

Aleutians East Borough Minutes  
January 16, 2014

CALL TO ORDER

Mayor Mack called the January 16, 2014 Assembly meeting to order at 3:00 p.m. by teleconference in each community.

ROLL CALL

Mayor Stanley Mack	Present
Paul Gronholdt	Present
Carol Foster	Present
Marvin Mack	Present
Alvin D. Osterback	Present
Ken McHugh	Present
Joe Bereskin, Sr.	Present
Brenda Wilson	Present - Arrived late

Advisory Members:

Nikki Hoblet, False Pass	Present
Harold Kremer III, Cold Bay	Present – Arrived late
Justine Gundersen, Nelson Lagoon	Present

A quorum was present.

Staff Present:

Rick Gifford, Administrator  
Roxann Newman, Finance Director  
Anne Bailey, Community Development Coordinator  
Ernie Weiss, Resource Director  
Tina Anderson, Clerk  
Laura Tanis, Communications

Agenda Additions:

New Business, Nelson Lagoon Erosion Problem.

Adoption of Agenda:

MOTION

Alvin moved to adopt the agenda with addition and second by Ken. Hearing no objections the agenda is adopted.

Community Roll Call and Public Comment on Agenda Items:

All communities were present. There were no public comments.

Minutes, December 12, 2013 Minutes:

MOTION

Carol moved to approve the December 12, 2013 Minutes and second by Alvin. Hearing no objections the Minutes are approved as presented.

Financial Reports, December, 2013:

MOTION

Joe moved to approve the December Financial Report and second by Ken.

DISCUSSION

The Finance Director said no red flags, budget is moving along on schedule.

ROLL CALL

Paul-yes, Ken-yes, Marvin-yes, Carol-yes, Alvin-yes, Joe-yes. Advisory: Nikki-yes, Justine-yes.

Investment Reports, December, 2013:

In packet.

RESOLUTIONS

Resolution 14-13, Approving the Fee & Penalty Schedule for the AEB Land Use Permits:

MOTION

Paul moved to approve Resolution 14-13 and second by Alvin.

The Community Development Coordinator, Anne Bailey, said the resolution outlines changes made at the last meeting on large mining and offshore, those changes were incorporated.

ROLL CALL

Carol-yes, Joe-yes, Alvin-yes, Ken-yes, Paul-yes, Marvin-yes. Advisory: Justine-yes, Nikki-yes.

Resolution 14-14, The Assembly approving a \$500,000 contribution to the Cold Bay Clinic Construction Project:

MOTION

Ken moved to approve Resolution 14-14 and second by Marvin.

DISCUSSION

The Anne Bailey, Community Development Coordinator, said a specific design was completed on the clinic in October and is now trying to find construction funds, which are very hard to come by and many grant opportunities require matching funds. The Administrator added that this is our number one Legislative priority. The resolution shows willingness to contribute to the project. The Borough is also trying to get support from entities that are located in Cold Bay like USF&WS and FAA.

Ken expressed his support for the Cold Bay clinic. As an EMT, he noted the importance of that location to the fishing fleet during emergencies. Paul felt it is a worthwhile project and said City of Unalaska might be able to contribute because of Coast Guard medevac transfers that occur from

there. Bailey said APIA is trying to build a hospital out in Unalaska. They are not as far along as AEB since they don't have a design yet, but might prohibit the city from contributing to our project. Marvin said he supports, Cold Bay definitely needs a clinic, people from other communities use the clinic during emergencies. Alvin suggested approaching the U.S. Coast Guard for a letter of support. Bailey will contact the Coast Guard but, in the past, they have said they do not like to do letters of support, however, can provide statistics on how much they use the clinic.

ROLL CALL

Ken-yes, Marvin-yes, Joe-yes, Paul-yes, Carol-yes, Alvin-yes. Advisory: Nikki-yes, Justine-yes.  
MOTION PASSED.

PUBLIC HEARINGS

Public Hearing Ordinance 14-03, Amending AEB Code Title 1, General Provisions:

MOTION

Alvin moved to adopt Ordinance 14-03 and second by Carol.

Mayor Mack opened for Public Hearing. Hearing none Public Hearing closed.

DISCUSSION

Paul requested an update. Consultant, Susan Harvey, said there are no changes since the last meeting.

ROLL CALL

Marvin-yes, Joe-yes, Carol-yes, Ken-yes, Alvin-yes, Paul-yes. Advisory: Nikki-yes, Justine-yes.  
MOTION PASSED.

Public Hearing Ordinance 14-04, Amending AEB Code Title 2, Administration:

MOTION

Joe moved to adopt Ordinance 14-04 and second by Ken.

Mayor Mack opened for Public Hearing. Hearing none Public Hearing closed.

DISCUSSION

Joe asked about the Aleutians East Borough Coastal Management Program and whether it would still be the responsibility of the Clerk. The Clerk explained that at this time the State of Alaska is no longer participating in the National Coastal Zone Management Program so the AEB's plan is no longer active unless the State of Alaska decides to participate in the Program again and the Clerk would then take on the responsibility if it were to start up again.

Bailey added that the only change per Assembly discussion was changing the residency requirement for Mayor from three years to a minimum of one year.

(Brenda and Harold arrived.)

ROLL CALL

Paul-yes, Alvin-yes, Ken-yes, Brenda-yes, Marvin-yes, Joe-yes, Carol-yes. Advisory: Nikki-yes, Justine-yes, Harold-yes. MOTION APPROVED.

Public Hearing Ordinance 14-05, Amending AEB Code Title 40, Planning, Platting and Land Use:

MOTION

Brenda moved to adopt Ordinance 14-05 and second by Carol.

Mayor Mack opened for Public Hearing. Hearing none Public Hearing closed.

DISCUSSION

No further discussion.

ROLL CALL

Carol-yes, Ken-yes, Marvin-yes, Alvin-yes, Joe-yes, Paul-yes, Brenda-yes. Advisory: Justine-yes, Nikki-yes, Harold-yes. MOTION PASSED.

Public Hearing Ordinance 14-06, Amending AEB Code Title 45, Powers and Functions:

MOTION

Alvin moved to adopt Ordinance 14-06 and second by Brenda.

Mayor Mack opened for Public Hearing. Hearing none Public Hearing closed.

DISCUSSION

No further discussion.

ROLL CALL

Alvin-yes, Brenda-yes, Ken-yes, Carol-yes, Paul-yes, Marvin-yes, Joe-yes. Advisory: Harold-yes, Nikki-yes, Justine-yes. MOTION PASSED.

Paul suggested at the next meeting to discuss how AEB has to plan and zone Nelson Lagoon Village and what boundaries to use. Bailey said she has talked to Mark McNeley from the Nelson Lagoon Tribal Council. She plans to draft a memo to the community and will discuss with them as to what they want to do. Bailey also contacted many organizations to determine the real boundaries, which has proven to be quite difficult. She will come back to the Assembly as soon as that is all arranged.

OLD BUSINESS None

NEW BUSINESS

Planning Commission Resignation and Appointment:

MOTION

Alvin moved to accept the resignation of Harlen Newman and appoint Robert Gould, Sr. to serve on the Planning Commission. Second by Carol. Hearing no objections MOTION APPROVED.

**Nelson Lagoon Erosion Problem:**

Justine said Nelson Lagoon has an erosion problem that has been going on for a number of years and there have been more than enough studies done by the Corps of Engineers. She is requesting the support from AEB to apply for FEMA funds, action on the problem is needed. Alvin asked whether we would have to request the State of Alaska to declare a disaster. Mayor Mack said there has been some work done on the inner part of the Lagoon. The Mayor asked about other areas that are washing away and asked about the shoreline where waterline is. Justine answered that it is not good, very fragile and has the tendency to flood over. Mayor Mack felt that is the more serious issue and requested photos for his Juneau trip. Bailey said currently she is in the process of doing another study under a Coastal Impact Assessment Grant. It is a 3-year process, and it was amended to allow some preliminary engineering design which initially wasn't included. She added that the FEMA grants are highly competitive and unfortunately under the cost analysis Nelson Lagoon does not score very high. However can submit an application, discuss with them and possibly get something altered for Nelson Lagoon since it is an important issue that needs to be addressed. She noted HDR, Inc. will be in Nelson Lagoon first week of May to do surveys to measure erosion.

**REPORTS AND UPDATES**

In packet.

**Hovercraft Operation:**

The Administrator said report on hovercraft operation is in the packet. Work on the transition from hovercraft to helicopter is ongoing. He is anticipating the last day of operation for the hovercraft to be February 15. At this time, he is working on getting a fuel supply for helicopter and the helicopter should be in Akutan before February 15 and ready to operate on February 16. The hovercraft will be stored in the hangar protected from the weather and then will begin process to market for sale.

**Izembek Land Exchange:**

Administrator said Secretary of the Interior, Sally Jewel ruled against the land exchange. In looking at her decision, feels she made an erroneous decision that is wrong and was based on erroneous information she received from USFWS. Our Congressional Delegation is outraged by the decision as well as the date she made the decision which was the day before Christmas Eve. Senator Begich has filed legislation to mandate the land exchange. The King Cove work group, which is the King Cove Native Corporation, City of King Cove and AEB, sent a letter requesting she reconsider her decision based upon the erroneous information from USFWS. A lot of information Secretary Jewel received was centered round a landing craft and we have information showing that a landing craft will not work. Senator Murkowski is also sending her a message to encourage her to reconsider her decision. Need to follow through and feels it is not a done deal.

Paul asked how the Jet-A fuel is going to be delivered for the helicopter in Akutan. The Administrator said still finalizing those details, working close between Maritime Helicopters and

Trident Seafoods. They can get Jet-A fuel out of Dutch Harbor and Trident can get deliveries about every 3 weeks. He is working on determining what kind of storage capacity is needed and one that can be picked up and possibly exchanged with another. If it is not in place at the time of operation startup, they can use drums initially. Paul noted his disappointment that we haven't concluded the fuel issue, feels it is straight forward and high priority. Mayor Mack said there is fuel at Trident to get us started initially.

Paul asked when we should anticipate the hovercraft going out to bid. Mayor Mack said he and the Administrator are working on the details. The Administrator said he is working with AEB Attorney, Joe Levesque to make sure we follow the proper procedures. He also discussed with Kvichak Marine Industries as to how to market the hovercraft and hopes to sell it as soon as possible. He added that there has been interest out there primarily on the North Slope.

Alvin requested that we discuss possible alternatives to what we are doing now at a future meeting.

Paul said we have committed a lot of money over the years to the road project and requested information on the Borough's role in the King Cove workgroup. He requested information on how the workgroup schedules meetings, whether there is a chairman, minutes available and whether they are public.

Paul also asked how the bill introduced by Senator Begich differs from the bill already in there.

City of King Cove Administrator, Gary Hennigh said the workgroup started in 2006 during round two when the AEB requested the City of King Cove step up to take the lead. He is currently working on a memo with the authorization from the City Council to get the issues down in writing. He will submit for the next Assembly meeting.

Communications Manager, Laura Tanis, said the bill introduced by Begich requires no EIS. The Administrator said the big difference is the bill allows Congress to just mandate the land exchange requiring no decision from the Secretary. Paul said he hopes for a future meeting in King Cove to sit down and discuss alternative options. It would be appropriate to meet in King Cove in the spring and by then we will know more.

Marvin said the city of King Cove and King Cove Native Corporation has been doing a great job. He does not feel it is necessary to know how any of the cities and corporations are working together on projects. Feels they are doing a great job and if we can help, it is just another project that we are involved in.

Community Development Coordinator, Anne Bailey said everything is going smoothly. False Pass generator replacement project was a CDBG grant that went out to bid but did not receive any responses so False Pass will find someone to get that project completed. She is also continuing with oil spill response equipment to address mitigation measures in Akutan and False Pass harbor.

Resource Director, Ernie Weiss said tomorrow IPHC (International Pacific Halibut Commiwssion) sets catch limits for 2014 and he will get those numbers out to the public. In regards to the Steller sea lion protection measures, NMFS has requested an extension on the EIS. He also received feedback from the Alaska Young Fishermen's Summit attendees and feels it is beneficial and should continue to support. The Port Moller airstrip land conveyed to the AEB has been maintained by Peter Pan. May need an agreement with Peter Pan and may also need a survey done.

#### ASSEMBLY COMMENTS

#### PUBLIC COMMENTS

City of King Cove Mayor, Henry Mack, provided an update on King Cove. He said during the city council meeting they discussed budget issues regarding employees in-kind cost to health care to get the city budget in order.

Mayor Henry Mack said King Cove Administrator, Gary Hennigh, will be preparing a letter on Izembek land exchange/road corridor so the Assembly can see who is paying what and what King Cove's expectations are. He added the only alternative is a road to Cold Bay, wanting only to put energy in something that will work.

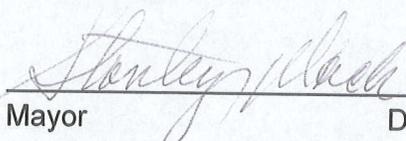
Mayor Henry Mack said King Cove is also focusing on the illegal drug problem that is also Borough wide. He said the Borough resolution addressing the illegal drug issue was supported by APIA and City of King Cove also passed a similar resolution a month ago. Since then, we have had so much verbal support and need to get a handle on all drug trafficking and to educate our young people. We are working our hardest to put a choke hold on the illegal drug problem in King Cove. We are also researching the cost to get a drug dog into the community, which is around \$20,000 and will be submitting a funding request to the Borough for the purchase of a drug dog.

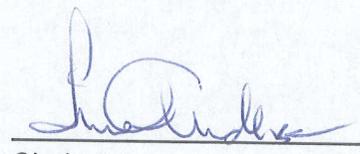
#### NEXT MEETING DATE AND LOCATION

March 4 in Anchorage before the SWAMC Summit.

#### ADJOURNMENT

Paul moved to adjourn and second by Alvin. Hearing no more the meeting adjourned at 4:28 p.m.

  
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Mayor Date

  
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Clerk Date