

Aleutians East Borough  
April 23, 2011  
11:00 A.M.

CALL TO ORDER

Mayor Mack called the April 23, 2011 Assembly meeting to order at 11:00 a.m. at the Akutan city office building.

ROLL CALL

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

Advisory Members:

Tom Hoblet, False Pass	Absent
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A quorum was present.

Others Present:

Sharon Boyette, Administrator  
Roxann Newman, Finance Director  
Tina Anderson, Clerk  
Ernie Weiss, Community Development Director

Agenda Additions/changes:

- NEW BUSINESS, COLD BAY ADMINISTRATIVE ASSISTANCE
- OLD BUSINESS, SAND PT ROBERT E. GALOVIN SMALL BOAT HARBOR

Adoption of Agenda:

Joe moved to adopt the agenda with the additions and seconded by Bill. There were no objections the agenda was approved.

Community roll call and public comment on Agenda items:

There are no audio conference locations at this face-to-face meeting. There were no public comments.

Minutes, March 23, 2011:

MOTION

Justine moved to approve and seconded by Marvin. Hearing no objections the March 23, 2011 minutes are approved as presented.

Financial Report, March, 2011:

MOTION

Joe moved to approve and seconded by Marvin.

ROLL CALL

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

CONSENT AGENDA

- Resolution 11-21, FY12 Community Revenue Sharing Application.
- Introduction Ordinance 11-02, Adopting the FY12 Operating Budget.
- Introduction Ordinance 11-05, Adopting a Severance Tax.

MOTION

Paul G. moved to adopt the Consent Agenda and advance ordinances to public hearing. Seconded by Justine.

DISCUSSION

Paul G. said he feels we have ample opportunity to change budget at next meeting. Marvin agrees.

Joe asked about Aleutia taxes. The Administrator explained that we collect the tax on specific poundage of crab which is given to Aleutia. Aleutia then makes payment to Peter Pan Seafoods for the processor quota shares (PQS) purchased. Justine noted that the AEB put Aleutia in this position to do this on behalf of AEB. Mayor Mack said when Nichiro merged with Maruha, they had to sell processor quota shares. The Administrator said that Aleutia, as the ROFR (Right of First Refusal) entity was given first opportunity to buy the PQS. The AEB is giving 5 years of the tax collected on the crab, as well as city of King Cove, to Aleutia for PQS payments keeping product in King Cove.

ROLL CALL

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

Introduction Ordinance 11-03, to place before the voters a question to Opt-out from the state of Alaska Financial Disclosure requirement:

MOTION

Paul G. moved to table Ordinance 11-03 indefinitely. Seconded by Marvin.

ROLL CALL

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

Introduction Ordinance 11-04, to place before the voters a question to Opt-out from the state of Alaska Financial Disclosure requirement and adopt an AEB Financial Disclosure Statement.

MOTION

Joe moved to advance Ordinance 11-04 to public hearing and seconded by Marvin.

ROLL CALL

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

ADF&G funding request - SEDM Genetic Stock Identification project discussion:

Paul G. said ADF&G, Eric Volk, said the two years of DNA sampling and stock identification will be available for consideration at the Board of Fisheries meeting in 2013 so, will be able to have good data available to us. He further explained that the WASSIP program has sampling locations in

groupings. If stock comes from farther eastward, they will be grouped in another category. Feels it has a potential to help the fishermen. Mayor Mack said Eric Volk also called him and expressed the same. The Resource Director is setting up a meeting in May in Sand Point to organize the test fishery.

**Sand Point Robert E. Galovin Small Boat Harbor:**

Paul G. said when we discuss community projects funding further at the next meeting, supports developing a policy whether a one time dispersement or continual annual dispersements. City of Sand Point is trying to get more money for the small boat harbor repairs and is a worthwhile project and will support that project after a policy is in place. Mayor Mack will introduce something at next meeting.

**Lease or sale request for 1 acre, Entrance Point, Port Moller:**

Thomas Bertman, a commercial fisherman out of Port Moller, has requested to lease or purchase one acre of land at Entrance Point, Port Moller. Written request is in the packet. The AEB received the lands as one of the land entitlement selections. The lease initially belonged to Chuck Myers, then Kris Fanning occupied until he passed away. Tom Berkman, would like to utilize the cabin on the property. He is not interested in operating a set net operation but to maintain building.

Paul G. asked if Mr. Bertman would accept a short term lease, not long term. His letter states he may have an agreement with present structure owner, but not definite. Mayor Mack recommended holding off until the Sandy River land issue is resolved. Justine said we made the decision to not sell land, but to lease only. Paul S. does not want to see a structure begin to deteriorate, but understands the Mayor's recommendation and will follow that. He added that the state of Alaska does one year leases. Paul G. asked if there is documentation filed on ownership of building. He added that there are quite a few questions including proof of ownership of building.

Mayor Mack will get more information for next meeting.

**Community Projects funding discussion:**

The Administrator said we discussed the Sand Point harbor, and Paul S. brought up the Cold Bay dock being in poor condition. As we consider those two communities, suggested we also consider the other communities as well. She reviewed DOT report and Anne's transportation report to determine projects. If the Assembly wants to, we can discuss all the marine facilities and needs. This also mixes into the discussion of permanent fund use. The Administrator pointed out that the last time we used the permanent fund was 10 years ago -- Cold Bay and King Cove dock repairs. She agrees with Paul S. that the Cold Bay dock is in serious condition, if we don't repair, it won't be a usable dock.

Paul G. voiced his dissatisfaction about the AEB having used poor quality material for the dock during its construction, which is the worse part of that dock. He added that when we do figure out how to repair he would like to incorporate a wave barrier. Mayor Mack said when dock was built it was built by the state of Alaska for fuel depot. AEB constructed the addition, then AMHS put an addition on the dock before the ferry started operating. He is inclined to believe that the cement causeway is a big concern and perhaps we can leverage some money from the state. When the state was moving a large piece of equipment ashore, they cracked the concrete on the causeway. They repaired the concrete with patchwork but did not repair the railing. He feels the state should assist with the repairs. Mayor Mack will discuss with Cold Bay Mayor further.

Paul G. said report states new dock structure is the worst. The AEB spent \$250,000 last time to do the repairs and feels a welder with a skiff during low water could accomplish the job for \$10-20,000 instead of \$250,000.

#### Cold Bay Administrative Assistance:

Marvin said he looked at the financials that the city of Cold Bay receives from dock revenues, which go towards administration costs. He is concerned about the amount of money AEB puts into the dock and not happy with the revenues being missed and not collected at the dock. He understands that they are in dire straits of further administrative assistance and feels in regards to the dock someone should look into. Mayor Mack said we have a department that assists the smaller communities when they ask for assistance. He also added that new revenue sources, like city sales tax, considered by the council have failed. The city does have a bed tax and sewer/ water charges. The dock also generates some revenue. Paul S. had not heard the city needs assistance. His biggest concern is the dock condition and if fuel can't be transferred the city will be in dire straits. The Administrator said she has worked closely with Cold Bay for 19 years. Their 2% fuel tax was able to sustain the community. They have two employees, a clerk and a maintenance person. However, they don't have anyone at dock permanently to capture all the revenues coming across the dock. Mayor Mack will meet with city of Cold Bay Mayor Lopez to discuss further.

#### Funding Requests:

The AEB received funding requests from King Cove Fire Dept. scholarship fund raiser, Cold Bay EMS services fund raiser and the Sand Point Teen Center.

Paul G. said the Administration reviewed and AEB has enough money and looking for a recommendation. Mayor Mack said they don't have a figure on their requests. He suggested working with the Finance Director to come up with a figure for the requests. There were no objections. Mayor Mack said there are two other requests on his desk, one from George Cromer and city of Sand Point. Mayor Mack will determine the donation amounts.

#### REPORTS AND UPDATES

Reports are in the packet.

Paul G. said missing a report from Resource Dept. Administrator said a request was made although the Resource Director has been sick recently.

Justine requested a redistricting update. Ernie said next week there is a public hearing in Cold Bay. Ernie said on maps we will remain with the same district. Mayor Mack recommends that we support Bristol Bay redistricting proposal.

Paul G. said in regards to part B, senate district, asked about chances of being included in Kodiak district since we might have more in common with them than Bethel. Mayor Mack said one plan submitted included part of Kodiak. Ernie suggests thanking the redistricting board for having such an open process. Mayor Mack recommends supporting the Bristol Bay proposal for house district. Joe suggests not supporting a plan that is not a board option. Mayor Mack recommends still supporting the Bristol Bay option which is also supported by Representative Bryce Edgecom.

Mayor Mack asked if anyone had objections of him supporting the Bristol Bay option. There were none.

PUBLIC COMMENTS

Hugh Pelkey asked about the background of the Cold Bay dock and voiced concern about the safe crossing load having been exceeded. He asked if vehicles coming off of ferry to cross dock are charged. Answer was yes.

George Cromer reminded Mayor Mack about his funding request to purchase prizes for participants during the "kick butts" day to bring awareness on the impacts from cigarette butts. He has also been working with Eastern Aleutian Tribes on project.

ASSEMBLY COMMENTS

Joe said when we gave funding to communities for community projects, False Pass requested to use the funding for administrative costs. He does not support allowing funds to be used like that because he felt other municipalities will follow. Mayor Mack pointed out that False Pass lost revenues when Peter Pan Seafoods left False Pass. He hopes APICDA processing operation will bring revenues back up.

Mayor Mack has been working on getting an apron to the Cold Bay terminal to attract larger aircrafts and Coast Guard usage. Also, in talking to some of the business owners it is difficult to get business operations in Cold Bay.

Paul G. concerned about what Resource Dept. directions are given and hopes the mayor continues to give good direction to the department. Mayor Mack will take that under advisement.

NEXT MEETING AND DATE

May 31 in Cold Bay

ADJOURNMENT

Paul G. moved to adjourn and seconded by Justine. Hearing no objections the meeting adjourned at 12:46 p.m.

  
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Mayor Date

  
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Clerk Date 6/6/11