Bay, False Pass, King Cove, Nelson Lagoon, St. George, Sand Point or Whittier at 2:00 p.m. on Monday afternoon, August 18

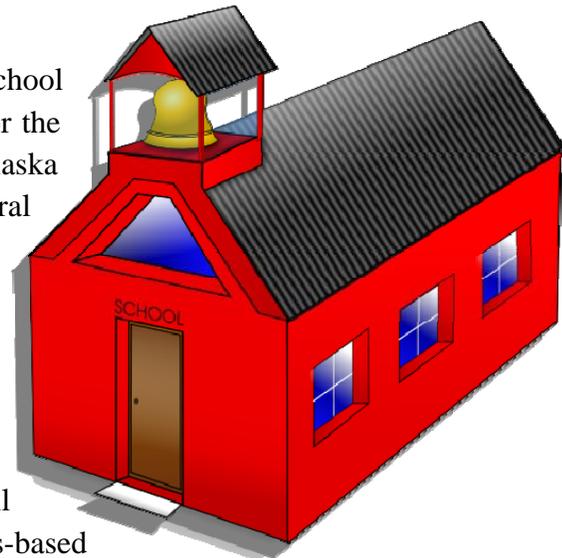
You can provide brief comments to allow everyone an opportunity to have a voice. Comments will then be digitized and added to other perspectives from rural Alaska and heard at a forum on Wednesday, August 20, when the Caucus will also hear presentations from the Department of Health and Social Services and the Department of Commerce, Community, and Economic Development which deal directly with this issue.

This event is co-hosted by Senator Donny Olson of Nome

and Representative Sharon Cissna of Anchorage.

All AEBSD Schools Make Adequate Yearly Progress

All six of the schools within the Aleutians East Borough School District (AEBSD) made Adequate Yearly Progress (AYP) for the 2007-2008 school year. Statewide, nearly six out of 10 Alaska public schools made adequate yearly progress under the federal No Child Left Behind (NCLB) Act, according to data released by Alaska Education Commissioner Larry LeDoux. Of 501 schools, 294, or 58.7 percent, made adequate yearly progress in 2007-2008.



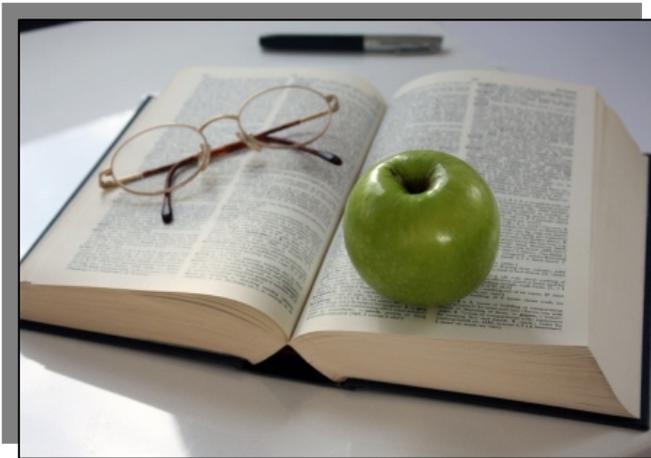
Under Alaska's accountability system for NCLB, nearly all students in grades 3 through 10 take the state's standards-based assessments in reading, writing and math. For NCLB, the reading and writing scores are combined into a language arts score. Schools are held accountable for meeting targets each year for the percentage of students whose scores demonstrate proficiency in language arts and math. Those targets, called "annual measurable objectives" in NCLB, increase over the years to gradually reach 100 percent student proficiency by 2013-2014.

Congratulations to the AEBSD schools for a job well done!

[Link to AEBSD AYP school results](#) or visit:

http://www.eed.state.ak.us/DOE_Rolodex/AYP/2008/districts/Status/Aleutians%20East%20Borough%20Schools.pdf

Two AEBSD Schools Qualify for the 2008 Alaska Performance Incentive Program



Two schools from the Aleutians East Borough School District (AEBSD), Cold Bay and Akutan, made the 2008 Alaska Performance Incentive Program (PIP). The teachers - Stephanie and Ty DeVault at Cold Bay and Arthur and Dawn Woodard at Akutan and one former instructional assistant, Molly Watson of Cold Bay, will receive financial awards from the Alaska Department of Education within the next 60 days. Two district employees, Gus Perkins, (District Tech Director) and Carl Dirkers (District Special Ed

Coordinator) will also receive a financial reward for assisting the schools.

Eligibility for the PIP includes (1) school must enroll students in any combination of K-12, (2) provide instruction in math and language arts, (3) administer the state standards based assessments (SBA) tests, and meet at least one school-wide 95% participation rate separately on the reading test, the writing test, and the math tests for students enrolled on the first day of the test administration on the state standards-based assessment (SBA) for the current year.

CALL FOR PROJECTS

Developing Alaska Rural Tourism - DART



Beginning this fall, the Alaska Office of Economic Development (OED) and the US Economic Development Administration (EDA) are initiating an 18-month project to 1) provide technical assistance and training to enhance rural tourism development projects, and 2) provide technical assistance and mentorship opportunities for new tourism businesses in rural Alaska. The purpose of this call is to solicit proposals for regional and community tourism development projects and for targeted workshops and visitor industry training programs, that can be included as part of OED's Developing Alaska Rural Tourism (DART) program.

Technical Assistance and training to enhance regional and community tourism development projects. These are projects that can be completed in 18 months and will result in the creation of new jobs and job opportunities.

Training and Workshops that strengthen new and existing partnerships with the University of Alaska, Native Corporations and organizations, ARDORs, state, federal, or local agencies, and other partners, to develop and deliver visitor industry training programs.

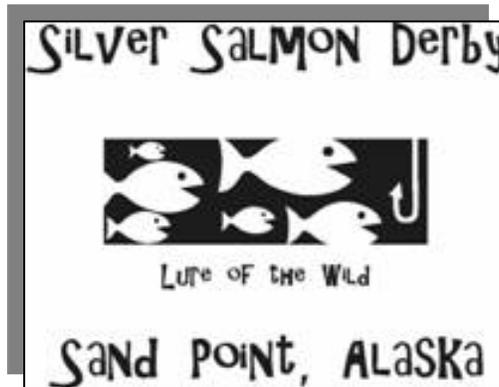
If you are interested in submitting an idea or a proposal for technical assistance and training, please contact OED. The best place to start would be a phone call, a letter, or an e-mail that describes your project in as much detail as possible. OED will work with you to shape a specific proposal for possible inclusion in the DART work plan.

Final proposals received by September 1 will have the best chance of getting into the 18-month DART work plan, which will begin on or around October 1, 2008.

[Read more](#)

Sand Point Silver Salmon Derby

Kicks Off on Aug. 29th



The Sand Point Silver Salmon Derby is one of the biggest fundraising events of the year for the community of Sand Point



Sand Point School Teacher Heather Meinert Adds Artistic Touches to Madison Thompson's face.

and will take place in the Sand Point Boat Harbor. The Derby proceeds are donated to the Volunteer Sand Point Emergency Medical Services, Boys and Girls Club of Alaska/ Sand Point



Devon Roehl enjoys the derby face painting activity.

and The Sand Point Culture Camp. The fishing packet purchase and dessert potluck will take place Friday at 6:30 p.m., August 29th. Fishing will begin Saturday, August 30th at 7:00AM and continue until Monday, September 1st at 3:00PM. The prize potluck will be held Monday, September, 1st at 5:30PM. There are tons of activities for adults and kids throughout the derby and all activities and events will be posted prior to the beginning of the Derby. If you would like to make a donation for prize drawings or to



Christian Anderson-Nutt proudly shows off his silver salmon.

donate some time to assist during derby events, please contact the Derby committee chairperson, Rayette McGlashan, at 383-2664 or e-mail her at rayettemcg1@aim.com .

False Pass Kids Enjoy a Successful Week at Vacation Bible School



Pictured above are all but two of the False Pass Vacation Bible School participants.

Vacation Bible School (VBS) was held in False Pass at the Recreation Center daily, July 22, 2008 - July 25, 2008, from 1pm-5pm and 7pm-9pm.

Donald and Alice Ullman traveled here from Indiana to host VBS.

Stock up on Aleutia Sockeye Salmon

Craving premium-quality, all-natural Aleutia sockeye salmon? If your mouth is watering for the full-flavored, rich taste of this truly distinctive fish, contact Aleutia and share this delicious, nutrient-packed salmon with your family. Get 'em while supplies last. 2008 Aleutia Sockeye fillets are available for \$5.99/pound.

Call the Aleutia office at (907) 383-5909 or email Tiffany Jackson at Aleutia_Tiffany@arctic.net.



Become an Aleutia Member: 2008 Aleutia Memberships Available



Join the Aleutia fishery in one of Alaska's most beautiful, wild and dramatic regions. Capture the flavor of this treasured resource – Aleutia sockeye salmon.

All permit holders can re-apply for 2008 memberships. Membership forms are available at the office in Sand Point or visit the link below. Those who submit their applications and membership fees will receive a free 2008 Aleutia hat and floating permit card holder.

[Aleutia Membership Application Form](#)

[Aleutia Web site link](#)

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