CALL TO ORDER
Mayor Alvin D. Osterback called the Assembly meeting to order by teleconference in each community on April 12, 2018 at 3:00 p.m.

ROLL CALL

Mayor Alvin D. Osterback	Present
Chris Babcock	Present
Carol Foster	Present
Warren Wilson	Present
Josephine Shangin	Present
Paul Gronholdt	Present
Brenda Wilson	Present
Chris Emrich	Present

Advisory Members:

Angela Simpson, Cold Bay	Present
Justine Gundersen, Nelson Lagoon	Present

A quorum was present.

Staff Present:
Roxann Newman, Finance Director
Tina Anderson, Clerk
Anne Bailey, Administrator
Laura Tanis, Communications Director
Mary Tesche, Administrator Assistant
Ernie Weiss, Resource Director
Emil Mobeck, Maintenance Director

Adoption of the Agenda:
Additions:

- 3a. Speaker, Honorable U.S. Senator Dan Sullivan.
- New Business, letter from Mayor to Governor Walker about the Fisheries Management Plan exemption for Cook Inlet, under Magnuson Stevens Act.
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MOTION
Paul moved to adopt and second by Brenda. Hearing no objections MOTION CARRIED.

Community Roll Call and Public Comments on Agenda Items:
The communities of King Cove, False Pass, Cold Bay, Nelson Lagoon, Akutan, Sand Point and the Anchorage office were participating by teleconference. Also broadcast over KSDP radio. There were no public comments.

SPEAKER: HONORABLE U.S. SENATOR DAN SULLIVAN:
U.S. Senator Dan Sullivan and staff members attended by teleconference. Senator Sullivan thanked Mayor Osterback and Assembly for the opportunity to participate.

Below are Senator Sullivan's highlighted issues of interest to the region that he is working on:
King Cove Road:

Senator Sullivan visited King Cove and Cold Bay last summer with U.S. Coast Guard. He noted all the U. S. Coast Guard rescues and threat to life. He commented on the great job the previous mayor, Stanley Mack, has done and how no one has given up the fight for a road. In his discussion on the road with President Trump during his briefing on Alaska issues, the President told Secretary of Interior, Zinke to get the land exchange done. He has discussed the anticipated lawsuit with with Governor Walker and the Attorney General who are focused on the state intervening on the lawsuit. He will continue to encourage the Governor to intervene on that.

Oceans, Atmosphere, Fisheries, and Coast Guard Subcommittee:
Senator Dan Sullivan chairs the subcommittee. He is particularly monitoring the reauthorization of the Magnuson Stevens Act. They have had several hearings and testimonies on the wide range of issues with the reauthorization. He noted that Alaska catches 60% of all commercial and recreational fish in the country. There is also a Save Our Seas bill, to clean up the ocean debris, which passed the Senate. He has met with House Speaker Paul Ryan to help him move the bill forward there. Hopeful the ocean debris cleanup will pass the House and get signed by the President.

Vessel Incidental Discharge Act:
Working to move the U.S. Coast Guard Bill with the Small Vessel General Permit for Discharges, which is high priority for our fishing fleet. There have been temporary extensions on the moratorium on the EPA discharge permits. He is hoping for a permanent exemption for vessels.

National Oceanic and Atmospheric Administration (NOAA):
NOAA's primary missions are focused on Alaska – oceans, seafood, fisheries, weather, ocean debris. He received a commitment from NOAA to do a full review, to determine where office staff are located that are working on Alaska issues. He hopes to move those staff and research facilities focused on our state and fisheries back to Alaska.

National Weather Service in Alaska:
The Alaska delegation signed a letter supporting weather service in rural Alaska. He will continue to work to actively fill the weather office positions.

FAA Reauthorization Bill, Essential Air Service:
The Trump Administration initially wanted to cut Essential air Service. We fought back and looking strong on Essential Air Service now.

Akutan Airport link:
Senator Sullivan voiced his understanding on how vital the Akutan Airport link is. He has requested the Corps of Engineer to work on this critical breakwater/dock project and he will continue to press them.

Senator Sullivan discussed the importance of Alaskans being appointed to federal positions. He reviewed some federal government positions filled by Alaskans:

- Chris Oliver – appointed as assistant administrator for NOAA Fisheries. First Time an Alaskan held that position who knows our fisheries.
- Joe Balash - Dept. of the Interior's Assistant Secretary for Land and Minerals Management. Offshore oil & gas.

- Tara Sweeney - Assistant Secretary for Indian Affairs. First Alaska Native to serve as leader of Bureau of Indian Affairs.
- Chris Hladick – Head of EPA Region 10 office in Seattle.
- Drew Pearce – Top official at U.S. Dept of Transportation.

Opioid Crisis: Received additional federal funding for the opioid crisis. He is concerned how the crisis is impacting our young people in Alaska and all of America.

Senator Sullivan said his office staff is available to assist with any federal agency issues.

MAYOR OSTERBACK COMMENTS

Mayor Osterback said other regions are requesting extension of the 3 mile state waters limit be moved out to 12 miles, and asked whether the delegation felt it is appropriate for Alaska. Senator Sullivan said Gulf of Mexico are looking into that, which is partly driven by a red snapper battle. He has not heard of Alaskan stakeholders wanting to extend that out and there is nothing on the reauthorization of Magnuson Stevens Act.

Mayor Osterback said this year we had a fisheries disaster for cod fish in the Gulf of Alaska. The Total Allowable Catch was lowered by 80%. Western Gulf fishermen reported good fishing this year. Trawl surveys are done every other year, so no trawl survey this year. He asked if anything can be done to get a survey this year. Senator Sullivan he will reach out to Chris Oliver and follow up on more details from Mayor Osterback.

Mayor Osterback said we are all on the same page on the issues covered. He said AEB can provide resolutions of support on some of the issues. Mayor Osterback stressed the importance of AEB continuing on the road project and expressed gratitude for the support we have on the King Cove/Cold Bay Road Project from the Alaska Delegation. We will keep moving forward and hopefully will have a road in 3-4 years. Senator Sullivan asked if the State Attorney General intervened on the lawsuit. The Mayor said the State's plan is to sign on, but does not know their timeframe at this time. Sullivan will talk to the Governor on behalf of AEB. The Senator thanked everyone again for the opportunity.

PUBLIC COMMENTS

Justine said Nelson Lagoon no longer qualifies for Essential Air Service (EAS) and would like to find out how Nelson Lagoon can get EAS back. Mayor Osterback said a few communities don't qualify. He doesn't have an answer but can look into when and why it happened. Justine would appreciate AEB researching the issue.

PRESENTATION HONORING PREVIOUS MAYOR STANLEY MACK

Mayor Osterback said this is a presentation honoring previous AEB Mayor, Stanley Mack on his efforts to construct the King Cove Access Road Project by presenting him with the pen U.S. Secretary Of The Interior, Ryan Zinke used to sign the Land Exchange Agreement.

Mayor Osterback also recognized past mayor, Dick Jacobsen, all Assembly Members and staff for their commitment in this project throughout the years, which has been in progress since the beginning of Aleutians East Borough and well before that, on the part of the City of King Cove. The land exchange is a historical landmark, to get to this point of signing the agreement for the land exchange. The selection of the land to exchange for the road corridor still has to be done. The lawsuit has happened and we signed

on as joiners into the lawsuit. This presentation is honoring the previous mayor, Stanley Mack for reaching this landmark.

Stanley Mack noted his appreciation and said it was a team effort, which took the support of the staff and Assembly to get this far. He is honored and appreciative for the recognition. He thanked Mayor Osterback for the work he is doing, and is available if he can do anything to help.

MOTION
Chris B. moved to recess the Assembly Meeting to move into the Platting Board meeting. Second by Brenda. Hearing no objection, the Assembly meeting recessed at 3:51 p.m.

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PLATTING BOARD AGENDA

ROLL CALL ON PLATTING BOARD QUORUM

Assembly Present: Carol, Chris B. Chris E., Paul, Warren, Josephine, Brenda.
Advisory Present: Angela, Justine.
Absent: None

A quorum was present.

Public Hearing, Resolution 18-01, approving the preliminary plat for Port Moller Cannery Subdivision, creating Lots 1, 2, 3, and 4.
MOTION
Brenda moved to approve Platting Board Resolution 18-01 and second by Chris B.

DISCUSSION
Resource Director, Ernie Weiss, said the Assembly initiated a project to survey the unconveyed municipal entitlement lands in FY2017. The first lands surveyed were 1300 acres in Port Moller. Peter Pan has been interested in a piece of land adjacent to their land since 2015. The preliminary Plat, Port Moller Cannery Subdivision, Creating Lots 1, 2, 3 and 4. Is before the Platting Board. Weiss noted that Title 40 amendment allows the Assembly to act as Platting Board, when a Planning Commission is inactive.

Weiss reviewed the preliminary plat with the proposed lots:

Lot 1: 3.8 acres. Adjacent to Peter Pan Seafoods.
Lot 2: 1 acre. JW Smith has building on the lot.
Lot 3: 4 acres. Buildings are on lot, owner of buildings currently is Scott Cole.
Lot 4: approximately 4 acres. Landfill location.

Issue before the Platting Board is to review the plat and recommend any changes, perhaps names of roads and approve the Resolution 18-01.

Justine is unsure of building owners on Lot 3, at this time. Weiss said the land is the Borough's, buildings are not. Justine will get more information to Weiss on the buildings ownership.

Paul supports the approval of Resolution 18-01.

AEB Attorney Joe Levesque, said this is a Public Hearing. He added that this is the time to make recommended changes, like roads, easements sizes, road names, etc… Once the Board adopts the preliminary plat then the final plat will come before the Assembly.

ASSEMBLY COMMENTS
Justine feels it should not go forward until the building owners are determined.

Attorney Levesque explained that the plat has nothing to do with the buildings on the property. Discussions on buildings will follow later after approval of the plat. Justine thanked him for better understanding.

PUBLIC COMMENTS
Mayor Osterback opened for Public Hearing.

Sand Point resident, Bob Barnett, asked how the lot lines were determined. Weiss said lot locations were determined by buildings on them and the areas Peter Pan has interest in.

Attorney Levesque added that until the land is platted, the lands cannot be sold.

Paul asked about assessing a property value if plat is approved. Levesque said since the AEB doesn't have property tax, we will have to determine some kind of an evaluation of that property. At some point, the Mayor and Assembly has to make a determination that the value attached to the property is a fair market value.

Hearing no more Public Hearing closed.

ROLL CALL
Carol-yes, Warren-yes, Paul-yes, Chris B.-yes, Josephine-yes, Chris E.-yes, Brenda-yes. Advisory: Angela-yes, Justine-disconnected. MOTION CARRIED.

HEARING NO MORE, THE MEETING ADJOURNED AT 4:12 P.M.

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THE ASSEMBLY MEETING RECONVENED AT 4:20 P.M.

A ROLL CALL WAS TAKEN TO DETERMINE A QUORUM
Assembly Present: Paul, Warren, Chris B., Carol, Josephine, Brenda, Chris E.
Advisory Present: Angela, Justine.
Absent: None

A QUORUM WAS PRESENT.

ASSEMBLY MEETING AGENDA

Minutes, March 8, 2018 Assembly Meeting Minutes:

MOTION
Brenda moved to approve the March 8, 2018 Assembly Meeting Minutes and second by Josephine. Hearing no objections, MOTION CARRIED.

March, Financial Report:

MOTION
Brenda moved to approve the March Financial Report and second by Josephine.

The Administrator reviewed saying Dept. 900, bank fees, was high due to wire transfers and other bank activities occurring. Helicopter Operations, Fund 22, Revenue is from tickets/freight. Other Revenue is the City of Akutan grant to help pay for the helicopter operation. All else tracking on schedule.

DISCUSSION
Paul suggested calling the $375,000 grant under Fund 22, Other Revenue something besides "Other". The Administrator said it was a new item that came to us recently this year. The Finance Director said she will add a separate line for the grant.

ROLL CALL
Chris E.-yes, Josephine-yes, Warren-yes, Paul-yes, Chris B.-yes, Carol-yes, Brenda-yes. Advisory: Justine-yes, Angela-yes. MOTION CARRIED.

February, Investment Report:
The Administrator said the value decreased $1.6M, due to market volatility. The report is in the packet.

CONSENT AGENDA

- Resolution 18-30, authorizing the mayor to negotiate and execute a contract extension with DOWL to provide professional engineering, project management and construction management services for the Aleutians East Borough.
- Resolution 18-31, expressing concern over reductions to National Weather Service (NWS) jobs and public services in Alaska and recommending that the NWS preserve and expand services in Cold Bay, Alaska and other rural communities.
- Resolution 18-32, approving the participation in the FY19 Community Assistance Program.
- Resolution 18-33, relating to disposal of surplus, obsolete, or unneeded supplies.
- Introduction Ordinance 18-09, amending Title 2, Section 2.04.060, Advisory Members, of the Aleutians East Borough Code to amend Section 2.04.060(E) and provide a new Section 2.04.060(K), Student Representative.

MOTION
Paul moved to approve the Consent Agenda and second by Carol.

The Administrator reviewed the Consent Agenda items for the public.

ROLL CALL
Brenda-yes, Chris E.-yes, Josephine-yes, carol-yes, Chris B.-yes, Warren-yes, Paul-yes. Advisory: Angela-yes, Justine-yes. MOTION CARRIED.

ORDINANCES

Introduction Ordinance 18-10, appropriating $4,440,000 from the Aleutians East Borough General Fund into specific federally supported projects and reimbursing the Borough for costs of sale, and previously funded King Cove Access Project costs.

MOTION

Brenda moved to advance Ordinance 18-10 to Public Hearing at the next regular meeting. Second by Carol.

The Administrator said Ordinance 18-10 is appropriating $4.44M from the hovercraft sale that occurred February 28, 2018, currently located in the General Fund. AEB needs to determine how to appropriate the funds. AEB lobbyists and AEB Attorney all concur that proceeds should be used on transportation projects that have received federal funding. The two projects that meet the criteria are King Cove Road Project and Akutan Airport/transportation link.

Appropriation recommendation is below:

Recommend deducting the costs associated with sale:

5% broker fee	$212,000
Hoverlink buyback responsibility	$200,000
Attorney fees	$127,173.70
Other misc. costs w/ sale	$4,249.32
TOTAL COSTS:	$543,423.02

TOTAL REMAINING: $3,896,576.98 for two proposed projects.

Akutan Airport Transportation Link	$2,500,000 (vessel feasibility study, Akun dock and breakwater feasibility study, construction)
King Cove Access Transportation Link	$1,396,576.98 (road construction, engineering, litigation, AEB reimbursements)

DISCUSSION

Paul supports the appropriation recommendation.

ROLL CALL

Warren-yes, Chris B.-yes, Josephine-yes, Paul-yes, Carol-yes, Brenda-yes, Chris E.-yes. Advisory: Angela-yes, Justine-yes. MOTION CARRIED.

RESOLUTIONS

OLD BUSINESS

NEW BUSINESS

Letter to the Governor on Cook Inlet (Assembly Member Paul Gronholdt):

Paul said at recent NPFMC meeting a lot of discussion about Federal Fishery Management Plan (FMP) in Cook Inlet traditional net fishing areas. Unimak Bight is one of the three traditional net

fishing areas in the State that is part of the discussion. The letter requests the Governor to work with the Alaska Delegation to look for an exemption for Alaska salmon fisheries from the FMPs. The lawsuit won the 9th Circuit. If this moves forward, it could become a federally managed fishery. A letter will show the State we do not support federal management of salmon fisheries.

MOTION
Paul moved to approve the letter to the Governor and second by Warren. Hearing no opposition, MOTION CARRIED.

REPORTS AND UPDATES (All reports are in the packet)

Administrator Report:
King Cove Road: Dept. of Justice filed its answer on the lawsuit. Dept of Justice and Dept. of Interior feel the case should be dismissed. AEB/ King Cove/Cold Bay/Belkofski submitted a Motion to Intervene. Attorney does not anticipate a decision until December, 2018.

Pink Salmon Fishery Disaster: $20M to be added to the disaster assistance funding earlier. Once they make allocation then up to Governor Walker to develop a methodology on how to distribute. There will be payments to fishermen for their losses. He feels AEB should reach out and communities be added to the stakeholders.

Paul added amount allocated to Alaska, could be as much as $50M. NOAA is putting together a line of action, but it will take a while. More information should be available in September.

Strategic Plan Update: Nelson Lagoon School transfer from AEB to State of Alaska will occur soon. State posted public notice, then will terminate lease agreement and then Nelson Lagoon Tribal Council will get the building.

Schools Assessments: King Cove School and False Pass School are scheduled to be assessed April 24-25. The assessments will help Maintenance Dept. to prioritize projects.

Chris B. asked if Sand Point School replacement has been looked into. The Administrator said right now dealing with the critical issues. We will review the next steps for Sand Point School. Building a new school is a big process and is very expensive. Chris added that the continued repairs will cost more even though new school would be expensive.

Communications Director:
- Working on the salmon limited entry permit changes to add an additional operator.
- Working on white paper on King Cove/Cold Bay road, history and funding going on over the years
- Working on white paper on Akun/Akutan transportation link.
- Submitting comments on misconceptions and providing correct information on King Cove Road to environmental groups.
- Gathering information on immature fish test fishery in our area, causing closures in July fishery.

Assistant Administrator:
- Cold Bay Clinic - Met with Eastern Aleutian Tribes (EAT) medical director to identify needs EAT will want us to provide.

- A-team Opioid Task Force Work Session - tentative schedule in October. Once date is set, will pass information on.
- Helicopter operation - 177 passengers, 12,727 lbs. mail/freight, 5 charters, and 2 medivacs.

Resource Director:

- Worked with ADF&G Advisory groups on Board of Fisheries proposals.
- Chinook salmon bycatch limit was postponed indefinitely at NPFMC.
- Eric Volk met with fishermen at NPFMC and is also interested in the immature salmon issue.

Chris Babcock asked about NPFMC appointments. Weiss said the Board of Fisheries chairman is going to be on the NPFMC. There are no recreational fisheries appointments on the Board of Fisheries. Duncan Fields stepped down, Al Cain appointed. Weiss added that the Board of Fisheries appointments are important for the February, 2019 meeting schedule.

Maintenance Director:
Report is in packet, highlighted some projects below:

- Traveled to communities to go through schools.
- Took care of maintenance issues on boiler.
- King Cove School - looked at roof repairs, which is in good shape now.
- Long Technologies fixed some issues on monitor controls in Sand Point and King Cove schools. Report will follow from Long Technologies.
- King Cove excess energy is working at the school again.
- Repaired ridge cap on Akutan School roof.
- Took measurements of hangar in Akutan.
- Will rebuild loading dock at the Sand Point School and address some of the roof leaks.

ASSEMBLY COMMENTS
Chris Emrich said Silver Bay Seafoods wants to get on the next agenda to get moving as fast as they can. The Administrator will contact them to move things as fast as possible.

PUBLIC COMMENTS None

NEXT MEETING DATE
May 10, 2018

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ADJOURNMENT
Paul moved to adjourn. Hearing no more, the meeting adjourned at 5:10 p.m.

Mayor Alvin D. Osterback

Tina Anderson, Clerk

Date: 5/10/18