

Aleutians East Borough
January 12, 2011
3:00 P.M.

CALL TO ORDER

Mayor Mack called the January 12, 2011 Assembly meeting to order at 3:15 p.m. by teleconference in each community.

ROLL CALL

Mayor Stanley Mack	Present
Paul Gronholdt	Present
Carol Foster	Present
Marvin Mack	Present
Bill Cumberlidge	Present
Paul Schaack	Present
Joe Bereskin, Sr.	Present
Justine Gundersen	Present

Advisory Members:

Tom Hoblet, False Pass	Absent-excused
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A quorum was present.

Others Present:

Sharon Boyette, Administrator
Roxann Newman, Finance Director
Tina Anderson, Clerk
Monty Martin, Terminal Manager
Laura Tanis, Communications Director
Beth Stewart, Resource Director
Sam Cotton, Fisheries Consultant
Ernie Weiss, Community Development Director
Summer Drake, Financial Assistant

Agenda Additions/changes:

New Business: Discussion of Cold Bay boat harbor
Reports & Updates: Akutan/Akun marine link discussion

Adoption of Agenda:

MOTION

Paul G. moved to approve the agenda with the additions and second by Paul S. No objections motion passed.

Community Roll Call and Public Comment on Agenda Items:

King Cove, Akutan, Cold Bay, False Pass, Nelson Lagoon, Sand Point and the Anchorage office are connected telephonically. There were no public comments.

CALL TO ORDER

Mayor Mack called the meeting to order at 3:15 p.m. January 12, 2011 by teleconference in each community.

Minutes, December 8, 2010:

MOTION

Carol moved to approve the December 8, 2010 Minutes and second by Joe. Hearing no objections the December 8, 2011 minutes are approved as presented.

Financial Report, December, 2010

MOTION

Carol moved to accept the December Financial Report and second by Justine.

ROLL CALL

Paul S.-yes, Carol-yes, Marvin-yes, Justine-yes, Paul G.-yes, Joe-yes, Bill-yes.

MOTION PASSED.

CONSENT AGENDA

- Introduction Ordinance 11-01, Amending the FY11 Operating Budget.

MOTION

Paul G. moved to advance Ordinance 11-01 to public hearing and second by Justine.

DISCUSSION

In reviewing the Introduction Ordinance 11-01, the Administrator said page 4 shows revenues increasing by \$133,000. The Finance Director added notes in right column showing which line items have increased. The next pages show detailed expenses by department. Revenues increased and then we moved that increase around in the budgeted expenses. Administrative budget removed the Assistant Administrator position and put money back into contractual, rest of the distributions show on Finance Director's notes in right column. Also, a new line item was added showing Aleutia crab tax revenues going back to Aleutia.

Bill requested explanation on revenues to Aleutia. The Administrator explained agreement with Aleutia is to give Aleutia the tax revenues collected on Aleutia crab processor quota shares going into King Cove back to Aleutia to go towards payment for processor quota shares.

Carol asked where the \$1M funding increase for the Cold Bay terminal repairs is coming from. The Administrator said money is coming out of general fund, but hope to capture back in lawsuit. Carol asked how this will affect our budget if we don't win the lawsuit saying between hovercraft and terminal there is \$2M in expenses. The Administrator said since we stopped hovercraft operations, expenses are down so won't be spending \$1M on hovercraft.

Carol reiterated her concerns on terminal and hovercraft expenses and relying on capturing money back with the lawsuit.

Bill said he will support at this time but will continue to ask for the funding for the Sand Point boat harbor repairs project.

Paul G. requested that the Administrator submit more accurate line items at reading next month.

ROLL CALL

Marvin-yes, Paul G.-yes, Bill-yes, Justine-yes, Joe-yes, Paul S.-yes, Carol-yes. MOTION PASSED.

PRESENTATIONS

Presentation – GCI Wireless, Dan Boyette:

Dan Boyette provided a presentation on increased/improved cellular service into King Cove and Cold Bay area during the workshop. Maps in packet.

Presentation – Vidar Wespestad, overall project description of trawl surveys:

Martin Dorn, NMFS/AFSC and Vidar Wespestad RAI/AEB provided a presentation at workshop on the trawl surveys using a 58' local vessel to study Pollock, Krill and whales. They reviewed NMFS funding sources for the project and the Borough's contribution of managing the funds.

NEW BUSINESS

Eastern Aleutian Tribes, Inc. (EAT) utilization of \$150,000 AEB contributions:

Correction to EAT correspondence in packet, EAT pays SW Cities for offices leased, not AEB.

Michael Christensen, EAT Executive Director, said he plans to travel to King Cove and Sand Point soon. EAT board meeting is in February. EAT has been invited to a national symposium to do a presentation on quality of services. He went on to say that the behavioral program received recognition for the best quality of behavioral programs. He said funding levels might be reduced to 2008 level, which is a 25% reduction. IHS has approved and accepted EAT budget, however we don't know if we will get the budgeted amount. They paid us \$900,000, EAT served 4,000 patients, will have 16,000 patients in 2011 while experiencing a funding reduction. AEB use to contribute \$200,000 and reduced that to \$150,000. EAT also needs to update their video technology in Adak. Federal Government is tightening up on funding. EAT advantage is already providing improved quality of services and because of this have been funded higher. He said AEB will start seeing quarterly reports on where and what EAT is doing.

Marvin asked for the percentage spent on administrative costs and voiced his concern about frequent staff turnover happening in King Cove. Mr. Christensen said King Cove has had some turn over, however EAT will be fully staffed in King Cove for the first time in a while. Travel costs are expensive so try to manage that travel budget by taking advantage of technology. In terms of first quarter the way that we expend 63% goes to salary and benefits. Marvin said that the clinic sees a lot of people from processing facilities. He asked if those numbers are counted in the total patients served. Mr. Christensen said the processors have their own medical people. Marvin noted his unhappiness on the services being provided at this time. Mr. Christensen said he is sorry to hear that, he added that dental services are starting to be provided and will be the highest we've ever had. He added that 82% of staff work in the region. Mr. Christensen said largest funding comes from billing patients who have insurance and has just started insurance billing training. Marvin noted his disappointment that AEB provided hovercraft service and have not received payment for the service. He also added that he appreciates ANMC providing medical travel but he has had to pay for his own travel on hovercraft, which they do not pay. Mr. Christiansen is trying to get answers also. Mr. Christiansen said he is not satisfied how patient pharmacy is controlled also.

Mr. Christiansen thanked the AEB for its support.

Cold Bay Terminal New Apron and Taxiway Design Project:

The Administrator said we've tried for a couple years to get the apron built to new terminal, DOT/PF had promised an apron and taxiway but that was the old administration that made the promise. We are having a difficult time to get a forward movement on the project. A strategy for AEB in the past is to pay for the design ourselves and hand a bid ready project to DOT/PF. In talking to one engineer firm, they estimate the development for design would cost about \$225,000. The Administrator believes it is a good idea to do the design to get this project going. In talking to Lobbyist Mark Hickey, he agreed that it is a strategy that works if affordable. Does the Assembly wish to spend the revenue to move this region-wide project forward by getting a contractor to design the apron and taxiway?

Joe asked how much the AEB has spent of their own money in order to get people moved into the terminal. The Administrator said the building cost AEB \$5M. We hope to get capture \$1M back through lawsuit against contractor and designer.

Carol asked what the goal is for this terminal. She had concern about going forward with an apron when the city of Cold Bay would rather have money going toward a breakwater or boat harbor. She asked if we build it, do we have an airline coming in. The Administrator said Pen Air has said that they will move into terminal if apron gets built. Alaska Airline's won't even consider service to Cold Bay until an apron is available.

Mayor Mack said when the terminal was proposed there was a serious move to put it on the apron but FAA put a set back law in place saying any buildings in that area have to be removed, so where it is built was the only location available. FAA tower also had to be removed from set back. We saw an opportunity to rent space and increase service because of the setback requirement. Now going on seven years and still do not have an apron and

people have changed in Juneau. We might be able to get them to support this project if we invest this money here and he is optimistic that they will. Alaska Airlines flies to Adak now and needs a stop. The coast guard also has to move out of the Evergreen hangar and will need a new location. A paving project will be going on this summer and hopefully can take advantage of that if we can capture funding.

Paul G. said the two Cold Bay airport projects coming up to bid in April are runway safety area and some apron work, but has not seen a drawing yet. He would like to see a drawing on what that entails adding that it would be a shame to invest and nothing happen with it.

Mayor Mack said we've done it with other projects, Representative Edgmon and Senator Hoffman look at the AEB as being pro active, doing projects and then seeking reimbursement for them. It encourages the state to fund the projects when they know the actual project amount. Bill asked how far to terminal, Mayor Mack answered 500 ft. Marvin said once completed, it will open up business opportunities. No one will stop until we have an entrance and apron. We have already invested this far and supports finishing.

MOTION

Joe moved to approve the \$225,000 for apron and taxiway design and second by Paul S.

FURTHER DISCUSSION

The Administrator hopes to have a firm date by June 1 for final design of apron and taxiway taking advantage of paving already happening. She supports moving forward with the final design so we're bid ready.

ROLL CALL

Joe-no, Marvin-yes, Carol-yes, Paul S.-yes, Paul G.-yes, Bill-yes, Justine-yes. MOTION PASSED.

Other Capital Projects and Legislative Priorities:

Mayor and Administrator will be travelling to Juneau to meet with various commissioners to discuss capital projects. The Administrator wants a better idea what everyone's priorities are and making sure there isn't a new project that the Assembly would like to move onto the table.

Paul G. wants to make sure the new Sand Point harbor float system design incorporates fill in the corner, he is not sure if it is permitted yet.

Bill is happy to see that the Sand Point old harbor floats replacement was on the projects list. He stressed the importance of having local contribution for projects and suggested the Administrator and Mayor get together with the city of Sand Point Mayor and Administrator to make sure both entities are not making the same funding request.

Cold Bay Boat Harbor:

Paul S. said local letters were sent to AEB, saying the city of Cold Bay supports moving forward to do Corp of Engineers study again. Mayor Mack said the AEB did a study prior to

him becoming mayor. He was told that Skunk Hollow was not possible, breakwater outside dock so cost prohibited due to depth and the other option is in a bird sanctuary. However, he has not given up and feels what he said at a previous meeting was misinterpreted. Paul S. said just want to keep the project on the burner.

Paul G. said he still likes the idea of a dock barrier. Marvin said he had taken people around Cold Bay area when the idea was first initiated and had conducted sound studies. However, people in Cold Bay wanted a boat haul-out ramp instead because they didn't have big boats.

Pollock Observer Pilot Program:

Mayor Mack said we discussed an observer program thoroughly at workshop. Carol suggested looking into providing what ever will be the best option, whether it is an observer program or video monitoring program. Paul G. suggested putting on next months agenda when we have an idea what the costs will be for a video monitoring program and possibly other options.

REPORTS AND UPDATES

Reports are in the packet.

Akutan Marine Link:

Paul G. requested an update on the marine link making sure the public is informed on the project. The Administrator said nothing new to report at this time, project design can accommodate a ramp for hovercraft or helicopter.

ASSEMBLY COMMENTS None

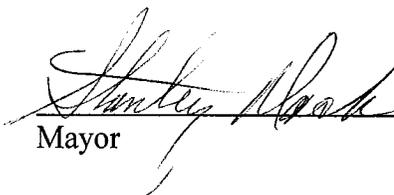
PUBLIC COMMENTS None

NEXT MEETING DATE AND TIME

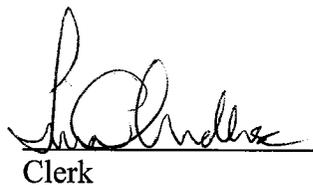
Tentative meeting date and location is February 16 in Cold Bay.

ADJOURNMENT

There was no more business to discuss, Justine moved to adjourn and second by Carol. Hearing no objections the meeting adjourned at 4:41 p.m.



Mayor Date

 2/17/11

Clerk Date