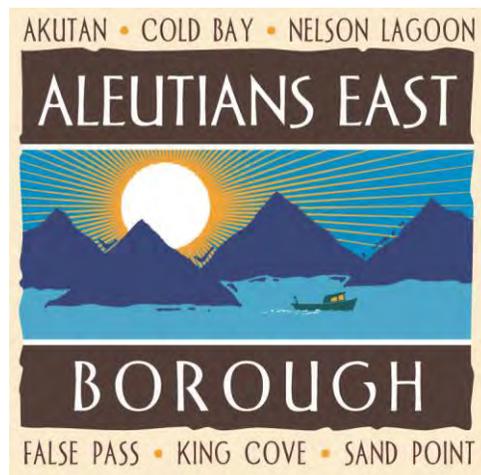


# Aleutians East Borough Assembly Meeting

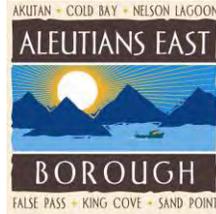


**Workshop: Thursday, February 8, 2018 – 10:00 a.m.**

**Meeting: Thursday, February 8, 2018 – 3:00 p.m.**

# Roll Call & Establishment of a Quorum

# Adoption of Agenda



Agenda  
Assembly Meeting  
(packet available on website [www.aleutianseast.org](http://www.aleutianseast.org) )

Date: Thursday, February 8, 2018  
Time: Workshop: 10:00 a.m. Meeting: 3:00 p.m.

Location: Sand Point AEB office building and by teleconference in each designated community location below:

|                        |                              |
|------------------------|------------------------------|
| King Cove AEB office   | Akutan -city office          |
| Nelson Lagoon Corp.    | Cold Bay Library             |
| False Pass-city office | Anchorage office – 3380 C St |

All communities will be provided with conference calling information for the designated location in your community. Public comments on agenda items will take place immediately after the adoption of the agenda. The meeting will also be broadcast on KSDP Public Radio. Additional public comments can be made at the end of the meeting.

ASSEMBLY MEETING AGENDA

1. Roll Call & Establishment of Quorum.
2. Adoption of the Agenda.
3. Community Roll Call and Public Comment on Agenda Items.
4. Minutes.
  - January 11, 2018 Assembly Meeting Minutes.
5. Financial Reports.
  - January, Financial Reports.
  - December, Investment Report.
6. Consent Agenda.
  - Introduction Ordinance 18-06, Records Management.
  - Introduction Ordinance 18-07 - An Ordinance Authorizing the Mayor to negotiate and execute assignment, assumption and consent of Tidelands Lease for False Pass Seafoods, LLC, to assume the Tidelands Lease Between Bering Pacific Seafoods, LLC and the Aleutians East Borough.
  - Introduction Ordinance 18-08 - An Ordinance Authorizing the Mayor to negotiate and execute a Tidelands Lease with False Pass Seafoods, LLC for the outfall line to be used to construct a False Pass processing facility.

- Resolution 18-24, a resolution of the Aleutians East Borough Assembly amending Section 9.05 of the Aleutians East Borough Employee Handbook.
- Resolution 18-25, a resolution of the Aleutians East Borough Assembly authorizing a salary increase for the Borough Clerk.
- Resolution 18-26, the Aleutians East Borough Assembly Authorizing a Deed of Easement to the City of Akutan for the Akutan Raw Water Transmission Line Project.
- Resolution 18-27, the Aleutians East Borough Assembly Approving the Projects and Initiatives Identified on the Borough Strategic Plan.
- Resolution 18-28, the Aleutians East Borough Assembly Requesting the Alaska Legislature Prioritize Funding for the Continued Service of the AMHS.

7. Public Hearings.

- Public Hearing Ordinance 18-04, amending Title 40, Chapter 40.05 of the AEB Code of Ordinance, adding new section 40.05.105 to provide a platting board.
- Public Hearing Ordinance 18-05, amending the operating and capital budget for fiscal year 2018.

8. Ordinances.

9. Resolutions.

10. Old Business.

11. New Business.

12. Reports and Updates.

13. Assembly Comments.

14. Public Comments.

15. Next Meeting Date.

16. Adjournment.

# Community Roll Call & Public Comment on Agenda Items

# Minutes

CALL TO ORDER

Mayor Alvin D. Osterback called the Assembly meeting to order by teleconference in each community on January 11, 2018 at 3:01 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         | Absent-excused |
| 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  
Ernie Weiss, Resource Director  
Mary Tesche, Administrator Assistant  
Charlotte Levy, Administrative Assistant  
Emil Mobeck, Maintenance Director

Adoption of the Agenda:

MOTION

Paul moved to adopt the agenda with the following amendment:

- Remove Resolution 18-23 from Consent Agenda, and move to Resolutions.

Second by Carol. Hearing no objections MOTION CARRIED.

Community Roll Call and Public Comments on Agenda Items:

The communities of King Cove, Nelson Lagoon, False Pass, Akutan, Sand Point and the Anchorage office were participating by teleconference. Also broadcast over KSDP radio.

City of King Cove Mayor, Henry Mack, said the City of King Cove Council meets on January 16<sup>th</sup>. He plans to bring Resolution 18-23 to his Council requesting they pass the same resolution. He will also include a discussion of letters of support for Duncan Fields for Board of Fisheries and review of NPFMC candidates. Henry Mack also supports salary increases to the longest standing employees, the Borough Clerk and Finance Director.

Minutes, December 14, 2017 Assembly Meeting Minutes:

MOTION

Carol moved to approve the December 14, 2017 Minutes and second by Chris B. second. Hearing no objections, MOTION CARRIED.

(Chris Emrich arrived.)

December, Financial Report:

MOTION

Carol moved to approve the December Financial Report and second by Josephine.

DISCUSSION

Administrator said, Fund 22, Other Revenue, \$187,500 was received from the City of Akutan through the Designated Legislative Grant for Akutan helicopter operations.

ROLL CALL

Chris B.-yes, Carol-yes, Josephine-yes, Warren-yes, Paul-yes, Chris E.-yes, (Brenda-had not arrived yet). Advisory: Justine-yes. MOTION CARRIES.

November, Investment Report: In packet.

Administrator said the Permanent Fund has increased some since last month.

CONSENT AGENDA

- Resolution 18-21, Assembly selecting and promoting capital projects for the health, safety and welfare of its residents.
- Resolution 18-22, Assembly authorizing the Mayor to negotiate and execute a helicopter services amendment with Maritime Helicopters, Inc. to provide helicopter services between the Akutan airport on Akun Island and the Community of Akutan.
- Introduction Ordinance 18-04, amending Title 40, Chapter 40.05 of the AEB Code of Ordinance, adding new section 40.05.105 to provide a platting board.
- Introduction Ordinance 18-05, amending the operating and capital budget for fiscal year 2018.

MOTION

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

(Brenda Wilson Arrived)

ROLL CALL

Paul-yes, Josephine-yes, Chris E.-yes, Brenda-yes, Carol-yes, Chris B.-yes, Warren-yes. Advisory: Justine-yes. MOTON CARRIES.

PUBLIC HEARINGS

Public Hearing Ordinance 18-02, adding new Chapter 2.18.010, Borough Administrator.

MOTION

Carol moved to adopt Ordinance 18-02 and second by Josephine.

Mayor Osterback opened for Public Hearing. Hearing none, Public Hearing closed.

DISCUSSION

Paul asked if there are any changes from the introduction last month. Mayor said no.

ROLL CALL

Carol-yes, Brenda-yes, Paul-yes, Warren-yes, Chris B.-yes, Josephine-yes, Chris E.-yes. Advisory: Justine-yes. MOTON CARRIES.

## ORDINANCES

## RESOLUTIONS.

Resolution 18-23, Assembly in support of changing the transferability of limited entry salmon permits by allowing an additional name on the permit.

### MOTION

Brenda moved to approve Resolution 18-23 and second by Chris E.

### DISCUSSION

Paul asked for a summary from Mayor Osterback.

Mayor Osterback said Resolution 18-23 covers ideas that he put together over a year ago. The Governor requested suggestions to help stabilize small rural communities. He put together a proposal on limited entry permits and transferability. Resolution 18-23 supports allowing an additional name on limited entry permits, the first name still owns the permit. The second name on permit can go out fishing with the permit holder or without. It would allow a second skipper to be mentored into the fishery to the point he is able to produce and take it to the bank for a loan to purchase the permit. It will also allow the surviving spouse of a permit holder to retain the ability to be the first name on the permit and allow a second name to fish the permit. Currently, state law says the survivor can either fish or sell the permit after two years. Two names on permit would add stability and possibly have more local participation in the fishery as some permit holders get older and get out, getting more locals into fishery.

When many of us were young, you just needed a \$10 fishing license and a boat or skiff to go fishing. Now, it is a lot of stress for youth. Every fishery is about impossible for a young person to buy into. Salmon, is limited entry; halibut, individual fishing quota; and state water fishery is open access but problems going on. This may ease some of the stress on young people if they knew there was a possibility that they can work with you and eventually buy your fishery operation, becoming part of the productive community.

Brenda strongly supports and wants AEB to actively pursue to get this moving forward. We want to keep our communities viable and productive. Our young people need to have hope to get into something. Permits cost too much, \$50,000 to \$400,000. She expressed her concern about permits leaving the State of Alaska. She agreed mentoring young people to learn the industry will raise the level of hope in our generations to come, male and female.

Paul noted the Mayor will be visiting Juneau soon, to talk to the fisheries commission and to talk to our legislature people and everyone is interested on how the state is going to address this issue.

Mayor Osterback suggested bringing Resolution 18-23 to the attention of SWAMC for discussion at the March meeting.

### ROLL CALL

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

## NEW BUSINESS

Discussion of letters of support for Board of Fisheries and NPFMC candidates:

Mayor Osterback said this is an update so people can consider who would be good nominations to support.

Resource Director, Ernie Weiss reviewed the Governor's process of nominations on the board of Fisheries and NPFMC. On the Council side the Governor will put forward three names to the Secretary of Commerce by March 15. On the Board of Fisheries, the Governor will put one name forward, to be determined by legislature. A list from the Governor's office, should be available this week. One candidate that has reached out for Board of Fish appointment is Duncan Fields of Kodiak. He could not foreshadow comments on intercept issue, however, Kodiak and Area "M" are getting closer, with similar intercept issues. On the NPFMC, Chairman Daniel Hull and Andy Mezirow seats expire.

Paul said NPFMC appointments will be clearer where the state is leaning next month. In regards to the Board of Fish, Duncan Fields did a lot of work on Kodiak's comments regarding intercept fishery in Kodiak and Cook Inlet. He doesn't have any problem supporting someone from Kodiak on salmon issues. After Mayor's trip to Juneau and Washington, D.C. we will have more information.

#### REPORTS AND UPDATES (Reports in packet)

##### Administrator Report:

- Strategic Plan: The Administrator, Anne Bailey, said the Planning Session was well attended and turned out a good product. She and Mary Tesche met with Professional Growth to begin going through the strategic initiative, breaking them out into one year goals. On January 29<sup>th</sup> they will meet again with Mayor Osterback and Professional Growth. By the February 8 Assembly meeting, we will have a plan before the Assembly, for approval.
- Sale of hovercraft: The maritime attorney out of Seattle, is currently reviewing the purchase and sale agreement, making a lot of changes. Also, working with Keith Whittemore at Hoverlink, on logistics for transporting the hovercraft.
- Budget work session: Scheduled on February 28, 9:00 a.m. to 1:00 p.m. The work session will coincide with the SWAMC conference, March 1-2. The auditor, Newhouse & Vogler and investors, APCM will be available for the budget work session.
- False Pass harbor litigation: The Administrator said AEB and Corps of Engineers (COE) entered into a project cooperation agreement, cost share 80% federal, 20% AEB on the False Pass harbor project. Boat harbor was completed in 2009. Contractor, Kelly Ryan Inc. filed a lawsuit against the COE, in litigation for a long time. Court notified the COE that Kelly Ryan was awarded \$20M. AEB would be responsible for 20% of that judgement, which is \$4M. AEB does not have that money appropriated. This dispute had nothing to do with the design, engineering or construction but with the COE, on the contractual side. AEB Attorney, Joe Levesque, and D.C. Lobbyist, Brad Gilman, feel we shouldn't be required to carry this financial burden. Gilman is working on an amendment to the Water Resource Development Act bill to address this issue. Joe Levesque and Foster Pepper, Seattle law firm will review the facts for the case. While in Washington, D.C. we will meet with the Alaska delegation on this issue. There will be a summary on the dispute between Kelly Ryan and the COE in the next Assembly meeting packet.

Justine asked why AEB was identified. The Administrator said because of the project cooperation agreement signed, 80% Army Corps of Engineer, 20% AEB. Mayor Osterback said 80/20 is standard when you're building breakwaters. AEB lobbyist, Gilman, is putting together a packet to talk

with congressional delegation and also the COE. He noted, this is extraordinary circumstances that didn't have anything to do with the AEB.

- Travel itinerary: Mayor Osterback, Laura Tanis, and Anne Bailey will be in Washington, D.C., January 20-24; and Mayor Osterback and Anne Bailey will be in Juneau, January 24-26.

#### Resource Director Report:

- The Resource Director, Ernie Weiss, said he submitted AEB Resolution 18-20, under NPFMC staff tasking for the February NPFMC, requesting them to schedule that action. Most important issue for our area on the February NPFMC meeting is Chinook PSC limit adjustments for trawl. He will advocate that those are raised.
- A 2018 Gulf of Alaska Pacific cod fishery disaster relief request letter was signed by all the AEB municipalities and tribes. Kodiak also submitted one also. It is going to be a tough year for Pacific cod.
- December 28, AEB winter fisheries meeting. There was a lot of discussion about cod, all allocations were reviewed. Some fishery locations won't even be open due to the small quota and fish needed for incidental catch in other fisheries.
- Weiss and Charlotte Levy are scheduled to attend Alaska Marine Science Symposium. He hopes to network with researchers to get a research project funded for low powered trawl vessel bycatch excluder for halibut and Chinook. There hasn't been a research project in our area and a lot of interest from Commissioner's office.
- Submitted comments for Board of Game in support of increasing the bag limit for caribou. As population increases the bag limit will increase. The only proposal he supported at this time.
- Involved in the Stellar sea lion issues and will follow through by submitting comments.
- President Trump is taking action to open many areas for oil & gas leasing on the Outer Continental Shelf (OCS), except North Aleutian Basin.

Paul said SWAMC Executive Director, Doug Griffin, will be attending the public hearing on OCS proposals on January 23<sup>rd</sup> in Anchorage, Weiss plans to also.

#### Communications Director Report:

- Laura Tanis said there has been a flurry of activity from media that has kept her busy on the King Cove Road. Been working on a document on myth vs. facts about the road issues.
- Also, working on background related to Resolution 18-23, in packet. She added Washington State allows two people on limited entry permits and will continue to do research.
- Next In the loop, will have information from the Planning Session, for the rest of the public to get informed.

Mayor Osterback reported saying, the communities want to take a more active stand to protect our fisheries. He would like to review being shut down for immature salmon. He suggested reviewing and preparing during the winter months, putting information together to be ready to use, if needed. He suggested spotlighting why one area gets penalized, and other areas don't have closures for immature salmon. If an area loses 4-5 fishing periods on sockeye salmon, there is a lot of revenue lost.

#### Administrator Assistant:

- Met with Professional Growth Systems twice this week. The strategic plan is starting to take shape and will be before the Assembly in February.
- Cold Bay clinic: applying for a \$375,000 Rasmussen grant. The clinic is also on Resolution 18-21, capital projects priority list to the State.
- Helicopter transported over 13,000 lbs, and 200 plus passengers transported. Have dealt with employee issues. She will be travelling to Akutan in February with the Administrator.

## ASSEMBLY COMMENTS

Justine supports increases for the two long-time employees, they have done a stellar job. Mayor Osterback said they are reviewing. In December staff members were taking vacation time so not much work was accomplished on the review.

Justine asked about OCS areas to be open for oil & gas exploration and development. Weiss answered, saying all open except for North Aleutian Basin, and Florida area was later taken off the list. Shumagin area is open.

Chris Babcock asked, what more has to be done on the Nelson Lagoon School before it is turned over to Nelson Lagoon Village Council. Mayor Osterback said the delay is due to the Borough's 50 year land lease, the lands are being held for the future city of Nelson Lagoon. The State of Alaska and the community of Nelson Lagoon are working on a land deal, so should be transferred soon. The Administrator added that we've been working with DCCED and Nelson Lagoon Tribal Council for two years. Once the Nelson Lagoon Tribal Council passes a resolution to accept, the state will then transfer the deed to the Village Council.

Chris Babcock, asked about the \$100,000 AEB grant toward the City of Sand Point airport certification. Bailey said the \$100,000 grant for the sand building was completed, City of Sand Point Mayor has signed off on the project. As far as airport certification, does not know how that is going.

Chris Babcock brought up a concern with King Cove School being without heat during the holiday break. He asked about the waste heat system to the school and how there could be no heat in the school. He said, if it was colder, the school would have broken pipes. Mayor Osterback said a company went out to assess the heating system, as soon as the School District was made aware of the problem. The Maintenance Director, Emil Mobeck, is working with the School District and assessor. Once assessment is complete, the Maintenance Director will receive a report.

Emil Mobeck further explained that Long Technologies is putting together a scope of things that need to be done at the King Cove School, along with some of the electrical issues. He is aware of what is going on, but just found out a couple days ago.

Chris Babcock suggested the Maintenance Director visit the communities more than what has occurred in the past. He feels we need to be a little bit more responsible for the AEB owned buildings. The Administrator said at the planning work session, one of the things identified that needs to be done is assessment of AEB owned property. We started the process, and will continue the projects. We have \$50,000 to do an assessment for the False Pass School, and \$50,000 for the King Cove School assessment. Once property is assessed, and needs identified, the projects will be prioritized and repairs completed.

Mayor Osterback said Emil Mobeck just came onboard as Maintenance Director. In a short amount of time, he has been working steady. We did a walk through at Sand Point School with the Superintendent, principal and maintenance personnel. Mobeck took notes and is following through on maintenance needed. Once we assess outside of building, we will have to address the leaks.

Justine said she received an e-mail from the Maintenance Director requesting a list of people interested in working. Mayor Osterback said the purpose is to get a list of people he can contact to work rather than bring in an offsite crew. It would cut down on expenses of moving people.

Mayor Osterback said a Memorandum of Understanding (MOU) between the School District and AEB is being drafted. An MOU will make the maintenance program run more smoothly. When he went through the interview process for a new maintenance director he included the Administrator and the Superintendent in the process. He felt it was important that both entities cooperate well together to accomplish what needs to get done with the least amount of resistance.

**PUBLIC COMMENTS**

City of Akutan Mayor, Joe Bereskin said the Akutan city council meets January 23. Sale of hovercraft and the building itself is on the agenda. He said, the past administration said they would give Akutan the building once the hovercraft is sold. Mayor Osterback said Bailey and Tesche will be in Akutan next month.

City of King Cove Administrator, Gary Hennigh, acknowledged January 22 land transfer signing event in Washington D.C. He is excited and hopes the signing ends in a road. He will be travelling to Washington D.C. with Mayor Henry Mack and Della Trumble for the signing. There is a lot of media attention that Laura Tanis has been outstanding in handling and we could not maintain that without Laura's organizational skills. Mayor Osterback will also be attending the signing.

AEBSD Superintendent, Mike Seifert, said the last week with Emil Mobeck and Mayor Osterback have been the most beneficial he has experienced in the five years he's been with the School District. Mobeck and the Mayor did a walk through at the Sand Point School, leaving with a large list of projects. Refreshing to see the support.

**NEXT MEETING DATE**

Thursday, February 8, 2018.

**ADJOURNMENT**

Carol moved to adjourn and second by Josephine. Hearing no more, the meeting adjourned at 4:15 p.m.

\_\_\_\_\_  
Mayor Alvin D. Osterback

\_\_\_\_\_  
Tina Anderson, Clerk

Date: \_\_\_\_\_

# Financial Report

# ALEUTIANS EAST BOROUGH

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## \*Revenue Guideline©

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Current Period: JANUARY 17-18

|                                   |                                      | 17-18<br>YTD Budget   | 17-18<br>YTD Amt      | JANUARY<br>MTD Amt  | 17-18<br>YTD Balance  | % of YTD<br>Budget |
|-----------------------------------|--------------------------------------|-----------------------|-----------------------|---------------------|-----------------------|--------------------|
| <b>Fund 01 GENERAL FUND</b>       |                                      |                       |                       |                     |                       |                    |
| Active                            | R 01-201 INTEREST REVENUE            | \$35,000.00           | \$11,312.02           | \$7,914.73          | \$23,687.98           | 32.32%             |
| Active                            | R 01-203 OTHER REVENUE               | \$50,000.00           | \$47,873.73           | \$26,100.00         | \$2,126.27            | 95.75%             |
| Active                            | R 01-206 AEBSD Fund Balance Refun    | \$0.00                | \$0.00                | \$0.00              | \$0.00                | 0.00%              |
| Active                            | R 01-218 AEB RAW FISH TAX            | \$3,200,779.00        | \$2,722,608.42        | \$215,174.16        | \$478,170.58          | 85.06%             |
| Active                            | R 01-229 Southwest Cities LLC        | \$0.00                | \$0.00                | \$0.00              | \$0.00                | 0.00%              |
| Active                            | R 01-233 STATE PERS ON-BEHALF        | \$0.00                | \$0.00                | \$0.00              | \$0.00                | 0.00%              |
| Active                            | R 01-265 STATE RAW FISH TAX          | \$2,067,181.00        | \$2,093,686.72        | \$0.00              | -\$26,505.72          | 101.28%            |
| Active                            | R 01-266 STATE EXTRATERRITORIA       | \$101,299.00          | \$0.00                | \$0.00              | \$101,299.00          | 0.00%              |
| Active                            | R 01-267 STATE FISH LANDING TAX      | \$35,222.00           | \$5,017.44            | \$0.00              | \$30,204.56           | 14.25%             |
| Active                            | R 01-268 State"Loss" Of Raw Fish Tax | \$0.00                | \$0.00                | \$0.00              | \$0.00                | 0.00%              |
| Active                            | R 01-270 STATE REVENUE OTHER         | \$258,921.00          | \$315,831.00          | \$0.00              | -\$56,910.00          | 121.98%            |
| Active                            | R 01-276 AEB SCHOOL                  | \$0.00                | \$0.00                | \$0.00              | \$0.00                | 0.00%              |
| Active                            | R 01-277 STATE BOND REBATE           | \$1,311,650.00        | \$153,196.00          | \$0.00              | \$1,158,454.00        | 11.68%             |
| Active                            | R 01-291 PLO-95 PAYMNT IN LIEU O     | \$559,000.00          | \$0.00                | \$0.00              | \$559,000.00          | 0.00%              |
| Active                            | R 01-292 USFWS LANDS                 | \$36,256.00           | \$0.00                | \$0.00              | \$36,256.00           | 0.00%              |
| <b>Total Fund 01 GENERAL FUND</b> |                                      | <b>\$7,655,308.00</b> | <b>\$5,349,525.33</b> | <b>\$249,188.89</b> | <b>\$2,305,782.67</b> | <b>69.88%</b>      |

**ALEUTIANS EAST BOROUGH**

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**\*Expenditure Guideline©**

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Current Period: JANUARY 17-18

|   |   | 17-18               | 17-18               | JANUARY            | 17-18               | % of YTD      |
|---|---|---------------------|---------------------|--------------------|---------------------|---------------|
|   |   | YTD Budget          | YTD Amt             | MTD Amt            | YTD Balance         | Budget        |
| <b>Fund 01 GENERAL FUND</b>               |   |                     |                     |                    |                     |               |
| <b>DEPT 100 MAYORS OFFICE</b>             |   |                     |                     |                    |                     |               |
| Active                                    | E 01-100-000-300 SALARIES                       | \$80,364.00         | \$60,272.01         | \$6,697.00         | \$20,091.99         | 75.00%        |
| Active                                    | E 01-100-000-350 FRINGE BENEFITS                | \$29,232.00         | \$22,648.65         | \$3,116.64         | \$6,583.35          | 77.48%        |
| Active                                    | E 01-100-000-400 TRAVEL AND PER                 | \$36,000.00         | \$18,731.91         | \$4,582.10         | \$17,268.09         | 52.03%        |
| Active                                    | E 01-100-000-425 TELEPHONE                      | \$1,500.00          | \$1,168.57          | \$14.58            | \$331.43            | 77.90%        |
| Active                                    | E 01-100-000-475 SUPPLIES                       | \$1,000.00          | \$1,800.97          | \$951.55           | -\$800.97           | 180.10%       |
| Active                                    | E 01-100-000-554 AK LOBBIST                     | \$45,000.00         | \$24,500.00         | \$7,000.00         | \$20,500.00         | 54.44%        |
| Active                                    | E 01-100-000-555 FEDERAL LOBBIS                 | \$75,600.00         | \$37,800.00         | \$0.00             | \$37,800.00         | 50.00%        |
|   | <b>SUBDEPT 000</b>                              | <b>\$268,696.00</b> | <b>\$166,922.11</b> | <b>\$22,361.87</b> | <b>\$92,553.73</b>  | <b>62.12%</b> |
|   | <b>Total DEPT 100 MAYORS OFFICE</b>             | <b>\$268,696.00</b> | <b>\$166,922.11</b> | <b>\$22,361.87</b> | <b>\$92,553.73</b>  | <b>62.12%</b> |
| <b>DEPT 105 ASSEMBLY</b>                  |   |                     |                     |                    |                     |               |
| Active                                    | E 01-105-000-300 SALARIES                       | \$25,000.00         | \$17,100.00         | \$2,400.00         | \$7,900.00          | 68.40%        |
| Active                                    | E 01-105-000-350 FRINGE BENEFITS                | \$90,000.00         | \$77,278.54         | \$10,712.19        | \$12,721.46         | 85.87%        |
| Active                                    | E 01-105-000-400 TRAVEL AND PER                 | \$40,000.00         | \$25,349.40         | \$200.00           | \$14,650.60         | 63.37%        |
| Active                                    | E 01-105-000-475 SUPPLIES                       | \$3,000.00          | \$1,900.00          | \$0.00             | \$1,100.00          | 63.33%        |
|   | <b>SUBDEPT 000</b>                              | <b>\$158,000.00</b> | <b>\$121,627.94</b> | <b>\$13,312.19</b> | <b>\$36,372.06</b>  | <b>76.98%</b> |
|   | <b>Total DEPT 105 ASSEMBLY</b>                  | <b>\$158,000.00</b> | <b>\$121,627.94</b> | <b>\$13,312.19</b> | <b>\$36,372.06</b>  | <b>76.98%</b> |
| <b>DEPT 150 PLANNING/CLERKS DEPARMENT</b> |   |                     |                     |                    |                     |               |
| Active                                    | E 01-150-000-300 SALARIES                       | \$93,974.00         | \$52,897.88         | \$7,496.81         | \$41,076.12         | 56.29%        |
| Active                                    | E 01-150-000-350 FRINGE BENEFITS                | \$34,946.00         | \$22,953.33         | \$3,277.16         | \$11,992.67         | 65.68%        |
| Active                                    | E 01-150-000-400 TRAVEL AND PER                 | \$12,500.00         | \$7,851.86          | \$0.00             | \$4,648.14          | 62.81%        |
| Active                                    | E 01-150-000-425 TELEPHONE                      | \$7,500.00          | \$3,009.42          | \$457.48           | \$4,490.58          | 40.13%        |
| Active                                    | E 01-150-000-450 POSTAGE/SPEED                  | \$1,000.00          | \$474.11            | \$63.36            | \$525.89            | 47.41%        |
| Active                                    | E 01-150-000-475 SUPPLIES                       | \$5,000.00          | \$2,067.84          | \$673.23           | \$2,932.16          | 41.36%        |
| Active                                    | E 01-150-000-526 UTILITIES                      | \$20,000.00         | \$7,678.54          | \$2,333.55         | \$12,321.46         | 38.39%        |
| Active                                    | E 01-150-000-530 DUES AND FEES                  | \$5,000.00          | \$4,904.65          | \$1,500.00         | \$95.35             | 98.09%        |
| Active                                    | E 01-150-000-650 ELECTION                       | \$10,000.00         | \$4,700.00          | \$0.00             | \$5,300.00          | 47.00%        |
|   | <b>SUBDEPT 000</b>                              | <b>\$189,920.00</b> | <b>\$106,537.63</b> | <b>\$15,801.59</b> | <b>\$82,561.66</b>  | <b>56.10%</b> |
|   | <b>Total DEPT 150 PLANNING/CLERKS DEPARMENT</b> | <b>\$189,920.00</b> | <b>\$106,537.63</b> | <b>\$15,801.59</b> | <b>\$82,561.66</b>  | <b>56.10%</b> |
| <b>DEPT 151 Planning Commission</b>       |   |                     |                     |                    |                     |               |
| Active                                    | E 01-151-000-300 SALARIES                       | \$10,000.00         | \$0.00              | \$0.00             | \$10,000.00         | 0.00%         |
| Active                                    | E 01-151-000-350 FRINGE BENEFITS                | \$500.00            | \$0.00              | \$0.00             | \$500.00            | 0.00%         |
| Active                                    | E 01-151-000-380 CONTRACT LABO                  | \$25,000.00         | \$0.00              | \$0.00             | \$25,000.00         | 0.00%         |
| Active                                    | E 01-151-000-400 TRAVEL AND PER                 | \$20,000.00         | \$0.00              | \$0.00             | \$20,000.00         | 0.00%         |
|   | <b>SUBDEPT 000</b>                              | <b>\$55,500.00</b>  | <b>\$0.00</b>       | <b>\$0.00</b>      | <b>\$55,500.00</b>  | <b>0.00%</b>  |
|   | <b>Total DEPT 151 Planning Commission</b>       | <b>\$55,500.00</b>  | <b>\$0.00</b>       | <b>\$0.00</b>      | <b>\$55,500.00</b>  | <b>0.00%</b>  |
| <b>DEPT 200 ADMINISTRATION</b>            |   |                     |                     |                    |                     |               |
| Active                                    | E 01-200-000-300 SALARIES                       | \$177,008.00        | \$103,457.64        | \$15,113.54        | \$73,550.36         | 58.45%        |
| Active                                    | E 01-200-000-350 FRINGE BENEFITS                | \$66,438.00         | \$42,861.30         | \$6,147.26         | \$23,576.70         | 64.51%        |
| Active                                    | E 01-200-000-381 ENGINEERING                    | \$25,000.00         | \$0.00              | \$0.00             | \$25,000.00         | 0.00%         |
| Active                                    | E 01-200-000-382 ANCHORAGE OFFI                 | \$0.00              | \$14,476.90         | (\$805.73)         | -\$14,476.90        | 0.00%         |
| Active                                    | E 01-200-000-400 TRAVEL AND PER                 | \$25,500.00         | \$9,460.46          | \$631.98           | \$16,039.54         | 37.10%        |
| Active                                    | E 01-200-000-425 TELEPHONE                      | \$7,100.00          | \$3,834.63          | \$647.87           | \$3,265.37          | 54.01%        |
| Active                                    | E 01-200-000-450 POSTAGE/SPEED                  | \$2,500.00          | \$147.67            | \$147.67           | \$2,352.33          | 5.91%         |
| Active                                    | E 01-200-000-475 SUPPLIES                       | \$15,000.00         | \$9,824.22          | \$1,792.48         | \$5,175.78          | 65.49%        |
| Active                                    | E 01-200-000-525 RENTAL/LEASE                   | \$23,404.00         | \$13,461.01         | \$2,107.21         | \$9,942.99          | 57.52%        |
| Active                                    | E 01-200-000-530 DUES AND FEES                  | \$2,500.00          | \$1,050.00          | \$0.00             | \$1,450.00          | 42.00%        |
|   | <b>SUBDEPT 000</b>                              | <b>\$344,450.00</b> | <b>\$198,573.83</b> | <b>\$25,782.28</b> | <b>\$139,617.58</b> | <b>57.65%</b> |
|   | <b>Total DEPT 200 ADMINISTRATION</b>            | <b>\$344,450.00</b> | <b>\$198,573.83</b> | <b>\$25,782.28</b> | <b>\$139,617.58</b> | <b>57.65%</b> |

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|   |                                  | 17-18<br>YTD Budget | 17-18<br>YTD Amt    | JANUARY<br>MTD Amt | 17-18<br>YTD Balance | % of YTD<br>Budget |
|---|----------------------------------|---------------------|---------------------|--------------------|----------------------|--------------------|
| <b>DEPT 201 Assistant Administrator</b>       |                                  |                     |                     |                    |                      |                    |
| Active  | E 01-201-000-300 SALARIES        | \$95,863.00         | \$37,500.00         | \$7,500.00         | \$58,363.00          | 39.12%             |
| Active  | E 01-201-000-350 FRINGE BENEFITS | \$31,422.00         | \$12,030.80         | \$2,305.46         | \$19,391.20          | 38.29%             |
| Active  | E 01-201-000-400 TRAVEL AND PER  | \$10,000.00         | \$8,359.96          | \$0.00             | \$1,640.04           | 83.60%             |
| Active  | E 01-201-000-425 TELEPHONE       | \$2,000.00          | \$593.53            | \$100.51           | \$1,406.47           | 29.68%             |
| Active  | E 01-201-000-475 SUPPLIES        | \$2,500.00          | \$789.15            | \$740.56           | \$1,710.85           | 31.57%             |
| Active  | E 01-201-000-525 RENTAL/LEASE    | \$8,903.00          | \$4,088.75          | \$817.75           | \$4,814.25           | 45.93%             |
| <b>SUBDEPT 000</b>                            |                                  | <u>\$150,688.00</u> | <u>\$63,362.19</u>  | <u>\$11,464.28</u> | <u>\$85,016.21</u>   | <u>42.05%</u>      |
| <b>Total DEPT 201 Assistant Administrator</b> |                                  | \$150,688.00        | \$63,362.19         | \$11,464.28        | \$85,016.21          | 42.05%             |
| <b>DEPT 250 FINANCE DEPARTMENT</b>            |                                  |                     |                     |                    |                      |                    |
| Active  | E 01-250-000-300 SALARIES        | \$135,049.00        | \$74,875.14         | \$10,258.30        | \$60,173.86          | 55.44%             |
| Active  | E 01-250-000-350 FRINGE BENEFITS | \$53,365.00         | \$37,120.21         | \$5,176.18         | \$16,244.79          | 69.56%             |
| Active  | E 01-250-000-400 TRAVEL AND PER  | \$7,000.00          | \$9,845.96          | \$50.00            | -\$2,845.96          | 140.66%            |
| Active  | E 01-250-000-425 TELEPHONE       | \$8,000.00          | \$5,841.57          | \$784.43           | \$2,158.43           | 73.02%             |
| Active  | E 01-250-000-450 POSTAGE/SPEED   | \$1,000.00          | \$500.00            | \$0.00             | \$500.00             | 50.00%             |
| Active  | E 01-250-000-475 SUPPLIES        | \$7,500.00          | \$7,040.07          | \$471.51           | \$459.93             | 93.87%             |
| Active  | E 01-250-000-526 UTILITIES       | \$5,000.00          | \$1,375.60          | \$146.44           | \$3,624.40           | 27.51%             |
| Active  | E 01-250-000-550 AUDIT           | \$50,000.00         | \$56,704.27         | \$0.00             | -\$6,704.27          | 113.41%            |
| <b>SUBDEPT 000</b>                            |                                  | <u>\$266,914.00</u> | <u>\$193,302.82</u> | <u>\$16,886.86</u> | <u>\$72,759.25</u>   | <u>72.42%</u>      |
| <b>Total DEPT 250 FINANCE DEPARTMENT</b>      |                                  | \$266,914.00        | \$193,302.82        | \$16,886.86        | \$72,759.25          | 72.42%             |
| <b>DEPT 650 RESOURCE DEPARTMENT</b>           |                                  |                     |                     |                    |                      |                    |
| Active  | E 01-650-000-300 SALARIES        | \$92,571.00         | \$53,999.82         | \$7,714.26         | \$38,571.18          | 58.33%             |
| Active  | E 01-650-000-350 FRINGE BENEFITS | \$31,462.00         | \$23,529.70         | \$3,364.70         | \$7,932.30           | 74.79%             |
| Active  | E 01-650-000-400 TRAVEL AND PER  | \$20,000.00         | \$7,324.53          | \$200.00           | \$12,675.47          | 36.62%             |
| Active  | E 01-650-000-402 NPFMC Meetings  | \$15,000.00         | \$2,767.99          | \$748.00           | \$12,232.01          | 18.45%             |
| Active  | E 01-650-000-403 BOF Meetings    | \$30,000.00         | \$2,000.00          | \$0.00             | \$28,000.00          | 6.67%              |
| Active  | E 01-650-000-425 TELEPHONE       | \$1,500.00          | \$673.70            | \$100.52           | \$826.30             | 44.91%             |
| Active  | E 01-650-000-475 SUPPLIES        | \$2,500.00          | \$544.64            | \$27.66            | \$1,955.36           | 21.79%             |
| Active  | E 01-650-000-525 RENTAL/LEASE    | \$8,903.00          | \$4,972.32          | \$828.72           | \$3,930.68           | 55.85%             |
| <b>SUBDEPT 000</b>                            |                                  | <u>\$201,936.00</u> | <u>\$95,812.70</u>  | <u>\$12,983.86</u> | <u>\$105,365.15</u>  | <u>47.45%</u>      |
| <b>Total DEPT 650 RESOURCE DEPARTMENT</b>     |                                  | \$201,936.00        | \$95,812.70         | \$12,983.86        | \$105,365.15         | 47.45%             |
| <b>DEPT 651 COMMUNICATION DIRECTOR</b>        |                                  |                     |                     |                    |                      |                    |
| Active  | E 01-651-011-300 SALARIES        | \$98,973.00         | \$57,734.32         | \$8,247.76         | \$41,238.68          | 58.33%             |
| Active  | E 01-651-011-350 FRINGE BENEFITS | \$34,158.00         | \$16,685.82         | \$2,368.46         | \$17,472.18          | 48.85%             |
| Active  | E 01-651-011-400 TRAVEL AND PER  | \$15,000.00         | \$4,672.18          | \$367.69           | \$10,327.82          | 31.15%             |
| Active  | E 01-651-011-425 TELEPHONE       | \$2,400.00          | \$1,737.56          | \$252.50           | \$662.44             | 72.40%             |
| Active  | E 01-651-011-475 SUPPLIES        | \$2,500.00          | \$431.78            | \$112.92           | \$2,068.22           | 17.27%             |
| Active  | E 01-651-011-525 RENTAL/LEASE    | \$10,016.00         | \$5,098.02          | \$849.67           | \$4,917.98           | 50.90%             |
| Active  | E 01-651-011-532 ADVERTISING     | \$15,000.00         | \$11,514.37         | \$478.18           | \$3,485.63           | 76.76%             |
| <b>SUBDEPT 011 PUBLIC INFORMATION</b>         |                                  | <u>\$178,047.00</u> | <u>\$97,874.05</u>  | <u>\$12,677.18</u> | <u>\$77,547.45</u>   | <u>54.97%</u>      |
| <b>Total DEPT 651 COMMUNICATION DIRECTOR</b>  |                                  | \$178,047.00        | \$97,874.05         | \$12,677.18        | \$77,547.45          | 54.97%             |
| <b>DEPT 700 PUBLIC WORKS DEPARTMENT</b>       |                                  |                     |                     |                    |                      |                    |
| Active  | E 01-700-000-300 SALARIES        | \$64,633.00         | \$29,423.56         | \$5,416.66         | \$35,209.44          | 45.52%             |
| Active  | E 01-700-000-350 FRINGE BENEFITS | \$31,024.00         | \$9,984.41          | \$2,125.44         | \$21,039.59          | 32.18%             |
| Active  | E 01-700-000-400 TRAVEL AND PER  | \$15,000.00         | \$2,199.00          | \$0.00             | \$12,801.00          | 14.66%             |
| Active  | E 01-700-000-425 TELEPHONE       | \$1,000.00          | \$591.95            | \$72.78            | \$408.05             | 59.20%             |
| Active  | E 01-700-000-475 SUPPLIES        | \$5,000.00          | \$2,813.67          | \$233.80           | \$2,186.33           | 56.27%             |
| Active  | E 01-700-000-526 UTILITIES       | \$2,000.00          | \$113.81            | \$0.00             | \$1,886.19           | 5.69%              |
| <b>SUBDEPT 000</b>                            |                                  | <u>\$118,657.00</u> | <u>\$45,126.40</u>  | <u>\$7,848.68</u>  | <u>\$72,873.88</u>   | <u>38.03%</u>      |
| <b>Total DEPT 700 PUBLIC WORKS DEPARTMENT</b> |                                  | \$118,657.00        | \$45,126.40         | \$7,848.68         | \$72,873.88          | 38.03%             |

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|                                   |                                  | 17-18               | 17-18               | JANUARY             | 17-18               | % of YTD      |
|-----------------------------------|----------------------------------|---------------------|---------------------|---------------------|---------------------|---------------|
|                                   |                                  | YTD Budget          | YTD Amt             | MTD Amt             | YTD Balance         | Budget        |
| <b>DEPT 844 KCAP</b>              |                                  |                     |                     |                     |                     |               |
| Active                            | E 01-844-000-300 SALARIES        | \$2,500.00          | \$0.00              | \$0.00              | \$2,500.00          | 0.00%         |
| Active                            | E 01-844-000-350 FRINGE BENEFITS | \$20,000.00         | \$3,519.41          | \$0.00              | \$16,480.59         | 17.60%        |
| Active                            | E 01-844-000-400 TRAVEL AND PER  | \$4,000.00          | \$0.00              | \$0.00              | \$4,000.00          | 0.00%         |
| Active                            | E 01-844-000-475 SUPPLIES        | \$1,000.00          | \$1,080.67          | \$188.00            | -\$80.67            | 108.07%       |
| Active                            | E 01-844-000-603 MAINTENANCE     | \$100,000.00        | \$54,991.86         | \$54,991.86         | \$45,008.14         | 54.99%        |
| <b>SUBDEPT 000</b>                |                                  | <u>\$127,500.00</u> | <u>\$59,591.94</u>  | <u>\$55,179.86</u>  | <u>\$67,908.06</u>  | <u>46.74%</u> |
| <b>Total DEPT 844 KCAP</b>        |                                  | \$127,500.00        | \$59,591.94         | \$55,179.86         | \$67,908.06         | 46.74%        |
| <b>DEPT 850 EDUCATION</b>         |                                  |                     |                     |                     |                     |               |
| Active                            | E 01-850-000-700 LOCAL SCHOOL C  | \$800,000.00        | \$400,000.00        | \$200,000.00        | \$400,000.00        | 50.00%        |
| Active                            | E 01-850-000-701 SCHOOL SCHOLA   | \$25,000.00         | \$0.00              | \$0.00              | \$25,000.00         | 0.00%         |
| Active                            | E 01-850-000-756 STUDENT TRAVEL  | \$20,000.00         | \$0.00              | \$0.00              | \$20,000.00         | 0.00%         |
| <b>SUBDEPT 000</b>                |                                  | <u>\$845,000.00</u> | <u>\$400,000.00</u> | <u>\$200,000.00</u> | <u>\$445,000.00</u> | <u>47.34%</u> |
| <b>Total DEPT 850 EDUCATION</b>   |                                  | \$845,000.00        | \$400,000.00        | \$200,000.00        | \$445,000.00        | 47.34%        |
| <b>DEPT 900 OTHER</b>             |                                  |                     |                     |                     |                     |               |
| Active                            | E 01-900-000-500 EQUIPMENT       | \$35,000.00         | \$15,276.26         | \$167.04            | \$19,723.74         | 43.65%        |
| Active                            | E 01-900-000-526 UTILITIES       | \$25,000.00         | \$6,854.34          | \$4,015.42          | \$18,145.66         | 27.42%        |
| Active                            | E 01-900-000-527 Aleutia Crab    | \$58,522.00         | \$46,111.22         | \$46,111.22         | \$12,410.78         | 78.79%        |
| Active                            | E 01-900-000-551 LEGAL           | \$100,000.00        | \$48,084.25         | \$14,539.40         | \$51,915.75         | 48.08%        |
| Active                            | E 01-900-000-552 INSURANCE       | \$160,000.00        | \$155,941.61        | \$793.00            | \$4,058.39          | 97.46%        |
| Active                            | E 01-900-000-600 REPAIRS         | \$5,000.00          | \$4,063.45          | \$52.92             | \$936.55            | 81.27%        |
| Active                            | E 01-900-000-727 BANK FEES       | \$12,000.00         | \$15,050.20         | \$2,203.46          | -\$3,050.20         | 125.42%       |
| Active                            | E 01-900-000-752 CONTRIBUTION T  | \$150,000.00        | \$75,000.00         | \$37,500.00         | \$75,000.00         | 50.00%        |
| Active                            | E 01-900-000-753 MISC EXPENSE    | \$96,000.00         | \$127,415.38        | \$21,927.11         | -\$31,415.38        | 132.72%       |
| Active                            | E 01-900-000-757 DONATIONS       | \$23,500.00         | \$10,800.00         | \$0.00              | \$12,700.00         | 45.96%        |
| Active                            | E 01-900-000-760 REVENUE SHARIN  | \$12,900.00         | \$15,789.00         | \$0.00              | -\$2,889.00         | 122.40%       |
| Active                            | E 01-900-000-943 WEB SERVICE     | \$30,000.00         | \$12,728.45         | \$1,954.00          | \$17,271.55         | 42.43%        |
| <b>SUBDEPT 000</b>                |                                  | <u>\$707,922.00</u> | <u>\$533,114.16</u> | <u>\$129,263.57</u> | <u>\$172,856.67</u> | <u>75.31%</u> |
| <b>Total DEPT 900 OTHER</b>       |                                  | \$707,922.00        | \$533,114.16        | \$129,263.57        | \$172,856.67        | 75.31%        |
| <b>Total Fund 01 GENERAL FUND</b> |                                  | \$3,613,230.00      | \$2,081,845.77      | \$523,562.22        | \$1,505,931.70      | 57.62%        |

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|                                     |                                      | 17-18                 | 17-18               | JANUARY            | 17-18                 | % of YTD     |
|-------------------------------------|--------------------------------------|-----------------------|---------------------|--------------------|-----------------------|--------------|
|                                     |                                      | YTD Budget            | YTD Amt             | MTD Amt            | YTD Balance           | Budget       |
| <b>Fund 20 GRANT PROGRAMS</b>       |                                      |                       |                     |                    |                       |              |
| Active                              | R 20-201 INTEREST REVENUE            | \$0.00                | \$0.00              | \$0.00             | \$0.00                | 0.00%        |
| Active                              | R 20-203 OTHER REVENUE               | \$0.00                | \$0.00              | \$0.00             | \$0.00                | 0.00%        |
| Active                              | R 20-204 OPERATING TRANSFER F        | \$0.00                | \$0.00              | \$0.00             | \$0.00                | 0.00%        |
| Active                              | R 20-207 AEB Grant Revenue           | \$1,168,000.00        | \$0.00              | \$0.00             | \$1,168,000.00        | 0.00%        |
| Active                              | R 20-209 AEB Grants                  | \$1,207,000.00        | \$0.00              | \$0.00             | \$1,207,000.00        | 0.00%        |
| Active                              | R 20-211 AEB Grant FY18              | \$2,954,000.00        | \$0.00              | \$0.00             | \$2,954,000.00        | 0.00%        |
| Active                              | R 20-287 KCAP/09-DC-359              | \$1,587,088.50        | \$21,392.13         | \$20,984.70        | \$1,565,696.37        | 1.35%        |
| Active                              | R 20-426 DCCED/Akutan Harbor Float   | \$150,602.91          | \$0.00              | \$0.00             | \$150,602.91          | 0.00%        |
| Active                              | R 20-499 Cold Bay Airport-Apron&Taxi | \$249,449.26          | \$100,017.26        | \$0.00             | \$149,432.00          | 40.10%       |
| Active                              | R 20-503 CDBG-Nelson Lagoon Erosi    | \$592,832.88          | \$100,636.04        | \$10,844.45        | \$492,196.84          | 16.98%       |
| <b>Total Fund 20 GRANT PROGRAMS</b> |                                      | <b>\$7,908,973.55</b> | <b>\$222,045.43</b> | <b>\$31,829.15</b> | <b>\$7,686,928.12</b> | <b>2.81%</b> |

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|  | 17-18<br>YTD Budget   | 17-18<br>YTD Amt    | JANUARY<br>MTD Amt | 17-18<br>YTD Balance  | % of YTD<br>Budget |
|--|-----------------------|---------------------|--------------------|-----------------------|--------------------|
| <b>Fund 20 GRANT PROGRAMS</b>                            |                       |                     |                    |                       |                    |
| <b>DEPT 426 DCCED/Akutan Harbor Floats</b>               |                       |                     |                    |                       |                    |
| Active E 20-426-000-850 CAPITAL CONSTR                   | \$150,602.91          | \$0.00              | \$0.00             | \$150,602.91          | 0.00%              |
| <b>SUBDEPT 000</b>                                       | <b>\$150,602.91</b>   | <b>\$0.00</b>       | <b>\$0.00</b>      | <b>\$150,602.91</b>   | <b>0.00%</b>       |
| <b>Total DEPT 426 DCCED/Akutan Harbor Floats</b>         | <b>\$150,602.91</b>   | <b>\$0.00</b>       | <b>\$0.00</b>      | <b>\$150,602.91</b>   | <b>0.00%</b>       |
| <b>DEPT 427 Akutan Harbor Contribution</b>               |                       |                     |                    |                       |                    |
| Active E 20-427-000-850 CAPITAL CONSTR                   | \$259,743.66          | \$0.00              | \$0.00             | \$259,743.66          | 0.00%              |
| <b>SUBDEPT 000</b>                                       | <b>\$259,743.66</b>   | <b>\$0.00</b>       | <b>\$0.00</b>      | <b>\$259,743.66</b>   | <b>0.00%</b>       |
| Active E 20-427-209-850 CAPITAL CONSTR                   | \$53,088.00           | \$6,089.01          | \$0.00             | \$46,998.99           | 11.47%             |
| <b>SUBDEPT 209 AEB Grant</b>                             | <b>\$53,088.00</b>    | <b>\$6,089.01</b>   | <b>\$0.00</b>      | <b>\$46,998.99</b>    | <b>11.47%</b>      |
| <b>Total DEPT 427 Akutan Harbor Contribution</b>         | <b>\$312,831.66</b>   | <b>\$6,089.01</b>   | <b>\$0.00</b>      | <b>\$306,742.65</b>   | <b>1.95%</b>       |
| <b>DEPT 499 Cold Bay Airport-Apron&amp;Taxiway</b>       |                       |                     |                    |                       |                    |
| Active E 20-499-049-850 CAPITAL CONSTR                   | \$149,432.00          | \$10,066.69         | \$0.00             | \$139,365.31          | 6.74%              |
| <b>SUBDEPT 049 DCCED-13-DC-501</b>                       | <b>\$149,432.00</b>   | <b>\$10,066.69</b>  | <b>\$0.00</b>      | <b>\$130,517.11</b>   | <b>6.74%</b>       |
| <b>Total DEPT 499 Cold Bay Airport-Apron&amp;Taxiway</b> | <b>\$149,432.00</b>   | <b>\$10,066.69</b>  | <b>\$0.00</b>      | <b>\$130,517.11</b>   | <b>6.74%</b>       |
| <b>DEPT 504 Nelson Lagoon Erosion</b>                    |                       |                     |                    |                       |                    |
| Active E 20-504-208-300 SALARIES                         | \$376,389.99          | \$28,728.86         | \$0.00             | \$347,661.13          | 7.63%              |
| Active E 20-504-208-350 FRINGE BENEFITS                  | \$0.00                | \$1,516.66          | \$0.00             | -\$1,516.66           | 0.00%              |
| Active E 20-504-208-380 CONTRACT LABO                    | \$24,232.98           | \$13,412.78         | \$0.00             | \$10,820.20           | 55.35%             |
| Active E 20-504-208-400 TRAVEL AND PER                   | \$20,920.00           | \$10,020.00         | \$0.00             | \$10,900.00           | 47.90%             |
| Active E 20-504-208-475 SUPPLIES                         | \$7,754.49            | \$340.13            | \$0.00             | \$7,414.36            | 4.39%              |
| Active E 20-504-208-500 EQUIPMENT                        | \$165,535.63          | \$46,497.61         | \$0.00             | \$119,038.02          | 28.09%             |
| <b>SUBDEPT 208 CDBG /Nelson Lagoon Erosion</b>           | <b>\$594,833.09</b>   | <b>\$100,516.04</b> | <b>\$0.00</b>      | <b>\$494,317.05</b>   | <b>16.90%</b>      |
| Active E 20-504-209-850 CAPITAL CONSTR                   | \$35,196.58           | \$120.00            | \$0.00             | \$35,076.58           | 0.34%              |
| <b>SUBDEPT 209 AEB Grant</b>                             | <b>\$35,196.58</b>    | <b>\$120.00</b>     | <b>\$0.00</b>      | <b>\$35,076.58</b>    | <b>0.34%</b>       |
| <b>Total DEPT 504 Nelson Lagoon Erosion</b>              | <b>\$630,029.67</b>   | <b>\$100,636.04</b> | <b>\$0.00</b>      | <b>\$529,393.63</b>   | <b>15.97%</b>      |
| <b>DEPT 513 COLD BAY APRON PROJECT</b>                   |                       |                     |                    |                       |                    |
| Active E 20-513-000-850 CAPITAL CONSTR                   | \$225,000.00          | \$225,000.00        | \$0.00             | \$0.00                | 100.00%            |
| <b>SUBDEPT 000</b>                                       | <b>\$225,000.00</b>   | <b>\$225,000.00</b> | <b>\$0.00</b>      | <b>\$0.00</b>         | <b>100.00%</b>     |
| <b>Total DEPT 513 COLD BAY APRON PROJECT</b>             | <b>\$225,000.00</b>   | <b>\$225,000.00</b> | <b>\$0.00</b>      | <b>\$0.00</b>         | <b>100.00%</b>     |
| <b>DEPT 520 Cold Bay Clinic</b>                          |                       |                     |                    |                       |                    |
| Active E 20-520-000-850 CAPITAL CONSTR                   | \$481,139.00          | \$0.00              | \$0.00             | \$481,139.00          | 0.00%              |
| <b>SUBDEPT 000</b>                                       | <b>\$481,139.00</b>   | <b>\$0.00</b>       | <b>\$0.00</b>      | <b>\$481,139.00</b>   | <b>0.00%</b>       |
| Active E 20-520-209-850 CAPITAL CONSTR                   | \$2,137,000.00        | \$0.00              | \$0.00             | \$2,137,000.00        | 0.00%              |
| <b>SUBDEPT 209 AEB Grant</b>                             | <b>\$2,137,000.00</b> | <b>\$0.00</b>       | <b>\$0.00</b>      | <b>\$2,137,000.00</b> | <b>0.00%</b>       |
| <b>Total DEPT 520 Cold Bay Clinic</b>                    | <b>\$2,618,139.00</b> | <b>\$0.00</b>       | <b>\$0.00</b>      | <b>\$2,618,139.00</b> | <b>0.00%</b>       |
| <b>DEPT 802 CAPITAL - COLD BAY</b>                       |                       |                     |                    |                       |                    |
| Active E 20-802-000-850 CAPITAL CONSTR                   | \$60,000.00           | \$0.00              | \$0.00             | \$60,000.00           | 0.00%              |
| <b>SUBDEPT 000</b>                                       | <b>\$60,000.00</b>    | <b>\$0.00</b>       | <b>\$0.00</b>      | <b>\$60,000.00</b>    | <b>0.00%</b>       |
| <b>Total DEPT 802 CAPITAL - COLD BAY</b>                 | <b>\$60,000.00</b>    | <b>\$0.00</b>       | <b>\$0.00</b>      | <b>\$60,000.00</b>    | <b>0.00%</b>       |
| <b>DEPT 813 Akutan Airport/CIP Trident</b>               |                       |                     |                    |                       |                    |
| Active E 20-813-000-850 CAPITAL CONSTR                   | \$313,738.96          | \$0.00              | \$0.00             | \$313,738.96          | 0.00%              |
| <b>SUBDEPT 000</b>                                       | <b>\$313,738.96</b>   | <b>\$0.00</b>       | <b>\$0.00</b>      | <b>\$313,738.96</b>   | <b>0.00%</b>       |
| <b>Total DEPT 813 Akutan Airport/CIP Trident</b>         | <b>\$313,738.96</b>   | <b>\$0.00</b>       | <b>\$0.00</b>      | <b>\$313,738.96</b>   | <b>0.00%</b>       |
| <b>DEPT 814 False Pass Harbor House</b>                  |                       |                     |                    |                       |                    |
| Active E 20-814-209-850 CAPITAL CONSTR                   | \$100,000.00          | \$0.00              | \$0.00             | \$100,000.00          | 0.00%              |
| <b>SUBDEPT 209 AEB Grant</b>                             | <b>\$100,000.00</b>   | <b>\$0.00</b>       | <b>\$0.00</b>      | <b>\$100,000.00</b>   | <b>0.00%</b>       |
| <b>Total DEPT 814 False Pass Harbor House</b>            | <b>\$100,000.00</b>   | <b>\$0.00</b>       | <b>\$0.00</b>      | <b>\$100,000.00</b>   | <b>0.00%</b>       |
| <b>DEPT 831 SAND POINT HARBOR</b>                        |                       |                     |                    |                       |                    |

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|   | 17-18<br>YTD Budget | 17-18<br>YTD Amt | JANUARY<br>MTD Amt | 17-18<br>YTD Balance | % of YTD<br>Budget |
|---|---------------------|------------------|--------------------|----------------------|--------------------|
| Active E 20-831-209-850 CAPITAL CONSTR            | \$100,000.00        | \$176,378.10     | \$36,977.40        | -\$76,378.10         | 176.38%            |
| <b>SUBDEPT 209 AEB Grant</b>                      | \$100,000.00        | \$176,378.10     | \$36,977.40        | -\$76,378.10         | 176.38%            |
| <b>Total DEPT 831 SAND POINT HARBOR</b>           | \$100,000.00        | \$176,378.10     | \$36,977.40        | -\$76,378.10         | 176.38%            |
| <b>DEPT 862 NELSON LAGOON DOCK</b>                |                     |                  |                    |                      |                    |
| Active E 20-862-209-600 REPAIRS                   | \$915,246.00        | \$0.00           | \$0.00             | \$915,246.00         | 0.00%              |
| <b>SUBDEPT 209 AEB Grant</b>                      | \$915,246.00        | \$0.00           | \$0.00             | \$915,246.00         | 0.00%              |
| <b>Total DEPT 862 NELSON LAGOON DOCK</b>          | \$915,246.00        | \$0.00           | \$0.00             | \$915,246.00         | 0.00%              |
| <b>DEPT 864 SAND POINT AIRPORT BUILDING</b>       |                     |                  |                    |                      |                    |
| Active E 20-864-209-600 REPAIRS                   | \$100,000.00        | \$100,000.00     | \$100,000.00       | \$0.00               | 100.00%            |
| <b>SUBDEPT 209 AEB Grant</b>                      | \$100,000.00        | \$100,000.00     | \$100,000.00       | \$0.00               | 100.00%            |
| <b>Total DEPT 864 SAND POINT AIRPORT BUILDING</b> | \$100,000.00        | \$100,000.00     | \$100,000.00       | \$0.00               | 100.00%            |
| <b>DEPT 866 AEB PROJECTS</b>                      |                     |                  |                    |                      |                    |
| Active E 20-866-209-506 SURVEYING                 | \$117,161.48        | \$525.00         | \$0.00             | \$116,636.48         | 0.45%              |
| Active E 20-866-209-888 PROJECT CONTIN            | \$502,000.00        | \$110,709.51     | \$0.00             | \$391,290.49         | 22.05%             |
| <b>SUBDEPT 209 AEB Grant</b>                      | \$619,161.48        | \$111,234.51     | \$0.00             | \$507,926.97         | 17.97%             |
| <b>Total DEPT 866 AEB PROJECTS</b>                | \$619,161.48        | \$111,234.51     | \$0.00             | \$507,926.97         | 17.97%             |
| <b>DEPT 867 KCC Alternative Road</b>              |                     |                  |                    |                      |                    |
| Active E 20-867-000-300 SALARIES                  | \$0.00              | \$2,025.00       | \$150.00           | -\$2,025.00          | 0.00%              |
| Active E 20-867-000-350 FRINGE BENEFITS           | \$0.00              | \$8,478.96       | \$12.98            | -\$8,478.96          | 0.00%              |
| Active E 20-867-000-380 CONTRACT LABO             | \$535,463.88        | \$0.00           | \$0.00             | \$535,463.88         | 0.00%              |
| Active E 20-867-000-381 ENGINEERING               | \$0.00              | \$0.00           | \$0.00             | \$0.00               | 0.00%              |
| Active E 20-867-000-400 TRAVEL AND PER            | \$0.00              | \$0.00           | \$0.00             | \$0.00               | 0.00%              |
| Active E 20-867-000-475 SUPPLIES                  | \$0.00              | \$0.00           | \$0.00             | \$0.00               | 0.00%              |
| <b>SUBDEPT 000</b>                                | \$535,463.88        | \$10,503.96      | \$162.98           | \$524,959.92         | 1.96%              |
| Active E 20-867-168-300 SALARIES                  | \$6,775.00          | \$675.00         | \$0.00             | \$6,100.00           | 9.96%              |
| Active E 20-867-168-350 FRINGE BENEFITS           | \$0.00              | \$58.38          | \$0.00             | -\$58.38             | 0.00%              |
| Active E 20-867-168-381 ENGINEERING               | \$857,950.00        | \$0.00           | \$0.00             | \$857,950.00         | 0.00%              |
| Active E 20-867-168-400 TRAVEL AND PER            | \$5,926.49          | \$0.00           | \$0.00             | \$5,926.49           | 0.00%              |
| Active E 20-867-168-850 CAPITAL CONSTR            | \$719,657.42        | \$20,658.75      | \$0.00             | \$698,998.67         | 2.87%              |
| <b>SUBDEPT 168 KCAP/09-DC-359</b>                 | \$1,590,308.91      | \$21,392.13      | \$0.00             | \$1,568,916.78       | 1.35%              |
| Active E 20-867-209-850 CAPITAL CONSTR            | \$8,867.78          | \$0.00           | \$0.00             | \$8,867.78           | 0.00%              |
| <b>SUBDEPT 209 AEB Grant</b>                      | \$8,867.78          | \$0.00           | \$0.00             | \$8,867.78           | 0.00%              |
| <b>Total DEPT 867 KCC Alternative Road</b>        | \$2,134,640.57      | \$31,896.09      | \$162.98           | \$2,102,744.48       | 1.49%              |
| <b>DEPT 900 OTHER</b>                             |                     |                  |                    |                      |                    |
| Active E 20-900-000-753 MISC EXPENSE              | \$0.00              | \$0.00           | \$0.00             | \$0.00               | 0.00%              |
| Active E 20-900-000-850 CAPITAL CONSTR            | \$0.00              | \$0.00           | \$0.00             | \$0.00               | 0.00%              |
| <b>SUBDEPT 000</b>                                | \$0.00              | \$0.00           | \$0.00             | \$0.00               | 0.00%              |
| <b>Total DEPT 900 OTHER</b>                       | \$0.00              | \$0.00           | \$0.00             | \$0.00               | 0.00%              |
| <b>Total Fund 20 GRANT PROGRAMS</b>               | \$8,428,822.25      | \$761,300.44     | \$137,140.38       | \$7,658,673.61       | 9.03%              |

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|                                 |                                | 17-18               | 17-18               | JANUARY            | 17-18               | % of YTD      |
|---------------------------------|--------------------------------|---------------------|---------------------|--------------------|---------------------|---------------|
|                                 |                                | YTD Budget          | YTD Amt             | MTD Amt            | YTD Balance         | Budget        |
| <b>Fund 22 OPERATIONS</b>       |                                |                     |                     |                    |                     |               |
| Active                          | R 22-203 OTHER REVENUE         | \$0.00              | \$187,500.00        | \$0.00             | -\$187,500.00       | 0.00%         |
| Active                          | R 22-221 COLD BAY TERMINAL LEA | \$139,620.00        | \$77,545.54         | \$11,792.22        | \$62,074.46         | 55.54%        |
| Active                          | R 22-222 COLD BAY TERMINAL OTH | \$0.00              | \$0.00              | \$0.00             | \$0.00              | 0.00%         |
| Active                          | R 22-301 HELICOPTER/TICKETS    | \$300,000.00        | \$112,898.85        | \$6,478.06         | \$187,101.15        | 37.63%        |
| Active                          | R 22-302 HELICOPTER/FREIGHT    | \$95,000.00         | \$27,964.12         | \$0.00             | \$67,035.88         | 29.44%        |
| <b>Total Fund 22 OPERATIONS</b> |                                | <b>\$534,620.00</b> | <b>\$405,908.51</b> | <b>\$18,270.28</b> | <b>\$128,711.49</b> | <b>75.92%</b> |

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|   |                                  | 17-18                 | 17-18               | JANUARY             | 17-18                 | % of YTD      |
|---|----------------------------------|-----------------------|---------------------|---------------------|-----------------------|---------------|
|   |                                  | YTD Budget            | YTD Amt             | MTD Amt             | YTD Balance           | Budget        |
| <b>Fund 22 OPERATIONS</b>                   |                                  |                       |                     |                     |                       |               |
| <b>DEPT 802 CAPITAL - COLD BAY</b>          |                                  |                       |                     |                     |                       |               |
| Active                                      | E 22-802-200-300 SALARIES        | \$27,958.00           | \$16,308.88         | \$2,329.84          | \$11,649.12           | 58.33%        |
| Active                                      | E 22-802-200-350 FRINGE BENEFITS | \$3,617.00            | \$1,410.64          | \$201.52            | \$2,206.36            | 39.00%        |
| Active                                      | E 22-802-200-400 TRAVEL AND PER  | \$0.00                | \$0.00              | \$0.00              | \$0.00                | 0.00%         |
| Active                                      | E 22-802-200-425 TELEPHONE       | \$4,500.00            | \$2,411.34          | \$348.18            | \$2,088.66            | 53.59%        |
| Active                                      | E 22-802-200-475 SUPPLIES        | \$7,500.00            | \$3,329.01          | \$81.64             | \$4,170.99            | 44.39%        |
| Active                                      | E 22-802-200-526 UTILITIES       | \$24,000.00           | \$3,712.15          | \$818.53            | \$20,287.85           | 15.47%        |
| Active                                      | E 22-802-200-576 GAS             | \$1,500.00            | \$0.00              | \$0.00              | \$1,500.00            | 0.00%         |
| Active                                      | E 22-802-200-577 FUEL            | \$15,000.00           | \$6,718.15          | \$0.00              | \$8,281.85            | 44.79%        |
| <b>SUBDEPT 200 COLD BAY TERMINAL</b>        |                                  | <b>\$84,075.00</b>    | <b>\$33,890.17</b>  | <b>\$3,779.71</b>   | <b>\$49,829.38</b>    | <b>40.31%</b> |
| <b>Total DEPT 802 CAPITAL - COLD BAY</b>    |                                  | <b>\$84,075.00</b>    | <b>\$33,890.17</b>  | <b>\$3,779.71</b>   | <b>\$49,829.38</b>    | <b>40.31%</b> |
| <b>DEPT 845 HELICOPTER OPERATIONS</b>       |                                  |                       |                     |                     |                       |               |
| Active                                      | E 22-845-300-300 SALARIES        | \$130,520.00          | \$73,105.35         | \$8,475.15          | \$57,414.65           | 56.01%        |
| Active                                      | E 22-845-300-350 FRINGE BENEFITS | \$32,140.00           | \$18,297.89         | \$2,390.05          | \$13,842.11           | 56.93%        |
| Active                                      | E 22-845-300-380 CONTRACT LABO   | \$1,453,000.00        | \$599,337.28        | \$102,791.46        | \$853,662.72          | 41.25%        |
| Active                                      | E 22-845-300-400 TRAVEL AND PER  | \$5,000.00            | \$0.00              | \$0.00              | \$5,000.00            | 0.00%         |
| Active                                      | E 22-845-300-425 TELEPHONE       | \$2,140.00            | \$2,219.77          | \$149.45            | -\$79.77              | 103.73%       |
| Active                                      | E 22-845-300-475 SUPPLIES        | \$60,000.00           | \$54,462.22         | \$3,491.31          | \$5,537.78            | 90.77%        |
| Active                                      | E 22-845-300-525 RENTAL/LEASE    | \$24,000.00           | \$14,452.20         | \$2,043.00          | \$9,547.80            | 60.22%        |
| Active                                      | E 22-845-300-526 UTILITIES       | \$8,000.00            | \$600.00            | \$150.00            | \$7,400.00            | 7.50%         |
| Active                                      | E 22-845-300-552 INSURANCE       | \$18,200.00           | \$0.00              | \$0.00              | \$18,200.00           | 0.00%         |
| Active                                      | E 22-845-300-576 GAS             | \$12,000.00           | \$6,086.53          | \$1,556.43          | \$5,913.47            | 50.72%        |
| Active                                      | E 22-845-300-577 FUEL            | \$150,000.00          | \$48,437.59         | \$6,520.25          | \$101,562.41          | 32.29%        |
| <b>SUBDEPT 300 HELICOPTER OPERATIONS</b>    |                                  | <b>\$1,895,000.00</b> | <b>\$816,998.83</b> | <b>\$127,567.10</b> | <b>\$1,078,401.09</b> | <b>43.11%</b> |
| <b>Total DEPT 845 HELICOPTER OPERATIONS</b> |                                  | <b>\$1,895,000.00</b> | <b>\$816,998.83</b> | <b>\$127,567.10</b> | <b>\$1,078,401.09</b> | <b>43.11%</b> |
| <b>Total Fund 22 OPERATIONS</b>             |                                  | <b>\$1,979,075.00</b> | <b>\$850,889.00</b> | <b>\$131,346.81</b> | <b>\$1,128,230.47</b> | <b>42.99%</b> |

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|  |                              | 17-18      | 17-18       | JANUARY    | 17-18        | % of YTD |
|--|------------------------------|------------|-------------|------------|--------------|----------|
|  |                              | YTD Budget | YTD Amt     | MTD Amt    | YTD Balance  | Budget   |
| <b>Fund 24 BOND CONSTRUCTION</b>       |                              |            |             |            |              |          |
| Active                                 | R 24-201 INTEREST REVENUE    | \$0.00     | \$22,220.96 | \$8,118.92 | -\$22,220.96 | 0.00%    |
| Active                                 | R 24-203 OTHER REVENUE       | \$0.00     | \$33,275.77 | \$0.00     | -\$33,275.77 | 0.00%    |
| Active                                 | R 24-227 COE-HARBOR PROJECTS | \$0.00     | \$0.00      | \$0.00     | \$0.00       | 0.00%    |
| Active                                 | R 24-259 BOND PROCEEDS       | \$0.00     | \$0.00      | \$0.00     | \$0.00       | 0.00%    |
| Active                                 | R 24-270 STATE REVENUE OTHER | \$0.00     | \$0.00      | \$0.00     | \$0.00       | 0.00%    |
| Active                                 | R 24-277 STATE BOND REBATE   | \$0.00     | \$0.00      | \$0.00     | \$0.00       | 0.00%    |
| <b>Total Fund 24 BOND CONSTRUCTION</b> |                              | \$0.00     | \$55,496.73 | \$8,118.92 | -\$55,496.73 | 0.00%    |

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|  |                                    | 17-18        | 17-18       | JANUARY    | 17-18        | % of YTD |
|--|------------------------------------|--------------|-------------|------------|--------------|----------|
|  |                                    | YTD Budget   | YTD Amt     | MTD Amt    | YTD Balance  | Budget   |
| <b>Fund 24 BOND CONSTRUCTION</b>           |                                    |              |             |            |              |          |
| <b>DEPT 809 Akutan Airport/Grant</b>       |                                    |              |             |            |              |          |
| Active                                     | E 24-809-000-850 CAPITAL CONSTR    | \$525,177.42 | \$0.00      | \$0.00     | \$525,177.42 | 0.00%    |
| <b>SUBDEPT 000</b>                         |                                    | \$525,177.42 | \$0.00      | \$0.00     | \$525,177.42 | 0.00%    |
| <b>Total DEPT 809 Akutan Airport/Grant</b> |                                    | \$525,177.42 | \$0.00      | \$0.00     | \$525,177.42 | 0.00%    |
| <b>DEPT 833 FALSE PASS HARBOR</b>          |                                    |              |             |            |              |          |
| Active                                     | E 24-833-000-850 CAPITAL CONSTR    | \$339,073.39 | \$400.00    | \$400.00   | \$338,673.39 | 0.12%    |
| <b>SUBDEPT 000</b>                         |                                    | \$339,073.39 | \$400.00    | \$400.00   | \$338,673.39 | 0.12%    |
| <b>Total DEPT 833 FALSE PASS HARBOR</b>    |                                    | \$339,073.39 | \$400.00    | \$400.00   | \$338,673.39 | 0.12%    |
| <b>DEPT 839 AKUTAN HARBOR</b>              |                                    |              |             |            |              |          |
| Active                                     | E 24-839-000-850 CAPITAL CONSTR    | \$2,658.99   | \$2,658.99  | \$0.00     | \$0.00       | 100.00%  |
| <b>SUBDEPT 000</b>                         |                                    | \$2,658.99   | \$2,658.99  | \$0.00     | \$0.00       | 100.00%  |
| <b>Total DEPT 839 AKUTAN HARBOR</b>        |                                    | \$2,658.99   | \$2,658.99  | \$0.00     | \$0.00       | 100.00%  |
| <b>DEPT 900 OTHER</b>                      |                                    |              |             |            |              |          |
| Active                                     | E 24-900-000-380 CONTRACT LABO     | \$0.00       | \$26,727.89 | \$3,915.21 | -\$26,727.89 | 0.00%    |
| Active                                     | E 24-900-000-725 BOND INTEREST     | \$0.00       | \$0.00      | \$0.00     | \$0.00       | 0.00%    |
| Active                                     | E 24-900-000-745 Bond Sale Expense | \$0.00       | \$0.00      | \$0.00     | \$0.00       | 0.00%    |
| Active                                     | E 24-900-000-850 CAPITAL CONSTR    | \$0.00       | \$0.00      | \$0.00     | \$0.00       | 0.00%    |
| <b>SUBDEPT 000</b>                         |                                    | \$0.00       | \$26,727.89 | \$3,915.21 | -\$26,727.89 | 0.00%    |
| <b>Total DEPT 900 OTHER</b>                |                                    | \$0.00       | \$26,727.89 | \$3,915.21 | -\$26,727.89 | 0.00%    |
| <b>Total Fund 24 BOND CONSTRUCTION</b>     |                                    | \$866,909.80 | \$29,786.88 | \$4,315.21 | \$837,122.92 | 3.44%    |

**ALEUTIANS EAST BOROUGH**  
**\*Revenue Guideline©**

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Current Period: JANUARY 17-18

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|                                |                               | 17-18         | 17-18         | JANUARY       | 17-18         | % of YTD     |
|--------------------------------|-------------------------------|---------------|---------------|---------------|---------------|--------------|
|                                |                               | YTD Budget    | YTD Amt       | MTD Amt       | YTD Balance   | Budget       |
| <b>Fund 30 BOND FUND</b>       |                               |               |               |               |               |              |
| Active                         | R 30-201 INTEREST REVENUE     | \$0.00        | \$0.00        | \$0.00        | \$0.00        | 0.00%        |
| Active                         | R 30-203 OTHER REVENUE        | \$0.00        | \$0.00        | \$0.00        | \$0.00        | 0.00%        |
| Active                         | R 30-204 OPERATING TRANSFER F | \$0.00        | \$0.00        | \$0.00        | \$0.00        | 0.00%        |
| Active                         | R 30-259 BOND PROCEEDS        | \$0.00        | \$0.00        | \$0.00        | \$0.00        | 0.00%        |
| <b>Total Fund 30 BOND FUND</b> |                               | <b>\$0.00</b> | <b>\$0.00</b> | <b>\$0.00</b> | <b>\$0.00</b> | <b>0.00%</b> |

**ALEUTIANS EAST BOROUGH**  
**\*Expenditure Guideline©**

Current Period: JANUARY 17-18

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|                                |                                    | 17-18         | 17-18                 | JANUARY       | 17-18                  | % of YTD     |
|--------------------------------|------------------------------------|---------------|-----------------------|---------------|------------------------|--------------|
|                                |                                    | YTD Budget    | YTD Amt               | MTD Amt       | YTD Balance            | Budget       |
| <b>Fund 30 BOND FUND</b>       |                                    |               |                       |               |                        |              |
| <b>DEPT 900 OTHER</b>          |                                    |               |                       |               |                        |              |
| Active                         | E 30-900-000-725 BOND INTEREST     | \$0.00        | \$546,814.10          | \$0.00        | -\$546,814.10          | 0.00%        |
| Active                         | E 30-900-000-726 BOND PRINCIPAL    | \$0.00        | \$1,375,000.00        | \$0.00        | -\$1,375,000.00        | 0.00%        |
| Active                         | E 30-900-000-745 Bond Sale Expense | \$0.00        | \$0.00                | \$0.00        | \$0.00                 | 0.00%        |
| <b>SUBDEPT 000</b>             |                                    | <b>\$0.00</b> | <b>\$1,921,814.10</b> | <b>\$0.00</b> | <b>-\$1,921,814.10</b> | <b>0.00%</b> |
| <b>Total DEPT 900 OTHER</b>    |                                    | <b>\$0.00</b> | <b>\$1,921,814.10</b> | <b>\$0.00</b> | <b>-\$1,921,814.10</b> | <b>0.00%</b> |
| <b>Total Fund 30 BOND FUND</b> |                                    | <b>\$0.00</b> | <b>\$1,921,814.10</b> | <b>\$0.00</b> | <b>-\$1,921,814.10</b> | <b>0.00%</b> |

**ALEUTIANS EAST BOROUGH**  
**\*Revenue Guideline©**

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Current Period: JANUARY 17-18

|                                     |                               | 17-18              | 17-18                 | JANUARY               | 17-18                  | % of YTD        |
|-------------------------------------|-------------------------------|--------------------|-----------------------|-----------------------|------------------------|-----------------|
|                                     |                               | YTD Budget         | YTD Amt               | MTD Amt               | YTD Balance            | Budget          |
| <b>Fund 40 PERMANENT FUND</b>       |                               |                    |                       |                       |                        |                 |
| Active                              | R 40-201 INTEREST REVENUE     | \$0.00             | \$3,059,292.36        | \$1,755,832.79        | -\$3,059,292.36        | 0.00%           |
| Active                              | R 40-203 OTHER REVENUE        | \$35,000.00        | \$0.00                | \$0.00                | \$35,000.00            | 0.00%           |
| Active                              | R 40-204 OPERATING TRANSFER F | \$0.00             | \$0.00                | \$0.00                | \$0.00                 | 0.00%           |
| Active                              | R 40-230 LAND SALES           | \$0.00             | \$0.00                | \$0.00                | \$0.00                 | 0.00%           |
| <b>Total Fund 40 PERMANENT FUND</b> |                               | <b>\$35,000.00</b> | <b>\$3,059,292.36</b> | <b>\$1,755,832.79</b> | <b>-\$3,024,292.36</b> | <b>8740.84%</b> |

**ALEUTIANS EAST BOROUGH**  
**\*Expenditure Guideline©**

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Current Period: JANUARY 17-18

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|  | 17-18<br>YTD Budget | 17-18<br>YTD Amt | JANUARY<br>MTD Amt | 17-18<br>YTD Balance | % of YTD<br>Budget |
|--|---------------------|------------------|--------------------|----------------------|--------------------|
| <b>Fund 40 PERMANENT FUND</b>          |                     |                  |                    |                      |                    |
| <b>DEPT 900 OTHER</b>                  |                     |                  |                    |                      |                    |
| Active E 40-900-000-380 CONTRACT LABO  | \$0.00              | \$26,727.90      | \$3,915.21         | -\$26,727.90         | 0.00%              |
| Active E 40-900-000-751 OPERATING TRAN | \$0.00              | \$0.00           | \$0.00             | \$0.00               | 0.00%              |
| <b>SUBDEPT 000</b>                     | \$0.00              | \$26,727.90      | \$3,915.21         | -\$26,727.90         | 0.00%              |
| <b>Total DEPT 900 OTHER</b>            | \$0.00              | \$26,727.90      | \$3,915.21         | -\$26,727.90         | 0.00%              |
| <b>Total Fund 40 PERMANENT FUND</b>    | \$0.00              | \$26,727.90      | \$3,915.21         | -\$26,727.90         | 0.00%              |

**ALEUTIANS EAST BOROUGH**  
**\*Revenue Guideline©**

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Current Period: JANUARY 17-18

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|   |                               | 17-18                 | 17-18         | JANUARY       | 17-18                 | % of YTD     |
|---|-------------------------------|-----------------------|---------------|---------------|-----------------------|--------------|
|   |                               | YTD Budget            | YTD Amt       | MTD Amt       | YTD Balance           | Budget       |
| <b>Fund 41 MAINTENANCE RESERVE FUND</b>       |                               |                       |               |               |                       |              |
| Active  | R 41-201 INTEREST REVENUE     | \$0.00                | \$0.00        | \$0.00        | \$0.00                | 0.00%        |
| Active  | R 41-203 OTHER REVENUE        | \$2,757,050.22        | \$0.00        | \$0.00        | \$2,757,050.22        | 0.00%        |
| Active  | R 41-204 OPERATING TRANSFER F | \$0.00                | \$0.00        | \$0.00        | \$0.00                | 0.00%        |
| Active  | R 41-207 AEB Grant Revenue    | \$200,000.00          | \$0.00        | \$0.00        | \$200,000.00          | 0.00%        |
| Active  | R 41-230 LAND SALES           | \$0.00                | \$0.00        | \$0.00        | \$0.00                | 0.00%        |
| Active  | R 41-276 AEB SCHOOL           | \$1,457,388.89        | \$0.00        | \$0.00        | \$1,457,388.89        | 0.00%        |
| <b>Total Fund 41 MAINTENANCE RESERVE FUND</b> |                               | <b>\$4,414,439.11</b> | <b>\$0.00</b> | <b>\$0.00</b> | <b>\$4,414,439.11</b> | <b>0.00%</b> |

**ALEUTIANS EAST BOROUGH**

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**\*Expenditure Guideline©**

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Current Period: JANUARY 17-18

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|   |                                  | 17-18        | 17-18       | JANUARY    | 17-18        | % of YTD |
|---|----------------------------------|--------------|-------------|------------|--------------|----------|
|   |                                  | YTD Budget   | YTD Amt     | MTD Amt    | YTD Balance  | Budget   |
| <b>Fund 41 MAINTENANCE RESERVE FUND</b>       |                                  |              |             |            |              |          |
| <b>DEPT 800 CAPITAL - SCHOOL</b>              |                                  |              |             |            |              |          |
| Active  | E 41-800-857-300 SALARIES        | \$0.00       | \$0.00      | \$0.00     | \$0.00       | 0.00%    |
| Active  | E 41-800-857-350 FRINGE BENEFITS | \$0.00       | \$0.00      | \$0.00     | \$0.00       | 0.00%    |
| Active  | E 41-800-857-380 CONTRACT LABO   | \$0.00       | \$0.00      | \$0.00     | \$0.00       | 0.00%    |
| Active  | E 41-800-857-400 TRAVEL AND PER  | \$0.00       | \$0.00      | \$0.00     | \$0.00       | 0.00%    |
| Active  | E 41-800-857-475 SUPPLIES        | \$0.00       | \$0.00      | \$0.00     | \$0.00       | 0.00%    |
| Active  | E 41-800-857-850 CAPITAL CONSTR  | \$0.00       | \$0.00      | \$0.00     | \$0.00       | 0.00%    |
| <b>SUBDEPT 857 FALSE PASS SCHOOL</b>          |                                  | \$0.00       | \$0.00      | \$0.00     | \$0.00       | 0.00%    |
| Active  | E 41-800-865-300 SALARIES        | \$0.00       | \$0.00      | \$0.00     | \$0.00       | 0.00%    |
| Active  | E 41-800-865-350 FRINGE BENEFITS | \$0.00       | \$0.00      | \$0.00     | \$0.00       | 0.00%    |
| Active  | E 41-800-865-400 TRAVEL AND PER  | \$0.00       | \$0.00      | \$0.00     | \$0.00       | 0.00%    |
| Active  | E 41-800-865-475 SUPPLIES        | \$0.00       | \$0.00      | \$0.00     | \$0.00       | 0.00%    |
| Active  | E 41-800-865-888 PROJECT CONTIN  | \$48,680.00  | \$37,576.00 | \$0.00     | \$11,104.00  | 77.19%   |
| <b>SUBDEPT 865 Akutan School</b>              |                                  | \$48,680.00  | \$37,576.00 | \$0.00     | \$11,104.00  | 77.19%   |
| Active  | E 41-800-866-888 PROJECT CONTIN  | \$50,000.00  | \$0.00      | \$0.00     | \$50,000.00  | 0.00%    |
| <b>SUBDEPT 866 NELSON LAGOON SCHOOL</b>       |                                  | \$50,000.00  | \$0.00      | \$0.00     | \$50,000.00  | 0.00%    |
| Active  | E 41-800-867-300 SALARIES        | \$0.00       | \$6,960.00  | \$0.00     | -\$6,960.00  | 0.00%    |
| Active  | E 41-800-867-350 FRINGE BENEFITS | \$0.00       | \$602.04    | \$0.00     | -\$602.04    | 0.00%    |
| Active  | E 41-800-867-380 CONTRACT LABO   | \$0.00       | \$0.00      | \$0.00     | \$0.00       | 0.00%    |
| Active  | E 41-800-867-400 TRAVEL AND PER  | \$0.00       | \$0.00      | \$0.00     | \$0.00       | 0.00%    |
| Active  | E 41-800-867-475 SUPPLIES        | \$0.00       | \$0.00      | \$0.00     | \$0.00       | 0.00%    |
| Active  | E 41-800-867-850 CAPITAL CONSTR  | \$0.00       | \$0.00      | \$0.00     | \$0.00       | 0.00%    |
| Active  | E 41-800-867-888 PROJECT CONTIN  | \$12,285.00  | \$15,071.68 | \$7,288.90 | -\$2,786.68  | 122.68%  |
| <b>SUBDEPT 867 Sand Point School</b>          |                                  | \$12,285.00  | \$22,633.72 | \$7,288.90 | -\$10,742.83 | 184.24%  |
| Active  | E 41-800-868-300 SALARIES        | \$0.00       | \$0.00      | \$0.00     | \$0.00       | 0.00%    |
| Active  | E 41-800-868-350 FRINGE BENEFITS | \$0.00       | \$0.00      | \$0.00     | \$0.00       | 0.00%    |
| Active  | E 41-800-868-380 CONTRACT LABO   | \$0.00       | \$0.00      | \$0.00     | \$0.00       | 0.00%    |
| Active  | E 41-800-868-400 TRAVEL AND PER  | \$0.00       | \$0.00      | \$0.00     | \$0.00       | 0.00%    |
| Active  | E 41-800-868-475 SUPPLIES        | \$0.00       | \$0.00      | \$0.00     | \$0.00       | 0.00%    |
| Active  | E 41-800-868-551 LEGAL           | \$0.00       | \$0.00      | \$0.00     | \$0.00       | 0.00%    |
| Active  | E 41-800-868-577 FUEL            | \$0.00       | \$0.00      | \$0.00     | \$0.00       | 0.00%    |
| Active  | E 41-800-868-850 CAPITAL CONSTR  | \$0.00       | \$0.00      | \$0.00     | \$0.00       | 0.00%    |
| Active  | E 41-800-868-852 ASPHALT PAVING  | \$0.00       | \$0.00      | \$0.00     | \$0.00       | 0.00%    |
| <b>SUBDEPT 868 King Cove School</b>           |                                  | \$0.00       | \$0.00      | \$0.00     | \$0.00       | 0.00%    |
| Active  | E 41-800-869-888 PROJECT CONTIN  | \$50,000.00  | \$0.00      | \$0.00     | \$50,000.00  | 0.00%    |
| <b>SUBDEPT 869 COLD BAY SCHOOL</b>            |                                  | \$50,000.00  | \$0.00      | \$0.00     | \$50,000.00  | 0.00%    |
| <b>Total DEPT 800 CAPITAL - SCHOOL</b>        |                                  | \$160,965.00 | \$60,209.72 | \$7,288.90 | \$100,361.17 | 37.41%   |
| <b>DEPT 900 OTHER</b>                         |                                  |              |             |            |              |          |
| Active  | E 41-900-000-753 MISC EXPENSE    | \$0.00       | \$7,244.71  | \$1,399.25 | -\$7,244.71  | 0.00%    |
| Active  | E 41-900-000-880 LAND            | \$0.00       | \$0.00      | \$0.00     | \$0.00       | 0.00%    |
| <b>SUBDEPT 000</b>                            |                                  | \$0.00       | \$7,244.71  | \$1,399.25 | -\$7,244.71  | 0.00%    |
| <b>Total DEPT 900 OTHER</b>                   |                                  | \$0.00       | \$7,244.71  | \$1,399.25 | -\$7,244.71  | 0.00%    |
| <b>Total Fund 41 MAINTENANCE RESERVE FUND</b> |                                  | \$160,965.00 | \$67,454.43 | \$8,688.15 | \$93,116.46  | 41.91%   |

# INVESTMENT REPORT

# ALEUTIANS EAST BOROUGH

Account Statement - Period Ending December 31, 2017

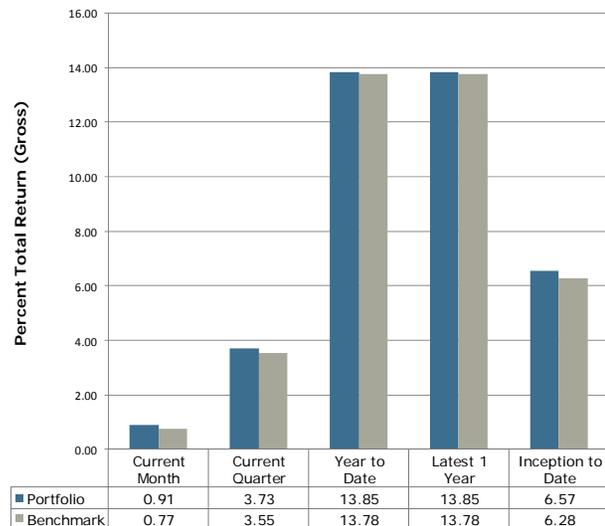


## ACCOUNT ACTIVITY

|                             |            |
|-----------------------------|------------|
| Portfolio Value on 11-30-17 | 45,925,378 |
| Contributions               | 0          |
| Withdrawals                 | -1,029     |
| Change in Market Value      | 122,149    |
| Interest                    | 29,224     |
| Dividends                   | 267,100    |
| Portfolio Value on 12-31-17 | 46,342,822 |

## INVESTMENT PERFORMANCE

Current Account Benchmark:  
Equity Blend

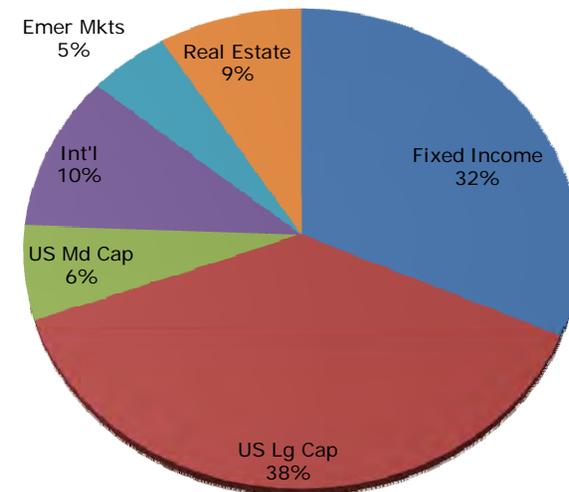


Performance is Annualized for Periods Greater than One Year

## MANAGEMENT TEAM

|                              |  |
|------------------------------|--|
| Client Relationship Manager: | Amber Frizzell, AIF®<br>Amber@apcm.net |
| Your Portfolio Manager:      | Jason Roth                             |
| Contact Phone Number:        | 907/272 -7575                          |

## PORTFOLIO COMPOSITION



Clients are encouraged to compare this report with the official statement from their custodian.

Alaska Permanent Capital Management Co.  
**PORTFOLIO SUMMARY AND TARGET**  
**ALEUTIANS EAST BOROUGH**  
*December 31, 2017*

| Asset Class & Target                   | Market Value      | %<br>Assets | Range      |
|--|-------------------|-------------|------------|
| <b>FIXED INCOME (34%)</b>              |                   |             |            |
| US Fixed Income (34.0%)                | 14,451,633        | 31.2        | 25% to 60% |
| Cash (0.0%)                            | 268,526           | 0.6         | na         |
| <b>Subtotal:</b>                       | <b>14,720,159</b> | <b>31.8</b> |            |
| <b>EQUITY (66%)</b>                    |                   |             |            |
| US Large Cap (36.0%)                   | 17,398,425        | 37.5        | 30% to 50% |
| US Mid Cap (5.0%)                      | 2,922,612         | 6.3         | 0% to 10%  |
| Developed International Equity (10.0%) | 4,860,919         | 10.5        | 5% to 15%  |
| Emerging Markets (5.0%)                | 2,318,675         | 5.0         | 0% to 10%  |
| Real Estate (10.0%)                    | 4,122,031         | 8.9         | 5% to 15%  |
| <b>Subtotal:</b>                       | <b>31,622,663</b> | <b>68.2</b> |            |
| <b>TOTAL PORTFOLIO</b>                 | <b>46,342,822</b> | <b>100</b>  |            |

# AEB/AKUTAN HARBOR - 2006 A

Account Statement - Period Ending December 31, 2017



## ACCOUNT ACTIVITY

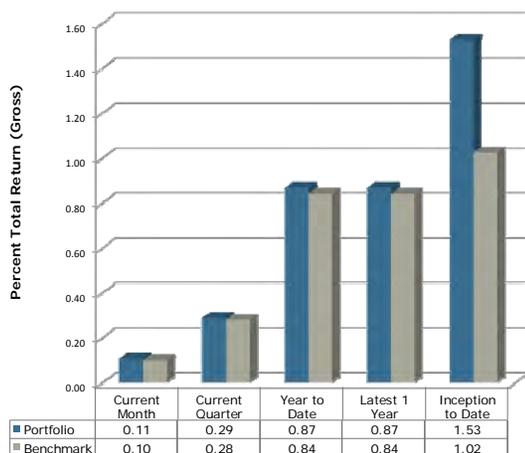
|                             |           |
|-----------------------------|-----------|
| Portfolio Value on 11-30-17 | 1,524,177 |
| Contributions               | 0         |
| Withdrawals                 | -63       |
| Change in Market Value      | 567       |
| Interest                    | 1,068     |
| Dividends                   | 0         |
| Portfolio Value on 12-31-17 | 1,525,749 |

## MANAGEMENT TEAM

|                              |  |
|------------------------------|--|
| Client Relationship Manager: | Amber Frizzell, AIF®<br>Amber@apcm.net |
| Your Portfolio Manager:      | Jason Roth                             |
| Contact Phone Number:        | 907/272 -7575                          |

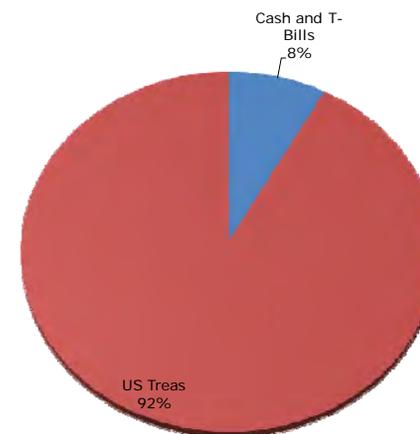
## INVESTMENT PERFORMANCE

Current Account Benchmark:  
Citi 90 Day Tbill



Performance is Annualized for Periods Greater than One Year

## PORTFOLIO COMPOSITION



## Fixed Income Portfolio Statistics

Average Quality: AAA Yield to Maturity: 1.32% Average Maturity: 0.16 Yrs

Clients are encouraged to compare this report with the official statement from their custodian.

Alaska Permanent Capital Management Co.  
**PORTFOLIO APPRAISAL**  
**AEB/AKUTAN HARBOR - 2006 A**  
*December 31, 2017*

| Quantity                    | Security                                      | Average<br>Cost | Total<br>Average Cost | Price | Market<br>Value  | Pct.<br>Assets | Annual<br>Income | Accrued<br>Interest | Yield<br>to<br>Maturity |
|-----------------------------|---|-----------------|-----------------------|-------|------------------|----------------|------------------|---------------------|-------------------------|
| <b>CASH AND EQUIVALENTS</b> |   |                 |                       |       |                  |                |                  |                     |                         |
|                             | FEDERATED GOVERNMENT OBLIGATIONS<br>INSTITUTI |                 | 22,789                |       | 22,789           | 1.49           |                  |                     |                         |
| <b>U.S. TREASURY</b>        |   |                 |                       |       |                  |                |                  |                     |                         |
| 550,000                     | US TREASURY NOTES<br>0.875% Due 01-15-18      | 99.91           | 549,500               | 99.99 | 549,934          | 36.04          | 4,812            | 2,223               | 1.16                    |
| 200,000                     | US TREASURY NOTES<br>1.000% Due 02-15-18      | 100.35          | 200,695               | 99.96 | 199,928          | 13.10          | 2,000            | 755                 | 1.28                    |
| 200,000                     | US TREASURY NOTES<br>0.875% Due 03-31-18      | 99.84           | 199,672               | 99.87 | 199,750          | 13.09          | 1,750            | 450                 | 1.38                    |
| 450,000                     | US TREASURY NOTES<br>0.750% Due 04-15-18      | 99.77           | 448,984               | 99.83 | 449,226          | 29.44          | 3,375            | 723                 | 1.35                    |
|                             | Accrued Interest                              |                 |                       |       | 4,151            | 0.27           |                  |                     |                         |
|                             |   |                 | 1,398,852             |       | 1,402,989        | 91.95          |                  | 4,151               |                         |
| <b>TREASURY BILLS</b>       |   |                 |                       |       |                  |                |                  |                     |                         |
| 100,000                     | US TREASURY BILLS<br>0.000% Due 01-11-18      | 99.92           | 99,922                | 99.97 | 99,971           | 6.55           | NA               | 0                   | 0.97                    |
| <b>TOTAL PORTFOLIO</b>      |   |                 | <b>1,521,563</b>      |       | <b>1,525,749</b> | <b>100</b>     | <b>11,937</b>    | <b>4,151</b>        |                         |

# AEB OPERATING FUND

Account Statement - Period Ending December 31, 2017



## ACCOUNT ACTIVITY

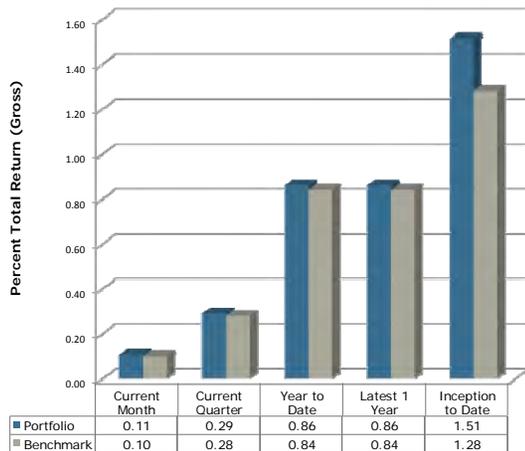
|                             |           |
|-----------------------------|-----------|
| Portfolio Value on 11-30-17 | 2,547,883 |
| Contributions               | 0         |
| Withdrawals                 | -136      |
| Change in Market Value      | 859       |
| Interest                    | 1,846     |
| Dividends                   | 0         |
| Portfolio Value on 12-31-17 | 2,550,453 |

## MANAGEMENT TEAM

|                              |  |
|------------------------------|--|
| Client Relationship Manager: | Amber Frizzell, AIF®<br>Amber@apcm.net |
| Your Portfolio Manager:      | Jason Roth                             |
| Contact Phone Number:        | 907/272 -7575                          |

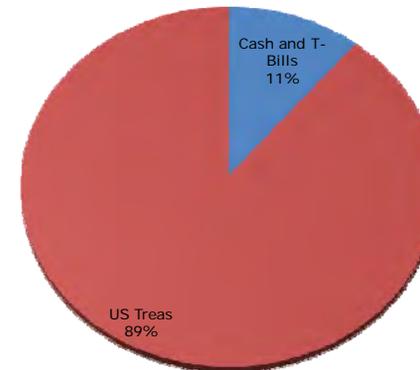
## INVESTMENT PERFORMANCE

Current Account Benchmark:  
Citi 90 Day Tbill



Performance is Annualized for Periods Greater than One Year

## PORTFOLIO COMPOSITION



## Fixed Income Portfolio Statistics

Average Quality: AAA Yield to Maturity: 1.30% Average Maturity: 0.19 Yrs

Clients are encouraged to compare this report with the official statement from their custodian.

Alaska Permanent Capital Management Co.  
**PORTFOLIO APPRAISAL**  
***AEB OPERATING FUND***  
*December 31, 2017*

| Quantity                    | Security                                      | Average<br>Cost | Total<br>Average Cost | Price | Market<br>Value  | Pct.<br>Assets | Annual<br>Income | Accrued<br>Interest | Yield<br>to<br>Maturity |
|-----------------------------|---|-----------------|-----------------------|-------|------------------|----------------|------------------|---------------------|-------------------------|
| <b>CASH AND EQUIVALENTS</b> |   |                 |                       |       |                  |                |                  |                     |                         |
|                             | FEDERATED GOVERNMENT OBLIGATIONS<br>INSTITUTI |                 | 31,460                |       | 31,460           | 1.23           |                  |                     |                         |
| <b>U.S. TREASURY</b>        |   |                 |                       |       |                  |                |                  |                     |                         |
| 375,000                     | US TREASURY NOTES<br>0.875% Due 01-15-18      | 99.90           | 374,630               | 99.99 | 374,955          | 14.70          | 3,281            | 1,516               | 1.16                    |
| 565,000                     | US TREASURY NOTES<br>1.000% Due 02-15-18      | 99.93           | 564,581               | 99.96 | 564,797          | 22.14          | 5,650            | 2,134               | 1.28                    |
| 200,000                     | US TREASURY NOTES<br>1.000% Due 03-15-18      | 99.93           | 199,852               | 99.93 | 199,860          | 7.84           | 2,000            | 597                 | 1.34                    |
| 300,000                     | US TREASURY NOTES<br>0.875% Due 03-31-18      | 99.84           | 299,508               | 99.87 | 299,625          | 11.75          | 2,625            | 674                 | 1.38                    |
| 525,000                     | US TREASURY NOTES<br>0.750% Due 04-15-18      | 99.78           | 523,870               | 99.83 | 524,097          | 20.55          | 3,937            | 844                 | 1.35                    |
| 300,000                     | US TREASURY NOTES<br>1.000% Due 05-15-18      | 99.83           | 299,484               | 99.86 | 299,577          | 11.75          | 3,000            | 390                 | 1.38                    |
|                             | Accrued Interest                              |                 |                       |       | 6,154            | 0.24           |                  |                     |                         |
|                             |   |                 | 2,261,924             |       | 2,269,065        | 88.97          |                  | 6,154               |                         |
| <b>TREASURY BILLS</b>       |   |                 |                       |       |                  |                |                  |                     |                         |
| 250,000                     | US TREASURY BILLS<br>0.000% Due 01-11-18      | 99.92           | 249,806               | 99.97 | 249,927          | 9.80           | NA               | 0                   | 0.97                    |
| <b>TOTAL PORTFOLIO</b>      |   |                 | <b>2,543,191</b>      |       | <b>2,550,453</b> | <b>100</b>     | <b>20,494</b>    | <b>6,154</b>        |                         |

# ALEUTIANS EAST BOROUGH SERIES E BOND

Account Statement - Period Ending December 31, 2017



## ACCOUNT ACTIVITY

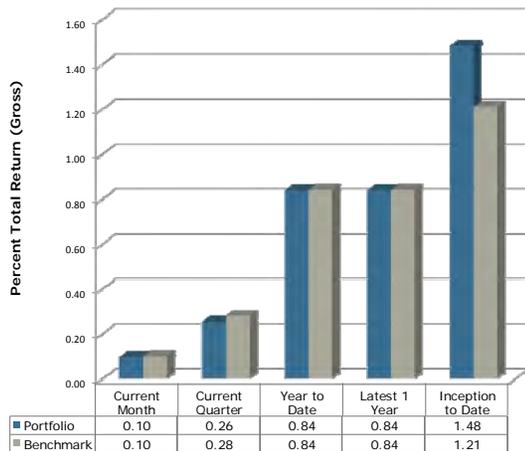
|                             |           |
|-----------------------------|-----------|
| Portfolio Value on 11-30-17 | 2,486,484 |
| Contributions               | 0         |
| Withdrawals                 | 0         |
| Change in Market Value      | 707       |
| Interest                    | 1,694     |
| Dividends                   | 0         |
| Portfolio Value on 12-31-17 | 2,488,886 |

## MANAGEMENT TEAM

|                              |  |
|------------------------------|--|
| Client Relationship Manager: | Amber Frizzell, AIF®<br>Amber@apcm.net |
| Your Portfolio Manager:      | Jason Roth                             |
| Contact Phone Number:        | 907/272 -7575                          |

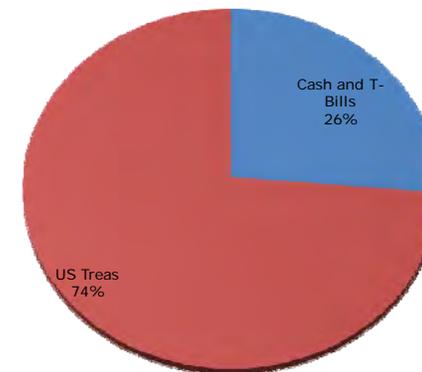
## INVESTMENT PERFORMANCE

Current Account Benchmark:  
Citi 90 Day Tbill



Performance is Annualized for Periods Greater than One Year

## PORTFOLIO COMPOSITION



## Fixed Income Portfolio Statistics

Average Quality: AAA Yield to Maturity: 1.30% Average Maturity: 0.20 Yrs

Clients are encouraged to compare this report with the official statement from their custodian.

Alaska Permanent Capital Management Co.  
**PORTFOLIO APPRAISAL**  
**ALEUTIANS EAST BOROUGH SERIES E BOND**  
*December 31, 2017*

| Quantity                    | Security                                      | Average<br>Cost | Total<br>Average Cost | Price | Market<br>Value  | Pct.<br>Assets | Annual<br>Income | Accrued<br>Interest | Yield<br>to<br>Maturity |
|-----------------------------|---|-----------------|-----------------------|-------|------------------|----------------|------------------|---------------------|-------------------------|
| <b>CASH AND EQUIVALENTS</b> |   |                 |                       |       |                  |                |                  |                     |                         |
|                             | FEDERATED GOVERNMENT OBLIGATIONS<br>INSTITUTI |                 | 30,607                |       | 30,607           | 1.23           |                  |                     |                         |
| <b>U.S. TREASURY</b>        |   |                 |                       |       |                  |                |                  |                     |                         |
| 575,000                     | US TREASURY NOTES<br>0.875% Due 01-15-18      | 99.89           | 574,362               | 99.99 | 574,931          | 23.10          | 5,031            | 2,324               | 1.16                    |
| 505,000                     | US TREASURY NOTES<br>1.000% Due 02-15-18      | 99.94           | 504,684               | 99.96 | 504,818          | 20.28          | 5,050            | 1,907               | 1.28                    |
| 200,000                     | US TREASURY NOTES<br>1.000% Due 03-15-18      | 99.93           | 199,852               | 99.93 | 199,860          | 8.03           | 2,000            | 597                 | 1.34                    |
| 150,000                     | US TREASURY NOTES<br>0.750% Due 04-15-18      | 99.53           | 149,297               | 99.83 | 149,742          | 6.02           | 1,125            | 241                 | 1.35                    |
| 100,000                     | US TREASURY NOTES<br>1.000% Due 08-15-18      | 100.46          | 100,457               | 99.60 | 99,602           | 4.00           | 1,000            | 378                 | 1.64                    |
| 100,000                     | US TREASURY NOTES<br>1.000% Due 09-15-18      | 100.43          | 100,434               | 99.52 | 99,516           | 4.00           | 1,000            | 298                 | 1.69                    |
| 100,000                     | US TREASURY NOTES<br>0.875% Due 10-15-18      | 100.05          | 100,047               | 99.35 | 99,352           | 3.99           | 875              | 187                 | 1.71                    |
| 100,000                     | US TREASURY NOTES<br>1.250% Due 11-15-18      | 100.77          | 100,770               | 99.54 | 99,543           | 4.00           | 1,250            | 162                 | 1.78                    |
|                             | Accrued Interest                              |                 |                       |       | 6,095            | 0.24           |                  |                     |                         |
|                             |   |                 | 1,829,902             |       | 1,833,460        | 73.67          |                  | 6,095               |                         |
| <b>TREASURY BILLS</b>       |   |                 |                       |       |                  |                |                  |                     |                         |
| 625,000                     | US TREASURY BILLS<br>0.000% Due 01-11-18      | 99.92           | 624,515               | 99.97 | 624,819          | 25.10          | NA               | 0                   | 0.97                    |
| <b>TOTAL PORTFOLIO</b>      |   |                 | <b>2,485,024</b>      |       | <b>2,488,886</b> | <b>100</b>     | <b>17,331</b>    | <b>6,095</b>        |                         |

\* Callable security

# AEB 2010 SERIES A GO BOND/KCAP

Account Statement - Period Ending December 31, 2017



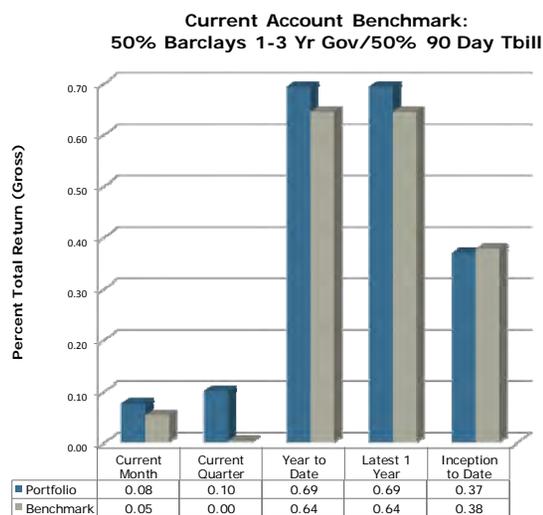
## ACCOUNT ACTIVITY

|                             |           |
|-----------------------------|-----------|
| Portfolio Value on 11-30-17 | 1,025,441 |
| Contributions               | 0         |
| Withdrawals                 | -73       |
| Change in Market Value      | -93       |
| Interest                    | 874       |
| Dividends                   | 0         |
| Portfolio Value on 12-31-17 | 1,026,150 |

## MANAGEMENT TEAM

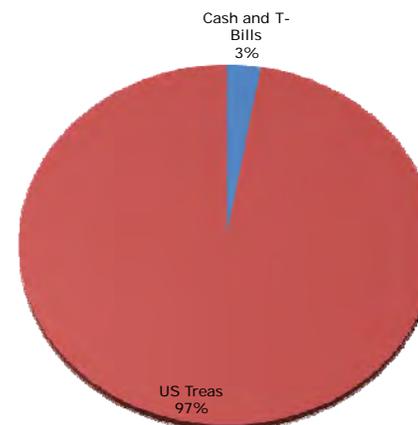
|                              |  |
|------------------------------|--|
| Client Relationship Manager: | Amber Frizzell, AIF®<br>Amber@apcm.net |
| Your Portfolio Manager:      | Jason Roth                             |
| Contact Phone Number:        | 907/272-7575                           |

## INVESTMENT PERFORMANCE



Performance is Annualized for Periods Greater than One Year

## PORTFOLIO COMPOSITION



## Fixed Income Portfolio Statistics

Average Quality: AAA Yield to Maturity: 1.49% Average Maturity: 0.70 Yrs

Clients are encouraged to compare this report with the official statement from their custodian.

Alaska Permanent Capital Management Co.  
**PORTFOLIO APPRAISAL**  
**AEB 2010 SERIES A GO BOND/KCAP**  
*December 31, 2017*

| Quantity                    | Security   | Average<br>Cost | Total<br>Average Cost | Price | Market<br>Value  | Pct.<br>Assets | Annual<br>Income | Accrued<br>Interest | Yield<br>to<br>Maturity |
|-----------------------------|--|-----------------|-----------------------|-------|------------------|----------------|------------------|---------------------|-------------------------|
| <b>CASH AND EQUIVALENTS</b> |  |                 |                       |       |                  |                |                  |                     |                         |
|                             | CASH RECEIVABLE  |                 | 1,250                 |       | 1,250            | 0.12           |                  |                     |                         |
|                             | FEDERATED GOVERNMENT OBLIGATIONS<br>INSTITUTI                |                 | 27,134                |       | 27,134           | 2.64           |                  |                     |                         |
|                             |  |                 | 28,384                |       | 28,384           | 2.77           |                  |                     |                         |
| <b>U.S. TREASURY</b>        |  |                 |                       |       |                  |                |                  |                     |                         |
| 200,000                     | US TREASURY NOTES<br>0.875% Due 01-15-18                     | 100.08          | 200,152               | 99.99 | 199,976          | 19.49          | 1,750            | 808                 | 1.16                    |
| 100,000                     | US TREASURY NOTES<br>1.000% Due 02-15-18                     | 99.93           | 99,930                | 99.96 | 99,964           | 9.74           | 1,000            | 378                 | 1.28                    |
| 175,000                     | US TREASURY NOTES<br>1.000% Due 03-15-18                     | 99.93           | 174,870               | 99.93 | 174,877          | 17.04          | 1,750            | 522                 | 1.34                    |
| 150,000                     | US TREASURY NOTES<br>0.625% Due 04-30-18                     | 99.57           | 149,361               | 99.74 | 149,613          | 14.58          | 937              | 161                 | 1.41                    |
| 75,000                      | US TREASURY NOTES<br>1.250% Due 12-15-18                     | 99.95           | 74,962                | 99.48 | 74,608           | 7.27           | 937              | 44                  | 1.80                    |
| 200,000                     | US TREASURY NOTES<br>1.250% Due 06-30-19                     | 99.68           | 199,367               | 99.11 | 198,226          | 19.32          | 2,500            | 7                   | 1.85                    |
| 100,000                     | US TREASURY NOTES<br>1.125% Due 03-31-20<br>Accrued Interest | 98.77           | 98,770                | 98.29 | 98,293           | 9.58           | 1,125            | 289                 | 1.90                    |
|                             |  |                 | 997,412               |       | 997,766          | 97.23          |                  | 2,209               |                         |
| <b>TOTAL PORTFOLIO</b>      |  |                 | <b>1,025,796</b>      |       | <b>1,026,150</b> | <b>100</b>     | <b>10,000</b>    | <b>2,209</b>        |                         |

# AEB 2010 SERIES B BOND/AKUTAN AIR

Account Statement - Period Ending December 31, 2017



## ACCOUNT ACTIVITY

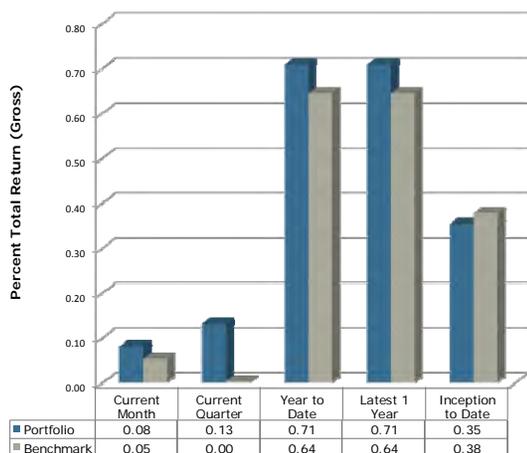
|                             |           |
|-----------------------------|-----------|
| Portfolio Value on 11-30-17 | 2,041,041 |
| Contributions               | 0         |
| Withdrawals                 | -85       |
| Change in Market Value      | 60        |
| Interest                    | 1,596     |
| Dividends                   | 0         |
| Portfolio Value on 12-31-17 | 2,042,612 |

## MANAGEMENT TEAM

|                              |  |
|------------------------------|--|
| Client Relationship Manager: | Amber Frizzell, AIF®<br>Amber@apcm.net |
| Your Portfolio Manager:      | Jason Roth                             |
| Contact Phone Number:        | 907/272-7575                           |

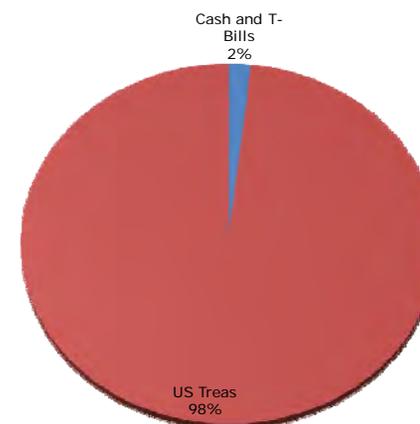
## INVESTMENT PERFORMANCE

Current Account Benchmark:  
50% Barclays 1-3 Yr Gov/50% 90 Day Tbill



Performance is Annualized for Periods Greater than One Year

## PORTFOLIO COMPOSITION



## Fixed Income Portfolio Statistics

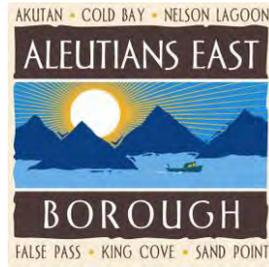
Average Quality: AAA Yield to Maturity: 1.56% Average Maturity: 0.61 Yrs

Clients are encouraged to compare this report with the official statement from their custodian.

Alaska Permanent Capital Management Co.  
**PORTFOLIO APPRAISAL**  
**AEB 2010 SERIES B BOND/AKUTAN AIR**  
December 31, 2017

| Quantity                    | Security                                      | Average<br>Cost | Total<br>Average Cost | Price | Market<br>Value  | Pct.<br>Assets | Annual<br>Income | Accrued<br>Interest | Yield<br>to<br>Maturity |
|-----------------------------|---|-----------------|-----------------------|-------|------------------|----------------|------------------|---------------------|-------------------------|
| <b>CASH AND EQUIVALENTS</b> |   |                 |                       |       |                  |                |                  |                     |                         |
|                             | FEDERATED GOVERNMENT OBLIGATIONS<br>INSTITUTI |                 | 36,636                |       | 36,636           | 1.79           |                  |                     |                         |
| <b>U.S. TREASURY</b>        |   |                 |                       |       |                  |                |                  |                     |                         |
| 325,000                     | US TREASURY NOTES<br>0.875% Due 01-15-18      | 99.90           | 324,673               | 99.99 | 324,961          | 15.91          | 2,844            | 1,314               | 1.16                    |
| 300,000                     | US TREASURY NOTES<br>0.625% Due 04-30-18      | 99.48           | 298,441               | 99.74 | 299,226          | 14.65          | 1,875            | 321                 | 1.41                    |
| 100,000                     | US TREASURY NOTES<br>0.875% Due 05-31-18      | 99.84           | 99,836                | 99.77 | 99,773           | 4.88           | 875              | 77                  | 1.42                    |
| 200,000                     | US TREASURY NOTES<br>1.125% Due 06-15-18      | 100.15          | 200,305               | 99.84 | 199,688          | 9.78           | 2,250            | 105                 | 1.47                    |
| 160,000                     | US TREASURY NOTES<br>0.750% Due 07-31-18      | 99.47           | 159,150               | 99.51 | 159,213          | 7.79           | 1,200            | 502                 | 1.60                    |
| 100,000                     | US TREASURY NOTES<br>1.000% Due 08-15-18      | 100.46          | 100,457               | 99.60 | 99,602           | 4.88           | 1,000            | 378                 | 1.64                    |
| 100,000                     | US TREASURY NOTES<br>1.000% Due 09-15-18      | 100.43          | 100,434               | 99.52 | 99,516           | 4.87           | 1,000            | 298                 | 1.69                    |
| 100,000                     | US TREASURY NOTES<br>0.875% Due 10-15-18      | 100.05          | 100,047               | 99.35 | 99,352           | 4.86           | 875              | 187                 | 1.71                    |
| 100,000                     | US TREASURY NOTES<br>1.250% Due 11-15-18      | 100.77          | 100,770               | 99.54 | 99,543           | 4.87           | 1,250            | 162                 | 1.78                    |
| 100,000                     | US TREASURY NOTES<br>1.250% Due 12-15-18      | 100.25          | 100,250               | 99.48 | 99,477           | 4.87           | 1,250            | 58                  | 1.80                    |
| 100,000                     | US TREASURY NOTES<br>1.125% Due 01-15-19      | 99.95           | 99,953                | 99.27 | 99,273           | 4.86           | 1,125            | 520                 | 1.83                    |
| 125,000                     | US TREASURY NOTES<br>0.750% Due 02-15-19      | 99.05           | 123,809               | 98.79 | 123,486          | 6.05           | 937              | 354                 | 1.84                    |
| 200,000                     | US TREASURY NOTES<br>1.000% Due 03-15-19      | 99.46           | 198,922               | 99.00 | 197,992          | 9.69           | 2,000            | 597                 | 1.85                    |
|                             | Accrued Interest                              |                 |                       |       | 4,874            | 0.24           |                  |                     |                         |
|                             |   |                 | 2,007,046             |       | 2,005,976        | 98.21          |                  | 4,874               |                         |
| <b>TOTAL PORTFOLIO</b>      |   |                 | <b>2,043,682</b>      |       | <b>2,042,612</b> | <b>100</b>     | <b>18,481</b>    | <b>4,874</b>        |                         |

# Consent Agenda



## AGENDA STATEMENT

To: Mayor Osterback and Assembly  
From: Tina Anderson, Clerk  
Date: February 8, 2018  
Re: Ordinance 18-06, Public Records

---

As the Aleutians East Borough gets older, it has become necessary to get a public records management program in place. Before starting a public records program, the Assembly needs to pass an ordinance designating the clerk as the records manager. Ordinance 18-06 says we will have a program. The program will take responsibility for retention schedules, inactive storage, disposal process, protection of archival records, identify and protect vital records. This ordinance also covers the records that are exempt from inspection and public disclosure.

Once the retention schedule is completed, that will be brought before the Assembly in the form of a resolution to adopt. A detailed description of the obsolete records destroyed will be brought before the Assembly annually.

---

SAND POINT OFFICE  
P.O. BOX 349  
SAND POINT, ALASKA 99661  
(907) 383-2699  
(907) 383-3496 FAX

ANCHORAGE OFFICE  
3380 "C" STREET, SUITE 205  
ANCHORAGE, ALASKA 99503  
(907) 274-7555  
(907) 276-7569 FAX

KING COVE OFFICE  
P.O. BOX 49  
KING COVE, ALASKA 99612  
(907) 497-2588  
(907) 497-2386 FAX

**ORDINANCE 18-06**

**AN ORDINANCE OF THE ALEUTIANS EAST BOROUGH ASSEMBLY ENACTING ALEUTIANS EAST BOROUGH CODE CHAPTER 2.21, PUBLIC RECORDS, TO GOVERN THE MANAGEMENT AND DISSEMINATION OF BOROUGH RECORDS.**

WHEREAS, certain state and federal laws require the Borough to retain certain records for a specific period of time; and

WHEREAS, as a political subdivision of the State of Alaska, the Borough shall promote the principles of efficient records management for local public records kept in accordance with state law; and

WHEREAS, it is the best interest of the Borough to adopt a comprehensive system for the collection, management, use and retention of Borough records;

NOW THEREFORE, BE IT ORDAINED BY THE ALEUTIANS EAST BOROUGH:

Section 1. That a new chapter 2.21 is hereby enacted as follows:

Chapter 2.21 – Public Records

|          |   |
|----------|---|
| 2.21.010 | Purpose & Policy                          |
| 2.21.020 | Definitions                               |
| 2.21.030 | Borough Records Declared Public Property  |
| 2.21.040 | Records Subject to Inspection and Copying |
| 2.21.050 | Records Exempted from Public Disclosure   |
| 2.21.060 | Requests for Borough Records              |
| 2.21.070 | Records Management                        |
| 2.21.080 | Duties of Borough Departments             |
| 2.21.090 | Adoption of Regulations                   |

**2.21.010 Purpose & Policy.**

- A. The Management and Preservation of Public Records Act (AS 40.21) provides for the orderly management of current local public records, and the preservation of noncurrent public records of permanent value.
- B. This chapter is intended to provide the Aleutians East Borough with a comprehensive system for the creation, acquisition, use, preservation, security, maintenance, transmission, retention, dissemination and disposal of Borough information contained in any recorded medium.
- C. It is the Borough’s policy to provide access to public records in a manner that promotes the right of the people to remain informed, and balances that right against the sometimes-competing interests of reasonable personal privacy as well as the need for confidentiality with respect to

some limited areas of Borough affairs. In balancing these interests, this chapter shall be construed as requiring the disclosure of public records in the Borough's possession or control, except for those classes of records specifically exempted herein, or by other applicable law.

**2.21.020      Definitions.**

For the purposes of this chapter the following words and phrases shall have the meanings set forth in this section:

- A. "Borough" means any department, division, office, board, commission, agency or other instrumentality of the Aleutians East Borough.
- B. "Confidential information" means information, the disclosure of which is restricted by any Borough, state or federal law, ordinance, regulation, rule or judicial decision.
- C. "Historic Value" means the value of a record for use at a later date in reconstructing a general history of the development and government of the borough.
- D. "Legal Value" means the value of a record for use as evidence in pending or threatened litigation or to document a legal relationship or event, including without limitation property and commercial transactions and legislative and judicial actions of the Aleutians East Borough.
- E. "Record" means all recorded information acquired or stored by the borough for future use or preservation, regardless of physical form or characteristic, which is developed or received in connection with the transaction of official business. The term "Record" does not include any proprietary software program.
- F. "Record Center" means a record depository managed by the Clerk's Office for the storage and disposition of noncurrent records.
- G. "Record Series" means any group of identical or related records which are normally used and filed as a unit and which permit evaluation as a unit for retention scheduling purposes, each record series shall be segregated according to series and the year of acquisition.
- H. "Requester" means a person who submits a request to the borough to inspect or obtain a copy of any borough record.
- I. "Retention Schedule" means the schedule developed by the clerk that prescribes retention periods and other policies governing the management of Borough records according to series, including the prompt and orderly disposition of records that no longer possess administrative, legal or historic value.

- J. "Vital Record" means records that are necessary to assure continuance of essential governmental operations to protect the legal and financial operations of the Borough in the event of disaster or catastrophic loss of Borough records.

**2.21.030 Borough records declared public property.**

- A. All borough records are property of the borough. Unless otherwise authorized or required by law, no person shall:
  - 1. Deface, alter or destroy any borough record;
  - 2. Remove any borough record from the borough's possession; or,
  - 3. Otherwise disclose confidential information contained within any borough record.
- B. In addition to any other penalty prescribed by law, violation of subsection (A) by a borough employee may be cause for disciplinary action.

**2.21.040 Records subject to inspection and copying.**

- A. Except as otherwise provided by ordinance, or by any other provision of state or federal law, the borough shall make borough records open to reasonable inspection during regular business hours.
- B. Nothing in this chapter requires the borough to create, compile, summarize, outline, or in any other way create information from existing borough records in order to comply with a request to inspect borough records.
- C. The borough is not required to produce public records for inspection, or to copy records, in the exact medium they are stored; provided, that the substantive content of the information contained within the record is not altered. In the event that the substantive content of a record is altered, a written statement explaining the nature of the change and why such change was necessary shall be issued to the requester.

**2.21.050 Records exempted from inspection and public disclosure.**

This chapter shall not be construed as requiring the disclosure of:

- A. Any privileged communication between the Borough Attorney and the borough;
- B. Files related to pending or actual litigation involving the borough, or any document prepared by the Borough Attorney in the provision of legal services or legal advice to the borough;

- C. Borough personnel, payroll, or medical files, or other files that reveal the financial or medical status of any specific individual, the release of which would constitute an unwarranted invasion of privacy, except for the following information:
  - 1. The names and position titles of borough officers and employees, including any prior positions held;
  - 2. The dates of appointment and separation of a borough officer or employee;
  - 3. Salary levels and fringe benefits of borough officers and employees as may be required by law, including information in regard to the pay range and step grade of an employee or officers; and,
  - 4. The names of all applicants for borough employment as department heads, administrator, or deputy administrator;
- D. Bids or proposals submitted to the borough as part of a procurement process governed by Title 3 of this Code of Ordinances, unless the borough has issued a notice of intent to award;
- E. Proprietary information which a manufacturer, consultant, contractor or supplier of goods and services reasonably requires to be kept privileged or confidential to protect the interests of persons providing the information or data;
- F. Information obtained by and in the custody of insurance carriers insuring the borough, and their attorneys and agents, regarding possible and pending claims against the borough, and records maintained in the borough regarding such claims;
- G. Records concerning the predecisional deliberative process in any quasi-judicial proceeding conducted by the borough;
- H. Any record, nondisclosure of which is authorized by a valid Alaska or federal statute or regulation, or by privilege, exemption or principle recognized by the courts, or by a protective order authorized by law;
- I. Confidential tax information;
- J. Other documents with respect to which the borough's need for confidentiality outweighs the public's right to know.

**2.21.060 Requests to inspect and copy borough records.**

- A. All requests to inspect borough records shall be submitted in writing to the Borough Clerk, on a form provided by the Borough, along with any applicable fee. In the event that a requester is unable to submit a written request due to a physical or mental disability, the Borough Clerk shall

either assist the requester in preparing a written request, or treat the oral request as a written request.

- B. All requests for records shall be approved or denied by the Borough Clerk.
- C. The Borough Clerk shall refer all approved requests to the department head responsible for maintaining those records to which the request is applicable. The Borough Clerk or designee shall, consistent with the orderly conduct of borough business and the records and information management program, make a good faith and reasonable effort to locate records that are adequately identified in the request.
- D. The department head responsible for maintaining the record shall forward it to the Borough Clerk. Before any record may be made available for public inspection and copying, the Borough Clerk or the Clerk's designee shall review the record to confirm that it may be disclosed. Within 10 business days after receiving a request, the borough clerk shall either:
  - 1. Make the borough record available to the requester for inspection, or provide the requester with a copy of the record, as requested; or
  - 2. Notify the requester in writing that the borough record is not subject to inspection, including a citation to the provision of borough, state or federal law that authorizes or requires the borough to withhold the record, or the date upon which the record was destroyed in accordance with the borough's adopted records retention schedule.
- E. The Borough Clerk may extend the initial 10-business-day period established under subsection (D) of this section for a period not to exceed 10 additional business days by providing notice to the requester within the initial 10-business-day period. The notice must state the reason for the extension and the date by which the Borough Clerk expects to be able to furnish the requested record or to issue a determination that the record is not subject to disclosure.
- F. Any denial of a request for information or inspection of borough records shall be appealable to the Mayor, upon written notice submitted within seven days of the Borough Clerk's decision.
- G. The fee for copying borough records shall be established by the borough's fee schedule as recommended by the borough Clerk and approved by the Borough Assembly. The fees shall not exceed the maximum fees allowable under A.S. 40.25.110.

**2.21.070 Management of Public Records.**

- A. The borough clerk or clerk's designee shall serve as the records manager and shall have the primary responsibility for the development, maintenance and operation of the Borough's records management system.

- B. Each department director shall designate a records coordinator. The records coordinator shall manage the department's records according to the adopted procedures, regulations, and retention schedule. Each department director shall provide the records manager the name and contact information of the records coordinator.
- C. The records manager shall develop and provide each department with a records classification and procedures manual listing a description of all record series maintained by the borough and a general schedule for the annual relocation of inactive records to the record center for storage or digital imaging for transfer to microfilm or another storage medium.
- D. The records manager shall cause records stored in computer memory device systems to be reviewed, stored and destroyed in the same manner and at the same time as if the records were maintained in written, printed or photographic form.
- E. The assembly shall adopt by resolution a records retention schedule and approve by resolution any changes to that retention schedule setting forth time schedules for retention of particular series of records.
- F. The records manager shall review and update the retention schedule biannually. Department records coordinators shall work with the records manager to review and update the department's record series and retention schedule biannually. Records coordinators shall fill out a retention schedule change form submit it to the department director for approval and submit it to the records manager for action.
- G. The records manager shall develop a schedule for the destruction or other disposal of obsolete records at the end of the retention period established for that type of record series. That schedule shall not apply to records of vital, historical, legal or financial value. Thirty days prior to destruction of an obsolete record, the records manager shall circulate to each department head for comment a detailed listing of all records to be destroyed and the date for destruction. The department director must respond prior to the date for destruction to prevent disposal of any record in the detailed listing.
- H. The records manager shall maintain a permanent log of all destroyed records. The borough clerk shall report to the Assembly annually a detailed description of the obsolete records destroyed.
- I. The records manager shall have the authority to provide a microfilm and/or electronic document imaging of records as designated for efficient management of active and inactive records.
- J. The records manager may replace any original record which is lost, worn or damaged by a certified copy of that record, and the replacement shall be considered an original record for all purposes.

**2.21.080 Regulations.**

The borough assembly may adopt regulations to effectuate this chapter. The borough clerk's office shall submit regulations to the assembly for approval, by resolution, to carry out the proposed purposes as set forth in this chapter.

**2.21.090 Duties of Borough Departments.**

Each department shall establish and maintain a file system in the most organized and efficient manner possible and in compliance with any records management regulations approved by the assembly.

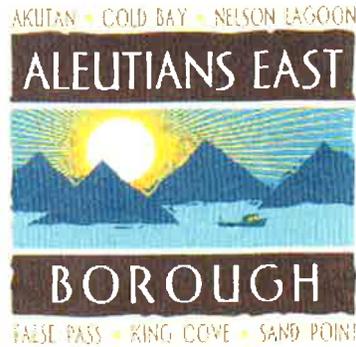
Section 2. This ordinance shall become effective immediately upon its enactment.

ENACTED BY THE ALEUTIANS EAST BOROUGH ASSEMBLY THIS \_\_\_\_\_ DAY OF \_\_\_\_\_  
\_\_\_\_\_, 2018.

\_\_\_\_\_  
Mayor Alvin D. Osterback

ATTEST:

\_\_\_\_\_  
Tina Anderson, Clerk



## ORDINANCE SERIAL NO. 18-07

### **AN ORDINANCE AUTHORIZING THE MAYOR TO NEGOTIATE AND EXECUTED THE ASSIGNMENT, ASSUMPTION AND CONSENT OF TIDELANDS LEASE FOR FALSE PASS SEAFOODS, LLC TO ASSUME THE TIDELANDS LEASE BETWEEN BERING PACIFIC SEAFOODS, LLC AND ALEUTIANS EAST BOROUGH.**

**WHEREAS**, Aleutians East Borough (“Borough”) is the owner of that certain tidelands described in the Tidelands Lease associated with the dock located in False Pass, Alaska between the Borough and Bering Pacific Seafoods, LLC (“BPS”) dated June 1, 2013, a copy of which is attached hereto has Exhibit A (the “Tidelands Lease”); and

**WHEREAS**, Borough is the owner of the tidelands as shown in Exhibit B hereto, described as: Section 27, T.61 S., R 94W., Seward Meridian and Section 28, T. 61 S., R. 94W., Seward Meridian, located in False Pass, Alaska; and

**WHEREAS**, BPS desire to execute the Dock Tidelands Lease Assignment, Assumption and Consent Agreement (the “Agreement”) whereby BPS assigns all right, title and interest in and to the Tidelands Lease to False Pass Seafoods, LLC (“FPS”) and FPS assumes all the rights, duties, interests, liabilities and obligations in, to, and under the Tidelands Lease; **NOW THEREFORE**:

### **BE IT ORDAINED BY THE MAYOR:**

**SECTION 1. Classification.** This is a non-code ordinance.

**SECTION 2. Authorization to Assignment of Lease.** The Mayor, or his/her designee, is hereby authorized to execute the attached Dock Tidelands Lease Assignment, Assumption and Consent Agreement transferring all obligations and liabilities under the Agreement from BPS to FPS. A copy of the Agreement is set out in Exhibit C of this Ordinance.

**SECTION 3. Effectiveness.** This Ordinance shall take effect upon adoption by the Aleutians East Borough Assembly.

Passed and adopted by the Aleutians East Borough Assembly this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
Alvin Osterback, Mayor

ATTEST:

\_\_\_\_\_  
Tina Anderson, Borough Clerk

(SEAL)

CC



**ALEUTIAN ISLANDS RECORDING DISTRICT**

**After Recording Return To:**  
**ALEUTIANS EAST BOROUGH**  
**3380 C Street, Suite 205**  
**Anchorage, AK 99503**

**TIDELANDS LEASE**

This Lease is entered into on June 1, 2013, between the Aleutians East Borough (“Lessor”) and Bering Pacific Seafoods, LLC (“BPS” or “Lessee”).

**Recitals**

A. Lessor is the owner of the tidelands as shown in Exhibit I hereto, described as: Section 27, T. 61 S., R 94W., Seward Meridian and Section 28, T. 61 S., R. 94W., Seward Meridian, in False Pass Alaska. The Lessor owns the tidelands subject to the rights of the public under the Public Trust Doctrine. The parcel requested for lease is located in the SW corner of the False Pass Small Boat Harbor near the causeway pad. Approximately 6,720 square feet will be required as easement for the steel pile dock. Upon completion of the installation of the steel pile dock, an “as-built” survey will be performed by the Lessee. Once completed, the “as-built” survey will be utilized as the legal description of the tideland easement.

B. Lessee, on its own or through its affiliate, plans to construct a steel pile dock (“Facility”) in the existing harbor in False Pass, Alaska. The parties contemplate that Lessee may, from time to time during the life of this Lease, replace or repair the Facility as it is planned at execution of this Lease.

C. Use of the Tidelands for a steel pile dock will facilitate operations of the Bering Sea Pacific fish processing facility, the City of False Pass and the public.

D. Lessee desires to lease the Tidelands from Lessor, and Lessor desires to lease the Tidelands to Lessee.

E. To facilitate the mutual goals of Lessor and Lessee, they hereby enter into this Lease to document the terms and conditions under which Lessor will lease the Tidelands to Lessee.

F. On April 15, 2005 a Harbor Management Agreement (Agreement) between the Lessor and the City of False Pass (“City”) was executed and will stay in effect until

5-30-13 FINAL  
Tidelands Lease -- Aleutians East Borough and Bering Pacific Seafoods, LLC

September 30, 2025 (attached as Exhibit 2). The Agreement states that the City agrees to manage and operate the False Pass Small Boat Harbor. According to the Agreement "Any permanent improvement, development or structure proposed by the City or a third party to be constructed or placed within the Harbor, whether upon or separate from an existing facility or improvement in the Harbor, must be approved in writing by the Borough prior to construction or placement." This Lease authorizes the Lessee to construct the Facility in the False Pass Harbor. The above referenced Agreement governs the False Pass Harbor and is hereby incorporated in this Lease as if fully stated herein. However, the Agreement is between the City of False Pass and the Aleutians East Borough and parts of the agreement (i.e. B(7)) are not intended to create additional responsibilities or obligations to the Lease under this Agreement.

### **Terms and Conditions**

**1. Premises.** Lessor leases to Lessee the Tidelands described as approximately 6,720 *square feet* of the Borough's tidelands within Alaska Tidelands Survey No. 1611, at False Pass Harbor, as generally depicted in Exhibit 3. No later than 45 days after the completion of the construction of the dock, Lessee shall provide the Lessor with an as-built survey showing the exact boundaries and legal description of the leased property. Upon acceptance of the as-built and legal description by the Lessor the survey and legal description shall replace the description of lease property set out in this section and a new exhibit depicting the leased property shall be attached to the lease agreement.

**2. Term and Renewal.** The Term of this Lease shall be 35 years, beginning on June 1, 2013, and ending on June 1, 2048, subject to one 35 year renewal or earlier termination as described below.

(A) The parties intend that the Lease will last for a maximum 70 years, including the 35 year Term and one 35 year renewal. In the event Lessor does not receive written notice of nonrenewal from Lessee not less than 365 days before the end of the Term or the renewal thereof, this Lease shall be renewed for an additional 10 years, subject to the terms and conditions contained in this Lease as the parties may, from time to time, agree to amend it.

**3. Rent.** Lessee shall pay rent to Lessor at the rate of \$.50 per square foot and taxes per year, due and payable on the date of full execution of this Lease. Lessee shall pay all legal and engineering/consultant fees incurred by the Lessor for this project, due and payable 30 days after an invoice from the Lessor is received by Lessee.

### **4. Lease Payment and Adjustment.**



- (A) After the first year of the Lease Lessee shall pay Lessor the annual lease payments at the start of each subsequent year of the term, with the annual payment due on or before June 1st.
- (B) The annual lease payment for the remainder of the initial five-year period of the lease term (35 years) shall be \$3,360.00 and taxes.
- (C) Beginning the first year after the initial five-year period, the Borough Administrator will re-evaluate and adjust the annual lease payment for the lease premises for the next five-year period of this lease and then every five years thereafter. The new annual payment shall be paid retroactively to the beginning of the lease payment adjustment period.

**5. Termination.** Lessor may terminate this Lease upon Lessee's default upon 90 days' written notice of termination. No such notice of termination shall be sent unless Lessor has given Lessee written notice of default and an opportunity to cure the problem. Lessee may terminate this Lease upon 90 days' written notice to Lessor. Upon termination or cancellation of this Lease, the Lessee shall immediately turn over to the Lessor all plans, records, agreements, and other documents relating to the Facility and its operation under this Lease and shall make available to the Lessor and its agents all records of Lessee that may directly or indirectly affect or reveal the financing of the Facility operation by Lessee. Termination or cancellation of this Lease does not affect the undischarged obligation of one party to this Lease to the other.

**6. Authorized Use of Premises.** The Tidelands are leased to Lessee to use as Lessee deems necessary or desirable to achieve Lessee's business objectives in constructing, operating and maintaining the Facility, as it may from time to time be repaired or replaced. Lessee shall at all times comply with all applicable laws, ordinances and regulations of duly constituted authorities now or hereafter in effect, with respect to Lessee's use of the Tidelands.

Lessee agrees that nothing in this Article or in this Lease shall create any third-party beneficiary rights or relationship in Lessee or in any other entity.

**7. Possession.** Upon execution of this Lease and payment of the first rental payment, Lessee shall have the right to possession of the Tidelands.

**8. Taxes.** Lessee shall be responsible for any and all property taxes assessed during the term of this Lease against any leasehold interest. Lessee shall pay any sales or other tax levied on the rent.

**9. Insurance.** Lessee, at all times, shall maintain and keep in effect insurance coverage outlined below, naming the Lessor and the City of False Pass as additional



insureds (including their Administrators, officers, officials, employees and volunteers). Lessee will provide the Lessor with proof of insurance and give thirty (30) days written notice prior to cancellation of any policies.

(A) Minimum Scope of Insurance

- (1) Commercial General Liability
- (2) Commercial Automobile Liability Insurance
- (3) Worker's Compensation insurance as required by the State of Alaska and Employers Liability Insurance.
- (4) Property insurance in an amount no less than replacement cost value
- (5) Marinas Operator Liability

(B) Minimum Limits of Insurance

(1) Commercial General Liability:

- a. \$1,000,000 combined single limit per occurrence / \$2,000,000 Aggregate for bodily injury and property damage claims arising from contractors operations
- b. This will cover all dock operations onshore and offshore.

(2) Auto Liability:

- a. \$1,000,000 combined single limit per accident for bodily injury and property damage.

(3) Worker's Compensation and Employers Liability:

- a. Worker's Compensation shall be statutory as required by the State of Alaska. Employers Liability shall be endorsed to the following minimum limits and contain USL&H coverage endorsement if applicable

Bodily Injury By Accident - \$1,000,000 each accident;  
Bodily Injury By Disease - \$1,000,000 each employee;  
Bodily Injury By Disease - \$1,000,000 policy limit.

(4) All risk property insurance, including earthquake and flood, in an amount equal to the replacement cost of the dock.

- a. The replacement cost value of the dock is not less than the completed construction cost.



- (5) Marinas Operator Policy
  - a. \$1,000,000 in pollution insurance
- (C) Other Insurance Provisions
  - (1) Borough and City to be additional named insureds on General Liability and Automobile liability policies.
  - (2) All policies to contain waiver of subrogation in favor of Borough and City of False Pass
  - (3) Lessee's liability policies to be primary and non-contributory
- (D) Coverage to be placed with carriers with A.M.Best rating of A- VII

**10. Dock Management.** Management and operation of the Facility should mirror the requirements outlined in the Harbor Management Agreement between the Lessor and the City of False Pass, attached as Exhibit 2. Lessee agrees and acknowledges that it has read following provisions that are part of the Harbor Management Agreement and restated herein and made part of this lease:

- a. **OPERATION AS A PUBLIC FACILITY.** Lessee hereby agrees to manage and operate the Dock for the use and benefit of the public; to make all Dock facilities and services available to all members of the public on the same basis and on fair and reasonable terms and without discrimination. Unless otherwise directed by the Lessor or required by state and federal law, all state and federal or other publically owned or operated vessels shall receive no special preference for berthing space at or use of the Dock. Said vessels shall use the harbor under the same conditions and at the same rates as those specified for the general public.

The Lessor acknowledges the Lessee's right to provide preferential treatment for its vessels and use. The Lessee must provide reasonable notice to other dock users when Lessee requires space at the Dock for its own vessels and for its other uses.

- b. **MAINTENANCE, REPAIR AND DOCK UPKEEP.** Lessee hereby agrees to continuously maintain the Dock in a good state of repair and in a clean and orderly manner, at no cost to the Lessor or City of False Pass. Lessee shall be responsible for all major repairs, minor repairs, routine preventative maintenance and upkeep.
  - i. Lessee is required to comply with all Department of Environmental Conservation requirements.



- c. **REVENUES AND ACCOUNTS.** Lessee shall establish tariffs, and shall collect a fee or charges, for all uses of the Dock. Lessee shall keep complete financial records in accordance with generally accepted accounting practices, reflecting all revenue derived by Lessee from the Dock as well as all funds expended by Lessee for the maintenance and operation of the Dock. The right is hereby reserved by the Lessor to examine said financial records at any time during normal business hours.
- d. **IMPROVEMENTS.** Any permanent improvement, development or structure proposed by Lessee to be constructed or placed on the Dock, whether upon or separate from the Dock, must be approved in writing by the Lessor prior to construction or placement.
- e. **OWNERSHIP OF IMPROVEMENTS.** All improvements made to the Dock and all fixtures added to and incorporated into the use of the Dock shall become the property of the Lessor upon their construction, addition to or incorporation in to the Dock unless the Lessee, Lessor, and City of False Pass agree otherwise in writing.
  - i. Lessee has plans to install a crane and fish pump on the dock. The Lessor and City of False Pass are aware of this and agree that the Lessee will be the sole owner of the crane and fish pump.
- f. **OPERATOR PROVIDED UTILITIES AND WATER SYSTEM.** Where electrical facilities or electrical, fuel or water distribution systems are not provided by the Lessor or City of False Pass, Lessee may install with its own personnel with prior approval of the Lessor, or have installed by a competent contractor, adequate lighting and power, fuel and water distribution systems. Under no circumstances may Lessee alter or modify existing Harbor facilities for the purpose of installing electrical utilities, fuel, or water systems without first obtaining specific written approval from the Lessor. Prior to installation of any power in or to the Dock, whether to power permanent fixtures of equipment or for distribution to vessels, the Lessee shall provide for the design of the system by an engineer with recognized experience in the design of electrical systems for marinas and docks that may be affected by electrolysis. The Lessor may require a review of the design by a second engineer or a consultant before approving the project.
- g. **FUEL AND HAZARDOUS MATERIAL HANDLING.** If fuel or any other hazardous materials are handled on the Dock or in the Harbor, Lessee shall insure that only properly trained personnel handle such fuel or materials and that adequate procedures are followed for safely storing, dispensing, and otherwise handling fuel or hazardous materials in accordance with the most current edition of the National Fire Protection Code and all applicable



federal, state, and local laws and regulation, in particular, applicable United States Coast Guard regulations. Lessee shall ensure that all necessary permits, operations manuals, and other authorizations are issued or are in place before permitting the handling of fuel or hazardous materials and may require the shipper or handler to obtain such permits and authorizations and to bear all or any part of the expense of obtaining such permits or authorizations and any additions or changes to the Dock facilities that are needed to comply. Such additions or changes to the Dock facilities must be approved by the Lessor and City of False Pass.

- h. ENVIRONMENTAL POLLUTION. In the event of a spill or discharge of a petroleum product or hazardous material at the dock, Lessee shall immediately report the spill or discharge to the appropriated authorities and to the Lessor, act promptly to contain the spill or discharge, repair any damage, remove the petroleum product or hazardous material and clean up the affected area, restore the Dock and affected waters to a safe condition and otherwise comply with the applicable provisions of state and federal law.
- i. LIENS. Lessee shall keep the Dock free of all liens, pay all costs for labor and materials arising out of construction, improvements or repairs by the Lessee on the Dock, and shall indemnify, defend, and hold the Lessor and the City of False Pass harmless from liability, action, claim, suit, loss, property damage of personal injury of whatever kind resulting from or arising out of any such liens, including costs and attorney fees.
- j. NO WAIVER. The failure of the Lessor to insist in any one or more instances upon the strict performance of Lessee of any provision or covenant in this agreement may not be considered a waiver or relinquishment for the future, but the provision or covenant will continue in full force. The waiver by the Lessee of any provision or covenant in this agreement cannot be enforced or relied upon unless the waiver is in writing signed on behalf of the Lessor.
- k. NATURAL DISASTERS. In the event any cause which is not due to the fault or negligence of either Lessee, the Lessor, or the City of False Pass renders the Dock unusable and makes the performance of this Agreement impossible, this Agreement may be terminated by either party upon written notice to the other party. Causes include, but are not limited to, acts of God or public enemy, acts of the United States and State of Alaska, fires, floods, or strikes.
- l. NATIONAL OR STATE EMERGENCY. In case of any national emergency declared by the federal government, or any state emergency declared by the State of Alaska, Lessee may not hold the Lessor or



or City of False Pass liable for any inability to perform any part of this Agreement as a result of the national or state emergency.

11. **Standard Provisions.** This Lease is subject to the Standard Provisions, which are attached hereto and are incorporated as part of this Lease.

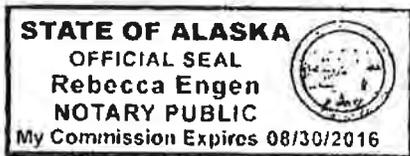
IN WITNESS WHEREOF, the parties have executed this Lease the day and year first above written.

Bering Pacific Seafoods, LLC  
By: [Signature]  
Larry Cotter  
Its: Chief Operating Officer  
*Executive*

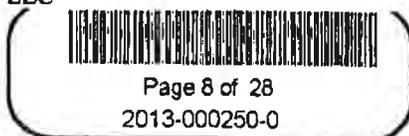
STATE OF ALASKA            )  
  ) ss:  
FIRST JUDICIAL DISTRICT)

THIS CERTIFIES that on this 25 day of June, 2013, before me, a Notary Public in and for the State of Alaska, personally appeared **Lawrence P. Cotter**, known to me to be the person whose name is subscribed on the foregoing instrument and, duly sworn, stated to me under oath that he is the Chief Executive Officer of Aleutian Pribilof Island Community Development Association, that he has been authorized by said corporation to execute the foregoing instrument on its behalf, and that he executed the same freely and voluntarily as the free act and deed of said corporation.

WITNESS my hand and official seal the day and year in this certificate first above written.



[Signature]  
Notary Public for Alaska  
My commission expires: 08/30/2016



Aleutians East Borough

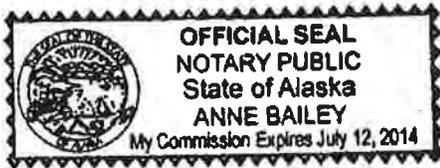
By: *Rick S Gifford*  
Rick Gifford

Its: Administrator

STATE OF ALASKA            )  
  ) ss:  
THIRD JUDICIAL DISTRICT    )

THIS CERTIFIES that on this 26th day of June, 2013, before me, a Notary Public in and for the State of Alaska, personally appeared Rick Gifford, known to me to be the person whose name is subscribed on the foregoing instrument and, duly sworn, stated to me under oath that s/he is the Administrator of the Aleutians East Borough, that s/he has been authorized by said municipal corporation to execute the foregoing instrument on its behalf, and that s/he executed the same freely and voluntarily as the free act and deed of said municipal corporation.

WITNESS my hand and official seal the day and year in this certificate first above written.



*Anne Bailey*  
Notary Public for Alaska  
My commission expires: July 12, 2014

Exhibit 1-Tidelands



2004-000307-0

Recording Dist: 305 - Aleutian Islands  
6/8/2004 12:57 PM Pages: 1 of 3

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L  
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# State of Alaska

cc



Tidelands

## Patent

No. 4 2 5

Know Ye By These Presents that the Grantor, the STATE OF ALASKA, DEPARTMENT OF NATURAL RESOURCES, 550 West 7th Avenue, Suite 1050A, Anchorage, Alaska 99501-3579, pursuant to AS 38.05.825 and the regulations promulgated thereunder, for good and valuable consideration, grants and conveys to the Grantee, the ALEUTIANS EAST BOROUGH, whose mailing address of record is 3380 C Street, Suite 205, Anchorage, Alaska 99503, Grantee's successors and assigns, those tidelands lying seaward of the mean high tide line of Unimak Island situated in the Aleutian Islands Recording District, State of Alaska, and described as follows:

ALASKA TIDELAND SURVEY NO. 1611, CONTAINING 34.86 ACRES, MORE OR LESS, ACCORDING TO THE SURVEY PLAT RECORDED IN THE ALEUTIAN ISLANDS RECORDING DISTRICT ON APRIL 7, 2003, AS PLAT 2003-2.

Subject to valid existing rights, including reservations, easements, and exceptions in the U.S. Patent or other state or federal conveyance, and in acts authorizing the issue thereof; easements, rights-of-way, covenants, conditions, reservations, notes on the plat, and restrictions of record, if any.

Grantee may lease the land, but may not sell it.

Grantee takes title to the tidelands subject to the rights of the public under the Public Trust Doctrine.

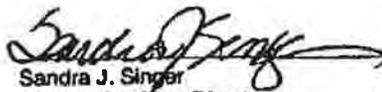


Title to land conveyed under this authority reverts to the State upon dissolution of the municipality.

The Grantor hereby expressly saves, excepts and reserves out of the grant hereby made, unto itself, its lessees, successors, and assigns forever, all oils, gases, coal, ores, minerals, fissionable materials, geothermal resources, and fossils of every name, kind or description, and which may be in or upon said lands above described, or any part thereof, and the right to explore the same for such oils, gases, coal, ores, minerals, fissionable materials, geothermal resources, and fossils, and it also hereby expressly saves and reserves out of the grant hereby made, unto itself, its lessees, successors, and assigns forever, the right to enter by itself, its or their agents, attorneys, and servants upon said lands, or any part or parts thereof, at any and all times for the purpose of opening, developing, drilling, and working mines or wells on these or other lands and taking out and removing therefrom all such oils, gases, coal, ores, minerals, fissionable materials, geothermal resources, and fossils, and to that end it further expressly reserves out of the grant hereby made, unto itself, its lessees, successors, and assigns forever, the right by its or their agents, servants and attorneys at any and all times to erect, construct, maintain, and use all such buildings, machinery, roads, pipelines, powerlines, and railroads, sink such shafts, drill such wells, remove such soil, and to remain on said lands or any part thereof for the foregoing purposes and to occupy as much of said lands as may be necessary or convenient for such purposes hereby expressly reserving to itself, its lessees, successors, and assigns, as aforesaid, generally all rights and power in, to, and over said land, whether herein expressed or not, reasonably necessary or convenient to render beneficial and efficient the complete enjoyment of the property and rights hereby expressly reserved.

To Have And To Hold the said land, together with the tenements, hereditaments, and appurtenances thereunto appertaining, unto the said Grantee and Grantee's successors and assigns forever.

In Testimony Whereof the State of Alaska has caused these presents to be executed by the Director of the Division of Mining, Land and Water, Department of Natural Resources, State of Alaska, pursuant to delegated authority, this 2nd day of June, 2004.

By:   
Sandra J. Singer  
For Bob Loeffler, Director  
Division of Mining, Land and Water



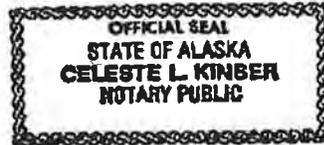
State of Alaska )  
 ) ss.  
Third Judicial District )

This Is To Certify that on the 2nd day of June, 2004, appeared before me SANDRA J. SINGER, who is known to me to be the person who has been lawfully delegated the authority of Bob Loeffler, the Director of the Division of Mining, Land and Water, Department of Natural Resources, State of Alaska, to execute the foregoing document; that Sandra J. Singer executed said document under such legal authority and with knowledge of its contents; and that such act was performed freely and voluntarily upon the premises and for the purposes stated therein.

Witness my hand and official seal the day and year in this certificate first above written.

*Celeste L. Kinser*  
Notary Public in and for the State of Alaska

My commission expires: April 4, 2005

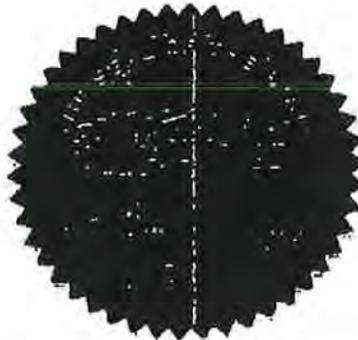


Return Recorded Document to:

ALEUTIANS EAST BOROUGH  
3380 C Street, Suite 205  
Anchorage, Alaska 99503

Certified Copy to:

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF MINING, LAND & WATER-RADS  
550 West 7th Avenue, Suite 1060  
Anchorage, Alaska 99501-3579



Tidelands Patent No. 425  
ADL No. 227852  
Location Index:  
T. 61 S., R. 94 W., S.M.  
Sections 27 and 28

Page 3 of 3

2004-000307-0  
3 of 3



Page 12 of 28  
2013-000250-0

# Exhibit 2

## ALEUTIANS EAST BOROUGH, ALASKA

### HARBOR MANAGEMENT AGREEMENT

This 15 day of April, 2005, the Aleutians East Borough, hereafter called the "Borough" whose address is P.O. Box 349, Sand Point, Alaska 99661, and the City of False Pass, Alaska, hereinafter called the "City," whose address is P.O. Box 50, False Pass, Alaska 99583 do enter this Harbor Management Agreement, hereinafter called "Agreement," of 15 pages, including signature pages, and agree as follows:

#### A. BASIC PROVISIONS

##### PREMISES

1. The City of False Pass and the Aleutians East Borough have identified economic needs in False Pass. They have cooperatively submitted and been approved for CDBG funds from the Alaska Department of Commerce, Community and Economic Development (DCCED) and grant funds from the federal Department of Commerce, Economic Development Administration (EDA) for the construction of a harbor to meet those needs.
2. The City is the recipient of CDBG funding and the Borough is the recipient of the EDA funds. Both parties agree to assume the ultimate responsibility for their grant funds including assuring compliance with all applicable laws and program regulations and performance of all work in accordance with the contract. The False Pass mayor will be the contact person for the CDBG and the Borough administrator for the EDA. Both parties and the DCCED and EDA will have access to all grant records and authority to monitor all activities. The City and Borough agree to cooperate in the implementation of the CDBG and EDA programs as approved by the granting agencies.
3. The City and Borough agree that the City will receive the usefulness, advantage and other economic and community benefits of the harbor for the residents of False Pass for at least twenty (20) years.
4. The City agrees to manage and operate the following described marine facilities owned by the Borough, known as the False Pass Small Boat Harbor and hereinafter referred to as the "Harbor" located at False Pass, Alaska, in the Aleutian Islands Recording District, Third Judicial District, Alaska:

All that property consisting of a breakwater and certain docks, floats, approaches, and appurtenant marine facilities located in False Pass, Alaska, in the Aleutian Islands Recording District, State of Alaska:

##### TERM

5. The term of this Agreement is twenty (20) years from this agreement's last signature date through the last day of September, 2025.



**B. GENERAL COVENANTS**

**OPERATION AS PUBLIC FACILITIES**

1. The City hereby agrees to manage and operate the harbor for the use and benefit of the public; to make all Harbor facilities and services available to all members of the public on the same basis and on fair and reasonable terms and without discrimination. Unless otherwise directed by the Borough or required by state and federal law, all state and federal or other publicly owned or operated vessels shall receive no special preference for berthing space at or use of the Harbor. Said vessels shall use the Harbor under the same conditions and at the same rates as those specified for the general public:

**MAINTENANCE AND REPAIR**

2. The City hereby agrees to continuously maintain the Harbor in a good state of repair, at no cost to the Borough. Provided, however, that all necessary "major repairs" not caused by any action, neglect or negligence of the City shall be undertaken and completed by the Borough, at Borough expense or with funds from the account established pursuant to paragraph 7(d) of this Agreement, subject to the appropriation of sufficient funds for that purpose. The City shall be responsible for all minor repairs and routine preventative maintenance.
  - a. The term "major repair" as used herein is defined as any maintenance or repair having a cost for a single maintenance or repair operation which exceeds twenty-five thousand dollars (\$25,000).
  - b. The terms "minor repair and routine preventative maintenance" as used herein is defined as routine maintenance and repair having a cost for a single maintenance or repair operation of twenty-five thousand (\$25,000) or less, and generally includes the following:
    - (1) Replacement of damaged flotation material.
    - (2) Replacement of damaged decking or other structural members.
    - (3) Repair of electrical utilities and water and fuel systems.
    - (4) Replacement of broken or damaged piling and fenders.
    - (5) Replacement of eroded bank and breakwater protection or fill material.



(6) Repair of all structural and non-structural damage caused through impact or collision by vessels using the facilities.

- c. The Borough shall have the right to require the City to perform maintenance and repair in the event any inspection of the Harbor by the Borough reveals a failure by the City to adequately maintain Harbor facilities. Such corrective maintenance or repair work shall be accomplished by the City within a reasonable period of time as determined by the Borough. The City shall perform, at its own expense, all major repair or rehabilitation that could have been avoided but for the City deferring minor repairs or routine maintenance.
- d. Notwithstanding the other provisions of this paragraph B2, the City shall not be required to spend more than \$25,000 in any one City fiscal year for all minor repairs and routine preventative maintenance. Routine preventative maintenance includes only those activities that are for the purpose of preserving or restoring the condition of the Harbor. The City shall notify the Borough in a timely manner if the City anticipates that minor repair and routine preventative maintenance expenditures will exceed \$25,000 during the remainder of any City fiscal year.

#### HARBOR UPKEEP

3. The City agrees to maintain the Harbor in a clean and orderly manner at all times. Derelict or abandoned vessels shall not be allowed to occupy moorage space. Oil drums, nets, fishing gear, skiffs, garbage cans or unsightly debris may not be stored on the Harbor.

#### LIABILITY

4. The City shall indemnify, defend, and hold the Borough, its officers, employees and agents harmless from any liability, action, claim, suit, loss, property damage, or personal injury of whatever kind resulting from or arising out of any act of commission or omission by the City, its agents, employees, or officers arising from the City's management, operation, maintenance or other activity with respect to the Harbor.

#### HARBOR ORDINANCES; HARBORMASTER

5. The City shall employ appropriate personnel and promulgate such ordinances, resolutions or regulations as may be necessary to provide safe, orderly operation and management of the Harbor. Ordinances, resolutions and regulations shall be in conformance with all of the terms and conditions contained herein, and shall be consistent with applicable ordinances and resolutions of the Borough. The applicable provisions of a Borough



ordinance, resolution or regulation with respect to the Harbor shall supersede the provision of any ordinance, resolution or regulation of the City that is inconsistent therewith, notwithstanding the date the Borough ordinance is adopted.

#### HARBOR USE AGREEMENTS

6. The City may enter into such agreements for the berthing, use and management of the Harbor as are necessary and appropriate;
  - a. provided, no agreement of any nature with respect to the Harbor is valid or binding upon the City of the Borough to the extent such agreement is contrary to this Agreement or to any ordinance or resolution of the City or the Borough adopted prior to the effective date of such agreement between the City and a third party. The authority of the City to enter into agreements with third parties with respect to the use of the Harbor is derived solely from this Agreement and any agreement of any nature between the City and a third party is subject to the terms, conditions and limitations of this Agreement; further, any agreement or the provisions thereof that are inconsistent or in conflict with or are prohibited under this Agreement are voidable in the sole discretion of the Borough. The City shall be liable to the Borough for all damages or losses to the Borough arising out of agreements or provisions thereof between the City and a third party that are inconsistent, in conflict with, or prohibited by this Agreement.
  - b. The Harbor was financed, in part, with the proceeds of a tax exempt bond issued by the Aleutians East Borough. Any management, Harbor use or other agreement that would, alone or in combination with one or more other agreements of the City with respect to the Harbor, adversely affect the tax exempt status of said bonds, is, to such extent, void *ab initio* and unenforceable. Further, if bond counsel to the Aleutians East Borough determines that any provision of this Agreement would adversely affect the tax exempt status of such bonds or that it permits or contemplates agreements between the City and third parties that would adversely affect the tax exempt status of such bonds, such minimum amendments to the agreement as may be necessary to preserve the tax exempt status of said bonds, as determined by bond counsel for the Aleutians East Borough, are deemed to have been made as if contained in this Agreement upon the date of execution of this Agreement. A lease of long term use agreement between the City and a third party user of the Harbor; and any lease or Harbor operating or management agreement between the City and third party is void and unenforceable unless in writing



and approved by the Borough and the Borough bond counsel prior to its execution.

REVENUES, EXPENSES, FUNDS AND ACCOUNTS

7. The City shall establish a tariff, and shall collect a fee or charge, for all uses of the Harbor.
- a. The City shall include, but not be limited to, fees or charges for moorage, demurrage, wharfage, and services to a vessel. The tariff and all changes thereto shall be filled by the City if filing is required by state and federal law.
  - b. The fees charged by the City shall be established at a level sufficient to:
    - (1) Meet the expenses of adequate management and administration of the Harbor.
    - (2) Satisfy all minor repair and routine maintenance requirements, present and future, as defined in Paragraph (2)b.
    - (3) Provide for contingencies and emergencies.
    - (4) Provide the funds required for the major rehabilitation and repair account.
    - (5) Provide and maintain a harbormaster office, parking area improvements, and sanitary facilities unless any of the foregoing are waived by the Borough, and, as may be required by state or federal agencies, oily waste disposal tanks, connection to vessel pumpout stations for sewage disposal and other waste disposal facilities or services, and trash collection facilities.
  - c. All fees, charges, rates, reimbursements, or other amounts received by the City for moorage within the Harbor shall be deposited in a special fund known as the Harbor Fund established by the City. Said fund shall be separate and distinct from other funds of the City (including those established for the operation of other City docks, harbors or other marine facilities) and shall be used exclusively for the administration, operation, maintenance, repair, rehabilitation, and improvement of the Harbor by the City, and to meet reserve requirements and Borough debt service, if any, secured by revenues of the Harbor. The City shall annually appropriate to such fund all



anticipated and actual Harbor receipts and prior year Harbor Fund balances.

- d. The City shall establish a major repair and rehabilitation account with the Harbor Fund established under Paragraph 7(c):
- (1) For the purpose of this subparagraph 7(d), "year-end Harbor Fund balance" is the unreserved year-end balance of the Harbor Fund not appropriated for reasonable Harbor operating costs, including Borough debt service, if any, reserved and a reasonable contingency amount. The year-end Harbor Fund balance shall lapse to and be deposited in the major repair and rehabilitation account. It is the purpose of this subparagraph 7(d)(1) to ensure that all Harbor revenues that are not reasonably required for the operation, maintenance and minor repair of the Harbor be accumulated in the major repair and replacement account for use, as may be designated by the Borough, for major repairs or rehabilitation of the Harbor and the construction of additions or improvements to the Harbor. Provided, the Borough may release funds from this account to the City for Harbor operating expenses if the Assembly determines that such a release is necessary in order to meet unusual and unanticipated Harbor operating expenses incurred or to be incurred by the City.
  - (2) The City shall hold monies in the account, in trust for the Borough, provided, in order to ensure that such monies are immediately available for emergency or other needs, the City shall annually appropriate the anticipated maximum balance of the account (including the anticipated deposit of the year end Harbor Fund balance) as part of its annual budget appropriation. The City shall make major repairs or improvements to the Harbor from the funds in the major repair and rehabilitation account only when specifically directed by the Borough or shall pay over to the Borough from said account so much as the Borough determines is required to perform major repairs, rehabilitation or improvements on the Harbor. Upon authorization by the Borough, the City may accomplish, by contract or with its own forces, such major repair, rehabilitation or improvements as are required and may withdraw from said account amounts up to a maximum specifically authorized by the Borough for such work. Upon termination of this agreement, the City shall promptly pay over to the Borough all funds held in trust in said account for the Borough.



- e. The City shall keep complete financial records in accordance with generally accepted accounting practices, reflecting all revenue derived by the City from the Harbor as well as all funds expended by the City for the maintenance and operation of the Harbor. The right is hereby reserved to the Borough to examine said financial records at any time during normal business hours. In addition, the right is hereby reserved to the Borough to require the City to submit an annual audit or summary of Harbor Fund income and expenses (including reserves).

#### PROHIBITED MOORAGE

8. The City shall not permit moorage of vessels which might overstress or otherwise damage the Harbor facilities.

#### IMPROVEMENTS

9. Any permanent improvement, development or structure proposed by the City or a third party to be constructed or placed within the Harbor, whether upon or separate from an existing facility or improvement in the Harbor, must be approved in writing by the Borough prior to construction or placement.

#### OWNERSHIP OF IMPROVEMENTS

10. All improvements made in or to the Harbor and all fixtures added to and incorporated into the use of the Harbor shall become the property of the Borough upon their construction, addition to or incorporation into the Harbor, unless the City and the Borough agree otherwise in writing.

#### OPERATOR PROVIDED UTILITIES AND WATER SYSTEM

11. Where electrical facilities or electrical, fuel or water distribution systems are not provided by the Borough, the City may install with its own personnel with prior approval of the Borough, or have installed by a competent contractor, adequate lighting and power, fuel and water distribution systems. Under no circumstances may the City alter or modify existing Harbor facilities for the purpose of installing electrical utilities, fuel or water systems without first obtaining specific written approval from the Borough. The Borough will either furnish or approve minimum design standards to accomplish the work. Prior to the installation of any power in or to the Harbor, whether to power permanent fixtures or equipment or for distribution to vessels, the City shall provide for the design of the system by an engineer with recognized experience in the design of electrical systems for marinas and docks that may be affected by electrolysis. The Borough may require a review of the design by a second engineer or a consultant before approving the project.



## FUEL AND HAZARDOUS MATERIAL HANDLING

12. If fuel or any other hazardous materials are handled in the Harbor, the City shall insure that only properly trained personnel handle such fuel or materials and that adequate procedures are followed for safely storing, dispensing, and otherwise handling fuel or hazardous materials in accordance with the most current edition of the National Fire Protection Code and all applicable federal, state, and local laws and regulations, in particular, applicable United States Coast Guard regulations. The City shall ensure that all necessary permits, operations manuals, and other authorizations are issued and are in place before permitting the handling of fuel or other hazardous materials and may require the shipper or handler to obtain such permits and authorizations and to bear all or any part of the expense of obtaining such permits or authorizations and any additions or changes to the Harbor facilities that are needed to comply. Such additions or changes to the Harbor facilities must be approved by the City and the Borough.

## ENVIRONMENTAL POLLUTION

13. In the event of a spill or the discharge of a petroleum product or hazardous material at the Harbor, the City shall immediately report the spill or discharge to the appropriate authorities and to the Borough, act promptly to contain the spill or discharge, repair any damage, remove the petroleum product or hazardous material and clean up the affected area, restore the Harbor and affected waters to a safe condition and otherwise comply with the applicable provisions of state and federal law.

## TERMINATION OF AGREEMENT

14. The Borough may cancel this Agreement by giving the City ninety (90) days advance written notice upon the failure of the City to perform, keep and observe any of the terms, covenants, and conditions contained in this Agreement, provided;
- a. The deficiency is not cured by the City within said ninety (90) day period.
  - b. The City may terminate this Agreement at any time by notifying the Borough in writing at least six (6) months prior to the effective date of such termination.
  - c. The Borough may terminate this Agreement at any time by notifying the City in writing at least twelve (12) months prior to the effective date of such termination.



- d. Upon termination or cancellation of this Agreement for any reason, the City shall, on the effective date of such termination or cancellation, transmit all amounts received that would have been required by paragraph 7.c. of the Agreement to be deposited in the Harbor Fund; provided, if, for the fiscal year in which the termination or cancellation occurs, the City has contributed to the Harbor Fund from unrestricted other local revenues, the City may retain a portion of such other revenues prorated for time from the beginning of the year. The cancellation or termination of this Agreement for any reason shall constitute and shall have the effect of an assignment to the Borough of all accounts receivable and causes of action of the City with respect to the Harbor and its operation effective on the effective date of the termination or cancellation. All reasonable obligations of the City incurred with respect to the Harbor and its operation prior to the effective date of the termination or cancellation shall be reimbursed by the Borough upon demand and proof of payment by the City, provided, the Borough may assume direct liability for City obligations specifically identified in writing by the Borough for such treatment.
- e. Upon termination or cancellation of this Agreement, the City shall immediately turn over to the Borough all plans, records, agreements, and other documents relating to the Harbor and its operation under this Agreement and shall make available to the Borough and its agents all records of the City that may directly or indirectly affect or reveal the financing of the Harbor operation by the City.
- f. Termination or cancellation of this Agreement does not affect the undischarged obligation of one party to this Agreement to the other.

#### RENEWAL

15. The City may renew this Agreement by filing a written renewal application with the Borough at least sixty (60) days before the expiration of this Agreement. This filing of an application that fully conforms to the requirements stated herein will operate to extend the term of this Agreement on a month to month basis until the earlier of the date;
- A new agreement is executed by both parties, or
  - The application is rejected by the Borough in writing, stating the reasons for the rejection.

#### DISCRIMINATION



16. The City covenants and agrees that discrimination on the basis of race, color, religion, national origin, ancestry, age, or sex will not be permitted against any patron, employee, applicant for employment, or other person or group of persons in any manner prohibited by federal or state law. The City recognizes the right of the Borough to take any action necessary to enforce this covenant, including actions required pursuant to any federal or state law.

#### EXISTING CONDITIONS

17. The City has examined the preliminary plans for the Harbor and acknowledges that the Borough has made no representation concerning final arrangement or layout of the Harbor nor the completion date of any phase or part of the Harbor.

#### SUBJECT TO LAWS

- 18.
- a. This agreement is issued subject to all the provisions and requirements of the agreement and the ordinances, resolutions and regulations of the Borough relating to the use and management of Borough owned marine facilities.
  - b. The City shall conduct all operations on the Harbor in compliance with all federal, state, and local laws, ordinances, rules and regulations now or hereafter in force, which may be applicable to such operations.

#### INSURANCE

- 19.
- a. The City shall maintain harbor keepers liability insurance in an amount not less than \$2,250,000 per occurrence and shall name the Borough as an additional insured, provided, the Borough, its employees, agents and officers may not be disabled from recovering under said policy for otherwise covered acts of the City.
  - b. Unless a lesser coverage is authorized by the Borough, the City shall maintain property damage insurance on the Harbor in an amount of \$100,000 with a deductible of not more than \$5,000. The policy shall name the Borough as owner of the Harbor and shall be for the benefit of the Borough.
  - c. The City shall provide the Borough with a copy of each policy or a certificate of insurance satisfactory to the Borough showing the amounts and type of insurance provided. The certificate shall state the



coverage provided to the Borough and shall provide that no policy may be terminated, cancelled, or permitted to expire with respect to coverage provided to the Borough except upon at least thirty (30) days written notice actually delivered or mailed to the Borough.

- d. The City shall provide and maintain, for all employees and contractors of the City engaged in work on or with respect to the Harbor, Workers' Compensation Insurance as required by AS 23.30, shall promptly make all employer contributions required by AS 23.20, and shall provide insurance coverage for employees covered by the U.S. Longshore and Harbor Workers' Compensation Act (33 U.S.C. 901 et seq.). The City shall indemnify the Borough for all costs, expenses, and liability of the Borough arising in any manner from the failure of the City to provide the insurance or make the contributions identified in the preceding sentence.

#### LIENS

20. The City shall keep the Harbor free of all liens, pay all costs for labor and materials arising out of any construction, improvements or repairs by the City or a third party on the Harbor, and hold the Borough harmless from liability for any such liens, including costs and attorney fees.

#### NO WAIVER

21. The failure of the Borough to insist in any one or more instances upon the strict performance by the City of any provision or covenant in this agreement may not be considered a waiver or relinquishment for the future, but the provision or covenant will continue in full force. The waiver by the Borough of any provision or covenant in this agreement cannot be enforced or relied upon unless the waiver is in writing signed on behalf of the Borough.

#### MODIFICATION

22. The Borough may modify this agreement to meet the revised requirements of federal or state grants or to conform to the requirements of any bond covenant to which the Borough is party. Provided, that except as provided in paragraph 6.c., a modification may not reduce the rights granted the City by this agreement nor cause the City financial loss to its general fund.

#### VALIDITY OF PARTS

23. If any provision or covenant of this agreement is declared to be invalid by a court of competent jurisdiction, the remaining covenants and provisions will continue in full force.



#### INTERRELATIONSHIP OF PROVISIONS

24. The basic provisions, general covenants, special covenants, supplements, addenda, and drawings attached as exhibits are essential parts of this agreement and are intended to be cooperative and to describe the respective rights and obligations of the parties to this Agreement. In case of a discrepancy, figured dimensions govern over scaled dimensions unless obviously incorrect. Special covenants govern over basic provisions, both of which govern over general covenants.

#### NATURAL DISASTERS

25. In the event any cause which is not due to the fault or negligence of either the City or the Borough renders the Harbor unusable and makes the performance of this Agreement impossible, this Agreement may be terminated by either party upon written notice to the other party. Causes include, but are not limited to, acts of God or the public enemy, acts of the United States or the State of Alaska, fires, floods, or strikes.

#### NOTICES

26. Any notice required by this agreement must be hand delivered or sent by registered or certified mail to the appropriate party at the address set forth on page one of this Agreement or to any other address that the parties subsequently designate in writing.

#### INTEGRATION, MERGER AND AMENDMENT

27. This Agreement sets forth all the terms, conditions, and agreements of the parties and supersedes any previous understandings or agreements regarding the Harbor whether oral or written. Except as otherwise specifically provided in this Agreement no modification or amendment of this Agreement is effective unless in writing and signed by both parties.

#### NATIONAL OR STATE EMERGENCY

28. In case of any national emergency declared by the federal government, or any state emergency declared by the State of Alaska, the City may not hold the Borough liable for any inability to perform any part of this Agreement as a result of the national or state emergency.

#### APPROVAL BY BOROUGH

29. Any approvals required of the Borough by this Agreement will not be unreasonably withheld.



INGRESS, EGRESS, INSPECTION

30. The Borough reserves the right of ingress to and egress from the Harbor and the right to enter any part of the Harbor, including all improvements thereon, for the purpose of inspection at any reasonable time. Except in the case of an emergency, all inspections will be coordinated with the City.

C. SPECIAL COVENANTS

1. This Agreement becomes effective on the date set out in paragraph A2; provided, no term of the Agreement except this paragraph C1 creates and enforceable right in either party until the Borough has provided written notice to the City that the Harbor, including the docks and other facilities and improvements, are substantially complete and available for use. All revenues arising out of the rental or use of property constructed or improved with the proceeds of the Borough's general obligation bond under the Project Cooperation Agreement between the Borough and U.S. Department of the Army for the construction of breakwaters and the dredging of the new harbor in the City are revenues of the City under this agreement and, if paid to the Borough, will be received and held by the Borough in trust for the City.
2. The City and the Borough enter into this Agreement in the contemplation of
  - a. the completion of the new harbor to be constructed under the Project Cooperation Agreement between the Borough and U.S. Department of Army; and
  - b. the separate and subsequent construction by the Borough of docks, floats and other marine facilities and improvements (the Docks and Floats) within the new harbor.

If the Borough constructs the Docks and Floats from revenues other than borrowed funds; then this Agreement remains in full force and effect in accordance with its terms. If the Borough borrows all or part of the funds necessary to finance the construction of the Dock and Floats, and it is necessary for the Borough to pledge the revenues of the Docks and Floats to secure the loan, then the following provisions of this Paragraph C2 shall be in effect and shall supersede and govern to the extent such following provisions are in conflict with any other provisions of this Agreement:

- c. The Borough shall have the authority to establish all tariffs, fees, and other charges for use of the Docks and Floats. The Borough shall consult with the City to determine the rates necessary to meet the City operating and other expenses of the Harbor plus the revenues required to meet debt service payments on the Borough loan and such other reserve and coverage requirements as are set out in the



loan agreement, bond and other documents governing the loan to the Borough (the Loan Documents) for the construction of the Docks and Floats. The tariffs, fees and charges established by the Borough, may not be less, individually, than the amount requested by the City, but may be more than the amount requested by the City if the Borough determines that the estimated revenues from all tariffs, fees and charges for Docks and Float use will not be sufficient to meet the requirements of the Loan Documents and all other revenue needs of the Harbor. If the Borough determines that revenues from the Docks Floats must be increased to meet to the requirements of the Loan Documents, the Borough will give substantial consideration to the preferences of the City for the distribution of the increase among the Harbor tariffs, fees, and other charges.

- d. The will continue to bill, collect and enforce the harbor tariffs, fees and charges; provided, however, it shall establish a Docks and Floats debt service trust account (the Debt Service Trust Account) into which it shall deposit so much of the revenues from the Docks and Floats operation as are required under the terms of the Loan Documents. The funds required to be deposited to the Debt Service Trust Account are funds of the Borough immediately upon their receipt by the City and shall be paid over to the Borough from said account immediately upon request of the Borough or shall be paid over to the Borough at such regularly scheduled times as the Borough or the Loan Documents require. If the Borough's lender, either as a condition of the loan, or upon determining after making the loan that the collection rate of the City is inadequate with respect to Harbor accounts, the Borough may assume all or any part of the billing and collection function for the Harbor accounts and shall, monthly, pay over to the City the revenues collected less amounts required for billing and collection administration, debt service, reserves and coverage required by the Loan Documents. If the City fails to fully and timely pay over to the Borough the funds required to be paid from the Debt Service Trust Account, the Borough may immediately terminate this Agreement. The Borough may pledge and assign to its lender the Borough's rights to funds required to be deposited in the Debt Service Trust Account.
- e. The City shall vigorously pursue the collection of tariffs, fees and other charges arising out of use of the Docks and Floats in order to ensure timely funding of the amounts to be paid into the Debt Service Trust Account.
- f. If the Borough's lender requires fiscal or operational provisions that cannot be made within the scope of the authority reserved to the Borough under this Paragraph C2, and the City is unwilling to agree



to the required new or different provisions, either party to this Agreement may immediately terminate the Agreement.

3. It is the intent of the parties that upon the termination of this Agreement pursuant to Paragraph A2, or upon the discharge of the 2003 Series E general obligation bonds issued for the construction of the new harbor, any bonds issued to refund the 2003 Series E bonds, and any bonds or other Borough obligations issued to fund any part of the cost of the Docks and Floats, the City and the Borough will explore the transfer of the Harbor to the City.

IN WITNESS WHEREOF, the parties hereto have set their hands the day and year stated in the acknowledgments below.

(SEAL)

CITY OF False Pass, Ak.

By: John J. Michels  
Title: Mayor

ALEUTIANS EAST BOROUGH

By: Stanley K. Moad  
Title: Mayor



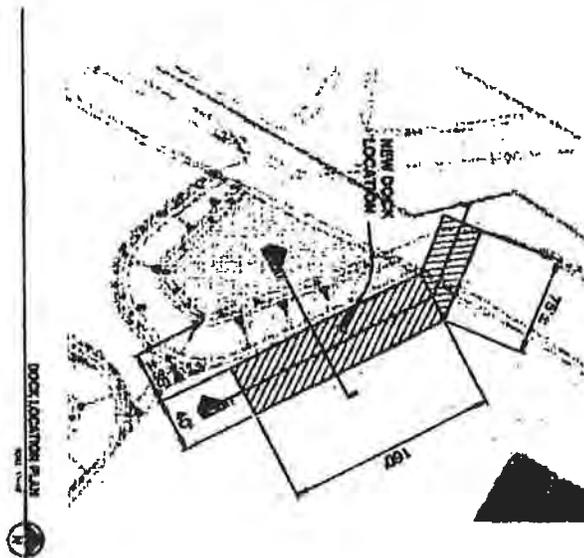
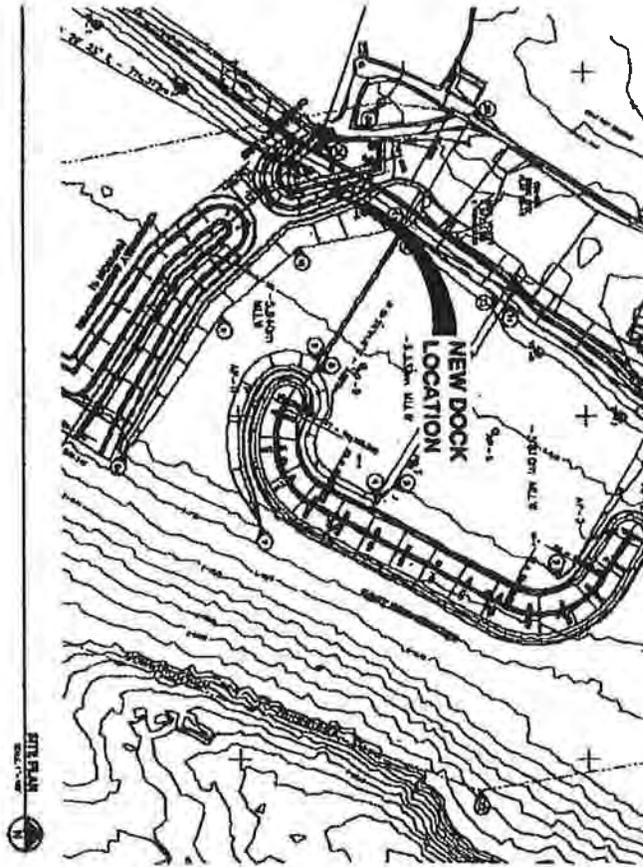
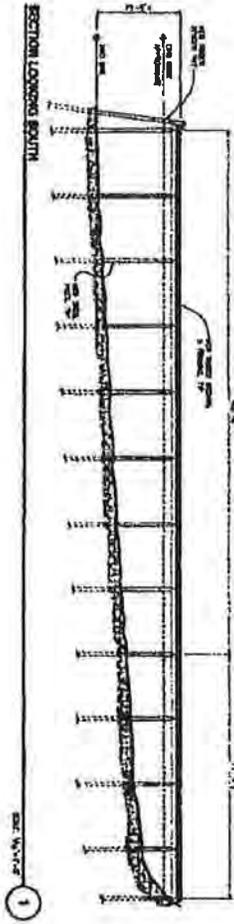


Exhibit 3

|                         |           |   |                         |                            |  |  |
|-------------------------|-----------|---|-------------------------|----------------------------|--|--|
| SHEET NO.<br><b>C11</b> | SITE PLAN | <b>APICDA<br/>         FALSE PASS UPGRADES<br/>         DOCK ADDITION<br/>         FALSE PASS, ALASKA</b> | PROJECT NO.<br>1021-001 | DESIGNER<br>CIVIL ENGINEER |  |  |
|                         |           |   | DATE<br>10/11/11        | DRAWN BY<br>DJS            |  |  |

**DOCK TIDELANDS LEASE ASSIGNMENT, ASSUMPTION AND CONSENT AGREEMENT**

THIS DOCK TIDELANDS LEASE ASSIGNMENT, ASSUMPTION AND CONSENT AGREEMENT (this "**Assignment**") is entered into as of the Effective Date, set forth below and is by and among Aleutians East Borough ("**Lessor**"), Bering Pacific Seafoods, LLC, an Alaska limited liability company ("**Assignor**") and False Pass Seafoods, LLC, an Alaska limited liability company ("**Assignee**").

**RECITALS**

A. Lessor is the owner of that certain tidelands described in the Dock Tidelands Lease associated with the dock located in False Pass, Alaska between Lessor and Assignor, dated June 1, 2013, a copy of which is attached hereto as Exhibit A (the "Dock Tidelands Lease").

B. Assignor and Assignee are limited liability companies that are currently wholly owned and operated by APICDA Joint Ventures, Inc., an Alaska corporation that is wholly owned by APICDA.

C. Assignee is a limited liability company set up to hold the assets of Assignor as part of a transaction in which a portion of the Membership and Percentage Interest in the Assignee will be sold to Trident Seafoods, Corp. The Trident acquisition of the interests in Assignee has not yet occurred.

D. Assignor wishes to transfer its interest in the Dock Tidelands Lease to Assignee as provided in this Assignment.

E. Assignee wishes to accept, without reservation, the obligations and benefits of Assignor as provided in this Assignment.

F. Lessor wishes to provide written consent to the assignment and assumption of the Tidelands Lease as provided in this Assignment.

**AGREEMENT**

NOW, THEREFORE, for the exchange of promises and other good and sufficient consideration, the sufficiency of which is expressly agreed, the parties to this Assignment agree as follows:

1. **Assignment and Assumption.** Effective as of the Effective Date of this Assignment:

1.1. Assignment. Assignor hereby irrevocably assigns, transfers and sets over to Assignee, its successors and assigns, all of Assignor's right, title and interest in, to and under

## DRAFT

the Dock Tidelands Lease, and delegates to Assignee all of its duties and responsibilities under the Dock Tidelands Lease performable and first arising from and after the Effective Date to the same extent as if Assignee had been the original tenant under the Lease, and to be liable to Lessor for the full performance of all such obligations under the Dock Tidelands Lease.

1.2. **Assumption.** Assignee hereby accepts the foregoing assignment and acknowledges and agrees to be bound by the provisions of the Dock Tidelands Lease. By such acceptance of this Assignment, Assignee hereby agrees that it will promptly keep and perform each of Assignor's obligations under the Dock Tidelands Lease which arise from and after the Effective Date to the same extent as if Assignee had been the original tenant under the Dock Tidelands Lease, and to be liable to Landlord for the full performance of all such obligations under the Dock Tidelands Lease.

2. **Consent.** Lessor, by its signature hereto, expressly and without reservation, consents to the assignment and assumption of the Dock Tidelands Lease as provided in this Assignment. Lessor represents that it has obtained any consents, authorizations and satisfied all requirements that it may be required to obtain to authorize the transaction outlined in this Assignment.

3. **Lease Update.** The parties hereto acknowledge that the "Facility" as defined in Section B of the Dock Tidelands Lease has been constructed, but the "as-built" survey referenced in Section A of the Dock Tidelands Lease has not yet been utilized to update the Dock Tidelands Lease and define the "legal description" which will constitute the leased area for the balance of the Term of the Dock Tidelands Lease. Lessor, Assignor and Assignee agree to work promptly and cooperatively to complete the survey and identify "as-built" area and execute such documents as are reasonably necessary to define the "legal description" and amend the Dock Tidelands Lease.

4. **Entire Agreement.** This Assignment shall constitute the entire agreement of the parties with respect to the subject matter contained herein, and this Assignment may not be modified except in a writing signed by the parties.

5. **Time is of Essence.** Time is of the essence of each provision of this Assignment.

6. **Successors and Assigns.** This Assignment and all provisions hereof shall extend to and be obligatory upon and inure to the benefit of the respective heirs, legatees, legal representatives, successors and assigns of the parties hereto.

7. **Governing Law.** This Assignment shall be governed by and construed in accordance with the internal laws of the State of Alaska. If any of the provisions of this Assignment are deemed to be invalid or unenforceable, the remainder of this Assignment shall not be affected.

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8. **Lease Otherwise Unmodified.** Except as expressly set forth herein, the Lease remains unmodified and in full force and effect.

9. **Further Documents.** The parties agree that they shall promptly execute and deliver such additional documents and take actions which are reasonable and necessary to complete the transactions contemplate by this Agreement.

10. **Recordation.** The parties hereto agree to promptly draft, execute and record a memorandum of the Lease and this assignment. Any party hereto may cause the memorandum of the Lease and this Assignment to be recorded.

11. **Counterparts and Facsimile.** This Assignment may be executed in counterparts and by facsimile, with copies effective for all purposes.

THIS ASSIGNMENT shall be effective as of January \_\_, 2018 (the "Effective Date").

**LESSOR:**

Aleutians East Borough

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

**ACKNOWLEDGEMENT**

STATE OF ALASKA )

THIRD JUDICIAL DISTRICT )

On \_\_\_\_\_, personally appeared \_\_\_\_\_, and personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity on behalf of which the person(s) acted, executed the instrument.

Dated: January \_\_, 2018

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\_\_\_\_\_  
\_\_\_\_\_  
(print notary's name)  
Notary Public in and for the State of  
\_\_\_\_\_.  
residing at \_\_\_\_\_.  
My commission expires: \_\_\_\_\_.

DRAFT

**ASSIGNOR:**

Bering Pacific Seafoods, LLC  
an Alaska limited liability company.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

**ACKNOWLEDGEMENT**

STATE OF ALASKA                    )  
\_\_\_\_\_ JUDICIAL DISTRICT    )

On January \_\_\_\_, 2018, Lawrence Cotter, CEO of APICDA JV, Inc., the sole member and manager of Bering Pacific Seafoods, LLC, personally appeared and personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument, the entity on the behalf of which he acted, executed the instrument.

Dated: January \_\_\_\_, 2018

\_\_\_\_\_  
\_\_\_\_\_

(print notary's name)

Notary Public in and for the State of Alaska

residing at \_\_\_\_\_.

My commission expires: \_\_\_\_\_.

DRAFT

**ASSIGNEE:**

False Pass Seafoods, LLC  
an Alaska limited liability company.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

**ACKNOWLEDGEMENT**

STATE OF ALASKA )

THIRD JUDICIAL DISTRICT )

On January \_\_\_\_, 2018, Lawrence Cotter, CEO of APICDA JV, Inc., the sole member and manager of False Pass Seafoods, LLC, personally appeared and personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument, the entity upn behalf of which he acted, executed the instrument.

Dated: January \_\_\_\_, 2018

\_\_\_\_\_  
\_\_\_\_\_

(print notary's name)

Notary Public in and for the State of Alaska

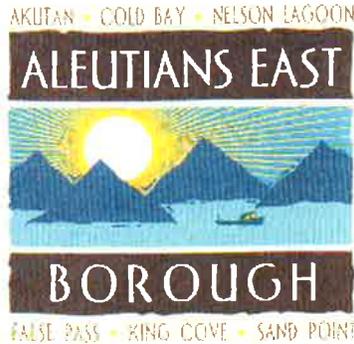
residing at \_\_\_\_\_.

My commission expires: \_\_\_\_\_.

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EXHIBIT A

Attached is a true and correct copy of the Tidelands Lease between Aleutians East Borough and Bering Pacific Seafoods, LLC dated June 1, 2013.



## ORDINANCE SERIAL NO. 18-08

### **AN ORDINANCE AUTHORIZING THE MAYOR TO NEGOTIATE AND EXECUTE A TIDELANDS LEASE FOR FALSE PASS SEAFOODS, LLC FOR THE OUTFALL LINE TO BE USED TO CONTRACT A FALSE PASS FISH PROCESSING FACILITY.**

**WHEREAS**, False Pass Seafoods, LLC, ("FPS") has requested that the Aleutians East Borough ("Borough") lease approximately 6,720 square feet of the Borough's tidelands within Alaska Tidelands Survey No. 1611, at False Pass Harbor, as generally depicted on the attached Exhibit "A"; and

**WHEREAS**, the Borough previously leased these Tidelands to Bering Pacific Seafoods, LLC, however no Ordinance is available regarding the lease; and

**WHEREAS**, the State of Alaska granted to the Borough Tidelands Patent No. 425, which conveyed to the Borough those tidelands lying seaward of the mean high tide line of Unimak Island, situated in the Aleutians Islands Recording District on June 2, 2004; and

**WHEREAS**, the tidelands are legally described as: ALASKA TIDELAND SURVEY NO. 1611, CONTAINING 34.86 ACRES, MORE OR LESS, ACCORDING TO THE SURVEY PLAT RECORDED IN THE ALEUTIANS ISLANDS RECORDING DISTRICT ON APRIL 7, 2003, AS PLAT 2003-2; and

**WHEREAS**, FPS has expressed its desire to enter an agreement with the Borough for the lease of part of these tidelands for the purpose of constructing, operating and maintaining of a dock and related marine activities; and

**WHEREAS**, AEBMC Sec. 50.10.060 provides that "[d]isposal of real property may be by sealed bids, outcry auction, lottery, first-come, first-served, negotiation, or such other method as the assembly may provide in the resolution authorizing the disposal"; and

**WHEREAS**, AEBMC 50.10.100(7) provides that "Real Property" includes interests in real property as well as rights to real property, and includes, but is not limited to, leases, easements, security interests, licenses, permits and options; and

**WHEREAS**, AEBMC Sec. 50.10.050 provides for the disposal of real property owned by the Borough mandating that the disposal of real property not covered by other sections within chapter 50.10 "must be authorized by ordinance and must contain" the following:

- (1) a description of the property,
- (2) a finding and the facts that supports the finding that the property or interest is no longer required for a public purpose if the property or interest is or was used for a government purpose,
- (3) the type of interest to be disposed of if less than a fee interest,
- (4) conditions and reservations that are to be imposed upon the property,
- (5) the fair market value of the property,
- (6) the minimum disposal price of the real property,
- (7) the method of disposal, including time, place and dates when relevant,
- (8) special conditions for the disposal, including, when relevant, special qualifications of purchasers and purchase terms, and
- (9) a finding and the facts supporting the finding of the public benefits to be derived if the disposal is to be for less than market value; and

**WHEREAS**, AEBMC Sec. 50.10.070(a) provides that "[u]nless otherwise provided in the resolution authorizing the disposal, the disposal shall be at not less than the fair market value as determined by a fee appraisal, by the borough's assessor's valuation, or by such reasonable estimates as the mayor or assembly, as appropriate, finds to be reliable or appropriate under the circumstances; and

**WHEREAS**, AEBMC Sec. 50.10.070(c) provides that "[u]ses and purposes that may justify a disposal at less that market value include, but are not limited to" . . . "(3) use that promotes economic development"; and

**WHEREAS**, the Assembly finds that the lease of the property to FPS is in the best interest of the Borough, and will promote economic development within the Borough; and

**WHEREAS**, AEBMC Sec. 2.16.020 provides that "[t]he Mayor shall... (A) Direct and supervise the business of the borough to assure that all ordinances and resolutions are executed; and

**WHEREAS**, AEBMC Sec. 50.10.090 provides that "[t]he mayor may establish procedures and forms for the processing of requests, applications and disposals under this chapter.

**NOW THEREFORE, BE IT ENACTED:**

**Section 1. Classification.** This is a non-code ordinance.

**Section 2. Authorization to Lease.** Based upon the above findings, the Mayor is authorized to negotiate and execute a lease of approximately 6,720 *square feet* of the tidelands located within Alaska Tidelands Survey No. 1611, Aleutian Islands Recording District, as generally depicted on Exhibit "A" with the final square footage to be established when the as-built survey and legal description of the leased property is submitted to and approved by the Borough.

**Section 3. Minimum Essential Terms and Conditions.** The lease is subject to the following minimum essential terms and conditions:

- (a) The lease shall be subject to the terms and conditions of the Patent or Deed from the state of Alaska, and subject to any littoral rights and any rights of the public under the Public Trust Doctrine.
- (b) The leased property shall be used for by FPS for the construction, operation, and maintenance of a dock and related marine activities. FPS is required to obtain approval of its construction plans from the Borough as well as meet any other state, federal, or other permit requirements prior to the start of any construction;
- (c) FPS shall provide the Borough with an as-built survey showing the exact boundaries and a legal description of the leased property no later than 45 days after the completion of construction of the dock. Upon acceptance of the as-built and legal description by the Borough the survey and legal description shall replace the description of the leased property set out in Section 2 above and a new exhibit depicting the leased property shall be attached to the lease agreement, and the agreement shall be deemed amended accordingly;
- (d) The lease shall be for an initial term of thirty-five years with one thirty- five year renewal option;
- (e) The annual lease payment for the first five-year period of the lease term shall be \$100.00 per year (based on \$.20 per

square foot), plus tax; provided that this initial annual lease payment amount will be adjusted to reflect the final square footage of the leased property at the lease rate of \$.50 per square foot or amount determined by the Mayor as per Section 2 of this Ordinance, as determined by the as-built survey and legal description required to be submitted to the Borough by FPS within 45 days after completion of construction as provided in subsection (c) of this section; this lease payment adjustment will be applied prospectively starting with the first annual lease payment to be made following the determination of the final square footage of the leased property;

- (f) Beginning with the first year after the initial five-year period of the term of the lease, the Borough Administrator will re-evaluate and adjust the annual lease payment for the leased property for the next five-year period of the term, and then every five years thereafter. The new annual lease payment amount shall be paid retroactively to the beginning of the lease payment adjustment period. FPS shall pay all the appraisal costs associated with re-evaluating and making adjustments to the annual lease payment. See appendix A, Section 9.
- (g) FPS shall be responsible for obtaining all necessary permits and approvals for its development of the lease property;
- (h) FPS shall indemnify, defend, and hold harmless the Borough for any claims related to or arising out of the FPS development or use of the leased property; and
- (i) The lease shall include all provisions of Borough Code of Ordinances not in conflict with this ordinance; and any other provisions that the Borough Administrator determines to be in the public interest.

**Section 4. Effectiveness.** This Ordinance shall take effect upon adoption by the Aleutians East Borough Assembly.

INTRODUCED: \_\_\_\_\_

ADOPTED: \_\_\_\_\_

---

Alvin D. Osterback, Mayor

ATTEST:

---

Tina Anderson, Borough Clerk

(SEAL)

## **APPENDIX A**

### **STANDARD PROVISIONS**

#### **1. PATENT CONDITIONS.**

This lease shall be subject to the terms and conditions of the patent or deed from the state of Alaska, and subject to any littoral rights and any rights of the public under the Public Trust Doctrine.

#### **2. RESPONSIBILITY TO PROPERLY LOCATE ON LEASED PREMISES.**

It shall be the responsibility of Lessee to properly locate Lessee's improvements on the Lease Premises and failure to so locate shall render Lessee liable as provided by law.

#### **3. APPROVAL OF OTHER AUTHORITIES.**

It is agreed upon and acknowledged that the issuance by Lessor of leases, including this lease, does not relieve Lessee of responsibility for obtaining licenses, permits, or approvals as may be required by duly authorized municipal, state or federal agencies.

#### **4. LEASE UTILIZATION.**

The Leased Premises shall be utilized only for the following purposes: \_\_\_\_\_, and the terms of the lease and in conformity with the provisions of relevant municipal code and applicable state and federal laws and regulations. Utilization or development of the Leased Premises for other than the allowed uses shall constitute a violation of the lease and subject to cancellation at any time.

#### **5. LEASE PAYMENT ADJUSTMENT AND DISPUTE RESOLUTION.**

Lessee agrees to a review and adjustment of the annual lease payment by the Borough Administrator not less often than every fifth year of the lease term beginning with the payment due after completion of the review period. Should the Lessee disagree with the lease payment adjustment proposed by the Borough Administrator, the Lessee shall pay for an appraisal of the leasehold. In the event the Borough Administrator disagrees with the appraisal, is unable to reach an agreement with the Lessee on the lease payment adjustment, the Lessor shall pay for a second appraisal. The Borough Administrator shall establish the lease payment adjustment based upon the second appraisal. In the event the Lessee disagrees with the lease rent adjustment, the Lessee may appeal to the Borough Assembly. The decision of the Assembly shall be final.

## **6. SUBLEASING.**

Lessee may sublease Leased Premises or any part thereof leased to Lessee hereunder; provided that the proposed sub-lessee shall first obtain written approval from Lessor and further provided, that the improvements on the Leased Premises are the substantial reason for the sublease. Leases not having improvements thereon shall not be sublet. Subleases shall be in writing and be subject to the terms and conditions of the original lease; all terms, conditions, and covenants of the underlying lease that may be made to apply to the sublease are hereby incorporated into the sublease.

## **7. ASSIGNMENT.**

Lessee may assign its rights and obligations under this lease; provided that the proposed assignment shall be approved in writing by Lessor prior to any assignment. The assignee shall be subject to all the provisions of the lease. All terms, conditions and covenants of the underlying lease that may be made applicable to the assignment are hereby incorporated into the assignment.

## **8. MODIFICATION.**

The lease may be modified only by an agreement in writing signed by all parties in interest or their successor in interest.

## **9. CANCELLATION AND FORFEITURE.**

- (a) The lease, if in good standing, may be cancelled in whole or in part, at any time, upon mutual written agreement by the parties.
- (b) Lessor may cancel the lease if it is used for any unlawful purpose.
- (c) If Lessee shall default in the performance or observance of any of the lease terms, covenants or stipulations thereto, or of the regulations now or hereafter in force or service of written notice by the Lessor without remedy by Lessee of the conditions warranting default, Lessor may subject Lessee to appropriate legal action including, by not limited to, forfeiture of the lease. No improvements may be removed by Lessee or other person during any time Lessee is in default.
- (d) Failure to make substantial use of the land, consistent with the proposed use, within one year shall in the discretion of the Lessor with approval of the Borough Assembly constitute grounds for default.

## **10. NOTICE OR DEMAND.**

Any notice or demand, which under terms of a lease or under any statute must be given or made by the parties thereto, shall be in writing, and be given or made by registered or certified mail, addressed to the other party at the address of record. However, either party may designate in writing such new or other address to which the notice or demand shall thereafter be so given, made or mailed. A notice given hereunder shall be deemed delivered when deposited in a United States general or branch post office enclosed in a registered or certified mail prepaid wrapper or envelope addressed as hereinbefore provided.

## **11. RIGHTS OF MORTGAGE OR LIENHOLDER.**

In the event of cancellation or forfeiture of a lease for cause, the holder of a properly recorded mortgage, conditional assignment or collateral assignment will have the option to acquire the lease for the unexpired term thereof, subject to the same terms and conditions as in the original lease.

## **12. ENTRY AND REENTRY.**

In the event that the lease should be terminated as hereinbefore provided, or by summary proceedings or otherwise, or in the event that the demised lands, or any part thereof, should be abandoned by Lessee during the term, Lessor or its agents, servants, or representative, may, immediately or any time thereafter, reenter and resume possession of lands or such thereof, and remove all personals and property there from either by summary proceedings or by a suitable action or proceeding at law without being liable for any damages therefore. No reentry by Lessor shall be deemed an acceptance of a surrender of the lease.

## **13. RE-LEASE.**

In the event that the lease should be terminated as herein provided, or by summary proceedings, or otherwise, Lessor may offer the lands for lease or other appropriate disposal pursuant to the provisions of the Borough Code.

## **14. FORFEITURE OF LEASE PAYMENT.**

In the event that the lease should be terminated because of any breach by Lessee, as herein provided, the annual rental payment last made by Lessee shall be forfeited and retained by Lessor as partial or total damages for the breach.

## **15. WRITTEN WAIVER.**

The receipt of lease payment by Lessor with knowledge of any breach of the lease by Lessee or of any default on the part of Lessee in observance or performance of

any of the conditions or covenants of the lease shall not be deemed a waiver of any provision of the lease. No failure on the part of the Lessor to enforce any covenant or provision therein contained, nor any waiver of any right thereunder by Lessor unless in writing, shall discharge or invalidate such covenants or provisions or affect the right of the Lessor to enforce the same in the event of any subsequent breach or default. The receipt, by Lessor, or any lease payments or any other sum of money after the termination, in any manner, of the term demised, or extent the resultant term therein demised, or destroy, or in any manner impair the efficacy of any such notice or termination as may have been given thereunder by Lessor to Lessee prior to the receipt of any such sum of money or other consideration, unless so agreed to in writing and signed by Lessor.

#### **16. EXPIRATION OF LEASE.**

Unless the lease is renewed or sooner terminated as provided herein, Lessee shall peaceably and quietly leave, surrender and yield up the Lessor all the leased land on the last day of the term of the lease.

#### **17. RENEWAL PREFERENCE.**

Any renewal preference granted Lessee is a privilege, and is neither a right nor bargained for consideration. The lease renewal procedure and renewal preference shall be that provided by ordinance in effect on the date the application for renewal is received by the Borough Administrator.

#### **18. REMOVAL OR REVERSION OF IMPROVEMENT UPON TERMINATION OF LEASE.**

Improvements owned by Lessee shall within sixty calendar days after the termination of the lease be removed by Lessee; provided, such removal with not cause injury or damage to the lands or improvements demised; and further provided, that Lessor may extend the time for removing such improvements in cases where hardship is proven. Improvements owned by Lessee may, with the consent of the Lessor, be sold to the succeeding Lessee. All periods of time granted Lessee to remove improvements are subject to Lessee's paying the Lessor pro rata lease payments for the period.

- (a) If any improvements and/or chattels not owned by Lessor and having an appraised value in excess of five thousand dollars as determined by an assessor are not removed within the time allowed, such improvements and/or chattels on the lands, after deducting for Lessor lease payments due and owing and expenses incurred in making such sale. Such rights to proceeds of the sale shall expire one year from the date of such sale. If no bids

acceptable to the Borough Administrator are received, title to such improvements and/or chattels shall vest in Lessor.

- (b) If any improvements and/or chattels having an appraised value of five thousand dollars or less as determined by an assessor, are not removed within the time allowed, such improvements and/or chattels shall revert to, and absolute title shall vest in Lessor.

#### **19. RENTAL FOR IMPROVEMENTS OR CHATTELS NOT REMOVED.**

Any improvements and/or chattels belonging to Lessee or placed on the lease during Lessee's tenure with or without his permission and remaining upon the premises after the termination date of the lease shall entitle Lessor to charge Lessee a reasonable lease payment therefore.

#### **20. COMPLIANCE WITH REGULATIONS CODE.**

Lessee shall comply with all regulations, rules, and the code of the Aleutians East Borough, and with all state and federal regulations, rules and laws as the code or any such rules, regulations or laws may affect the activity upon or associated with the leased land.

#### **21. CONDITIONS OF PREMISES.**

Lessee shall keep the premises of the lease in neat, clean, sanitary and safe condition and shall take all reasonable precautions to prevent, and take all necessary action to suppress destruction or uncontrolled grass, brush or other fire on the leased lands. Lessee shall not undertake any activity that causes or increases a sloughing off or loss of surface materials of the leased land.

#### **22. INSPECTION.**

Lessee shall allow an authorized representative of Lessor to enter the lease land for inspection at any reasonable time.

#### **23. USE OF MATERIAL.**

Lessee of the surface rights shall not sell or remove for use elsewhere any stone, gravel, peat moss, topsoils, or any other materials valuable for building or commercial purposes; provided, however, that material required for the development of the leasehold may be used, if its use is first approved by the Lessor.

#### **24. RIGHTS-OF-WAY.**

Lessor expressly reserves the right to grant easements or rights-of-way across leased land if it is determined in the best interest of the Lessor to do so.

## **25. WARRANTY.**

Lessor does not warrant by its classification or leasing of land that the land is ideally suited for the use authorized under the classification or lease and no guaranty is given or implied that it shall be profitable to employ land to said use.

## **26. HOLDING OVER.**

If Lessee holds over beyond the expiration of the term of this lease and the term has not been extended or renewed in writing, such holding over will be a tenancy from month-to-month only.

## **27. INTEREST ON LATE PAYMENTS.**

Should any installment of rent or other charges provided for under the terms of this lease not be paid when due, the same shall bear interest at the rate established by ordinance for late payments or at the rate of 12 percent per annum, if no rate has been set by ordinance.

## **28. TAXES, ASSESSMENTS, AND LIENS.**

During the term of this lease, Lessee shall pay, in addition to the rents, all taxes, assessments, rates, charges, and utility bills for the Leased Premises and Lessee shall promptly pay or otherwise cause to be discharged, any claim resulting or likely to result in a lien, against the Leased Premises or the improvements placed thereon.

## **29. EASEMENTS.**

Lessee shall place no building or structure over any portion of the Leased Premises where the same has been set aside or reserved for easements.

## **30. ENCUMBRANCE OF PARCEL.**

Lessee shall not encumber or cloud Lessor's title to the Leased Premises or enter into any lease, easement, or other obligation of Lessor's title without prior written consent of Lessor; and any such act or omission, without the prior written consent of Lessor, shall be void against Lessor and may be considered a breach of this lease.

## **31. VALID EXISTING RIGHTS.**

This lease is entered into and made subject to all existing rights, including easements, rights-of-way, reservations, or other interests in land in existence, on the date of execution of this lease.

### **32. STATE DISCRIMINATION LAWS.**

Lessee agrees, in using and operating the Leased Premises, to comply with applicable sections of Alaska law prohibiting discrimination, particularly Title 18 of the Alaska Statutes, Chapter 80, Article 4 (Discriminatory Practices Prohibited). In the event Lessee's failure to comply with any of the above non-discrimination covenants, Lessor shall have the right to terminate this lease.

### **33. UNSAFE USE.**

Lessee shall not do anything in or upon the Leased Premises, nor bring or keep anything therein, which will unreasonably increase or tend to increase the risk of fire or cause a safety hazard to persons or obstruct or interfere with the rights of any other tenant(s) or in any way injure or annoy them or which violates or causes violation of any applicable health, fire, environmental or other regulation by any level of government.

### **34. HOLD HARMLESS.**

Lessee agrees to defend, indemnify, and save Lessor, its employees, volunteers, consultants and insurers, with respect to any action, claim, or lawsuit arising out of or related to the use and occupancy of the Leased Premises by Lessee. This agreement to defend, indemnify, and hold harmless is without limitation as to the amount of fees, costs, expense, or damages resulting from settlement, judgment or verdict, and includes the award of any costs and attorney's fees even if in excess of Alaska Civil Rules 79 or 82. This indemnification agreement applies to the fullest extent permitted by law and is in full force and effect whenever and wherever any action, claim, or lawsuit is initiated, filed, or otherwise brought against Lessor relating to this lease. The obligations of Lessee arise immediately upon actual or constructive notice of any action, claim, or lawsuit. Lessor shall notify Lessee in a timely manner of the need for indemnification, but such notice is not a condition precedent to Lessee's obligations and may be waived where the Lessee has actual notice.

### **35. SUCCESSORS.**

This lease shall be binding on the successors, administrators, executors, heirs, and assigns of Lessee and Lessor.

### **36. CHOICE OF LAW; VENUE.**

This lease shall be governed by the law of the State of Alaska. Venue shall be in the State of Alaska, Third Judicial District at Anchorage.



**TIDELANDS LEASE**

This Lease is entered into on \_\_\_\_\_ 2018, between the Aleutians East Borough ("Lessor") and False Pass Seafoods, LLC ("FPS" or "Lessee").

**Recitals**

A. Lessor is the owner of the tidelands as shown in Exhibit 1 hereto, described as: Section 28, T. 61 S., R. 94W., Seward Meridian, USGS Quad Map False Pass D-5; latitude 54.8626 deg. N., longitude 163.4142 deg. W., in False Pass Alaska. The easement requested is in the southeast corner of section 28. A section of the tidelands, approximately 500 feet in length and 20 feet in width will be required as easement for the outfall line. Upon completion of the installation of the outfall, an "as-built" survey will be performed. Once completed, the "as-built" survey will be utilized as the legal description of the tideland easement.

B. Lessee, on its own or through its affiliate, plan to construct a fish processing facility ("Facility") in False Pass Alaska. The parties contemplate that Lessee may, from time to time during the life of this Lease, replace or expand the Facility as it is planned at execution of this Lease.

C. Use of the Tidelands for an outfall line will facilitate construction and operation of the fish processing facility.

D. Lessee desires to lease the Tidelands from Lessor, and Lessor desires to lease the Tidelands to Lessee.

E. To facilitate the mutual goals of Lessor and Lessee, they hereby enter into this Lease to document the terms and conditions under which Lessor will lease the Tidelands to Lessee.

**Terms and Conditions**

**1. Premises.** Lessor leases to Lessee the Tidelands.

**2. Term.** The Term of this Lease shall be 30 years, beginning on \_\_\_\_\_, 2018, and ending on \_\_\_\_\_, 2037, subject to renewal or earlier termination as described below.

**3. Rent.** Lessee shall pay rent to Lessor at the rate of \$100.00 per year, due and payable on the date of full execution of this Lease and on the first day of each calendar year thereafter.

**4. Renewal.** The parties intend that this Lease will last for a maximum 50 years including the 30-year Term and up to two 10-year renewals. In the event Lessor or does not receive written notice of non-renewal from Lessee not less than 365 days before the end of the Term or the first renewal thereof, this Lease shall be renewed for an additional period of 10 years, subject to the terms and conditions contained in this Lease as the parties may, from time to time, agree to amend.

**5. Termination.** Lessor may terminate this Lease upon Lessee's default, as defined in Article 13 hereof, upon 90 days' written notice of termination. No such termination shall be sent unless Lessor has given Lessee written notice of default and an opportunity to cure in accordance with Article 13. Lessee may terminate this Lease upon 90 days' written notice to Lessor.

**6. Regulatory compliance.** Lessee shall be responsible for obtaining all required State

and Federal permits. A copy of all such permits is attached hereto as Exhibit 2.

**7. Use.** The Tidelands are leased to Lessee to use as Lessee deems necessary or desirable to achieve Lessee's business objectives in constructing and operating the Facility, as it may from time to time be expanded or replaced. Lessee shall at all times comply with all applicable laws, ordinances and regulations of duly constituted authorities now or hereafter in effect, with respect to Lessee's use of the Tidelands.

Lessee agrees that nothing in this Article or in this Lease shall create any third-party beneficiary rights or relationship in Lessee or in any other entity.

**8. Return of Premises.** Lessee agrees to return the Tidelands to Lessor, without further demand, at the expiration or sooner termination of the Term or any renewal thereof including alterations, improvements or modifications. Lessee agrees that holding over its occupancy at the expiration or sooner termination of this Lease will result in the creation of a month-to-month tenancy at the prorated rental rate in effect at the time.

**9. Possession.** Upon execution of this Lease and payment of the first rental payment, Lessee shall have the right to possession of the Tidelands.

**10. Taxes.** Lessee shall be responsible for any and all property taxes assessed during the term of this Lease against any leasehold interest. Lessee shall pay any sales or other tax levied on the rent.

**11. Insurance.** Lessee shall maintain in force during the term of this Lease a commercial comprehensive general liability insurance policy ("Policy"), written on an occurrence basis, covering the Tidelands. The Policy shall have a coverage limit of at least \$1,000,000 for injury to or death of any one person on \$2,000,000 for the injury to or death of more than one person arising out of any accident or occurrence and \$1,000,000 for damage to property. The Policy shall name Lessor as an additional insured and loss payee. Such insurance shall be primary with any insurance carried by Lessor. Lessee shall provide Lessor a copy of the Policy or other satisfactory evidence of coverage. The Policy or a separate agreement between Lessee and the insurance company shall provide that the insurance company shall give Lessor at least 30 days' prior written notice before cancellation or termination of coverage. The requirement of insurance coverage does not relieve Lessee of any other obligation under this Lease.

Lessor and Lessee shall review the policy coverage limits as set out in this Article every 10 years while this Lease remains in effect, to ensure that the limits remain adequate for their purposes. In the event that Lessor concludes in good faith that coverage limits should be increased, Lessee shall purchase and maintain such increased coverage.

**12. Inspection by Lessor.** Lessee permits Lessor to enter the Tidelands to inspect, or to enforce or carry out any provision of this Lease. In the event of an emergency, Lessor may enter without notice. In the event no emergency exists, Lessor will endeavor to give Lessee 24 hours' notice before entering.

**13. Default.** The occurrence of any or more of the following events shall constitute a material default in breach of this Lease by Lessee.

a. failure to make any payment required under this Lease as and when due, where such failure shall continue for a period of 30 days after Lessee's receipt of written notice from Lessor

b. failure to observe or perform any of the covenants, conditions, rules, or any other nonfinancial provision of this Lease, where the failure shall continue for a period of 30 days after Lessee's receipt of written notice of the failure from Lessor; and/or

c. filing of a petition in insolvency or bankruptcy, or a statement of insolvency.

In the event of any default by Lessee under this Lease, in addition to any other remedy, Lessor shall have the right, with or without terminating this Lease, to reenter and relet the Tidelands. Lessee hereby agrees to pay Lessor the cost of recovering possession of the Tidelands, including attorney's fees, paralegal fees, and costs: the expenses of reletting; and any other cost or damage arising out of Lessee's default. Lessee hereby waives all rights of notice to quit in the event it abandons the Tidelands.

**14. Limitation on assignment.** Lessee may assign its rights and obligations under this Lease only to an entity:

- a. owned wholly or in part by the Aleutian Pribilof Community Development Association; and
- b. engaged in fisheries processing.

**15. Miscellaneous.**

a. Entire Agreement. This Lease constitutes the entire agreement between the parties as to the subject matter hereof. Any prior understanding or representation of any kind preceding the date of this Lease shall not be binding upon either party.

b. Amendment. The parties may amend this Lease. Any such amendment shall be effective only if it is in writing and signed by both parties hereto.

c. Timeliness. Time is of the essence of this Lease.

d. Construction. Lessee and Lessor both have had the opportunity to have lawyers review and negotiate the terms of this Lease. The rule of construction that ambiguity is construed against the drafter will not apply.

e. Headings. Headings in this Lease are intended for information only, and not as terms or conditions of the Lease.

f. Signatures. This Lease may be signed in counterparts; a facsimile signature is as valid as an original signature.

g. Notices. Any notice, request, or other communication required or permitted to be given or made under this Lease shall be made when hand delivered, or mailed, by registered or certified mail, and addressed as follows:

If to Lessee:  
False Pass Seafoods, LLC

Phone:

If to Lessor:  
Aleutians East Borough  
3380 C Street, Suite 205  
Anchorage, AK 99503  
Phone: 907-274-7555

IN WITNESS WHEREOF, the parties have executed this Lease the day and year first above written.

False Pass Seafoods, LLC

Aleutians East Borough

By: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

Its: \_\_\_\_\_

STATE OF ALASKA            )  
  ) ss  
FIRST JUDICIAL DISTRICT)

THIS CERTIFIES that on this \_\_\_\_\_ Day of \_\_\_\_\_, 2018, before me, a Notary Public in and for the State of Alaska, personally appeared \_\_\_\_\_, known to me to be the person whose name is subscribed on the foregoing instrument and, duly sworn, stated to me under oath that s/he is the \_\_\_\_\_, of False Pass Seafoods, LLC, that s/he has been authorized by said municipal corporation to execute the foregoing instrument on its behalf, and s/he executed the same freely and voluntarily as the free act and deed of said corporation.

WITNESS my hand and official on this day and year in this certificate first written above.

\_\_\_\_\_  
Notary Public for Alaska  
My Commission Expires: \_\_\_\_\_

STATE OF ALASKA            )  
  ) ss  
FIRST JUDICIAL DISTRICT)

THIS CERTIFIES that on this \_\_\_\_\_ Day of \_\_\_\_\_, 2018, before me, a Notary Public in and for the State of Alaska, personally appeared \_\_\_\_\_, known to me to be the person whose name is subscribed on the foregoing instrument and, duly sworn, stated to me under oath that s/he is the \_\_\_\_\_, of the Aleutians East Borough, that s/he has been authorized by said municipal corporation to execute the foregoing instrument on its behalf, and s/he executed the same freely and voluntarily as the free act and deed of said corporation.

WITNESS my hand and official on this day and year in this certificate first written above.

\_\_\_\_\_  
Notary Public for Alaska  
My Commission Expires: \_\_\_\_\_



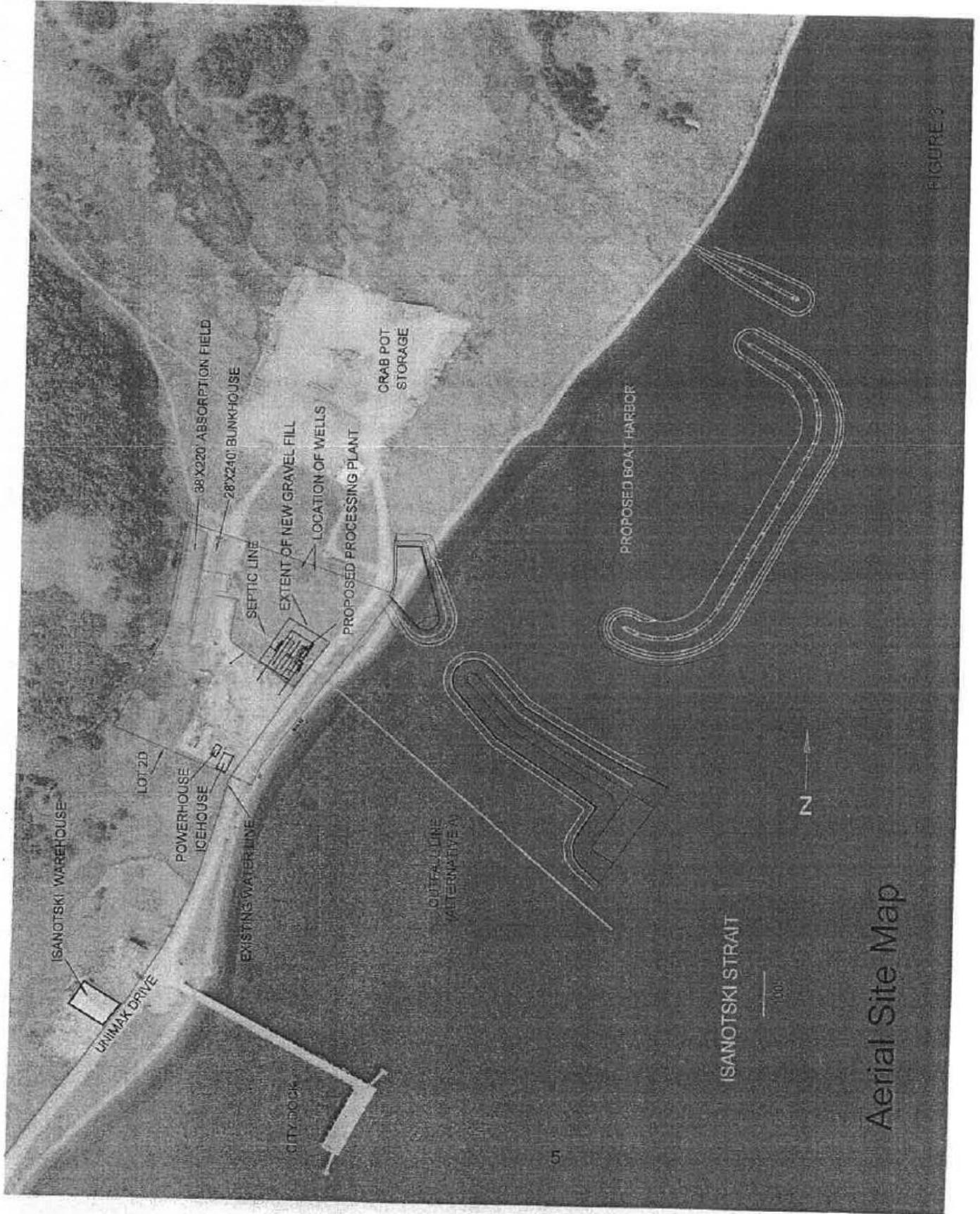
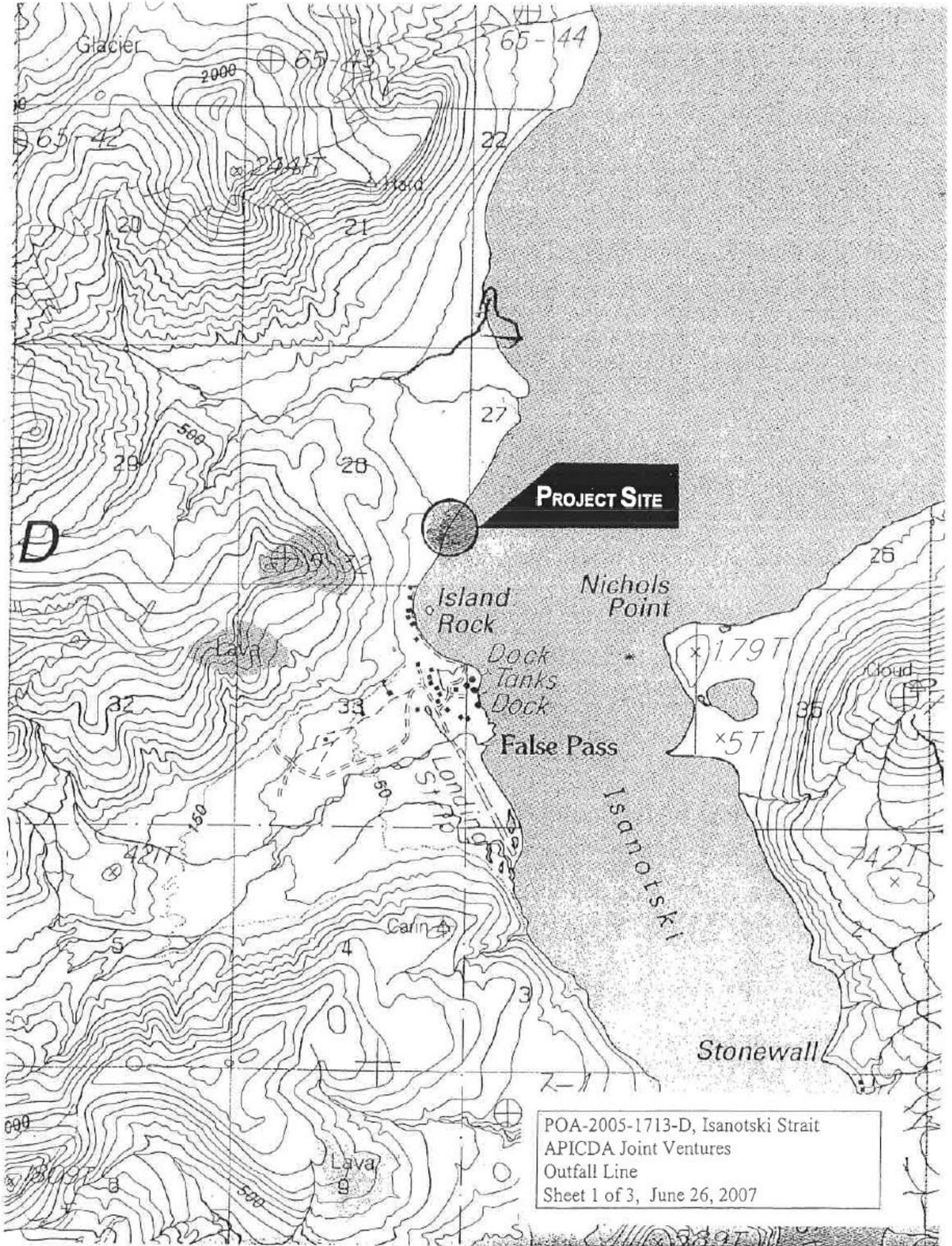


FIGURE 3

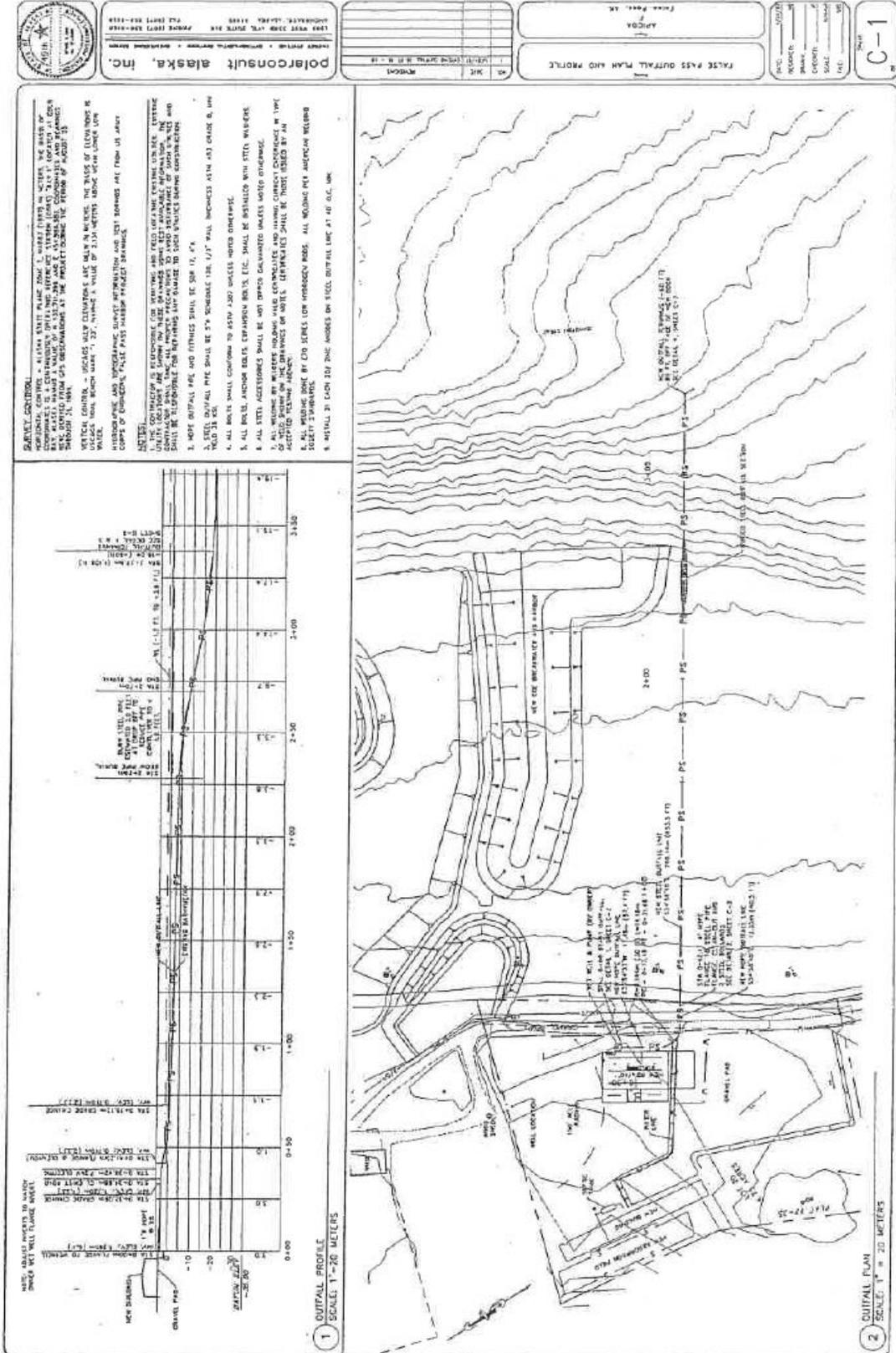
Aerial Site Map

**EXHIBIT 2**

**REQUIRED STATE AND FEDERAL PERMITS**







POLARCONSULT ALASKA, INC.  
 1500 WEST 22ND AVENUE, SUITE 1100  
 ANCHORAGE, ALASKA 99515  
 PHONE: (907) 562-2200  
 FAX: (907) 562-2218  
 WWW.POLARCONSULT.COM

|     |      |             |
|-----|------|-------------|
| NO. | DATE | DESCRIPTION |
|     |      |             |
|     |      |             |

PROJECT: FAJSE PASS OUTFALL PLAN AND PROFILE  
 CLIENT: APICDA  
 DRAWN BY: [Name]  
 CHECKED BY: [Name]  
 SCALE: AS SHOWN  
 SHEET NO.: C-1

|     |      |             |
|-----|------|-------------|
| NO. | DATE | DESCRIPTION |
|     |      |             |
|     |      |             |

**SAFETY CONTROL:** THE CONTRACTOR SHALL BE RESPONSIBLE FOR VERIFYING AND FIELD CHECKING ALL DIMENSIONS, ELEVATIONS, AND LOCATIONS OF ALL STRUCTURES AND UTILITIES. THE BASIS OF ALL DIMENSIONS SHALL BE THE CENTERLINE OF THE MAIN PIPE. THE BASIS OF ALL ELEVATIONS SHALL BE THE FINISHED GRADE OF THE MAIN PIPE. THE BASIS OF ALL LOCATIONS SHALL BE THE CENTERLINE OF THE MAIN PIPE. THE BASIS OF ALL DIMENSIONS SHALL BE THE CENTERLINE OF THE MAIN PIPE. THE BASIS OF ALL ELEVATIONS SHALL BE THE FINISHED GRADE OF THE MAIN PIPE. THE BASIS OF ALL LOCATIONS SHALL BE THE CENTERLINE OF THE MAIN PIPE.

**NOTES:**  
 1. THE CONTRACTOR SHALL BE RESPONSIBLE FOR VERIFYING AND FIELD CHECKING ALL DIMENSIONS, ELEVATIONS, AND LOCATIONS OF ALL STRUCTURES AND UTILITIES. THE BASIS OF ALL DIMENSIONS SHALL BE THE CENTERLINE OF THE MAIN PIPE. THE BASIS OF ALL ELEVATIONS SHALL BE THE FINISHED GRADE OF THE MAIN PIPE. THE BASIS OF ALL LOCATIONS SHALL BE THE CENTERLINE OF THE MAIN PIPE.  
 2. THE CONTRACTOR SHALL BE RESPONSIBLE FOR VERIFYING AND FIELD CHECKING ALL DIMENSIONS, ELEVATIONS, AND LOCATIONS OF ALL STRUCTURES AND UTILITIES. THE BASIS OF ALL DIMENSIONS SHALL BE THE CENTERLINE OF THE MAIN PIPE. THE BASIS OF ALL ELEVATIONS SHALL BE THE FINISHED GRADE OF THE MAIN PIPE. THE BASIS OF ALL LOCATIONS SHALL BE THE CENTERLINE OF THE MAIN PIPE.  
 3. THE CONTRACTOR SHALL BE RESPONSIBLE FOR VERIFYING AND FIELD CHECKING ALL DIMENSIONS, ELEVATIONS, AND LOCATIONS OF ALL STRUCTURES AND UTILITIES. THE BASIS OF ALL DIMENSIONS SHALL BE THE CENTERLINE OF THE MAIN PIPE. THE BASIS OF ALL ELEVATIONS SHALL BE THE FINISHED GRADE OF THE MAIN PIPE. THE BASIS OF ALL LOCATIONS SHALL BE THE CENTERLINE OF THE MAIN PIPE.  
 4. ALL STEEL SHALL CONFORM TO ASTM A500 GRADE B, UNLESS OTHERWISE SPECIFIED.  
 5. ALL STEEL SHALL BE GALVANNEAL (AZ150) UNLESS OTHERWISE SPECIFIED.  
 6. ALL STEEL ACCESSORIES SHALL BE HOT DIP GALVANIZED UNLESS OTHERWISE SPECIFIED.  
 7. ALL WELDING SHALL BE PERFORMED IN ACCORDANCE WITH THE WELDING CODES AND STANDARDS OF THE AMERICAN WELDING SOCIETY (AWS).  
 8. ALL WELDING SHALL BE PERFORMED BY A WELDER QUALIFIED IN ACCORDANCE WITH THE WELDING CODES AND STANDARDS OF THE AMERICAN WELDING SOCIETY (AWS).  
 9. INSTALL 2" COIL JOINT PINS UNDER ALL STEEL OUTFALL LINES AT 40' O.C. UNLESS OTHERWISE SPECIFIED.

POA-2005-1713-D, Isanotski Strait  
 APICDA Joint Ventures  
 Outfall Line  
 Sheet 2 of 3, June 26, 2007





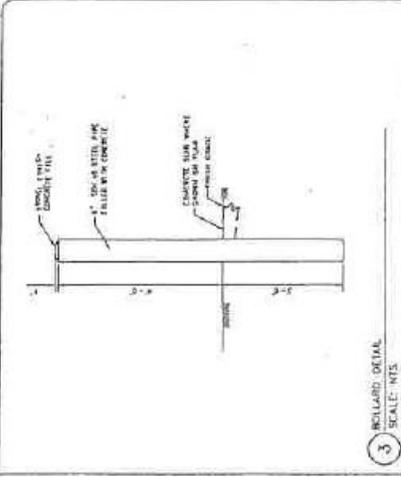
polarcounsel alaska, inc.  
 5600 NEAR ROAD, SUITE 210  
 ANCHORAGE, ALASKA 99503  
 PHONE (907) 263-6400  
 FAX (907) 263-6448

|     |      |          |
|-----|------|----------|
| NO. | DATE | REVISION |
|     |      |          |
|     |      |          |
|     |      |          |

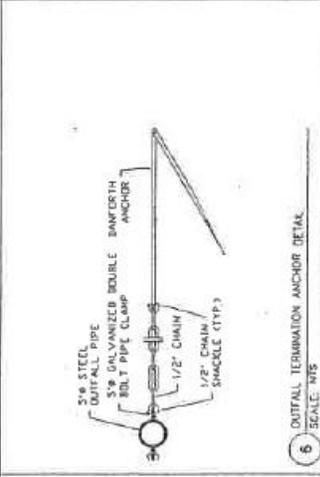
FAKLE PASS OUTFALL PLAN AND PROFILE  
 ARCTICA  
 FAKLE PASS, AK

DATE: 06/26/07  
 DRAWN: JLD  
 CHECKED: JLD  
 FILE: 070101

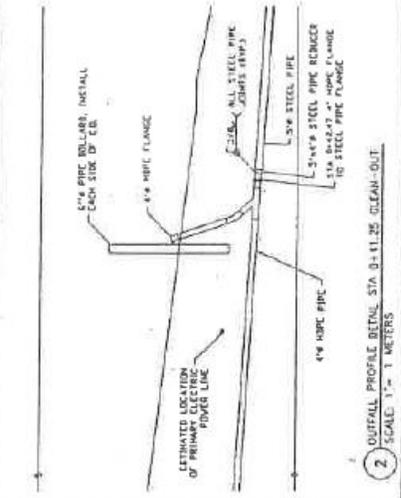
Sheet  
**C-2**



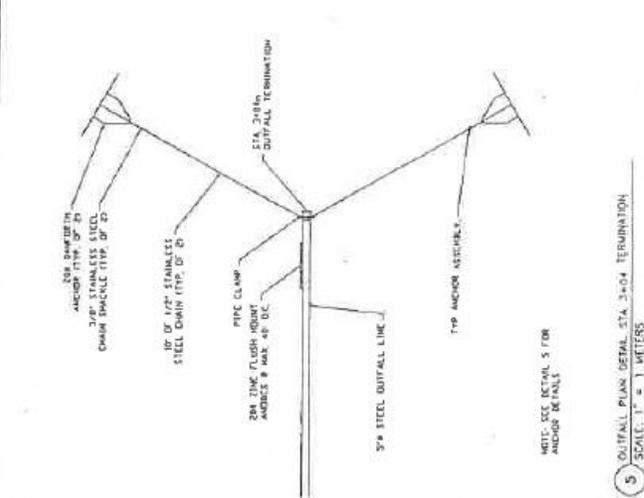
3 BELLARD DETAIL  
 SCALE: NTS



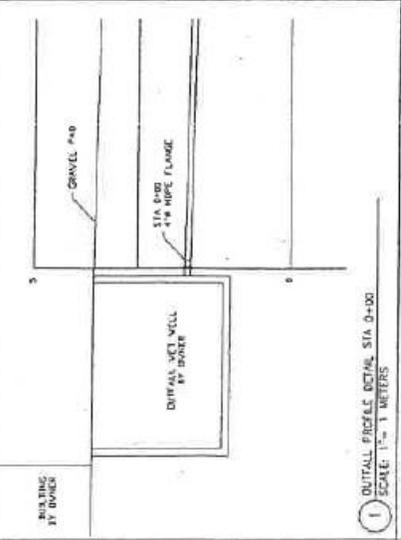
6 OUTFALL TERMINATION ANCHOR DETAIL  
 SCALE: NTS



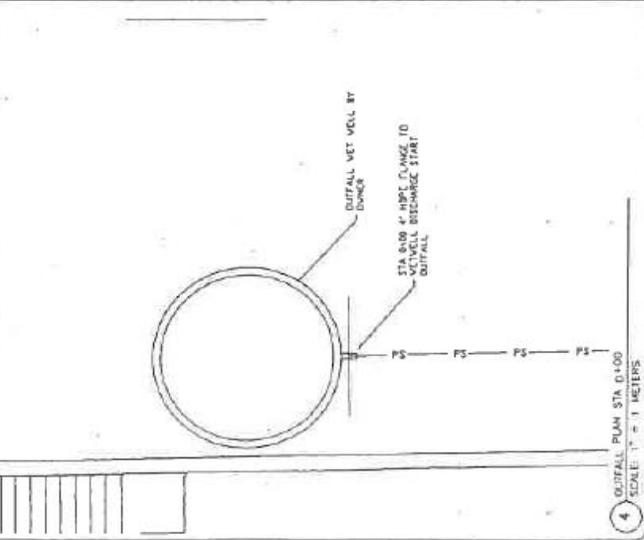
2 OUTFALL PROFILE DETAIL STA 0+11.25 CLEAN-OUT  
 SCALE: 1" = 1 METERS



5 OUTFALL PLAN DETAIL STA 3+04 TERMINATION  
 SCALE: 1" = 1 METERS



1 OUTFALL PROFILE DETAIL STA 0+00  
 SCALE: 1" = 1 METERS



4 OUTFALL PLAN STA 0+00  
 SCALE: 1" = 1 METERS

POA-2005-1713-D, Isanotski Strait  
 APICDA Joint Ventures  
 Outfall Line  
 Sheet 3 of 3, June 26, 2007

|   |  |  |  |  |   |
|---|--|--|--|--|---|
| <b>MARSH</b>  |  | <b>CERTIFICATE OF INSURANCE</b>  |  |  | CERTIFICATE NUMBER<br>SEA-001039731-02  |
| <b>PRODUCER</b><br>Marsh USA Inc.<br>1031 W. 4th Avenue<br>Suite 400<br>Anchorage, AK 99501   |  | THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER OTHER THAN THOSE PROVIDED IN THE POLICY. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES DESCRIBED HEREIN. |  |  |   |
| 101242-nh-GL-0708   |  | <b>COMPANIES AFFORDING COVERAGE</b>  |  |  |   |
| <b>INSURED</b><br>Bering Pacific Seafoods, LLC<br>234 Gold Street<br>Juneau, AK 99801   |  | COMPANY<br><b>A</b> SCOTTSDALE INSURANCE COMPANY   |  |  |   |
|   |  | COMPANY<br><b>B</b> ALASKA NATIONAL INSURANCE CO   |  |  |   |
|   |  | COMPANY<br><b>C</b>  |  |  |   |
|   |  | COMPANY<br><b>D</b>  |  |  |   |
| <b>COVERAGES</b> This certificate supersedes and replaces any previously issued certificate for the policy period noted below. 1<br>THIS IS TO CERTIFY THAT POLICIES OF INSURANCE DESCRIBED HEREIN HAVE BEEN ISSUED TO THE INSURED NAMED HEREIN FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THE CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, CONDITIONS AND EXCLUSIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS. |  |  |  |  |   |
| <b>CO LTR</b>   | <b>TYPE OF INSURANCE</b>   | <b>POLICY NUMBER</b>   | <b>POLICY EFFECTIVE DATE (MM/DD/YY)</b>  | <b>POLICY EXPIRATION DATE (MM/DD/YY)</b> | <b>LIMITS</b>   |
| A   | <b>GENERAL LIABILITY</b><br><input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY<br><input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR<br><input type="checkbox"/> OWNER'S & CONTRACTOR'S PROT       | CLS1376654   | 07/09/07   | 07/09/08                                 | GENERAL AGGREGATE \$ 2,000,000<br>PRODUCTS - COMP/OP AGG \$ 2,000,000<br>PERSONAL & ADV INJURY \$ 1,000,000<br>EACH OCCURRENCE \$ 1,000,000<br>FIRE DAMAGE (Any one fire) \$ 100,000<br>MED EXP (Any one person) \$ 5,000<br>COMBINED SINGLE LIMIT \$ |
|   | <b>AUTOMOBILE LIABILITY</b><br><input type="checkbox"/> ANY AUTO<br><input type="checkbox"/> ALL OWNED AUTOS<br><input type="checkbox"/> SCHEDULED AUTOS<br><input type="checkbox"/> HIRED AUTOS<br><input type="checkbox"/> NON-OWNED AUTOS |  |  |  | BODILY INJURY (Per person) \$<br>BODILY INJURY (Per accident) \$<br>PROPERTY DAMAGE \$  |
|   | <b>GARAGE LIABILITY</b><br><input type="checkbox"/> ANY AUTO   |  |  |  | AUTO ONLY - EA ACCIDENT \$<br>OTHER THAN AUTO ONLY: \$<br>EACH ACCIDENT \$<br>AGGREGATE \$  |
|   | <b>EXCESS LIABILITY</b><br><input type="checkbox"/> UMBRELLA FORM<br><input type="checkbox"/> OTHER THAN UMBRELLA FORM   |  |  |  | EACH OCCURRENCE \$<br>AGGREGATE \$  |
| B   | <b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b><br>THE PROPRIETOR/PARTNERS/EXECUTIVE OFFICERS ARE: <input type="checkbox"/> INCL <input type="checkbox"/> EXCL  |  |  |  | <input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER<br>EL EACH ACCIDENT \$ 500,000<br>EL DISEASE-POLICY LIMIT \$ 500,000<br>EL DISEASE-EACH EMPLOYEE \$ 500,000  |
|   | <b>OTHER</b>   |  |  |  |   |
| <b>DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS</b><br>RE: Land Use Permit, Seafood processing outfall line<br>Where required by contract, Certificate Holder is an Additional Insured on the General Liability liability policy, subject to the terms, conditions and limitations of said policy and the additional insured endorsement. Waiver of Subrogation applies per Form CG2404   |  |  |  |  |   |
| <b>CERTIFICATE HOLDER</b>   |  |  | <b>CANCELLATION</b>  |  |   |
| State of Alaska<br>Department of Natural Resources<br>550 West 7th Avenue<br>Suite 900 D<br>Anchorage, AK 99501   |  |  | SHOULD ANY OF THE POLICIES DESCRIBED HEREIN BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE INSURER AFFORDING COVERAGE WILL ENDEAVOR TO MAIL <u>30</u> DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED HEREIN, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER AFFORDING COVERAGE, ITS AGENTS OR REPRESENTATIVES, OR THE ISSUER OF THIS CERTIFICATE. |  |   |
|   |  |  | MARSH USA INC.<br>BY: Judy Chadwick <i>Judy Chadwick</i>   |  |   |
|   |  |  | MM1(3/02) VALID AS OF: 09/25/07  |  |   |



## Agenda Statement

Date: January 31, 2018  
To: Mayor Osterback and Assembly  
From: Anne Bailey, Borough Administrator

### **Re: Resolution 18-24 Amending Section 9.05 of the Aleutians East Borough Employee Handbook**

The Aleutians East Borough Employee Handbook outlines the Borough's personnel policies. Section 9.05 Annual Evaluation and Salary Adjustment governs the methods by which the Borough awards merit-based salary adjustment to its eligible employees. Since the Mayor is the Personnel Officer for the Borough he or she can provide pay increases to Borough employees. The Assembly has requested that the Borough provide raises to employees. Based off this request, the following merit pay increase tied to employee longevity has been proposed for Assembly review and approval. Please note this merit-based pay is pay above the cost of living allowance that is given to employees annually.

The changes to Section 9.05 would include a merit-based pay adjustment tied to an employee's longevity. Employees become eligible for a one-time, 2.5% merit-based pay increase on the 10<sup>th</sup>, 15<sup>th</sup>, 20<sup>th</sup>, and 25<sup>th</sup> year of Borough employment. An employee shall receive such an increase only after a performance evaluation reflects the employee's satisfactory performance of his or her work duties.

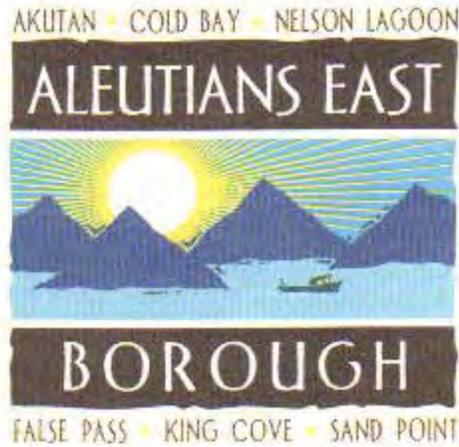
Merit-based increases other than those described above may be awarded when an employee has reached some tangible, professional milestone, such as completion of the educational courses, degrees, or certifications that directly relate to the employee's work duties for the Borough. This type of increase shall be awarded at the Mayor's sole discretion but may only be awarded at any level up to and including the amount of the cost of living adjustment; however, the Mayor may deviate from this guideline with the approval of the Assembly.

If Resolution 18-24 is approved, this merit-based salary adjustment policy will go into effect immediately for any eligible employee that meets the longevity requirements.

### **RECOMMENDATION**

---

Administration recommends approval of Resolution 18-24 amending Section 9.05 of the Aleutians East Borough Employee Handbook.



## **RESOLUTION NO. 18-24**

### **A RESOLUTION OF THE ALEUTIANS EAST BOROUGH ASSEMBLY AMENDING SECTION 9.05 OF THE ALEUTIANS EAST BOROUGH EMPLOYEE HANDBOOK**

**WHEREAS**, A.S. 29.20.410(a) authorizes municipalities to create and implement personnel systems to govern the terms of municipal employment; and,

**WHEREAS**, pursuant to that authority, the Aleutians East Borough enacted Section 7.10.020 of the Aleutians East Borough Code of Ordinances, which directed the Borough to adopt a personnel policy; and,

**WHEREAS**, accordingly, the Borough has adopted the Aleutians East Borough Employee Handbook; and,

**WHEREAS**, Section 9.05 of the Employee Handbook governs the methods by which the Borough awards merit-based salary adjustments to its employees; and,

**WHEREAS**, the Assembly wishes to amend Section 9.05 to provide for a new policy that is more sustainable, predictable, and clear than the current policy; and,

**WHEREAS**, Section 7.10.030 authorizes the Assembly to amend the policies set forth in the Employee Handbook by resolution.

**NOW, THEREFORE, BE IT RESOLVED** by the Aleutians East Borough as follows:

Section 1. Section 9.05 of the Aleutians East Borough Employee Handbook shall be amended as set forth in Exhibit A.

Section 2. This Resolution shall become effective immediately upon adoption.

**PASSED AND APPROVED** BY THE ALEUTIANS EAST BOROUGH ASSEMBLY  
on this 8<sup>th</sup> day of February, 2018.

ALEUTIANS EAST BOROUGH, ALASKA

---

Alvin D. Osterback, Mayor

ATTEST:

---

Tina Anderson, Clerk

**EXHIBIT A**  
**RESOLUTION 18-24**

**9.05 Annual Evaluation<sup>49</sup> and Salary Adjustment**

- A. Supervisors and employees are strongly encouraged to discuss job performance and goals on an informal, day-to-day basis. Formal performance evaluations are conducted at the end of an employee's probationary period in any new position. This probationary period allows the supervisor and the employee to discuss the job responsibilities, standards, and performance requirements of the new position. Additional formal performance reviews are conducted to provide both supervisors and employees the opportunity to discuss job tasks, identify and correct weaknesses, encourage and recognize strengths, and discuss positive, purposeful approaches for meeting goals.
- B. Cost of living adjustments funded by the Assembly will be given annually to regular employees, ~~who exhibit satisfactory performance as determined by evaluation. Cost of living adjustments~~ and will be based upon the Consumer Price Index for Anchorage as computed for the preceding fiscal year.
- C. Merit-based pay adjustments are awarded by the Borough in an effort to recognize truly superior employee performance. Merit-based pay is pay above the cost of living allowance that is given to employees annually for satisfactory performance. ~~The decision to award a merit-based adjustment is dependent upon numerous factors, including the information documented by this formal evaluation and performance review process.~~ Employees become eligible for a one-time, 2.5% merit-based pay increase on the 10<sup>th</sup>, 15<sup>th</sup>, 20<sup>th</sup>, and 25<sup>th</sup> year of Borough employment. An employee shall receive such an increase only after a performance evaluation reflects the employee's satisfactory performance of his or her work duties. Any other pay adjustments shall be made in accordance with section 9.05(D) of this Employee Handbook.
- D. Merit-based increases other than those described in Section 9.05(C) may be awarded when an employee has reached some tangible, professional milestone, such as the completion of educational courses, degrees, or certifications that directly relate to the employee's work duties for the Borough. Such increases shall be awarded at the Mayor's sole discretion. As a ~~guideline, in determining the amount of merit-based compensation, additional~~ general rule, such compensation ~~can~~ may be awarded ~~by the Mayor~~ at any level up to and including the amount of the cost of living adjustment; ~~however, the Mayor may~~ ~~Deviation~~ deviate from this guideline ~~is allowable~~ with the approval of the Assembly.

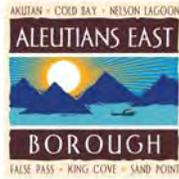
Black typeface = current language.

~~Red strikethrough~~ = deleted language.

Blue typeface = new language.

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<sup>49</sup> The annual evaluation is a type of performance review. Other performance reviews may take place at the end of an employee's probationary period, after a disciplinary action or corrective action plan has been completed, or at such other time as the AEB deems appropriate and beneficial.



## Agenda Statement

Date: January 30, 2018  
To: Mayor Osterback and Assembly  
From: Anne Bailey, Borough Administrator

### **Re: Resolution 18-25 Authorizing a Salary Increase for the Borough Clerk**

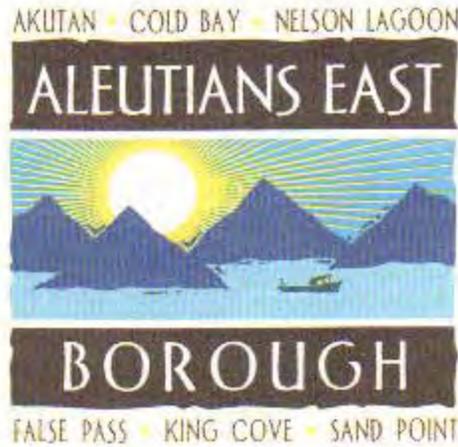
The Aleutians East Borough (Borough) Clerk serves at the pleasure of the Borough Assembly. The Borough Clerk has not received a salary increase for several years, other than the Borough-wide Cost of Living Adjustment (“COLA”) afforded to all regular employees on an annual basis. The Borough Assembly has determined that the Borough Clerk’s annual salary should be increased to reflect her years of service to the Borough.

Per Resolution 18-25, the Assembly will authorize a salary increase of \$10,000.00 for the Borough Clerk adjusting the Clerk’s salary to \$97,558.00. This amount mirrors the merit -based pay adjustment outlined in Resolution 18-24 for other Borough employees.

### **RECOMMENDATION**

---

Administration recommends approval of Resolution 18-25- Authorizing a salary increase for the Borough Clerk.



## **RESOLUTION NO. 18-25**

### **A RESOLUTION OF THE ALEUTIANS EAST BOROUGH ASSEMBLY AUTHORIZING A SALARY INCREASE FOR THE BOROUGH CLERK**

**WHEREAS**, the Aleutians East Borough (“Borough”) Clerk serves at the pleasure of the Borough Assembly; and,

**WHEREAS**, the Borough Clerk has not received any salary increase for several years, other than the Borough-wide Cost of Living Adjustment (“COLA”) afforded to all regular employees on an annual basis; and,

**WHEREAS**, the Borough Assembly has determined that the Borough Clerk’s annual salary should be increased to reflect her years of service to the Borough; and,

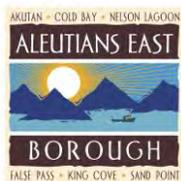
**WHEREAS**, the Borough Assembly believes that such adjustment should be calculated according to the newly amended Section 9.05 of the Aleutians East Borough Employee Handbook, adopted pursuant to Resolution 18-24.

**NOW, THEREFORE, BE IT RESOLVED** by the Aleutians East Borough as follows:

Section 1. The Borough Clerk’s annual salary shall be adjusted to \$97,558.00.

Section 2. Such adjustment shall be made retroactive to July 1, 2017, and the Borough Clerk’s pay throughout the remainder of Fiscal Year 2018 shall be adjusted as may be necessary to ensure full payment of the adjusted amount.

Section 3. This resolution shall become effective immediately upon adoption.



## Agenda Statement

Date: February 1, 2018  
To: Mayor Osterback and Assembly  
From: Mary Tesche, Assistant Administrator

### **Re: Resolution 18-26 authorizing a Deed of Easement to the City of Akutan for the Akutan Raw Water Transmission Line Project**

The City of Akutan (City) and the Alaska Native Tribal Health Consortium (ANTHC) are in the process of designing and constructing a new water transmission system for the City's water utility. The project consists of replacing the raw water transmission line and other components of the impoundment dam to complete a series of upgrades to the utility. Construction is scheduled to take place this summer.

A portion of the transmission line is designed to cross Borough property adjacent to the Akutan School. The City and ANTHC are requesting the Borough grant a Deed of Easement for approximately .09 acres of land that will be used in perpetuity for the construction and maintenance of the transmission line.

A copy of the terms of the Easement, as well as the surveyed parcel, is attached to Resolution 18-26 for reference.

### **RECOMMENDATION**

---

Administration recommends approval of Resolution 18-26 authorizing a Deed of Easement to the City of Akutan for the Akutan Raw Water Transmission Line Project.

**PASSED AND APPROVED** BY THE ALEUTIANS EAST BOROUGH ASSEMBLY  
on this 8<sup>th</sup> day of February, 2018.

ALEUTIANS

EAST BOROUGH, ALASKA

---

Alvin D. Osterback, Mayor

ATTEST:

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Tina Anderson, Clerk



**ALASKA NATIVE  
TRIBAL HEALTH  
CONSORTIUM**

Environmental Health & Engineering

November 30, 2017

Tina Anderson, Borough Clerk  
Aleutians East Borough  
PO Box 349  
Sand Point, AK 99661

Re: Easement Signature – Easement KQA-17-P4 – Akutan, Ak

Dear Tina,

The enclosed easement document, KQA-17-P4, grants legal site control for the proposed raw water transmission line and appurtenances in Akutan, Alaska. New piping is being proposed as part of the Water Impoundment System Upgrades, Alaska Native Tribal Health Consortium (ANTHC) Project AN-12-NT8, a joint project with the ANTHC and the City of Akutan. The project involves the installation of a new water transmission line connecting Akutan's raw water impoundment to the water treatment plant.

This Deed of Easement is required for this project. If acceptable as presented, please provide notarized signatures on the GRANTOR (Borough Administrator as the signee) CERTIFICATION (page 2) in the appropriate place, with printed name, title, and address beneath. Please return the original document to me at ANTHC. The document will be recorded and you will be sent a copy for your records.

If you have any questions on this matter, I can be reached at (907) 729-3565 or toll free at 1-800-560-8637 x3565. Thank you for your help and cooperation with this project.

Sincerely,

*Susan Miskill, PLS*  
Susan Miskill, PLS

Enclosures:  
Easement KQA-17-P4

cc: DEHE, Anchorage – Sean Driskill/Joseph Hess

**DEED OF EASEMENT  
FOR  
PUBLIC UTILITY EASEMENT**

Easement Parcel **KQA-17-P4**, Akutan, Alaska

Grantor: Aleutians East Borough  
P.O. Box 349  
Sand Point, AK 99611

Grantee: City of Akutan  
P.O. Box 109  
Akutan, AK 99553

THIS DEED OF EASEMENT made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2018, by the Aleutians East Borough, hereinafter referred to as the Grantor(s), and the City of Akutan, hereinafter referred to as the Grantee(s): That in order to secure future interest in the land should title be transferred, the Grantor does hereby grant and convey unto the Grantee, its successors and assigns, a utility easement for the purpose of construction and maintenance of a raw water line and all appurtenances, located on the Grantor's property located within Section 11, Township 70 South, Range 112 West, Seward Meridian, Alaska. The easement is shown in the attached **Exhibit "KQA-17-E4"** and labeled Easement Parcel "**KQA-17-P4**", and is more specifically that portion of said Section 11 described as follows:

A strip of land 20 feet wide, being 10 feet on each side of the following described centerline, commencing at a found BLM brass cap monument, being the north easterly corner of Lot 1A, Akutan School Subdivision, Plat 97-11, Aleutian Islands Recording District; thence, S47°24'55"W, along the north westerly boundary of said Lot 1A, a distance of 59.30 feet to the True Point of Beginning of **Easement Parcel KQA-17-P4**; thence S37° 27' 41"E, a distance of 12.41 feet; thence S14° 57' 41"E, a distance of 20.00 feet; thence S59° 57' 41"E, a distance of 55.78 feet; thence S14° 57' 41"E, a distance of 35.78 feet; thence S37° 27' 41"E, a distance of 37.95 feet; thence S14° 07' 32"W, a distance of 9.70 feet; thence S31° 47' 21"W, a distance of 31.75 feet, more or less, to a point of intersection with the north eastern boundary of **Easement Parcel AKUO5-P2** Recorded as Document #2005-000602-0 within the Aleutian Islands Recording District.

Said easement contains 0.09 acre(s), or 4067 Sq. Ft. more or less.

**QUALIFICATIONS:**

THE EASEMENT IS GRANTED subject to the condition that the Grantee construct and maintain the aforesaid improvements on the parcel in a workmanlike manner, indemnify the landowners against liability for damages to life or property arising from the occupancy or use of the land by the Grantee, and restore the lands as nearly as may be possible to their original condition upon completion of construction in accordance with acceptable engineering practices. The easement is perpetual so long as the easement shall actually be used for the purpose specified. The easement may be terminated in whole, or in part, by the Grantor, if non-use of the easement for the specified purpose exists for a consecutive two year period.

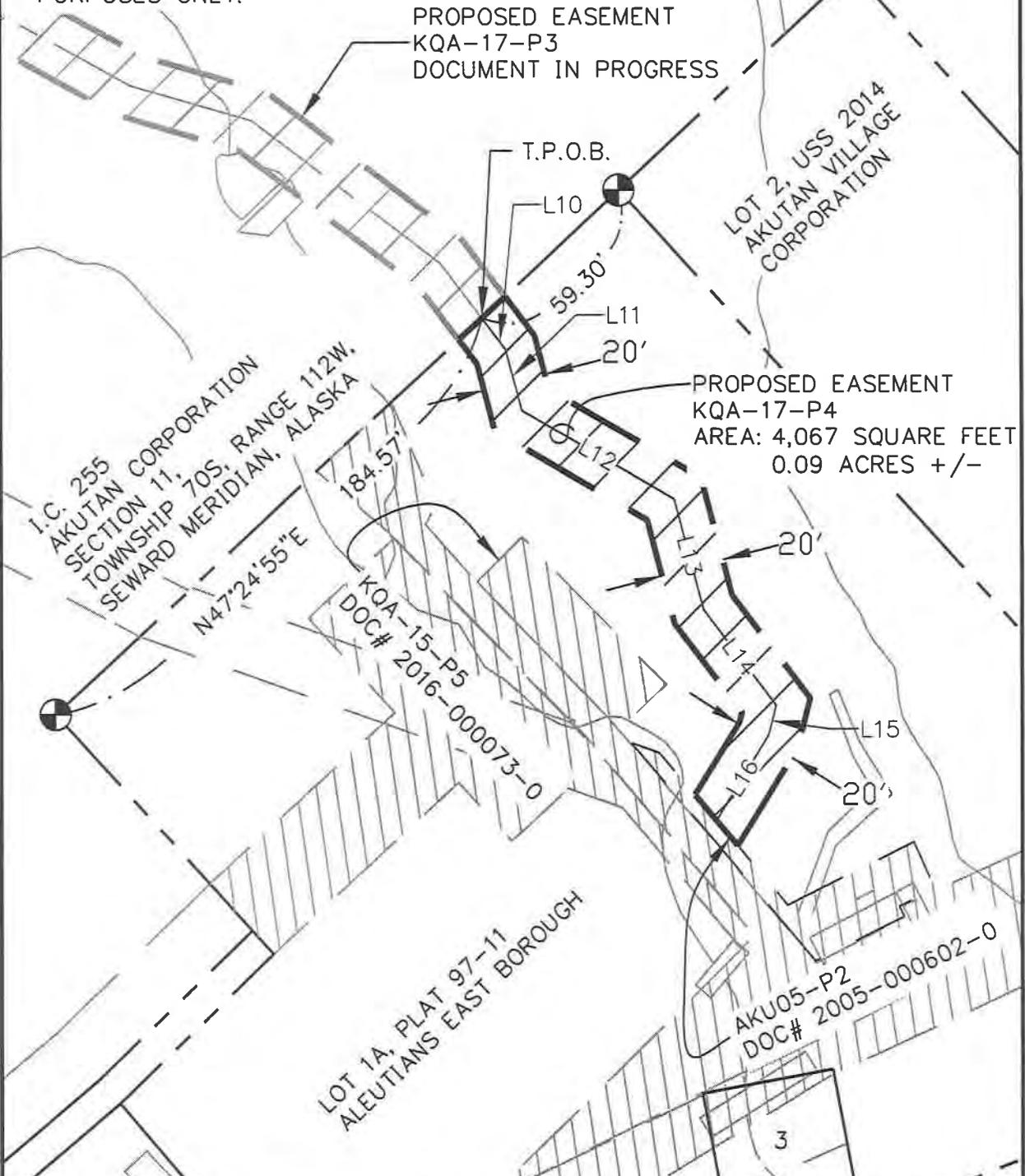
**ALEUTIAN ISLANDS RECORDING DISTRICT**





**NOTES:**

1. BUILDINGS AND OTHER IMPROVEMENTS SHOWN FOR GRAPHICAL ORIENTATION PURPOSES ONLY.



| PARCEL LINE DATA |        |               |
|------------------|--------|---------------|
| SEGMENT          | LENGTH | DIRECTION     |
| L10              | 12.41' | S37° 27' 41"E |
| L11              | 20.00' | S14° 57' 41"E |
| L12              | 55.78' | S59° 57' 41"E |
| L13              | 35.78' | S14° 57' 41"E |
| L14              | 37.95' | S37° 27' 41"E |
| L15              | 9.70'  | S14° 07' 32"W |
| L16              | 31.75' | S31° 47' 21"W |

**LEGEND:**

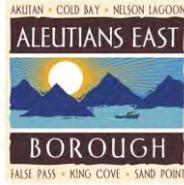
-  = FOUND BRASS CAP
- T.P.O.B. = TRUE POINT OF BEGINING
-  = PROPOSED EASEMENT
-  = EXISTING EASEMENT



**Alaska Native Tribal Health Consortium**  
 Division of Environmental Health and Engineering  
 4500 Diplomacy Drive  
 Anchorage, Alaska 99508  
 (907) 729-3600

**EXHIBIT:**  
 KQA-17-E4  
**PARCEL #** KQA-17-P4  
**RECORDING DISTRICT:**  
 ALEUTIAN ISLANDS

**COMMUNITY:**  
 AKUTAN, ALASKA  
**DATE:** 12/4/2017  
**PAGE** 4 **OF** 4



## RESOLUTION 18-26

### **A RESOLUTION OF THE ALEUTIANS EAST BOROUGH ASSEMBLY AUTHORIZING A DEED OF EASEMENT TO THE CITY OF AKUTAN FOR THE AKUTAN RAW WATER TRANSMISSION LINE PROJECT**

**WHEREAS**, Akutan, Alaska is a Second Class City located within the boundaries of the Aleutians East Borough (Borough); and

**WHEREAS**, the City of Akutan (City) and the Alaska Native Tribal Health Consortium (ANTHC) are participating in a joint project to upgrade the City's water utility; and

**WHEREAS**, the project involves the installation of a new water transmission line connecting the City's raw water impoundment to the water treatment plant; and

**WHEREAS**, the project requires a Deed of Easement from the Borough for approximately .09 acres of Borough property for the purpose of construction and maintenance of the raw water line and all appurtenances, a copy of which is attached hereto; and

**WHEREAS**, the Aleutians East Borough Municipal Code (AEBMC) Chapter 50.10 titled Real Property Acquisition and Disposal provides for the disposal of real property owned by the Borough; and

**WHEREAS**, AEBMC Sec. 50.10.070 (d) allows the Borough to convey property to the state, the federal government, or another local government at less than the market value; and

**WHEREAS**, the Assembly has determined that the disposal of this property to the City to complete the project is for the public good,

**NOW THEREFORE, BE IT RESOLVED**, the Assembly authorizes the Mayor to issue a Deed of Easement to the City of Akutan for the Akutan Raw Water Transmission Line Project at less than fair market value under AEBMC 50.10.070 (d).

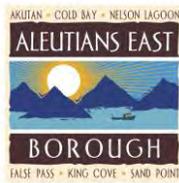
**PASSED AND ADOPTED** by the Aleutians East Borough on this \_\_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
Alvin D. Osterback, Mayor

ATTEST:

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Tina Anderson, Clerk



## Agenda Statement

Date: February 1, 2018  
To: Mayor Osterback and Assembly  
From: Mary Tesche, Assistant Administrator

### **Re: Resolution 18-27 approving the projects and initiatives identified on the Borough Strategic Plan**

The Aleutians East Borough (Borough) conducted a Planning Work Session on December 13<sup>th</sup>-15<sup>th</sup>, 2017, to help identify projects and initiatives that would be included on the Borough's Strategic Plan. Representatives from each community, outside stakeholders, and members of the public were in attendance and actively engaged in conversations about the Borough's role in community projects. The result of those conversations is the draft Borough Strategic Plan, which is presented with Resolution 18-27 for your review and approval.

Mayor Osterback, staff, and PGS consultants defined which projects would be part of the Borough's strategic plan based on the information shared to the Assembly during the work session. Many of the projects identified on the plan are currently being pursued or actively being completed. The plan also defines project leads, quarterly project outcomes, and year-end targets. This will ensure accountability and transparency through the next year of project activities.

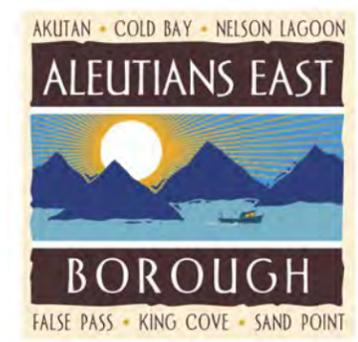
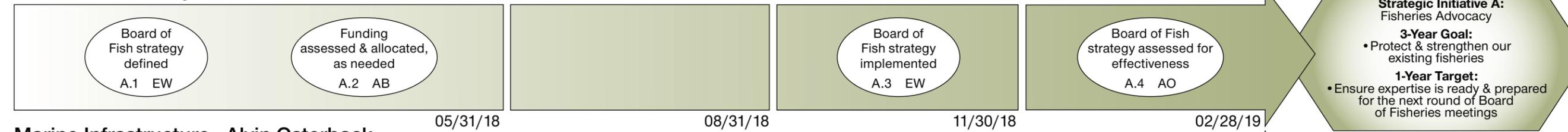
The plan is intended to be a living document and subject to modification by the project leads. Modifications could include changes in personnel or moving certain project components to a different quarter. PGS will hold a 6-month review with the Assembly to report on progress and to make any major modifications.

### **RECOMMENDATION**

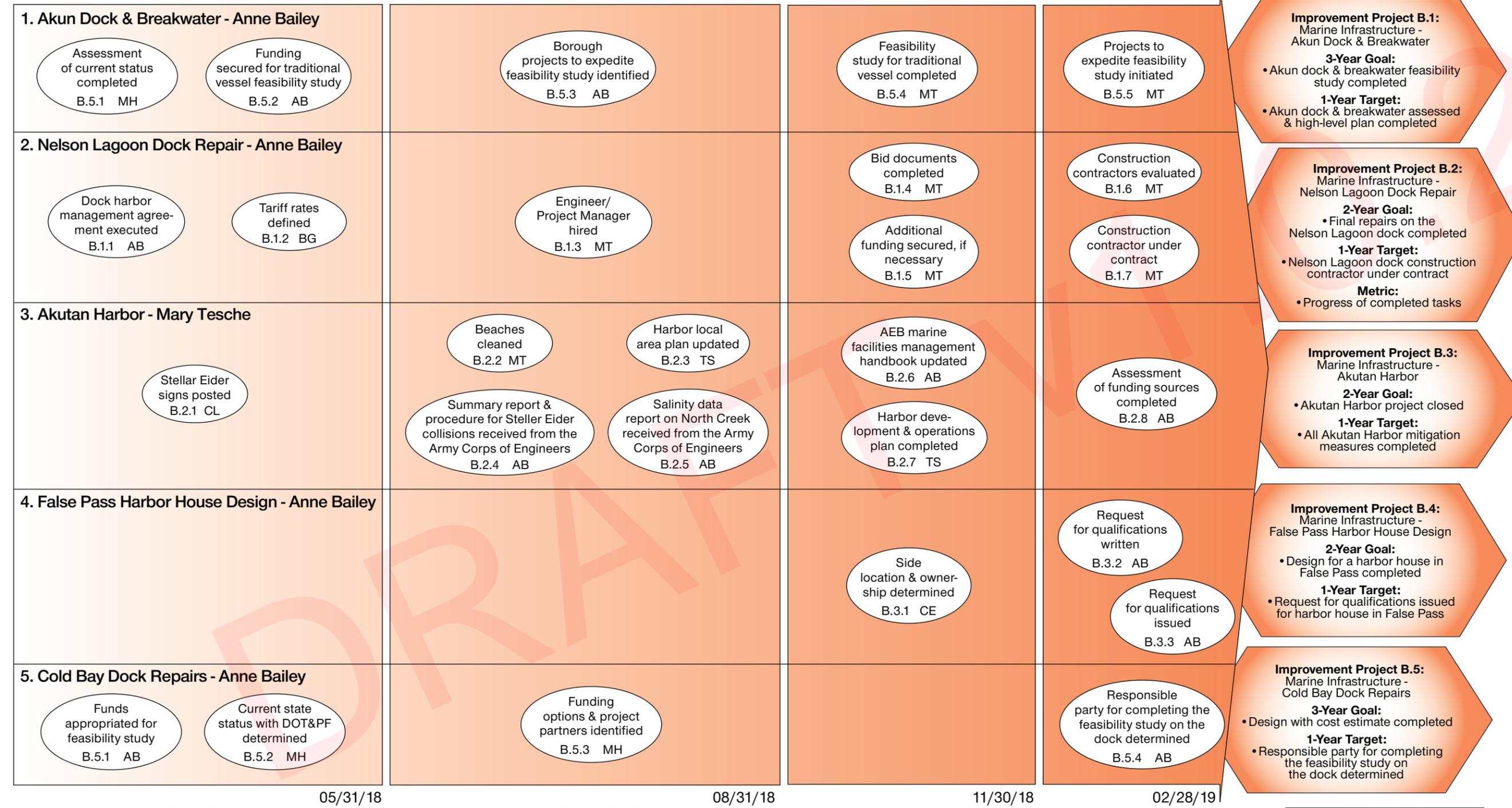
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Administration recommends approval of Resolution 18-27 approving the projects and initiatives identified on the Borough Strategic Plan

# Fisheries Advocacy - Ernie Weiss



# Marine Infrastructure - Alvin Osterback



**Vision Navigation® Chart #1**  
03/01/18 - 02/28/19

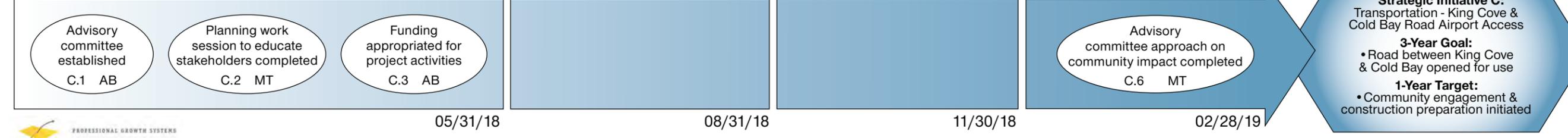
**Purpose:**  
To ensure the standard of living, well-being & future of our communities

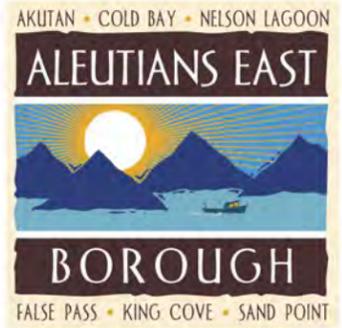
**Our Vision:**  
**Healthy People, Healthy Schools, Healthy Communities**

- ☆ Diversification of industry including our natural resources & community flexibility for Borough stability (7) (22)
- ☆ Healthy people with a strong cultural identity (7) (16)
- ☆ Our schools & community are providing quality education including secondary education & vocational skills within the communities (4) (13)
- ☆ Planned infrastructure projects completed (8)
- ☆ Availability, utilization & development of connectivity (physical & electronic) (4)

- TA Tina Anderson
- AB Anne Bailey
- CE Chris Emrich
- BRG Brad Gilman
- BG Butch Gundersen
- JG Justine Gundersen
- GH Gary Hennigh
- MH Mark Hickey
- CL Charlotte Levy
- EM Emil Mobeck
- AO Alvin Osterback
- TS Tuna Scanlan
- AS Angela Simpson
- LT Laura Tanis
- MT Mary Tesche
- EW Ernie Weiss

# Transportation - King Cove & Cold Bay Road Airport Access - Anne Bailey





**Vision Navigation®  
Chart #2**  
03/01/18 - 02/28/19

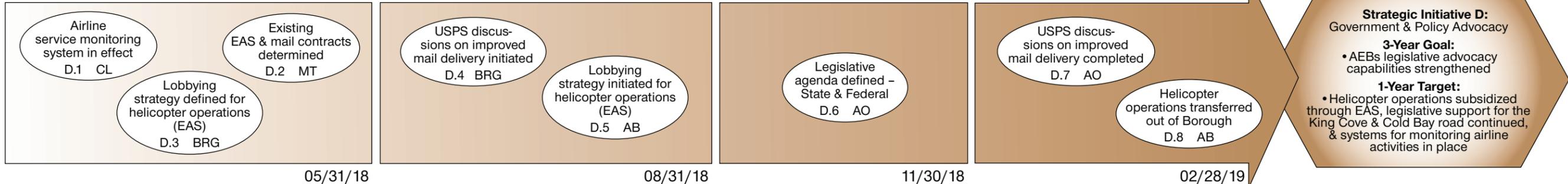
**Purpose:**  
To ensure the standard of living, well-being & future of our communities

**Our Vision:**  
**Healthy People, Healthy Schools, Healthy Communities**

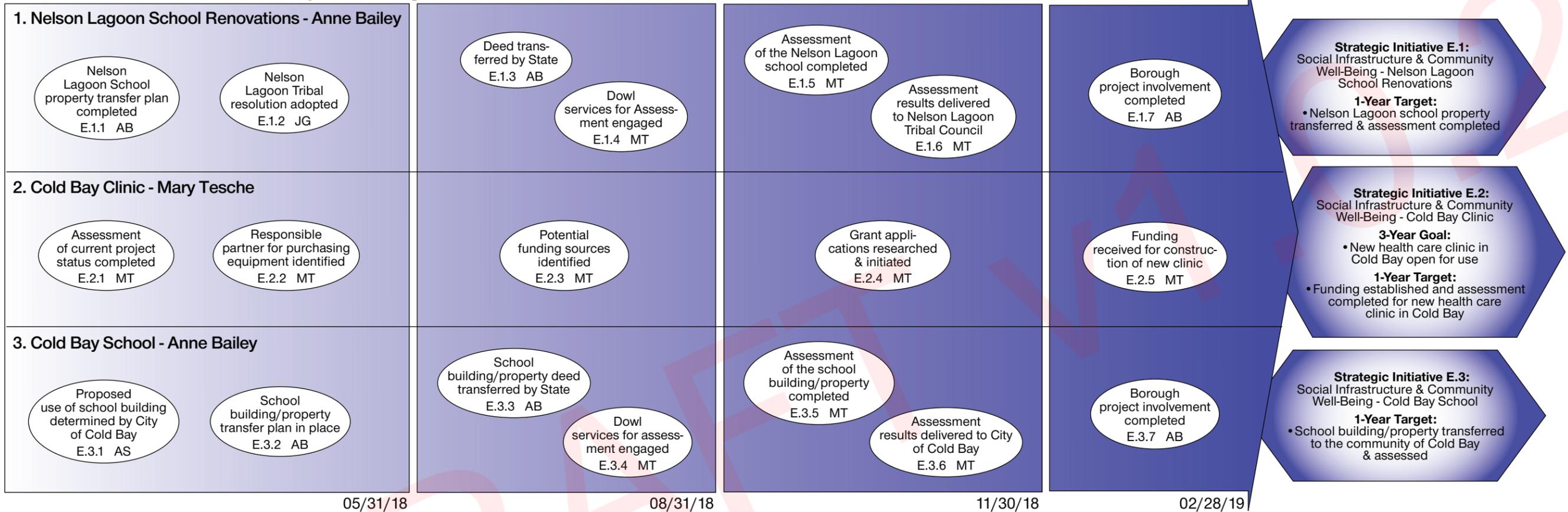
- ☆ Diversification of industry including our natural resources & community flexibility for Borough stability (7) (22)
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- EW Ernie Weiss

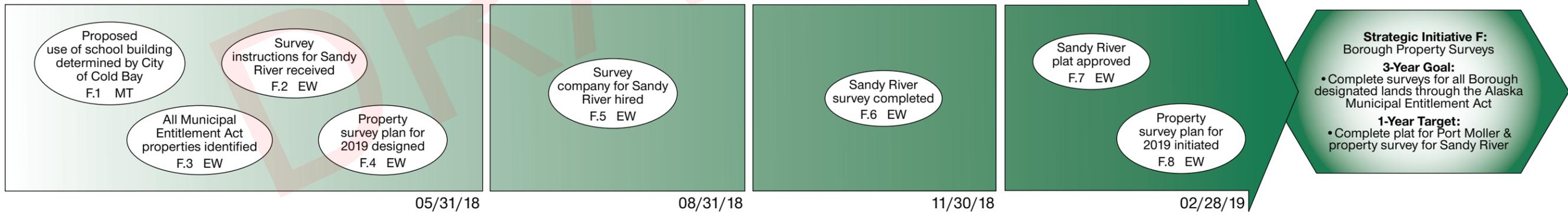
**Government & Policy Advocacy - Alvin Osterback**



**Social Infrastructure & Community Well-Being - Alvin Osterback**

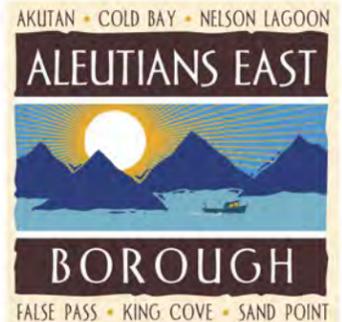


**Borough Property Surveys - Ernie Weiss**



**Borough Asset Management - Charlotte Levy**





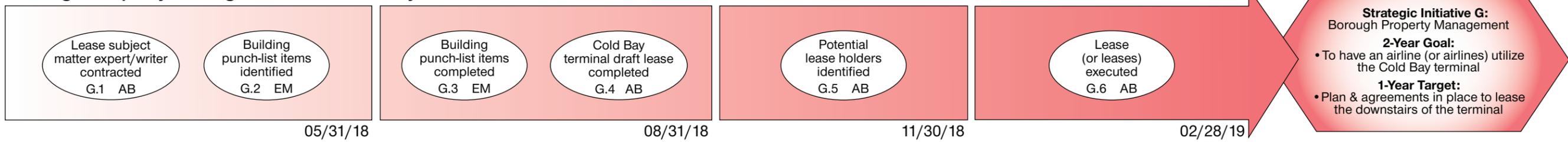
**Vision Navigation®  
Chart #3**  
03/01/18 - 02/28/19

**Purpose:**  
To ensure the standard of living, well-being & future of our communities

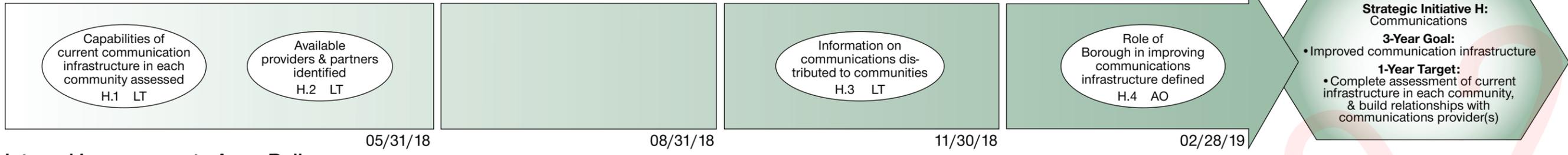
- Our Vision:**  
**Healthy People, Healthy Schools, Healthy Communities**
- ☆ Diversification of industry including our natural resources & community flexibility for Borough stability (7) (22)
  - ☆ Healthy people with a strong cultural identity (7) (16)
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- TS Tuna Scanlan
- AS Angela Simpson
- LT Laura Tanis
- MT Mary Tesche
- EW Ernie Weiss

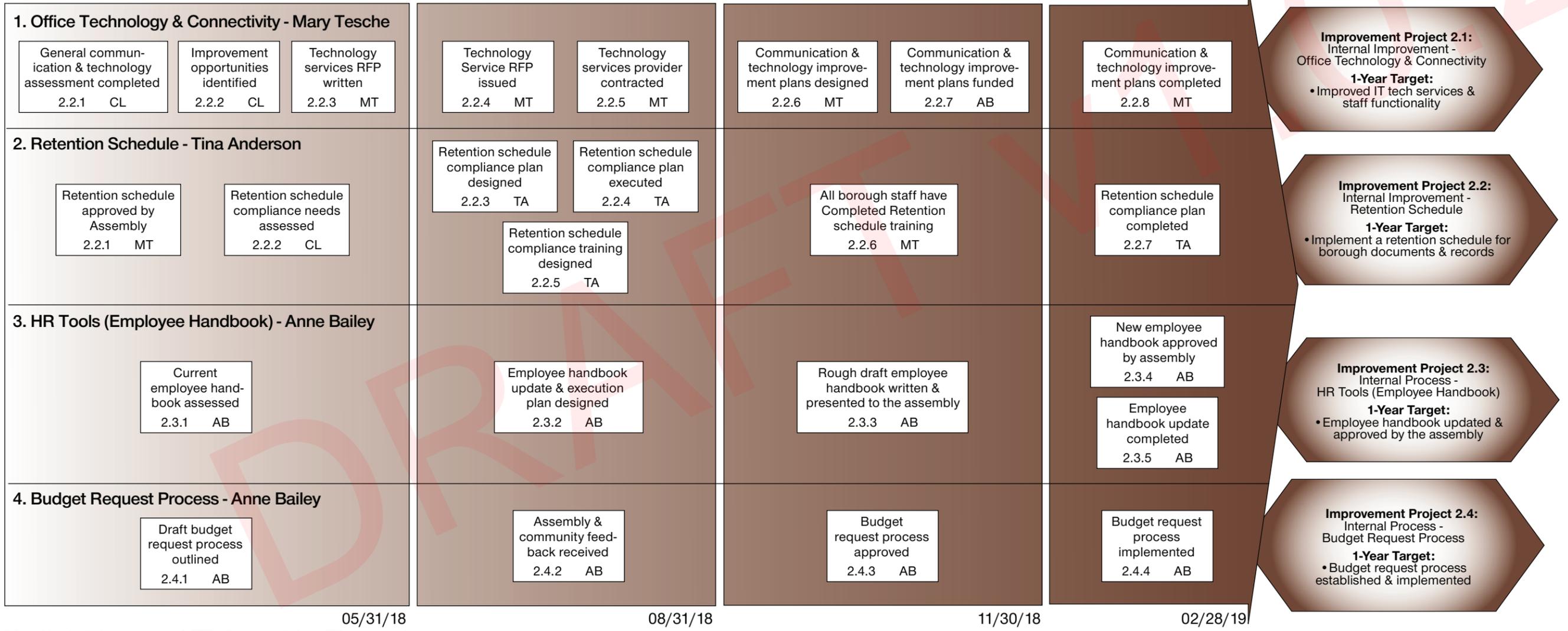
**Borough Property Management - Anne Bailey**



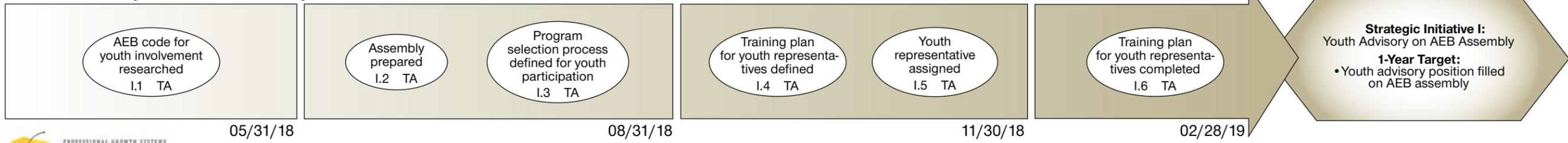
**Communications - Laura Tanis**

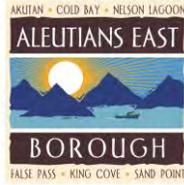


**Internal Improvement - Anne Bailey**



**Youth Advisory on AEB Assembly - Tina Anderson**





## RESOLUTION 18-27

### **A RESOLUTION OF THE ALEUTIANS EAST BOROUGH ASSEMBLY APPROVING THE PROJECTS AND INITIATIVES IDENTIFIED ON THE BOROUGH STRATEGIC PLAN**

**WHEREAS**, the Aleutians East Borough (Borough) conducted a Planning Work Session on December 13<sup>th</sup>, 14<sup>th</sup>, and 15<sup>th</sup>, 2017, for the purpose of identifying Borough projects and initiatives; and

**WHEREAS**, regional stakeholders and representatives from each Borough community participated in the work session and created a comprehensive list of ongoing and future projects and initiatives within the Borough; and

**WHEREAS**, the information gathered from the work session has been compiled into the Borough Strategic Plan, a copy of which is attached hereto; and

**WHEREAS**, the Strategic Plan identifies projects and initiatives that are important in fulfilling the Borough's vision and purpose; and

**WHEREAS**, the Strategic Plan will provide a foundation to identify, execute, and complete project components that will help the Borough reach targeted goals; and

**WHEREAS**, the Strategic Plan is intended to be a living document, subject to modification by project leaders.

**NOW THEREFORE, BE IT RESOLVED**, the Borough Assembly approves the projects and initiatives identified on the Borough Strategic Plan, and authorizes project leaders to make necessary modifications to project components that will help the Borough reach targeted goals.

**PASSED AND ADOPTED** by the Aleutians East Borough on this \_\_\_ day of \_\_\_\_\_, 2018.

---

Alvin D. Osterback, Mayor

ATTEST:

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## RESOLUTION 18-28

### **A RESOLUTION OF THE ALEUTIANS EAST BOROUGH ASSEMBLY REQUESTING THE ALASKA LEGISLATURE PRIORITIZE FUNDING FOR THE CONTINUED SERVICE OF THE ALASKA MARINE HIGHWAY SYSTEM.**

**WHEREAS**, the Alaska Marine Highway System (AMHS) is vitally important to the continued well-being of the communities of the Aleutians East Borough and other Alaska coastal communities; and,

**WHEREAS**, the seasonal twice a month ferry runs to southwest Alaska are a lifeline for travelers in our region including students, teachers, family relatives, fishermen, health workers and others; and

**WHEREAS**, the AMHS is a critical link for the transport of vehicles for residents in SW Alaska and for moving equipment for community projects; and

**WHEREAS**, the AMHS also brings in tourists to Alaska that spend money and enrich the local communities and overall State economy; and

**WHEREAS**, recent lapses in the Tustumena ferry schedule due to unplanned vessel drydock needs were devastating to individuals and community businesses that count on the ferry service; and

**WHEREAS**, the continuation of AMHS service is contingent on continued funding appropriations by the Alaska Legislature; and

**WHEREAS**, even more travelers could schedule and ride the AMHS with certainty if the AMHS was forward funded, resulting in increased revenue for the System.

**NOW THEREFORE BE IT RESOLVED**, the Aleutians East Borough Assembly requests the Alaska Legislature to prioritize funding that will maintain the current level of AMHS service; and

**BE IT FURTHER RESOLVED**, the Aleutians East Borough Assembly requests the Alaska Legislature consider investing in the AMHS to forward fund the System to result in an even more reliable system that will attract more ridership .

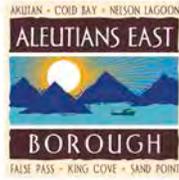
**PASSED AND APPROVED** by the Aleutians East Borough on this 8<sup>th</sup> day of February, 2018.

\_\_\_\_\_  
**Alvin D. Osterback, Mayor**

**ATTEST:** \_\_\_\_\_  
**Tina Anderson, Clerk**

Tina Anderson, Clerk

# Public Hearings



## Agenda Statement

Date: January 4, 2018  
To: Mayor Osterback and Assembly  
From: Mary Tesche, Assistant Administrator

### **Re: Ordinance 18-04 amending Title 40, Chapter 40.05 of the Aleutians East Borough Code of Ordinances adding a new section 40.05.105 to provide a Platting Board**

The AEB Code establishes planning, platting, and land use regulations for the Borough under Title 40. Much of the land within the Borough is federally restricted or controlled by local governments; however, for portions of land within the Borough that are outside federal or municipal boundaries, planning, platting and land use is administered by the AEB Planning Commission.

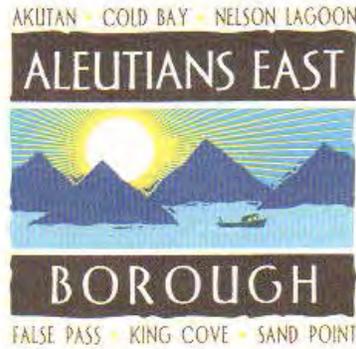
Ordinance 18-04 allows the Assembly to act as the AEB Platting Board for the purpose of formally reviewing and approving plats when the Planning Commission is inactive or otherwise unable to meet. The establishment of a Platting Board does not currently exist within the AEB Code. This ordinance also allows the Mayor and/or his delegate to approve abbreviated plats when the plat does not warrant a formal review.

In the event of an appeal to a decision made by the Assembly acting as the Platting Board, this ordinance allows for a hearing officer to hear the concerns of a plat approval, and issue a third-party decision regarding the appeal.

### RECOMMENDATION

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Administration recommends approval of Ordinance 18-04 amending Title 40, Chapter 40.05 of the AEB Code adding a new section 40.05.105 to provide a Platting Board.



**ORDINANCE SERIAL NO. 18-04**

**AN ORDINANCE AMENDING TITLE 40, CHAPTER 40.05  
OF THE ALEUTIANS EAST BOROUGH CODE OF ORDINANCES  
ADDING A NEW SECTION 40.05.105 TO PROVIDE A PLATTING BOARD**

**WHEREAS**, the legislative power of the Aleutians East Borough (“Borough”) is vested in its Borough Assembly under Alaska State Statute Sec. 29.20.050; and

**WHEREAS**, the Borough’s Code of Ordinances, Title 40, establishes planning, platting and land use for the Borough; and

**WHEREAS**, Title 40 of the Borough’s Code of Ordinances does not presently provide a Platting Board for the Borough; and

**WHEREAS**, in order to provide a Platting Board for the Borough, it is necessary to revise Title 40 of the Borough’s Code of Ordinances and add new Section 40.05.105, Platting Board; and

**WHEREAS**, the Assembly believes such revision to be in the Borough’s best interests.

**NOW, THEREFORE, LET IT BE ORDAINED BY THE ASSEMBLY OF THE  
ALEUTIANS EAST BOROUGH AS FOLLOWS:**

**Section 1.** Amendment of Borough Code. Amendment of the Aleutians East Borough Code of Ordinances, Title 40, Chapter 40.05.105 is hereby enacted as follows:

**40.05.105 Platting Board**

- (a) In the event that the Aleutians East Borough Planning Commission is unable to meet, then the Aleutians East Borough Assembly shall act as the Aleutians East Borough Platting Board;
- (b) If an appeal is filed regarding a Platting Board decision issued by the Assembly acting as the Platting Board, then the Aleutians East Borough will retain a Hearing Officer to hear the appeal;
- (c) Hearing Officer is an individual designated to conduct a hearing involving a question concerning the appropriateness of a plat approval or such other matters as may be assigned.
- (d) For abbreviated plats, the Platting Authority is granted to the Mayor and/or his delegate.

**Section 2.** Classification. This Ordinance shall be of a permanent nature and shall become a part of the Aleutians East Borough Code of Ordinances.

**Section 3.** Severability. If any provision of this Ordinance, or any application thereof to any person or circumstance is held invalid, the remainder of this Ordinance and the application to other persons or circumstances shall not be affected thereby.

**Section 4.** Effective Date. This Ordinance shall become effective upon adoption, and shall be included in the Aleutians East Borough Code at the time of its next regular supplementation and printing or ratification by the qualified voters of the Aleutians East Borough.

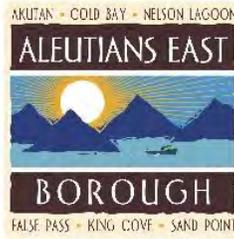
Passed and adopted by the Aleutians East Borough Assembly this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
Alvin D. Osterback, Mayor

ATTEST:

\_\_\_\_\_  
Tina Anderson, Borough Clerk

(SEAL)



## Agenda Statement

Date of Meeting: January 11, 2018

To: Mayor Osterback and Assembly Members

From: Anne Bailey, Administrator  
Roxann Newman, Finance Director

### **RE: Ordinance 18-05 Amending the Operating and Capital Budget for the Aleutians East Borough Fiscal Year 2018**

The proposed Aleutians East Borough (Borough) mid-year budget adjustments for Fiscal Year 2018 are outlined below:

#### **Budget Adjustments outlined in Ordinance 18-05**

1. Audit Expenditure Increase: The audit expenditures increased by \$10,000.00, which is reflected in the Finance Operating Fund Expenditures line item. The audit expense increased from \$50,000 to \$60,000 for FY18.
2. Salary Adjustment: The Assistant Administrator Salary is decreased by \$5,863.00 to \$90,000.00.
3. Vehicle Purchase Addition: Propose adding a vehicle line item to Dept. 900 Other in the amount of \$40,000 to purchase a truck for the Maintenance Department.

#### **Permanent Fund Earning Mid-Year Budget Appropriations not outlined in Ordinance 18-05**

1. Sand Point School Electrical Work: Move \$110,000 from the project contingency line item (E20-866-209-888 project contingency) to the Sand Point School Project Contingency line item (E41-800-867-888). This expenditure was approved by the Assembly via Resolution 17-27 at the June 30, 2017 Assembly Meeting. The invoice for this service was paid in November 2017 out of the Project Contingency line item.

## **Agenda Statement**

**Meeting Date: December 8, 2016**

### **FY18 AEB Capital Improvement Projects List**

2. Sand Point Harbor Float A Design: Move \$105,226.00 from the project contingency line item (E20-866-209-888 project contingency) to the Sand Point Harbor line item (E20-831-209-850 capital construction) resulting in \$205,226.00 in the Sand Point Harbor line item. The Assembly authorized the Mayor to negotiate and execute a contract with moffat & nichol for the Sand Point New Harbor “A” Float – Phase 1: Design and Permitting in an amount not to exceed \$205,226.00 by the Assembly via Resolution 17-29 at the June 30, 2017 Assembly Meeting. Per the November 2017 financials the Borough has expended \$139,400.70 on this project.
3. Cold Bay Preschool: Add a Cold Bay Preschool line item and move \$13,500.00 from the project contingency line item (E20-866-209-888 project contingency). This was approved by the Assembly via Resolution 18-07 at the November 9, 2017 Assembly Meeting.
4. False Pass School Assessment: Propose adding a project contingency line item to Dept. 800 – Capital – School Sub Dept. 857 False Pass School in the amount of \$50,000 to initiate an assessment of the False Pass School. The funds could be re-appropriated from the project contingency line item (E20-866-209-888 project contingency) in Dept. 866 AEB projects.
5. King Cove School Assessment: Propose adding a project contingency line item to Dept. 800 – Capital – School Sub Dept. 868 King Cove School in the amount of \$50,000 to initiate an assessment of the king Cove School. The funds could be re-appropriated from the project contingency line item (E20-866-209-888 project contingency) in Dept. 866 AEB projects.

ORDINANCE 18-05

AN ORDINANCE AMENDING THE OPERATING AND CAPITAL BUDGET FOR THE ALEUTIANS EAST BOROUGH FISCAL YEAR 2018.

|                           |  |
|---------------------------|--|
| Section 1. Classification | This is a non-code ordinance   |
| Section 2. Effective Date | This ordinance becomes effective upon Adoption.  |
| Section 3. Severability   | The terms, provisions, and sections of this Ordinance are severable.   |
| Section 4. Content        | The operating and capital budget for the Aleutians East Borough and the Aleutians East Borough School District for Fiscal Year 2018 is amended as follows: |

| REVENUES                      | FY18 BUDGET           |
|-------------------------------|-----------------------|
| Local                         |                       |
| Interest Income               | \$35,000.00           |
| AEB Fish Tax                  | \$3,200,779.00        |
| AEBSD Refund                  |                       |
| Other Revenue                 | \$50,000.00           |
| State                         |                       |
| Shared Fishery Tax            | \$2,093,686.72        |
| Extraterritorial Fish Tax     | \$101,299             |
| Landing Tax                   | \$35,222              |
| Debt Reimbursement            | \$1,311,650           |
| State Aid to Local Government | \$258,921             |
| Federal                       |                       |
| Payment in Lieu of Taxes      | \$559,000             |
| USF&WS Lands                  | \$36,256              |
| <b>Total FY18 Revenues</b>    | <b>\$7,681,813.72</b> |
| AEBSD Revenue                 | \$8,179,533           |

## OPERATING FUND EXPENDITURES

|                                  |             |
|----------------------------------|-------------|
| Mayor                            | \$268,696   |
| Assembly                         | \$158,000   |
| Administration                   | \$344,450   |
| Assistant Administrator          | \$144,825   |
| Clerk/Planning                   | \$189,920   |
| Planning Commission              | \$55,500    |
| Finance                          | \$276,914   |
| Natural Resources                | \$201,936   |
| Communications Manager           | \$178,047   |
| Maintenance Director             | \$118,657   |
| Educational Support              | \$845,000   |
| KCAP                             | \$127,500   |
| Other                            |             |
| Gen.Fund                         |             |
| Equipment                        | \$35,000    |
| AEB Vehicles                     | \$40,000    |
| Repairs                          | \$5,000     |
| Utilities                        | \$25,000    |
| Aleutia Crab                     | \$58,522    |
| Legal                            | \$100,000   |
| Insurance                        | \$160,000   |
| Bank Fees                        | \$12,000    |
| EATS                             | \$150,000   |
| Misc.                            | \$96,000    |
| Donations                        | \$23,500    |
| NLG Rev. Sharing                 | 12,900      |
| Web Service/Tech                 | \$30,000    |
| Total Other                      | \$747,922   |
| Total General Fund               | \$3,657,367 |
| Capital Projects                 | \$0         |
| Bond Projects                    | \$0         |
| Debt Services                    | \$2,170,000 |
| Maintenance Reserve              | \$100,000   |
| Total Expenditure                | 5,927,367   |
| Transfer to Helicopter Operation | \$1,500,000 |

|  |             |
|--|-------------|
| AEB Surplus                                | \$254,446   |
| AEBSD<br>Expenses                          | \$8,179,533 |
| Fund 20, AEB Community Grant, Revenues     | \$2,954,000 |
| Fund 20, AEB Community Grant, Exp.         | \$2,954,000 |
| Fund 22, Helicopter, Revenues              | \$395,000   |
| Fund 22, Helicopter, Expenditures          | \$1,895,000 |
| Fund 22, Terminal Operations, Revenues     | \$139,620   |
| Fund 22, Terminal Operations, Expenditures | \$84,075    |
| Fund 24, Bond Project, Revenues            | 0           |
| Fund 24, Bond Project, Expenditures        | 0           |
| Fund 30, Bond Payments, Revenues           | 0           |
| Fund 30, Bond Payments, Expenditures       | 0           |
| Fund 40, Permanent Fund, Revenues          | \$35,000    |
| Fund 40, Permanent Fund, Expenditures      | \$35,000    |
| Fund 41, Maintenance Reserve, Revenues     | \$          |
| Fund 41, Maintenance Reserve, Expenditures | \$          |

Passed and adopted by the Aleutians East Borough Assembly this \_\_\_\_\_ day of February, 2018.

Date Introduced: 01/11/2018

Date Adopted: \_\_\_\_\_

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
Clerk

| REVENUES |                                | FY18 Budget            | FY18 Mid-Year          |
|----------|--------------------------------|------------------------|------------------------|
|          | AEBSD Revenues                 | \$ 8,128,388.00        | \$ 8,179,533.00        |
| Local    | Interest Income                | \$ 35,000.00           | \$ 35,000.00           |
|          | AEB Fish Tax                   | \$ 3,200,779.00        | \$ 3,200,779.00        |
|          | AEBSD Refund                   |                        |                        |
|          | Other Revenue                  | \$ 50,000.00           | \$ 50,000.00           |
| State    | Shared Fishery Tax             | \$ 2,067,181.00        | \$ <b>2,093,686.72</b> |
|          | Extraterritorial Fish Tax      | \$ 101,299.00          | \$ 101,299.00          |
|          | Landing Tax                    | \$ 35,222.00           | \$ 35,222.00           |
|          | Debt Reimbursement             | \$ 1,311,650.00        | \$ 1,311,650.00        |
|          | State Aid to Local Governments | \$ 258,921.00          | \$ 258,921.00          |
| Federal  | Payment in Lieu of Taxes       | \$ 559,000.00          | \$ 559,000.00          |
|          | USF&WS Lands                   | \$ 36,256.00           | \$ 36,256.00           |
|          | <b>Total FY Revenues</b>       | <b>\$ 7,655,308.00</b> | <b>\$ 7,681,813.72</b> |

Operating Fund Expenditures

|                         |               |                      |
|-------------------------|---------------|----------------------|
| Mayor                   | \$ 268,696.00 | \$ 268,696.00        |
| Assembly                | \$ 158,000.00 | \$ 158,000.00        |
| Administration          | \$ 344,450.00 | \$ 344,450.00        |
| Assistant Administrator | \$ 150,688.00 | \$ <b>144,825.00</b> |
| Clerk/Planning          | \$ 189,920.00 | \$ 189,920.00        |
| Planning Commission     | \$ 55,500.00  | \$ 55,500.00         |
| Finance                 | \$ 266,914.00 | \$ <b>276,914.00</b> |
| Natural Resources       | \$ 201,936.00 | \$ 201,936.00        |
| Communication Manager   | \$ 178,047.00 | \$ 178,047.00        |
| Maintenance Director    | \$ 118,657.00 | \$ 118,657.00        |
| Educational Support     | \$ 845,000.00 | \$ 845,000.00        |
| KCAP                    | \$ 127,500.00 | \$ 127,500.00        |
| <b>Other GF</b>         |               |                      |
| Equipment               | \$ 35,000.00  | \$ 35,000.00         |
| AEB Vehicles            | \$ -          | \$ <b>40,000.00</b>  |
| Repairs                 | \$ 5,000.00   | \$ 5,000.00          |
| Utilities               | \$ 25,000.00  | \$ 25,000.00         |
| Aleutia Crab            | \$ 58,522.00  | \$ 58,522.00         |
| Legal                   | \$ 100,000.00 | \$ 100,000.00        |
| Insurance               | \$ 160,000.00 | \$ 160,000.00        |
| Bank Fees               | \$ 12,000.00  | \$ 12,000.00         |
| EATS                    | \$ 150,000.00 | \$ 150,000.00        |
| Misc.                   | \$ 96,000.00  | \$ 96,000.00         |
| Donations               | \$ 23,500.00  | \$ 23,500.00         |

|  |    |                     |    |                     |
|--|----|---------------------|----|---------------------|
| NLG Rev. Sharing                           | \$ | 12,900.00           | \$ | 12,900.00           |
| Web Service/Tech Support                   | \$ | 30,000.00           | \$ | 30,000.00           |
|  | \$ | <b>707,922.00</b>   | \$ | <b>747,922.00</b>   |
| Total General Fund                         | \$ | <b>3,613,230.00</b> | \$ | <b>3,657,367.00</b> |
| Capital Projects                           |    |                     |    |                     |
| Bond Projects                              |    |                     |    |                     |
| Debt Services                              | \$ | 2,170,000.00        | \$ | 2,170,000.00        |
| Maintenance Reserve                        | \$ | 100,000.00          | \$ | 100,000.00          |
| Total Expenditure                          | \$ | <b>5,883,230.00</b> | \$ | <b>5,927,367.00</b> |
| Transfer to Helicopter Operation           | \$ | 1,500,000.00        | \$ | 1,500,000.00        |
| AEB Surplus                                | \$ | <b>227,941.00</b>   | \$ | <b>254,446.72</b>   |
| AEBSD Expenditures                         | \$ | <b>8,128,388.00</b> | \$ | <b>8,179,533.00</b> |
|  |    |                     |    |                     |
| Fund 20 Community Grants AEB, Revenues     | \$ | 2,954,000.00        | \$ | 2,954,000.00        |
| Community Grants AEB, Expenditures         | \$ | 2,954,000.00        | \$ | 2,954,000.00        |
|  |    |                     |    |                     |
| Fund 22, Helicopter, Revenues              | \$ | 395,000.00          | \$ | 395,000.00          |
| Fund 22, Helicopter, Expenditures          | \$ | 1,895,000.00        | \$ | 1,895,000.00        |
|  |    |                     |    |                     |
| Fund 22, Terminal Operations, Revenues     | \$ | 139,620.00          | \$ | 139,620.00          |
| Fund 22, Terminal Operations, Expenditures | \$ | 84,075.00           | \$ | 84,075.00           |
|  |    |                     |    |                     |
| Fund 24, Bond Project, Revenues            | \$ | -                   | \$ | -                   |
| Fund 24, Bond Project, Expenditures        | \$ | -                   | \$ | -                   |
|  |    |                     |    |                     |
| Fund 30, Bond Payments, Revenues           | \$ | -                   | \$ | -                   |
| Fund 30, Bond Payments, Expenditures       | \$ | -                   | \$ | -                   |
|  |    |                     |    |                     |
| Fund 40, Permanent Fund, Revenues          | \$ | 35,000.00           | \$ | 35,000.00           |
| Fund 40, Permanent Fund, Expenditures      | \$ | 35,000.00           | \$ | 35,000.00           |
|  |    |                     |    |                     |
| Fund 41 Maintenance Reserve, Revenues      | \$ | -                   | \$ | -                   |
| Fund 41 Maintenance Reserve, Expenditures  | \$ | -                   | \$ | -                   |

|                                   | FY18 Budget          | FY18 Mid-Year        |
|-----------------------------------|----------------------|----------------------|
| <b>Mayor's Office</b>             |                      |                      |
| Salary                            | \$ 80,364.00         | \$ 80,364.00         |
| Fringe                            | \$ 29,232.00         | \$ 29,232.00         |
| Travel                            | \$ 36,000.00         | \$ 36,000.00         |
| Phone                             | \$ 1,500.00          | \$ 1,500.00          |
| Supplies                          | \$ 1,000.00          | \$ 1,000.00          |
| Lobbying, federal                 | \$ 75,600.00         | \$ 75,600.00         |
| Lobbying, state                   | \$ 45,000.00         | \$ 45,000.00         |
| <b>Total Mayor's Office</b>       | <b>\$ 268,696.00</b> | <b>\$ 268,696.00</b> |
| <b>Assembly</b>                   |                      |                      |
| Meeting Fee                       | \$ 25,000.00         | \$ 25,000.00         |
| Fringe                            | \$ 90,000.00         | \$ 90,000.00         |
| Travel                            | \$ 40,000.00         | \$ 40,000.00         |
| Supplies                          | \$ 3,000.00          | \$ 3,000.00          |
| <b>Total Assembly</b>             | <b>\$ 158,000.00</b> | <b>\$ 158,000.00</b> |
| <b>Administration</b>             |                      |                      |
| Salary                            | \$ 177,008.00        | \$ 177,008.00        |
| Fringe                            | \$ 66,438.00         | \$ 66,438.00         |
| Engineering                       | \$ 25,000.00         | \$ 25,000.00         |
| Travel & per diem                 | \$ 25,500.00         | \$ 25,500.00         |
| Phone                             | \$ 7,100.00          | \$ 7,100.00          |
| Postage                           | \$ 2,500.00          | \$ 2,500.00          |
| Supplies                          | \$ 15,000.00         | \$ 15,000.00         |
| Rent                              | \$ 23,404.00         | \$ 23,404.00         |
| Dues & fees                       | \$ 2,500.00          | \$ 2,500.00          |
| <b>Total Administration</b>       | <b>\$ 344,450.00</b> | <b>\$ 344,450.00</b> |
| <b>Assistant Administrator</b>    |                      |                      |
| Salary                            | \$ 95,863.00         | \$ 90,000.00         |
| Fringe                            | \$ 31,422.00         | \$ 31,422.00         |
| Travel                            | \$ 10,000.00         | \$ 10,000.00         |
| Phone                             | \$ 2,000.00          | \$ 2,000.00          |
| Supplies                          | \$ 2,500.00          | \$ 2,500.00          |
| Rent                              | \$ 8,903.00          | \$ 8,903.00          |
| <b>Total Assistant Administra</b> | <b>\$ 150,688.00</b> | <b>\$ 144,825.00</b> |
| <b>Clerk/Planning</b>             |                      |                      |
| Salary                            | \$ 93,974.00         | \$ 93,974.00         |
| Fringe                            | \$ 34,946.00         | \$ 34,946.00         |
| Travel & per diem                 | \$ 12,500.00         | \$ 12,500.00         |
| Phone                             | \$ 7,500.00          | \$ 7,500.00          |
| Postage                           | \$ 1,000.00          | \$ 1,000.00          |
| Supplies                          | \$ 5,000.00          | \$ 5,000.00          |
| Utilities                         | \$ 20,000.00         | \$ 20,000.00         |

|                             |                      |                      |
|-----------------------------|----------------------|----------------------|
| Dues & fees                 | \$ 5,000.00          | \$ 5,000.00          |
| Elections                   | \$ 10,000.00         | \$ 10,000.00         |
| <b>Total Clerk/Planning</b> | <b>\$ 189,920.00</b> | <b>\$ 189,920.00</b> |

**Planning Commission**

|                                 |                     |                     |
|---------------------------------|---------------------|---------------------|
| Salary                          | \$ 10,000.00        | \$ 10,000.00        |
| Fringe                          | \$ 500.00           | \$ 500.00           |
| Contract                        | \$ 25,000.00        | \$ 25,000.00        |
| Travel/Per diem                 | \$ 20,000.00        | \$ 20,000.00        |
| Permitting                      | \$ -                | \$ -                |
| <b>Total Planning Commissio</b> | <b>\$ 55,500.00</b> | <b>\$ 55,500.00</b> |

**Finance**

|                      |                      |                      |
|----------------------|----------------------|----------------------|
| Salary               | \$ 135,049.00        | \$ 135,049.00        |
| Fringe               | \$ 53,365.00         | \$ 53,365.00         |
| Travel & per diem    | \$ 7,000.00          | \$ 7,000.00          |
| Phone                | \$ 8,000.00          | \$ 8,000.00          |
| Postage              | \$ 1,000.00          | \$ 1,000.00          |
| Supplies             | \$ 7,500.00          | \$ 7,500.00          |
| Utilities            | \$ 5,000.00          | \$ 5,000.00          |
| Audit                | \$ 50,000.00         | \$ <b>60,000.00</b>  |
| <b>Total Finance</b> | <b>\$ 266,914.00</b> | <b>\$ 276,914.00</b> |

**Natural Resources**

|                   |                      |                      |
|-------------------|----------------------|----------------------|
| Salary            | \$ 92,571.00         | \$ 92,571.00         |
| Fringe            | \$ 31,462.00         | \$ 31,462.00         |
| Travel & per diem | \$ 20,000.00         | \$ 20,000.00         |
| Phone             | \$ 1,500.00          | \$ 1,500.00          |
| Supplies          | \$ 2,500.00          | \$ 2,500.00          |
| NPFMC             | \$ 15,000.00         | \$ 15,000.00         |
| BOF Meeting       | \$ 30,000.00         | \$ 30,000.00         |
| Rent              | \$ 8,903.00          | \$ 8,903.00          |
| <b>Total</b>      | <b>\$ 201,936.00</b> | <b>\$ 201,936.00</b> |

**Communication Manager**

|                        |                      |                      |
|------------------------|----------------------|----------------------|
| Salary                 | \$ 98,973.00         | \$ 98,973.00         |
| Fringe                 | \$ 34,158.00         | \$ 34,158.00         |
| Travel & per diem      | \$ 15,000.00         | \$ 15,000.00         |
| Phone                  | \$ 2,400.00          | \$ 2,400.00          |
| Supplies               | \$ 2,500.00          | \$ 2,500.00          |
| Rent                   | \$ 10,016.00         | \$ 10,016.00         |
| Advertising/promotions | \$ 15,000.00         | \$ 15,000.00         |
| <b>Total</b>           | <b>\$ 178,047.00</b> | <b>\$ 178,047.00</b> |

**Other**

|           |              |              |
|-----------|--------------|--------------|
| Equipment | \$ 35,000.00 | \$ 35,000.00 |
|-----------|--------------|--------------|

|                          |                      |                      |
|--------------------------|----------------------|----------------------|
| AEB Vehicles             | \$ -                 | \$ 40,000.00         |
| Repairs                  | \$ 5,000.00          | \$ 5,000.00          |
| Utilities                | \$ 25,000.00         | \$ 25,000.00         |
| Aleutia Crab             | \$ 58,522.00         | \$ 58,522.00         |
| Legal                    | \$ 100,000.00        | \$ 100,000.00        |
| Insurance                | \$ 160,000.00        | \$ 160,000.00        |
| Bank Fees                | \$ 12,000.00         | \$ 12,000.00         |
| EATS                     | \$ 150,000.00        | \$ 150,000.00        |
| Misc.                    | \$ 96,000.00         | \$ 96,000.00         |
| Donations                | \$ 23,500.00         | \$ 23,500.00         |
| NLG Rev. Sharing         | \$ 12,900.00         | \$ 12,900.00         |
| Web Service/Tech Support | \$ 30,000.00         | \$ 30,000.00         |
| <b>Total Other</b>       | <b>\$ 707,922.00</b> | <b>\$ 747,922.00</b> |

**Maintenance Director**

|                           |                      |                      |
|---------------------------|----------------------|----------------------|
| Salary                    | \$ 64,633.00         | \$ 64,633.00         |
| Fringe                    | \$ 31,024.00         | \$ 31,024.00         |
| Travel & per diem         | \$ 15,000.00         | \$ 15,000.00         |
| Phone                     | \$ 1,000.00          | \$ 1,000.00          |
| Supplies                  | \$ 5,000.00          | \$ 5,000.00          |
| Utilities                 | \$ 2,000.00          | \$ 2,000.00          |
| <b>Total Public Works</b> | <b>\$ 118,657.00</b> | <b>\$ 118,657.00</b> |

**Education**

|                    |               |               |
|--------------------|---------------|---------------|
| Local Contribution | \$ 800,000.00 | \$ 800,000.00 |
| Scholarships       | \$ 25,000.00  | \$ 25,000.00  |
| Student travel     | \$ 20,000.00  | \$ 20,000.00  |

**Total Educational Support \$ 845,000.00 \$ 845,000.00**

**KCAP**

|                   |                      |                      |
|-------------------|----------------------|----------------------|
| Salary            | \$ 2,500.00          | \$ 2,500.00          |
| Fringe            | \$ 20,000.00         | \$ 20,000.00         |
| Travel & per diem | \$ 4,000.00          | \$ 4,000.00          |
| Supplies          | \$ 1,000.00          | \$ 1,000.00          |
| Maintenance       | \$ 100,000.00        | \$ 100,000.00        |
|                   | <b>\$ 127,500.00</b> | <b>\$ 127,500.00</b> |

**TOTAL OPERATING BUDGT \$ 3,613,230.00 \$ 3,663,230.00**

|   | FY18                   | FY18 Mid-Year          |
|---|------------------------|------------------------|
| <b>Fund 22 Terminal Operations</b>                          |                        |                        |
| Revenues  |                        |                        |
| Remaining construction Loan/<br>Remaining FAA reimbursement |                        |                        |
| Other Income  |                        |                        |
| Leases  | \$ 139,620.00          | \$ 139,620.00          |
|   | <b>\$ 139,620.00</b>   | <b>\$ 139,620.00</b>   |
| Expenses  |                        |                        |
| Salary  | \$ 27,958.00           | \$ 27,958.00           |
| Fringe  | \$ 3,617.00            | \$ 3,617.00            |
| Contract  |                        |                        |
| Travel & Perdiem  |                        |                        |
| Phone, Internet   | \$ 4,500.00            | \$ 4,500.00            |
| Supplies  | \$ 7,500.00            | \$ 7,500.00            |
| Rental/Lease  |                        |                        |
| Utilities   | \$ 24,000.00           | \$ 24,000.00           |
| Fuel/Gas  | \$ 1,500.00            | \$ 1,500.00            |
| Fuel/diesel   | \$ 15,000.00           | \$ 15,000.00           |
|   | <b>\$ 84,075.00</b>    | <b>\$ 84,075.00</b>    |
| <b>Fund 22 Helicopter Operations</b>                        |                        |                        |
| Revenues  |                        |                        |
| Medivacs  | \$ 5,000.00            | \$ 5,000.00            |
| Freight   | \$ 90,000.00           | \$ 90,000.00           |
| Other Income  |                        |                        |
| Tickets, fees, etc.   | \$ 300,000.00          | \$ 300,000.00          |
|   | <b>\$ 395,000.00</b>   | <b>\$ 395,000.00</b>   |
| Expenses  |                        |                        |
| Salary  | \$ 130,520.00          | \$ 130,520.00          |
| Fringe  | \$ 32,140.00           | \$ 32,140.00           |
| Travel  | \$ 5,000.00            | \$ 5,000.00            |
| Phone/Internet  | \$ 2,140.00            | \$ 2,140.00            |
| Supplies  | \$ 60,000.00           | \$ 60,000.00           |
| Contract  | \$ 1,453,000.00        | \$ 1,453,000.00        |
| Fuel/gas  | \$ 12,000.00           | \$ 12,000.00           |
| Fuel/diesel   | \$ 150,000.00          | \$ 150,000.00          |
| Insurance   | \$ 18,200.00           | \$ 18,200.00           |
| Utilities   | \$ 8,000.00            | \$ 8,000.00            |
| Rent/Lease  | \$ 24,000.00           | \$ 24,000.00           |
|   | <b>\$ 1,895,000.00</b> | <b>\$ 1,895,000.00</b> |

| Aleutians East Borough--Capital Project List   |                            |                 |                        |                      |                                |                               |  |
|--|----------------------------|-----------------|------------------------|----------------------|--------------------------------|-------------------------------|--|
| Proposed FY18 Capital Project Funding-PFE Allocation   |                            |                 |                        |                      |                                |                               |  |
| Project  | Possible Funding Source(s) | Current Funding | FY17 Budget as Amended | Approved FY18 Budget | FY18 Mid-Year Budget Amendment |                               |  |
| False Pass Harbor  | Bonds/Leg                  | \$ 339,265      |                        |                      |                                |                               |  |
| Akutan Harbor  | Bonds/Leg                  | \$ -            | \$ 100,000             | \$ -                 |                                |                               |  |
| Akutan Harbor Floats - B Float   | Various                    | \$ 427,540      | \$ -                   | \$ -                 |                                |                               |  |
| King Cove Access Road  | Leg                        | *               | \$ 512,500             | \$ 512,500           |                                |                               |  |
| Sand Point School Repairs  |                            | \$ -            | \$ 50,000              |                      | \$ 110,000.00                  | *Sand Point School Electrical |  |
| Nelson Lagoon Erosion  | Leg/PFE                    | \$ 903,000      | \$ -                   |                      |                                |                               |  |
| Cold Bay Clinic  | Leg/Bonds/PFE              | \$ 1,618,139    | \$ -                   | \$ 1,000,000         |                                |                               |  |
| Akutan Airport Transportation Link   | CSA/Leg/Bonds              | **              | \$ -                   | \$ -                 |                                |                               |  |
| King Cove Harbor-Stub Breakwater   | Leg/Bonds                  | \$ -            | \$ -                   | \$ -                 |                                |                               |  |
| Sand Point Harbor Floats   |                            |                 | \$ -                   | \$ -                 |                                |                               |  |
| -Design/Eng/Mgmt.  | PFE                        | \$ -            | \$ 100,000             |                      | \$ 105,226.00                  | *Sand Point Float A           |  |
| -Construction  | Leg/Bonds                  | \$ -            | \$ -                   | \$ -                 |                                |                               |  |
| Cold Bay Dock/Harbor   | Leg/Bonds                  | \$ -            | \$ -                   | \$ -                 |                                |                               |  |
| Nelson Lagoon Dock Repairs   | PFE/Leg/Bonds              | \$ -            | \$ 125,000             | \$ 900,000           |                                |                               |  |
| Nelson Lagoon School-Renovations   |                            |                 | \$ 50,000              |                      |                                |                               |  |
| Cold Bay School  |                            |                 | \$ 50,000              |                      | \$ 13,500.00                   | *Cold Bay Preschool           |  |
| Cold Bay Preschool   |                            |                 |                        |                      |                                |                               |  |
| Akutan School Repairs  |                            |                 | \$ 50,000              |                      |                                |                               |  |
| King Cove School Assessment  |                            |                 |                        |                      | \$ 50,000.00                   | *                             |  |
| False Pass School Assessment   |                            |                 |                        |                      | \$ 50,000.00                   | *                             |  |
| False Pass Harbor House  |                            |                 | \$ -                   | \$ -                 |                                |                               |  |
| -Design/Eng  | Other                      | \$ -            | \$ -                   | \$ 100,000           |                                |                               |  |
| Borough Property Surveys   |                            | \$ -            | \$ 85,000              | \$ 85,000            |                                |                               |  |
| Total Project Funding  |                            |                 | \$ 1,122,500           | \$ 2,597,500         |                                |                               |  |
| AEB Capital Project Contingency Fund   |                            |                 | \$ 245,500             | \$ 356,500           | \$ 27,774.00                   |                               |  |
|  |                            |                 | \$ -                   | \$ -                 |                                |                               |  |
| Total PFE & Contingency Fund   |                            |                 | \$ 1,368,000           | \$ 2,954,000         | \$ 2,954,000.00                |                               |  |
| *This project has funding from the following sources: \$2 million State grant; FY17-\$100,000; \$2 million ADOT for construction |                            |                 |                        |                      |                                |                               |  |
| **This project includes approx. \$5.5 million in funding from Borough bonds, State funds and a State grant to the City of Akutan |                            |                 |                        |                      |                                |                               |  |

# Ordinances

Introduction Ordinances under consent agenda at this time.

# Resolutions

All under Consent Agenda at this time.

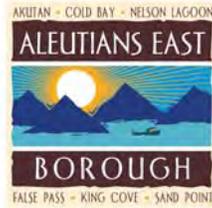
# OLD BUSINESS

None

# New Business

None.

# REPORTS AND UPDATES



**To: Honorable Mayor Osterback and AEB Assembly**  
**From: Anne Bailey, Borough Administrator**  
**Subject: Assembly Report**  
**Date: February 1, 2018**

### **Washington DC Trip**

On January 22, 2018, the King Cove Corporation and U.S. Interior Secretary Zinke signed a land exchange that will allow the community to establish reliable overland access to Cold Bay. Now that the agreement has been signed the Interior and King Cove Native Corporation will begin identifying land of equal value to be exchanged between the two entities to construct the road.

While in DC, Mayor Osterback, Borough Lobbyist Brad Gilman and I met with the U.S. Department of Transportation to discuss the essential air service program in Akutan; the Army Corps to discuss the Akun Dock and Breakwater Feasibility Study and with the Alaska Delegation to discuss the False Pass Harbor litigation and the feasibility study on Akun.

### **Juneau Trip**

While in Juneau, the group met with Speaker of the House Edgmon; Governor Walker, Commission Luiken (DOT&PF); Senator Cathy Giessel; Representative Paul Seaton, Commission Cotton (ADF&G); Representative Jonathan Kreiss-Tomkin's staff; Commissioner Mack (DNR) Commissioner Navarre (DCCED); the United States Coast Guard and Senator Hoffman's staff. Mayor Osterback also testified in front of the House Fisheries committee regarding House Bill 188. The Borough's focus was to support the King Cove/Cold Bay Road, discuss the limited entry salmon permits and to discuss the Cold Bay Clinic construction project and the Akun Breakwater project.

### **King Cove/Cold Bay Lawsuit**

On January 31, 2018, nine environmental groups, led by Friends of Alaska Wildlife Refuges, filed a complaint in federal court naming Secretary of the Interior Ryan Zinke, his agency and the U.S. Fish and Wildlife Service as defendants. A link to the ADN article is below:

<https://www.adn.com/alaska-news/rural-alaska/2018/01/31/environmental-groups-sue-trump-administration-over-road-through-alaska-wildlife-refuge-2/>

A link to the lawsuit complaint is found below:

<https://s3.amazonaws.com/arc-wordpress-client-uploads/adn/wp-content/uploads/2018/01/31022933/2018-01-31-complaint.pdf>

## **Hovercraft Update**

The Borough Maritime Attorney and Keith Whittemore are working on the final changes to the Purchase and Sale Agreement with JSC “Circle Maritime Invest.” I hope to have a final agreement signed soon.

A fourth amendment to the Letter of Intent with JSC “Circle Maritime Invest” was executed extending the date for Borough approval of the Purchase and Sale of the hovercraft to February 9, 2018. This extension will allow additional time for the negotiation of the final details of the Purchase and Sale Agreement.

Logistics are also being arranged for the transport of the hovercraft. I anticipate the move to occur during the third week of February.

## **Borough Strategic Plan**

Mayor Osterback, Mary and I met with PGS on Monday, January 29<sup>th</sup> to finalize a few more items for the Strategic Plan. A draft version of the plan will be presented to the Assembly at the February 8, 2018 Assembly Meeting for review and approval.

## **Budget Work Session**

A Borough Budget Work Session has been scheduled on February 28<sup>th</sup> from 9:00 a.m. to 1:00 p.m. (lunch provided) in Anchorage. Currently APCM and Newhouse & Vogler will be present to discuss the Borough’s investment accounts and our FY2017 audit. An agenda will be available soon.

## **Other Items**

- Just a reminder that the SWAMC conference is scheduled on March 1<sup>st</sup> and 2<sup>nd</sup>.
- I am also continuously conducting other day to day operations.

If you have any questions, comments or concerns please contact me at (907) 274-7580 or [abailey@aeboro.org](mailto:abailey@aeboro.org).



Mayor Mack, Mayor Schaack,  
Mayor Osterback



Visiting with Senator Sullivan



Governor Walker and Lt. Governor Mallott



Cake with Senator Murkowski

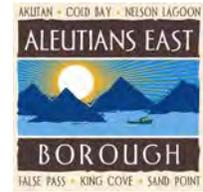


Mayor Osterback testifying before the  
House Fisheries Committee House



Mayor Mack with Speaker of the  
Edgmon

To: The Honorable Mayor Osterback, AEB Assembly  
From: Mary Tesche, Assistant Administrator  
Subject: Assembly Report  
Date: February 2, 2018



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## Strategic Planning

- Anne and I met with Professional Growth Systems several times in the past few weeks to put together the Strategic Plan draft. We also met with Mayor Osterback to finalize the plan and include any last-minute projects and initiatives.
- We held meetings with staff to discuss certain project outcomes they will be responsible for. Each person will submit a detailed list of action items to complete their assigned project outcome. Those will be submitted by mid-February to give us enough time to review and make changes as necessary before the first quarter begins on March 1.

## Cold Bay Clinic

- The Rasmuson Foundation Letter of Intent was submitted on January 22<sup>nd</sup>, 2017.
- The Rasmuson Foundation will then need to invite the Borough to submit a grant application that will be due by March. If the Borough is successful in receiving a grant from the Foundation, project funding will be available in 2019.
- The Borough submitted a request to the State of Alaska CAPSIS for \$500,000 for clinic construction. By our estimates, we still need an additional \$2.4M for the project. This is an increase of approximately \$200,000 due to adding additional line items for architectural and engineering, and administrative costs.
- The Cold Bay Clinic is included on the Borough's Strategic Plan (subject to review and approval of Assembly Resolution 18-27). There are several project components planned for the next year, including a project assessment and identifying funding opportunities. I will be working in partnership with EAT and the City of Cold Bay to identify and secure funding sources for construction.

## Helicopter Operation Summary - January

- I will provide an oral report of the January helicopter operations during the Assembly meeting.
- I continue to work on a number of personnel items related to the helicopter operation. This work is ongoing.
- I have been assisting with preparing the hangar for hovercraft transport. This has included coordinating inspections for equipment and replacing equipment parts as needed.
- Anne and I will be traveling to Akutan February 14<sup>th</sup>-16<sup>th</sup> to discuss helicopter operations with the crew and our employees. I will give a report on this trip during the next Assembly meeting.

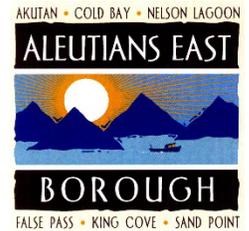
## Other Items

- I attended the City of Akutan Council Meeting on behalf of the Borough on January 23<sup>rd</sup>. I gave a report on the hovercraft sale, the CAPSIS request for the Akun Breakwater and Dock project, and the upcoming trip to Akutan.

- I am working with the Borough Clerk and the Borough Attorney on a records retention Ordinance. I am reviewing a draft records retention schedule that will be presented at a future Assembly meeting.
- We published a Request for Proposals for Auditing Services on Monday, January 29<sup>th</sup>. Proposals are due on February 13<sup>th</sup>, and Assembly approval of the contract is planned for the next meeting.
- Anne and I met with the Mayor and Maintenance Director to discuss the draft Memorandum of Understanding between the Borough and the School District for maintenance. The draft is being revised and will be presented to the Superintendent for review soon.
- I continue to help with daily operations as needed.

Please contact me at (907) 274-7559 or [mtesche@aeboro.org](mailto:mtesche@aeboro.org) with any questions or comments.

To: The Honorable Mayor Osterback, Aleutians East Borough Assembly  
From: Ernie Weiss, Natural Resources Director  
Subj: Report to the Assembly  
Date: February 2, 2018



### **International Pacific Halibut Commission**

The IPHC held their Annual Meeting last week in Portland. For only the second time in the 94 year history of the IPHC, the US and Canadian Commissioners were *unable to agree* on Pacific halibut catch limits for 2018. Each country will now go through separate processes to set catch limits. If the US Commissioners catch limit recommendations for the US areas are approved, our South Peninsula Area 3B will take the biggest hit – a reduction of 17.84% from 2017 down to 3.27 million pounds for 2018.

The Commission *tabled until 2020* any action on IPHC Proposal A-1 ‘to consider the intent and purpose of the IPHC Closed Area’ that stretches along the northern shore of the AEB from Stroganoff Point to Cape Sarichef and extends seaward approximately 150 miles. The area is currently closed to directed halibut fishing with the intent to protect juvenile halibut.

The Pacific halibut season will open March 24, 2018 and close on November 7, 2018.

### **North Pacific Fishery Management Council/NMFS**

The Council meets in Seattle February 5<sup>th</sup> – 12<sup>th</sup>. One major agenda item slated for initial review would raise the Chinook PSC limit for non-pollock trawl fisheries in the GOA. There is also a full-day Ecosystem Research workshop for the AP, SSC, Council & public Wednesday Feb 7. As a member of the steering committee for this workshop, I’ve participated in several planning teleconferences the past few months in preparation for the workshop. Go to [www.npfmc.org](http://www.npfmc.org) for more info.

The comment period for the 5-year review of the western DPS Steller sea lion closes Feb 6<sup>th</sup>. I am submitting comments to NMFS on behalf of the AEB requesting 3 rookery sites within the AEB be added to the list of sites where a one nautical mile buffer is sufficient for vessel transit (currently 3nm) for vessel safety. Link to my comments on the 5-year review of the SSL endangered species listing [here](#).

### **Boards of Game and Fisheries**

The Board of Game meets in Dillingham this month 16<sup>th</sup> through the 23<sup>rd</sup>, and will consider southwest AK game proposals. I submitted comment in support of ADFG Proposal 126 that would increase the bag limit for the South Alaska Peninsula caribou herd in Unit 9D as the population increases. Other game proposals of interest at this meeting: Proposal 131 to remove the brown bear bag limit of 1 every 4 years for resident hunters; Proposal 132 to create a resident only early season for brown bear; Proposal 134 to restrict ptarmigan hunting in Unit 9. More info including live stream of the meeting [here](#).

The Board of Fish meets for the final time this cycle for the Statewide Dungeness Crab, Shrimp, & Miscellaneous Shellfish meeting on March 6-9, 2018. Of interest to fishermen in our region: [Proposal 236](#) would increase the Dutch Harbor food and bait herring fishery allocation, eliminate the Dutch Harbor food and bait herring fishery allocations between gear types, and allow the Dutch Harbor food and bait herring fishery to open earlier on June 1<sup>st</sup>. The board will also consider new Dungeness crab fishery regs for our region at this meeting. More info on the Board of Fisheries March meeting found [here](#).

I have recently been in contact with our local Fish & Game Advisory Committees; we hope to bring representatives from each AC and/or community to Anchorage in preparation for submitting Board of Fish proposals for the next cycle, deadline April 10<sup>th</sup>. This could be an opportunity for our local AC’s to work together and to work with our salmon genetics expert Eric Volk. Fish & Game regional AC coordinator Taryn Oconner-Brito is also interested in helping out. Our most likely available window of time for this session is probably around the first week in April.

## **Municipal Entitlement Lands**

I checked in this week with the State survey office responsible for approving the Port Moller survey, ASLS 2016-49, and also responsible for issuing the survey instructions for our next muni lands survey project area – Sandy River. I also spoke this week with Bill McClintock, whose firm surveyed Port Moller and is slated to survey our Sandy River tracts.

Regarding the approval of ASLS 2016-49, McClintock and Assoc. have responded to several State requests of clarification or correction, but McClintock will likely need to return to Port Moller to install 2 additional monuments near to Love Creek before final approval.

Survey instructions could be ready for the Sandy River survey project as soon as March 1, which would allow for early season field work. Because the survey instructions can take up to a year or more to receive, the Assembly may wish to begin prioritizing which municipal lands should be surveyed next after Sandy River. I will have several alternatives for Assembly consideration at the next meeting.

As a result of the December AEB Planning Session, and a followup meeting in January with Administrators Anne & Mary, I have started outlining the required tasks on a timeline for this ongoing municipal lands survey project, using PGS's Vision Navigation® Outcome Definition forms. This new process is likely to benefit all AEB projects.

## **State & Federal Issues**

After the AEB and other cities and tribes penned a request to Governor Walker for a GOA Pacific cod fishery disaster declaration consideration, the Governors office soon replied that their office is already working with the Department of Fish and Game to compile the information necessary for the Governor to make a decision to potentially request the Secretary of Commerce make a determination.

I have recently been working with Mayor Osterback, Laura and Mark Hickey to move forward the concept outlined in AEB Resolution 18-23, to allow an additional name on limited entry salmon permits, through the Alaska Legislative process.

I also recently drafted a memorandum in support of onshore processing and in support of sideboards applied to any Jones Act waivers for new offshore catcher processor vessels that could decrease onshore seafood processing in the AEB. The memorandum was given to the Alaska Delegation when the Mayor and Administrator recently traveled to DC. The memo is attached to this report.

### Recent meetings attended

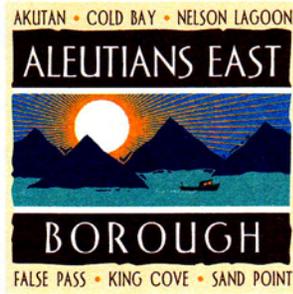
|   |                    |              |
|---|--------------------|--------------|
| Anchorage ADFG Advisory Committee meeting               | Anchorage          | 1/9/18       |
| Alaska Marine Science Symposium                         | Anchorage          | 1/22-1/25/18 |
| International Pacific Halibut Commission Annual Meeting | (Portland) Webcast | 1/23-1/26/18 |
| Ecosystem Research Workshop Steering Committee          | Teleconference     | 1/29/18      |
| Chignik Fish & Game Advisory Committee meeting          | Teleconference     | 1/31/18      |

### Upcoming meetings/planning to attend

|  |                 |              |
|--|-----------------|--------------|
| North Pacific Fishery Management Council         | Seattle         | 2/5-2/12/18  |
| Alaska Board of Game SW AK meeting in Dillingham | Webcast         | 2/16-2/23/18 |
| Southwest Alaska Municipal Conference            | Capt Cook Hotel | 3/1-3/2/18   |
| Board of Fisheries Dungeness/Statewide meeting   | Egan Center     | 3/6 – 3/9/18 |

I will in Seattle for the NPFMC February meeting and am not able to attend this Assembly meeting.

Please call if you have any questions or concerns.



January 22, 2018

### Aleutians East Borough Request for Sideboards to Jones Act Waiver

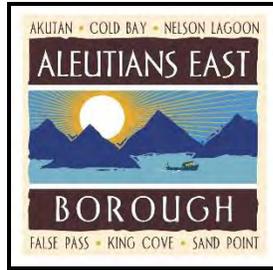
The Aleutians East Borough and all of our communities are highly dependent on fisheries in the Gulf of Alaska and the Bering Sea, particularly fish that are delivered onshore to our shore-based processors. These shore-based processors collect the raw fish tax on shore-based deliveries in our communities that fund our local governments, and the continued presence of these shore-based processing companies in our communities maintains a foundation for the local economies.

The Aleutians East Borough supports the continued shore-based processing of the fish harvested off of our shores. We oppose any increase in the amount of fish processed offshore in the Gulf of Alaska and the Bering Sea that would reduce the amount of fish processed onshore and negatively impact regional shore-based processors and the communities they help sustain.

A proposed legislative waiver of the Jones Act, that requires all steel that is used in the hulls of newly built US fishing vessels be fabricated within the United States, could potentially threaten our local onshore processors and communities. The company “Fisherman’s Finest” that operates vessels in the Amendment 80 sector, is requesting a waiver for the new vessel “America’s Finest” that has been built with at least 10% foreign steel in the hull. Fishermen’s Finest has been increasing Pacific cod production in recent years and this new vessel, if granted the Jones Act waiver, would allow their fleet to unfairly take an even larger percentage of the open access Pacific cod quota to be processed offshore, reducing the amount available onshore, thus harming our communities.

The Aleutians East Borough requests that if a Jones Act waiver is granted for the new non-compliant vessel America’s Finest, that Congress include ‘sideboards’ that would prohibit Fishermen’s Finest vessels from increasing fishing/processing activities in open access fisheries beyond the company’s current levels, particularly Pacific cod in the Gulf of Alaska and Bering Sea. Attaching these sideboards to the proposed waiver could give the North Pacific Fishery Management Council an opportunity to consider the issue, meanwhile protecting our local coastal communities.

Contact: Ernie Weiss, Natural Resources Director [eweiss@aeboro.org](mailto:eweiss@aeboro.org)



To: Honorable Mayor Osterback and Aleutians East Borough Assembly  
From: Laura Tanis, AEB Communications Director  
Through: Anne Bailey, AEB Administrator  
Subject: Communications Director's Report to the Assembly  
Date: Feb. 2, 2018

**Trip to Washington, D.C.:** (Jan. 21 – 24th)

Our group traveled to Washington, D.C. for the King Cove land exchange signing ceremony between the King Cove Corporation and the Department of the Interior. Those who traveled to Washington, D.C. included AEB Mayor Alvin Osterback, AEB Administrator Anne Bailey, myself, King Cove Mayor Henry Mack, King Cove Administrator Gary Hennigh, King Cove Corporation spokeswoman Della Trumble, Aleut Corporation President/CEO Thomas Mack, Cold Bay Mayor Dailey Schaack and Cold Bay Administrator Angela Simpson. The signing ceremony took place at the Department of the Interior with Secretary Ryan Zinke, Sen. Lisa Murkowski, Sen. Dan Sullivan, Congressman Don Young, Governor Bill Walker and Lt. Governor Byron Mallott. Afterwards, there was a press conference for the national media. Later in the day, there was another media press event via teleconference for the Alaska media. The media events involved coordination with communications directors/press secretaries from DOI, the Alaska Delegation and the Governor's office. Both events were well-attended. They resulted in news stories from the New York Times, the Washington Post, the Washington Examiner, E & E News, The Hill, Politico, the Alaska Dispatch, the Fairbanks Daily News-Miner, the Alaska Journal of Commerce, APRN, KTUU and others. Here are the links to the news stories:

**Washington Post:**

[https://www.washingtonpost.com/news/energy-environment/wp/2018/01/22/zinke-to-sign-land-swap-deal-allowing-road-through-alaskas-izembek-wilderness/?utm\\_term=.2a5f11d17fb9](https://www.washingtonpost.com/news/energy-environment/wp/2018/01/22/zinke-to-sign-land-swap-deal-allowing-road-through-alaskas-izembek-wilderness/?utm_term=.2a5f11d17fb9)

**New York Times/Associated Press:**

<https://www.nytimes.com/aponline/2018/01/22/us/ap-us-alaska-wilderness-road.html>

**Washington Examiner:**

<http://www.washingtonexaminer.com/ryan-zinke-announces-deal-allowing-road-through-alaska-wildlife-refuge/article/2646653>

**E&E News:**

<https://www.eenews.net/stories/1060071575>

**The Hill:**

<http://thehill.com/policy/energy-environment/370106-zinke-advances-road-through-alaska-wildlife-refuge>

**Politico:**

<https://www.politico.com/agenda/story/2018/01/26/trump-policy-trade-pollution-rules-000625>

**Alaska Dispatch:**

<https://www.adn.com/politics/2018/01/22/king-cove-and-feds-sign-deal-to-advance-proposed-road-through-wildlife-refuge/>

**Fairbanks Daily News-Miner:**

[http://www.newsminer.com/news/alaska\\_news/king-cove-road-moves-ahead-after-long-delay/article\\_77745fda-fff0-11e7-9d5b-affa6a18132c.html](http://www.newsminer.com/news/alaska_news/king-cove-road-moves-ahead-after-long-delay/article_77745fda-fff0-11e7-9d5b-affa6a18132c.html)

**Alaska Journal of Commerce:**

<http://www.alaskajournal.com/2018-01-22/king-cove-road-deal-checks-another-item-alaska-do-list#.Wme42JM-eRs>

**KTUU:**

<http://www.ktuu.com/content/news/US-approves-Alaska-road.html>

<http://www.graydc.com/content/news/Secretary-Zinke-signs-land-transfer-paving-way-for-King-Cove-road-470567733.html>

**KTBY:**

[http://www.youralaskalink.com/news/alaska-s-d-c-delegation-express-king-cove-gratitude/article\\_364c1f8c-ffe3-11e7-b4bb-7f45fa6afb0b.html](http://www.youralaskalink.com/news/alaska-s-d-c-delegation-express-king-cove-gratitude/article_364c1f8c-ffe3-11e7-b4bb-7f45fa6afb0b.html)

**APRN:**

<https://www.alaskapublic.org/2018/01/22/zinke-signs-land-trade-to-allow-road-for-king-cove/>

**Transportation Today News.com:**

<https://transportationtodaynews.com/news/7771-republicans-democrats-diverge-proposed-land-transfer-build-road-alaskas-izembek-national-wildlife-refuge/>

**Daily Caller:**

<http://dailycallernewsfoundation.org/2018/01/22/trump-personally-promised-senator-murkowski-hed-help-this-remote-alaskan-village/>

**WNYC Radio – The Takeaway:**

<https://www.wnyc.org/story/zinke-paves-way-road-through-alaskan-wildlife-refuge/>

**KFQD - interview with Sen. Murkowski:**

<https://soundcloud.com/kfqd/1-23-18-dave-stieren-show-senator-lisa-murkowski?in=kfqd/sets/dontmiss>

**KSDP radio - interview with Sen. Murkowski:**

<http://apradio.org/mp3/2018-01-24-LisaMurkowski.mp3>

**KUCB** radio - interview with Sen. Murkowski:  
<http://kucb.org/post/newscast-012318>

**The Cordova Times:**

<https://www.thecordovaitimes.com/2018/01/26/feds-okay-king-cove-road-wildlife-refuge/>

On Jan. 31, 2018, nine environmental groups filed a lawsuit against the Department of the Interior, Interior Secretary Ryan Zinke and USF&WS. Several news stories followed. We provided a quote from Della Trumble and will monitor the lawsuit.

**In the Loop – (Jan. 22<sup>nd</sup> and Jan. 19<sup>th</sup>) Headlines include:**

- King Cove Applauds Sec. Zinke for Signing Land Exchange
- Reasons to Change the Transfer of Limited Entry Salmon Permits
- GCI Exploring Plans to Lay Fiber Optic Cable from Levelock to Unalaska
- TelAlaska to Consider Satellite Proposals Supporting Significantly More Broadband
- PPSF Vice President Reflects on 2017, Shares Plans to Rebuild Port Moller Plant
- Trident Seafoods Outlines New Direction for False Pass Fish Plant, plans to Rebuild the Akutan Plant
- PenAir CEO Remains Committed to Alaska Following Bankruptcy
- Grant Aviation Shares Plans to Improve Airline Service, Addresses Community Concerns
- AEBSD Superintendent Michael Seifert Discusses the Challenges of Flat Funding from the State, Maintenance Issues
- Eastern Aleutian Tribes CEO Discusses EAT's New Health Programs; Goals for the Future
- Borough Juneau Lobbyist Mark Hickey Points Picture of State Budget Status, Forecast for Future
- AEB Administrator Anne Bailey Shares Mission, Progress of Borough Projects
- AEB Mayor Alvin Osterback Outlines his Priorities for the Borough

**Miscellaneous Projects:**

- Completed Myths vs. Facts document regarding the King Cove land exchange and road. It can be found here: <http://bit.ly/2Ecnbn0>
- Researched limited entry salmon permits in Washington state to compare it to Alaska's program. Researching past legislation as to why WA's program was started and why they changed it to two alternate operators in addition to the permit holder.
- Provided free-lance writer with photos for a USA Today article on sailing the ferry through the Aleutians.
- Working on the next In the Loop newsletter.

As always, I'm happy to help get the word out about an event or issue in your community. Please call or email me any time with information. [ltanis@aeboro.org](mailto:ltanis@aeboro.org).

# LEGISLATIVE REPORT #18-01

By Mark Hickey, Hickey & Associates – January 28, 2018

Biennial Budgeting? Use of Permanent Fund Earnings?  
Payroll Tax? Many Options, Few Answers.



The state faces a projected budget deficit for FY 2019 of \$2.5 to \$2.7 billion. Use of funds from the Earnings Reserve Account (ERA) of the Permanent Fund (PF) will be required to cover this gap. The question is whether to enact a structured approach or do it with a simple draw from the ERA.

The governor is proposing a three-year payroll tax, in part to support some additional, critical capital spending. While some interest may exist to consider the proposed motor fuel tax increase, there may be little appetite in the Senate majority to consider a broad-based tax.

Both bodies passed versions of a bill last session to restructure the Permanent Fund (SB 26). While there is general agreement to use a percentage of the five-year “percent of market value” (POMV) average to pay for state services and the PF dividend, there are major differences in the details that will have to be resolved in a conference committee or through new legislation.

Other major issues include K-12 education funding, payment of PERS & TRS unfunded liabilities, and new revenue ideas (e.g., fuel taxes; head tax, etc.).

## SPECIAL ORDERS

### Education Funding

The governor’s FY 2019 budget proposes flat funding for K-12 education funding, and full funding of the state’s share for school debt reimbursement. Several new proposals to provide early funding of K-12 are in play. This includes SB 131 and HB 287, and the governor’s biennial budget idea.

### Community Assistance

Funding exists in the Community Assistance Fund to provide \$20 million for community assistance in FY 2019. The governor’s budget provides additional funding to increase this amount to \$30 million. Another \$8 million is needed to provide the same amount as what was received in FY 2017 and FY 2018.

### Motor Fuel Taxes

Both the House and Senate versions of the governor’s proposal to triple the state excise taxes on motor fuels remain in the respective Finance Committees. Many legislators in both bodies have expressed a willingness to pursue some version of an increase in the state’s motor fuel taxes.

*Today marks the 13th day of the 2nd Regular Session of the 30th Alaska State Legislature.*

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## Biennial Budget; Alaska Economic Recovery Act

Governor Walker is proposing legislation (HB 283/SB 141) to convert Alaska’s budgeting process from annual to biennial. The two-year budget would pass in the first session of a new legislature, leaving the second session time to focus on policy legislation. A key argument in favor is to provide more certainty and stability for critical services, while reducing the negative impact from late budgets.

The governor’s other key initiative is the Alaska Economic Recovery Act. It proposes new capital spending of \$800 million over three years funded from the proceeds of a 1.5% payroll tax (HB 281/SB 139). That bill is projected to produce \$320 million per year, with an annual cap per person of not more than \$2,200. More information can be found at [Alaska Economic Recovery Act](#).

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## Summary of State Legislation

Each report will provide a list of legislative measures of interest, divided into five main topics: fiscal plan measures, general municipal issues, education measures, fishery & resource issues, and energy matters.

House measures will be described first, followed by Senate measures. Companion bills (measures in both bodies) will be listed together, with priority given to bills sponsored by majority members. Bills that passed last year have been removed.

More information about these measures can be found at [Alaska State Legislature](http://Alaska State Legislature).



Vervet Monkey,  
Victoria Falls,  
Zambia

*Check out what your legislators are doing in Juneau! New bills are in **BLUE**, change in status in **RED**, and passed bills in **GREEN**.*

### Fiscal Plan Measures

|  |  |   |
|--|--|---|
| <b>HJR 2 by Rauscher</b><br><b>HJR 7 by Tilton</b><br><b>SJR 2 - State Affairs</b> | Proposes a constitutional amendment to impose a spending limit of approximately \$4 billion.   | HJR 2/7 pending House STA<br>SJR 2 pending Senate STA                             |
| <b>HB 111 by House Resources</b><br><b>HB 133 by Gara</b>                          | HB 111 amends Alaska's system of oil & gas tax credits to reduce state fiscal impact. HB 133 addresses portions of the current oil and gas tax regime created by SB 21, but not tax credits. | <b>HB 111 enacted last year</b><br>HB 133 pending House Resources                 |
| <b>HB 115 by House Finance</b><br><b>SB 101 by Olson</b>                           | The version passed by the House imposes a state income tax (now based on adjusted gross income) offset by PFD credit. SB 101 proposes the income tax piece as well.                          | Passed House 4/16/17<br><b>Failed Senate 5/12/17</b><br>SB 101 pending Senate L&C |
| <b>HB 161 by Rauscher</b>  | Places an advisory vote on the use of permanent fund earnings to finance government before qualified voters at the next general election.  | Pending House State Affairs   |
| <b>HB 192 by Pruitt</b>  | Proposes an appropriation limit on Unrestricted General Fund and creates a new formula for PFD calculation and distribution.   | Pending House Finance   |
| <b>HB 243 by Eastman</b>   | Requires a statewide advisory vote on the passage of an individual income tax.   | Pending House State Affairs   |
| <b>HB 248 by Eastman</b>   | Requires statewide advisory vote on the passage of an individual income tax, a state sales tax, and changes to the calculation of the PF dividend.   | Pending House State Affairs   |

Continued on page three

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| <b>HB 281/SB 139<br/>by governor</b>      | Imposes a tax on net earnings from self-employment and wages of 1.5%. Establishes an Alaska Economic Recovery Tax Account in the general fund for capital projects.                                    | Referred to House Finance<br>Referred to Senate State Affairs and Finance |
| <b>HB 282/SB 140<br/>by governor</b>      | <b>Alaska Economic Recovery Act</b> -\$280 million in capital spending tied to payroll tax proposal. Includes \$70 million to DEED Major Maintenance Grant Fund program.                               | HB 282 referred House FIN<br>SB 140 referred Senate FIN                   |
| <b>HB 283/SB 141<br/>by governor</b>      | <b>Biennial Budget Proposal</b> -Proposes to amend the current budget process from an annual to a biennial budget. Provides more certainty for AMHS & K-12 funding, at least for the second year.      | HB 283 referred House STA & FIN<br>SB 141 referred Senate STA & FIN       |
| <b>SJR 1 by<br/>Wielechowski</b>          | Proposes a constitutional amendment to guarantee Permanent Fund dividends using a POMV method.   | Pending Senate Judiciary  |
| <b>SJR 7 by<br/>Dunleavy</b>              | Provides that a tax, a tax increase, or any other revenue-producing measure shall not take effect until approved by the voters of this state.  | Pending Senate L&C  |
| <b>SJR 8 by Begich<br/>HJR 23 by Tuck</b> | Proposes an amendment to the Alaska Constitution that investments made from the principal of the Permanent Fund shall adhere to the "prudent investor rule". Enshrines dividend in the constitution.   | SJR 8 pending Senate State Affairs<br>HJR 23 pending House Finance        |
| <b>SJR 9 by<br/>Stedman</b>               | Proposes constitutional amendment for annual dividends and support of general services. Sets POMV draw at not less than 2 percent for dividends, and not more than 4.5 percent total.                  | Referred to Senate State Affairs,<br>Judiciary and Finance                |
| <b>SJR 10 by<br/>Begich</b>               | Proposes constitutional amendment for annual dividends and to support general services. Sets POMV draw at 5%, with 40% of that amount for dividends, 40% for services, and 20% for inflation-proofing. | Referred to Senate State Affairs,<br>Judiciary and Finance                |
| <b>SB 12 by Bishop</b>                    | Establishes an employment tax on wages and net earnings from self-employment. Permits use of proceeds to fund education facilities.  | Pending Senate Labor & Commerce   |
| <b>SB 21 by<br/>Stedman</b>               | Proposes a new formula to determine the amount of the annual Permanent Fund dividend, with a cap on use of earnings to fund state services.  | Pending Senate Finance  |

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| <b>SB 25/HB 60 by governor</b>                | Proposes tripling the excise taxes on motor fuels to be phased in over a two-year period. House TRA CS reduces marine fuel tax for commercial fishing and delays the second increase by 1 year.  | SB 25 pending Senate Finance<br>HB 60 pending House Finance   |
| <b>SB 26/HB 61 by governor</b>                | Restructures Permanent Fund by annual transfer of up to 5.25% of the five-year POMV average to the general fund to pay for state services and the PF dividend. Sets the dividend at \$1,000 for next 2 years, with similar results expected in future. | SB 26 passed House 4/12/17<br>Senate failed to concur<br><b>Pending conference committee</b><br>HB 61 pending House Finance |
| <b>SB 70 by Senate Finance</b>                | Restructures Permanent Fund using 5.25% of the POMV earnings until FY 2021, then reduces the draw to 5%, sets the dividend at \$1,000 for 3 years, and imposes a statutory spending limit.   | Pending Senate Finance<br>Inserted into SB 26 as replacement  |
| <b>SB 84 by Dunleavy<br/>HB 187 by Wilson</b> | Defines the intent of the legislature to use the equal draw principle for use of earnings from the permanent fund, splitting any draw equally with dividend payments.  | SB 84 pending Senate Finance<br>HB 187 pending House State Affairs  |
| <b>SB 130 by Meyer</b>                        | Specifies that no individual income tax or statewide general sales tax can be passed by the legislature until ratified by voters in an election.   | Referred to Senate STA & FIN<br><b>Scheduled 1/30</b>   |



King Penguins, South Georgia Island

“Apparently finding your family is easier than solving Alaska’s fiscal challenges!”

## General Municipal Issues

|  |  |  |
|--|--|--|
| <b>HJR 14 by Edgmon</b>                | Urges the Federal Communications Commission to increase Rural Health Care Program budget.  | Passed House 4/5/17<br>Pending Senate Rules            |
| <b>HJR 27 by Kito</b>                  | Proposes constitutional amendment to prohibit a legislator from serving more than eight successive years, but can be eligible again after two years.                                   | Referred to House State Affairs, Judiciary and Finance |
| <b>HB 11 by Kawasaki</b>               | Allows employers to adopt a retirement incentive program (RIP) for both TRS and PERS members of a defined benefit plan.  | Pending House State Affairs                            |
| <b>HB 20 by Claman</b>                 | Allows individuals holding elective public office in the state to solemnize marriages.   | Pending House Rules                                    |
| <b>HB 35 by Gara</b>                   | Establishes a new "Safer Alaska Streets and Communities Program" as a supplement to Community Assistance. Requires use of funds for police, fire and EMT services or other priorities. | Pending House C&RA                                     |
| <b>HB 37 by Josephson</b>              | Requires the state to contribute towards PERS for a peace officer or firefighter who's unable to work and is receiving workers' compensation.  | Pending House Finance                                  |
| <b>HB 45 by Tarr</b>                   | Creates the Equal Pay and Living Wage Act, increasing the minimum wage to \$15 and expands duties of State Commission for Human Rights.  | Pending House State Affairs                            |
| <b>HB 46 by Tarr</b>                   | Increases in-state preference requirements on a municipality purchasing agricultural or fisheries products harvested or processed outside the state.                                   | Pending House Finance                                  |
| <b>HB 47 by Foster</b>                 | Provides relief for local PERS contribution by municipalities with a population that decreased by more than 25 percent between 2000 and 2010.  | Passed House 5/15/17<br>Pending Senate State Affairs   |
| <b>HB 50 by Kito</b>                   | Requires use of most "qualified and suitable" provider of architectural, engineering, or land surveying services for state-funded contracts.   | Pending House State Affairs                            |
| <b>HB 72 by Thompson</b>               | Establishes procedures on the collection of biometric data. Applies to municipalities.   | Pending House Judiciary                                |
| <b>HB 82 by Kreiss-Tomkins</b>         | Allows off-highway driver's licenses for residents in any community with no access to a DMV.   | Passed House 4/9/17<br>Pending Senate TRA              |
| <b>HB 83 by Kito<br/>SB 52 by Egan</b> | Allows teachers and other public employees a choice between a defined benefit pension versus the current defined contribution 401K plan.   | HB 83 pending House L&C<br>SB 52 pending Senate C&RA   |
| <b>HB 84 by Kreiss-Tomkins</b>         | Increases the amount a municipality may exempt from property tax to \$150,000 of assessed value.   | Pending House C&RA                                     |
| <b>HB 91 by Kito</b>                   | Establishes an administrative registration fee for registered lobbyists, and imposes a tax of 2.5% on income earned from lobbying activities.  | Pending House Finance                                  |

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| <b>HB 116 by Eastman</b>                    | Repeals 1% art in public places requirement for contracts entered after effective date.   | Pending House State Affairs  |
| <b>HB 117 by House Transportation</b>       | Provides that the two new Alaska Class Ferries and the replacement vessel for the MV Tustumena are not subject to 1% art requirement.   | Pending House Transportation   |
| <b>HB 160 by Tilton</b>                     | Replaces current language on the use of enhanced 911 surcharge revenues. Redefines what is meant by “emergency communications system”.  | Pending House C&RA   |
| <b>HB 163/SB 82 by governor</b>             | Authorizes the Dept. of Public Safety to make agreements with nonprofit regional corps. and federal, tribal and local government agencies to provide law enforcement services.    | HB 163 pending House STA<br>SB 82 pending Senate C&RA                |
| <b>HB 175 by Fansler</b>                    | Adds Alaska to the National Popular Vote Compact for election of the U.S. President & Vice-President  | Pending House Judiciary  |
| <b>HB 185 by Sullivan-Leonard</b>           | Requires that all regular sessions of the Alaska Legislature occur at the Legislative Information Office in the Municipality of Anchorage.  | Pending House State Affairs  |
| <b>HB 205 by Eastman</b>                    | Prohibits a municipality from adopting or enforcing an ordinance or policy regarding sanctuary jurisdiction.  | Pending House C&RA   |
| <b>HB 223 by Claman</b>                     | Prohibits penalties for violations of a municipal ordinance greater than what the state requires.   | Pending House Judiciary  |
| <b>HB 225 Johnston by request</b>           | Clarifies that a “nonconsensual common law lien” is a lien on real or personal property that is not specifically in municipal ordinances.   | Pending House Judiciary  |
| <b>HB 233 by Tuck<br/>SB 116 by Coghill</b> | Extends the sunset of numerous education tax credits from December 28, 2018 to January 1, 2025, and repeals the decrease in dollar value and scope scheduled for January 1, 2021. | HB 233 pending House EDC<br>SB 116 pending Senate L&C                |
| <b>HB 236 by Kawasaki</b>                   | Extends the Alaska senior benefits payment program from June 30, 2018 to June 30, 2022.   | Pending House HSS  |
| <b>HB 246 by Guttenberg</b>                 | Establishes a Broadband Development Commission to develop a statewide system.   | Pending House State Affairs  |
| <b>HB 252 by Stutes</b>                     | Allows all municipalities and villages with the option to regulate smoking in workplaces and public buildings.  | Pending House C&RA   |
| <b>HB 256 by Eastman</b>                    | <a href="#">Authorizes the state, through the PFD, to accept a donation for a public purpose.</a>   | <a href="#">Referred to House L&amp;C, State Affairs and Finance</a> |

Continued on page seven

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| <b>HB 271 by Claman</b>                         | Similar to SB 63, but allows communities to “opt out” of workplace smoking prohibitions.  | Referred to House Judiciary                                  |
| <b>HB 294/SB 149 by governor</b>                | Doubles surcharges on violations of municipal ordinances.   | Both bills referred to respective JUD & FIN Cmtes.           |
| <b>HB 300 by Wool</b>                           | Prohibits state/ municipal enforcement of federal marijuana law if inconsistent with state law.   | Referred to House C&RA and Judiciary                         |
| <b>SB 8 by Stevens</b>                          | Provides that federally recognized tribal governments may also receive contributions through the PFD application process.   | Pending Senate State Affairs<br><b>Scheduled 1/30</b>        |
| <b>SB 18 by Hoffman</b>                         | Provides authority to create an “energy” borough, but maintains any existing regional educational attendance area (REAA) funded solely by state.                    | Pending Senate C&RA  |
| <b>SB 62 by D. Wilson<br/>HB 153 by Eastman</b> | Repeals the certificate of need (CON) program for health care facilities. Defines what is meant by a “residential psychiatric treatment center”.                    | SB 62 pending Senate L&C<br>HB 153 pending House HSS         |
| <b>SB 63 by Micciche</b>                        | Proposes a comprehensive, statewide ban on smoking in workplaces and public places.   | <b>Passed House JUD 1/24,<br/>scheduled House Rules 1/29</b> |
| <b>SB 76 by Micciche</b>                        | Clarifies that only the Alcohol Beverage Control Board may authorize certain licenses, permits and endorsements.  | Pending Senate L&C   |
| <b>SB 90 by D. Wilson</b>                       | Prevents the Dept. of Health & Social Services from awarding a matching grant to a muni or community for the costs of providing essential human services.           | Pending Senate C&RA  |
| <b>SB 97 by MacKinnon</b>                       | Proposes more legislative oversight of decision by administration to issue pension obligation bonds. Caps allowable amount at \$2.5 billion.                        | Passed Senate 4/7/17<br>Pending House Finance                |
| <b>SB 107 by Senate Finance</b>                 | Clarifies funds from the Alaska capital income fund are for state facilities preventive or deferred maintenance versus “any public purpose”.                        | Passed Senate 4/12/17<br>Pending House Finance               |
| <b>SB 113 by Stevens</b>                        | Changes when the first regular session of a legislature convenes, and increases the duration of the second regular session from 90 days to adjourn within 120 days. | Pending Senate Finance                                       |

## Education Measures

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|---|--|--|
| <b>HJR 29 by Rauscher</b>                             | Urges Congress to reauthorize the Secure Rural Schools and Self-Determination Act of 2000.   | Referred H STA, JUD & FIN<br><b>Scheduled 1/30, 2/1</b>  |
| <b>HB 26 by Tarr</b>                                  | Requires employers to provide breaks and private rooms for nursing mothers.  | Pending House Labor & Commerce   |
| <b>HB 30 by Tarr</b>                                  | Requires employers to provide 1 hour of paid sick leave for every 40 hours worked.   | Pending House Labor & Commerce   |
| <b>HB 34 by Tarr</b>                                  | Increases the minimum distance for selling alcohol near schools from 20 to 500 feet.   | Pending House C&RA   |
| <b>HB 52 by Kawasaki<br/>SB 99 by Begich</b>          | Defines pre-elementary programs within school districts, and requires regulation of such programs by the Board of Education.       | HB 52 pending House EDU<br>SB 99 pending Senate EDU<br><b>SB 99 scheduled 1/31</b>                   |
| <b>HB 64 by Drummond<br/>SB 27 by Dunleavy</b>        | Establishes a new task force on reading proficiency and reading instruction, and on the effects of dyslexia.                       | Both bills pending Senate EDU  |
| <b>HB 71/SB 31 by governor</b>                        | Proposes a two-year freeze on salary increases and merit step increases for non-union state and University employees.              | HB 71 pending State Affairs<br>SB 31 pending Senate Rules  |
| <b>HB 86 by Claman</b>                                | Removes default of a student loan as a reason to deny renewal of occupational license for a registered financial broker-dealer.    | HB 86 passed House 3/29/17<br>Pending Senate L&C<br><b>Scheduled 1/30</b>                            |
| <b>HB 102 by Kreiss-Tomkins<br/>SB 75 by Costello</b> | Amends existing law relating to "limited teacher certificates" by restricting the initial certificate to a one-year period.        | HB 102 passed House 4/5/17, pending Senate L&C,<br><b>scheduled 1/30</b><br>SB 75 pending Senate L&C |
| <b>HB 135 by Westlake</b>                             | Amends the school construction grant program to allow DEED to extend the time for a district to provide the required local match.  | Passed House 4/5/17<br>Pending Senate FIN  |
| <b>HB 146 by Claman</b>                               | Proposes a school tax on earnings and wages, with the intent that the proceeds are used to fund K-12 public education.             | Pending House FIN  |
| <b>HB 212 by Westlake</b>                             | Adds funding of "major maintenance" projects to the REAA & small municipal school district fund.                                   | Pending House Education  |
| <b>HB 213 by Parish</b>                               | Amends law relating to investment and use of earnings from the public school trust fund to generate more annual investment income. | Pending House Finance<br><b>Scheduled 1/30</b>   |
| <b>HB 221 by Drummond</b>                             | Authorizes the Commission on Postsecondary Education to develop a statewide workforce and education-related statistics program.    | Pending House Education  |

Continued on page nine

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| <b>HB 224 by Johnston</b>                   | Establishes a new mechanism to rehire retired teachers and allow continued receipt of retirement benefits.   | Pending House State Affairs   |
| <b>HB 287 by Seaton &amp; 20 others</b>     | Separate K-12 education funding bill by entire House majority. Intended to provide earlier funding for FY 2019 needs. Fully funds BSA.   | Referred to House Finance<br>Scheduled 1/30                                     |
| <b>SB 7 by Stevens<br/>HB 166 by Parish</b> | Establishes a museum construction matching grant program in Commerce.  | SB 7 pending Senate Finance<br>HB 166 pending House FIN                         |
| <b>SB 78 by Bishop</b>                      | Creates an education endowment fund and a PF dividend lottery or raffle to help fund K-12 education.   | Pending House Finance   |
| <b>SB 87 by MacKinnon</b>                   | Proposes use of energy efficiency standards and standardized building methods and equipment for school construction and major maintenance.   | Pending Senate Finance  |
| <b>SB 96 by Education</b>                   | Proposes several measures including new virtual education program, school consolidations and funding to pursue health insurance pooling.   | Pending Senate Finance  |
| <b>SB 102 by Senate Finance</b>             | Increases funding for Internet services for school districts, with intent to bring 197 additional schools up to 25Mbps.  | Pending Senate Rules  |
| <b>SB 103 by Senate Finance</b>             | Establishes the Alaska education innovation grant program, providing funding by eliminating the Alaska performance scholarship program.  | Pending House Education   |
| <b>SB 104 by Senate Finance</b>             | Provides all school districts with a three-year reprieve from updating or renewing curriculum, and directs DEED to find new curriculum for math and English language arts as a new option. | Pending Senate Rules  |
| <b>SB 131 by Stevens</b>                    | Requires governor to submit separate K-12 education funding appropriation bill by the beginning of each session, with passage by the legislature required by April 1 of each year.         | Referred Senate EDU & FIN<br>Moved by Senate EDU 1/25<br>Referred to Senate FIN |
| <b>SB 159/HB 306 by governor</b>            | Provides the Department of Administration with ability to change distribution options by regulation for the current TRS/PERS defined contribution programs.                                | SB 159 referred to Senate STA & FIN<br>HB 306 referred to House L&C and FIN     |

## Fishery & Resource Issues

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| <b>HJR 12 by Tarr</b>                                | Opposes the U.S. Food & Drug Administration's approval of AquaBounty AquAdvantage genetically engineered salmon.   | Passed House<br>Pending Senate Resources<br><b>Scheduled 1/29</b>              |
| <b>HCR 8 by House Fisheries<br/>SCR 7 by Stevens</b> | Expresses support for the Kodiak Seafood and Marine Science Center & urges the University to maintain it as an important resource in the state.  | HCR 8 pending Senate L&C,<br><b>scheduled 1/30</b><br>SCR 7 pending Senate EDU |
| <b>HB 14 by Josephson</b>                            | Increases and broadens scope of permitting requirements for a large-scale metallic sulfide mine within the watershed of the Bristol Bay Fisheries Reserve.   | Pending House Resources  |
| <b>HB 17 by Josephson</b>                            | Establishes a fish and wildlife conservation program within the fish and game fund.  | Pending House Resources  |
| <b>HB 29 by Tarr</b>                                 | Prohibits the sale of genetically modified fish or fish product in the state.  | Pending House Fisheries  |
| <b>HB 32 by Tarr</b>                                 | Provides guidelines for the labeling of genetically engineered food.   | Pending House Resources  |
| <b>HB 39 by Josephson</b>                            | Strikes existing language for non-residents not being required to have a non-resident wolf tag to take a wolf.   | Pending House Resources  |
| <b>HB 40 by Josephson</b>                            | Provides penalties and civil remedies for trapping within 200 feet of certain public facilities, areas and trails.   | Pending House Resources  |
| <b>HB 56 by Ortiz<br/>SB 71 by Stevens</b>           | Increases the amount a borrower may have outstanding on certain commercial fishing loans from \$300,000 to \$400,000.  | Both bills pending Senate Finance  |
| <b>HB 63 by Pruitt</b>                               | Transfers several responsibilities from the Dept. of Commerce to Revenue, including certain agricultural functions. Establishes an Alaska Minerals Commission within Natural Resources.  | Pending House State Affairs  |
| <b>HB 76 by Ortiz<br/>SB 95 by Stevens</b>           | Allows hatcheries that artificially propagate aquatic plants and shellfish for sale to be an eligible applicant for state loans and sets limits.   | Both bills pending Senate Finance  |
| <b>HB 87 by Stutes</b>                               | Provides that a member of the Board of Game or Fisheries may deliberate on a matter before the board even if they or an immediate family member have a personal or financial interest. CS removed option to allow members to vote. | Pending Senate State Affairs   |
| <b>HB 88 by Stutes</b>                               | Increases the Board of Fisheries from seven members to nine members.   | Pending House Fisheries  |

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| <b>HB 101 by T. Wilson</b>                  | Creates an affirmative defense and an exemption from payment of fines for those reporting the unlawful taking of certain big game animals.                             | Pending House Resources  |
| <b>HB 128 by Ortiz<br/>SB 89 by Stevens</b> | Adds new program to Title 16, authorizing nonprofits to engage in shellfish enhancement projects with conditions and exemptions.                                       | Both bills pending Senate Finance  |
| <b>HB 129/SB 60 by governor</b>             | Allows for a person to correct a citation for not having the appropriate license or tag on their person. Also allows person to produce license in electronic form.     | <b>HB 129 scheduled House Judiciary 1/29, 1/31</b><br>SB 60 pending Senate Judiciary |
| <b>HB 134 by Josephson</b>                  | Proposes at least one member of the Board of Game whose main use of game resources is non-consumptive, and one member who is actively engaged in the tourism industry. | Pending House Rules  |
| <b>HB 149 by Chenault</b>                   | Provides the Board of Fisheries shall meet on a five-year cycle to consider regulatory proposals, and defines the general area of Southcentral to include Kenai.       | Pending House Fisheries  |
| <b>HB 154 by Fansler</b>                    | Creates new authority to create state fish and game reserves, and establishes the Holitna River Basin Hunting, Fishing and Trapping Reserve.                           | Pending House Fisheries  |
| <b>HB 177 by Tarr</b>                       | Establishes the aquatic invasive species response fund, and provides ADF&G a broad spectrum of methods to try and eliminate any outbreak.                              | Pending House Finance  |
| <b>HB 183 by Talerico</b>                   | Provides for a PFD land sale using a lottery to sell parcels of land from the state's Land Disposal Bank.  | Pending House State Affairs  |
| <b>HB 188 by Kreiss-Tomkins</b>             | Establishes Regional Fisheries Trusts to retain fishing permits and then lease them to Alaska fishermen for a limited period.  | Pending House Fisheries<br><b>Scheduled 1/30</b>                                     |
| <b>HB 199 by Stutes</b>                     | Known as the "Wild Salmon Legacy Act," it updates Alaska's fish habitat protection and permitting law.   | Pending House Fisheries  |
| <b>HB 201 by Josephson</b>                  | Authorizes home rule and general law muni's to regulate trapping for the limited purpose of preventing injury to persons or property.                                  | Pending House Rules  |
| <b>HB 211 by Westlake</b>                   | Specifies that a nonresident must be accompanied by a person who is qualified to hunt caribou from certain select caribou herds.                                       | Pending Senate State Affairs   |

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| <b>HB 231 by Governor<br/>SB 115 by Governor</b> | Adjusts the salary ranges for the commissioners of the Commercial Fisheries Entry Commission (CFEC) downward.                             | HB 231 pending House Fisheries<br>SB 115 pending Senate State Affairs          |
| <b>HB 237 by Neuman</b>                          | Requires the Board of Fisheries to set an “optimal escapement goal” for salmon stocks to meet.  | Pending House Fisheries  |
| <b>HB 260 by Saddler</b>                         | Specifies that proof of sport fishing, hunting or trapping licenses, tags or other ID cards may be presented in electronic or paper form. | Referred to House Fisheries, Resources and Finance                             |
| <b>HB 263 by Knopp</b>                           | Exempts certain water taxi operators from regulation as transportation services by the Big Game Commercial Services Board.                | Referred to House Transportation & Resources<br><b>Scheduled 2/1</b>           |
| <b>HB 267 by Edgmon</b>                          | Requires the release of certain records of guided hunts and sport fishing activities to municipalities for verification of taxes payable. | Referred to House C&RA & Resources, <b>heard 1/25</b><br><b>Scheduled 1/30</b> |
| <b>SB 11 by Bishop</b>                           | Establishes that the taking of antlerless moose is prohibited except as authorized by emergency order.                                    | Pending Senate Resources   |
| <b>SB 64 by Micciche</b>                         | Adopts the Uniform Environmental Covenants Act. Provides for notices of activity and use limitation at contaminated sites.                | Pending House L&C  |
| <b>SB 135 by Micciche</b>                        | Establishes Cook Inlet buy-back program for set net entry permits and provides for a vote by permit holders whether to be included.       | Referred to Senate Resources & Finance   |

## Energy Matters

|                                |  |                         |
|--------------------------------|--|-------------------------|
| <b>HJR 18 by Tuck</b>          | Calls on Congressional delegation to promote Alaska as a renewable energy development leader.  | Pending House Energy    |
| <b>HB 81 by Kreiss-Tomkins</b> | Makes federally recognized tribes and non-profits eligible for loans from the Alaska energy efficiency revolving loan fund.                  | Pending Senate Finance  |
| <b>HB 173 by Josephson</b>     | Establishes the Alaska Climate Change Response Commission and fund. Creates a \$.01 per barrel surcharge on all oil produced on state lands. | Pending House Resources |

Eastern Aleutian Tribes  
Press Release  
December 2017 - January 2018



Anchorage Office "Ugly Christmas Sweater" winners:  
Linda Mack (HR Assistant) and Brenda Hammermeister (Purchasing Tech.)  
December 22, 2018

Service



Passport to Healthy Travel Program:  
4<sup>th</sup> Quarter Winner: **Colleen Barker**  
from Akutan

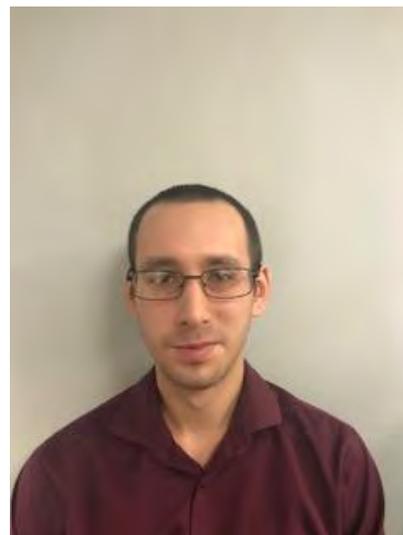
\*Remember to come in for your annual preventative screenings.

- **Adak - Upcoming Services:** - March 21 – 28<sup>th</sup>: Shonna Wheeler (DHAT)
- **Akutan - Upcoming Services:** - February 15 – 23<sup>rd</sup>: Dr. Michael Costa, Gaby Costa (Dental Assistant), and Shonna Wheeler (DHAT)
- **Cold Bay - Upcoming Services:** - March 23 – 24<sup>th</sup>: SCF Dental (I am not sure they are scheduling appointments, but I wanted to let you know they are coming through, if an emergency happens.)
- **False Pass - Upcoming Services:**
  - February 26 – 28<sup>th</sup>: Rita Kittoe (Public Health Nurse)
  - March 20 – 23<sup>rd</sup>: SCF Dental
- **King Cove - Upcoming Services:**
  - December 21 – February 14<sup>th</sup>: Shonna Wheeler (DHAT)
  - January 8<sup>th</sup> until March 19<sup>th</sup> : David Modde (BH Clinician)
  - January 20<sup>th</sup> – February 13<sup>th</sup> : Dr. Michael Costa and Gaby Costa (Dental Assistant)
  - February 24<sup>th</sup> – March 21<sup>st</sup>: Shonna Wheeler (DHAT)
  - March 28<sup>th</sup> – Health Fair at City Gym

- **Nelson Lagoon - Upcoming Services:** - March 24 – 30<sup>th</sup>: SCF Dental
- **Sand Point - Upcoming Services:**
  - January 29 – February 2<sup>nd</sup> : Jennifer Harrison (CEO)
  - February 19 – March 2<sup>nd</sup> : SCF Dental Team
  - February 15 – 24<sup>th</sup> : Edgar Smith (Operations Director)
  - March 19 – April 2<sup>nd</sup>: Dr. Michael Costa and Gaby Costa (Dental Assistant)
- **Whittier – Notice of Closure:**
  - Clinic will be closed for the big move on these days:
    - Closed at Noon on Wednesday, January 31<sup>st</sup>
    - Closed on Thursday, February 1<sup>st</sup>
    - Closed on Friday, February 2<sup>nd</sup>
  - We will re-open in the new building on Monday, February 5<sup>th</sup>

## People

- Welcome:
  - **William Wheeles**, IT Technician (Anchorage) started on December 18<sup>th</sup> (See picture on right.)
  - **Carol Kirkland**, Nurse Practitioner (Sand Point) started on January 15<sup>th</sup>
  - **Kyle Cardwell**, BH&W Manager (Anchorage and traveling 50%) will be starting on February 22<sup>nd</sup>
  - **Dawn Underwood**, Nurse Practitioner (King Cove) will be starting on February 26<sup>th</sup>
  - **Tony Underwood**, Nurse Practitioner (King Cove) will be starting on February 26<sup>th</sup>
- Open Positions:
  - Community Health Aides\* – Adak and Nelson Lagoon & recruiting for traveling CHAPs
  - Community Health Aide (CHA)/ CHR\* – Akutan and False Pass and recruiting for traveling CHAPs
  - Community Wellness Advocate/BHA\* (full-time) – Cold Bay, False Pass, King Cove, or Nelson Lagoon with regular travel to the other three villages
  - Dental Hygienist
  - Elder Program Manager (RN or LCSW) - Anchorage
  - Behavioral Health Clinician – King Cove
  - Nurse Practitioner (NP)/Physician Assistant (PA) – Adak, Akutan, Cold Bay, and recruiting for traveling NP/PA



\*Note: No experience necessary. Training will be provided.

- Caught Ya Caring for December: - **Terri Douglas** (Nurse Practitioner) - Terri was the first provider I worked with when I began working with EAT's. My very first day she was teaching me what equipment was had and how to use a majority of it. By the second day, she was teaching me how to do venipunctures and start I.V.'s (not on patients of course). Every time I have worked with her since then she has always helped me in times of conflict with myself and my abilities. She has sat and answered my millions of questions about my profession in the medical field and how the opportunity for furthering my education is vast and accessible. Terri is such a motivational individual from the way she interacts with her patients to the charm she has that basically just empowers everyone she meets to strive for their best and try their hardest. (See picture on right.)



- **Melinda Johnson** (CHAP in Sand Point) - Melinda is always helpful and constantly asking if there is something else that she can do any minute that she has any downtime. She has been a tremendous help in giving great patient care, whether it's booking appointments and travel or seeing her own patients. It's a pleasure to have her back in clinic and she is a welcome addition to the staff here in Sand Point.
- **Lynn Fuller** (CIC in Cold Bay) is front desk, clinic lead, janitor, apartment oversee'er for the Cold Bay clinic. She is very detailed and very thorough in whatever task she does. She uses the training we give her and takes it to another level, uses anyone and everything to complete the task correctly. She keeps ahead of the task curve in Cold Bay, where people can come piling in all at once, medevacs happen of spur of the moments, all in the while taking the time to register a patient. Her registering of a patient is complete and correct, Billing hardly has to correct one for her. She has uncanny knack to stay focused till the task is completed correctly. She takes what we train her with, adapts it to the clinic style of operations for the Cold Bay site, making sure the outcome of the task are what is needed for good patient care, and what is best for Eastern Aleutian Tribes.
- **Amanda Richardson** (PA-C in Sand Point/Anchorage) - A young woman needed to be seen for a significant health issue on a day the clinic was closed. The individual that brought her had driven off after letting her out of the vehicle. The woman was young and far from home and had no way to reach the individual that dropped her off. She explained her health situation so I had her call 911 on the waiting room phone. Amanda at first said it was not an emergency, but did see the individual and established the health issue was significant. She did an awesome job calming the young woman and treating the significant health issue.

### Annual Awards for 2017:

- We are Respectful – **Eula Schofield** (CIC in Whittier)
- We have Integrity – **Lorna Osterback** (CHR in Sand Point)

- We have Dignity – **Eleanore Starr** (BH Clinician in Sand Point)
- We are Caring – **Bonita Babcock** (CHAP in King Cove)
- We have Empowerment – **Brenda Hammermeister** (Purchasing Tech. in Anchorage)
- We have Innovation – **Nellie Roehl** (Clinical Applications Manager)
- We have Collaboration – **Susan Bailey** (RN Case Manager in King Cove)
- **Employee of the Year** – **Marta Hahn** (RN Patient Navigator in Anchorage) \*See picture on right.



Caught Ya Caring for January:

- **Troy Brandell** (CIC, Sand Point) - During down time he has gone through the front office and cleaned out all cabinets, and shelves and discarded old forms that are no longer being used since we started EHR. He has organized the front office cabinets so items are easy to find. Good job Troy!

Service

- Medical Highlight – Staff members throughout EAT are participating with the State of Alaska on a project to improve blood pressure in our region. The approach is comprehensive and forward-leaning to **reduce heart attacks and strokes**.
- CHAP Highlight – Currently in the process of **adding other labs** to all clinics, including a point-of-care HIV test that can have a preliminary result within 10 minutes.
- Dental Highlight – The Dental Team has been implementing a **denture clinic in Akutan** for 2018, which will take a total of four visits.
- Behavioral Health and Wellness – We continue to advocate for eliminating the legal barrier for getting the medication called Suboxone into our PickPoint machines, but while that barrier still exists, we were successful in obtaining approval for RASU Pharmacy to send out Vivitrol injections which is a **medication used to assist in abstinence from alcohol and opiate medication**.
- Case Management Highlight - Our two Registered Nurses (Marta Hahn and Susan Bailey) **visited the Elders** from our communities that are currently living in long-term care facilities.
- Operations Highlights:
  - Whittier – We are physically in the process of **moving to the new clinic**. We successfully obtained a small grant from Rasmuson Foundation to help us pay for some new equipment.

- King Cove –
  - New fire alarm has been installed.
  - The staff members are planning a large **health fair on Wednesday, March 28<sup>th</sup>** in the City Gym with a theme of “physical activity”. GCI is sponsoring Nick Hanson the “Eskimo Ninja” from the American Ninja Warrior Show to attend.



- False Pass – Gearing up to provide additional support and equipment for when the **fish processing plant expands its workforce** this summer.
- Community Health Representatives (CHRs) – The King Cove CHRs are gearing up for providing **two Elder lunches per week** when the community center renovations are completed.

### Finance

- Annual Audit completed; EAT continues to be a low-risk auditee. **Kudos to the Finance Department!**
- Our HRSA grant (25% of EAT’s annual funding) was **approved for the next three years**.
- Billing Department is moving to Novitas Solutions for Medicare, because EAT is eligible for a **higher rate** per visit for our I.H.S. beneficiaries that are also eligible for Medicare.
- Working with **City of Sand Point to complete the 105(l) lease requirements**, so they can move from the Village-Built Clinic (VBC) lease program and we both can receive additional funding for building maintenance, janitorial, and utilities.



### Growth

- Together with APIA, we continue to **interview applicants for the new Intensive Out-Patient (IOP) treatment program coordinator**. This will be a shared position hired by APIA, but also with an office at EAT’s Anchorage Office. The delay in finding qualified applicants is delaying the start-date of the new IOP program.
- Successful completion of providing **physical therapy services** for one-week in King Cove and one-week in Sand Point in 2017. We need to do a financial analysis of the pilot project to see if we are still breaking even. If so, then we would like to continue the one-week visits to King Cove and Sand Point and expand the project to Cold Bay, False Pass, and Nelson Lagoon in 2018.

# Assembly Comments

# Public Comments

# Date & Location of Next Meeting

# Adjournment