

Aleutians East Borough
November 15, 2010
3:00 P.M.

CALL TO ORDER

Mayor Mack called the November 15, 2010 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	Absent - excused
Marvin Mack	Present
Ken McHugh	Present
Paul Schaack	Present
Joe Bereskin, Sr.	Absent - unexcused
Justine Gundersen	Present

Advisory Members:

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

Others Present:

Sharon Boyette, Administrator
Tina Anderson, Clerk
Roxann Newman, Finance Director
Laura Tanis, Communications Director
Monty Martin, Terminal Manager
Hovercraft crewmembers, Seward Brandell, Ernie Newman, Paul (Toby) Tobin
William (Bill) Cumberlidge

Agenda Additions/Changes:

- Agenda Addition, Resolution 11-16, Recognizing Ken McHugh for his service to Aleutians East Borough.
- Removal of MOU

Adoption of Agenda:

MOTION

Paul G. moved to adopt the agenda with the addition Resolution 11-16 and second by Marvin. Hearing no objections the agenda is approved.

Community Roll Call and Public Comment on Agenda Items:

The communities of King Cove, False Pass, Nelson Lagoon, Cold Bay and Sand Point were participating. There were no public comments.

Minutes, October 18, 2010:

MOTION

Paul G. moved to approve the October 18, 2010 Minutes and second by Ken. Hearing no objections the minutes were approved.

Financial Reports

Financial Report, September, 2010:

MOTION

Paul G. moved to adopt the September Financial Report and second by Marvin.

ROLL CALL

Marvin-yes, Ken-yes, Paul G.-yes, Paul S.-yes, Justine-yes. Passed.

Financial Report, October, 2010:

MOTION

Marvin moved to approve October Financial Report and second by Paul G.

In reviewing the October Financial Report, the Finance Director said everything is on track. The Administrator said SW Cities LC is showing revenue being made. The Balance of SW Cities is holding and should cover the empty space.

The Administrator noted the fish tax revenue spread sheet in the packet showing past and present fiscal year revenues. Paul G. requested another column showing comparison to present month to last year total. Marvin requested a species breakdown on the next report. Paul G. explained that the Pollock caught in the Gulf gets unloaded at Sand Point City boundaries but, sales tax goes to Akutan. He would like a better understanding on how that works. The Administrator said the state will be providing AEB with a workshop in February to get answers to fish tax questions and get a better understanding how it all works. Marvin noted a similar situation when fish caught around Sand Point are offloaded in Sand Point city boundaries and tendered to King Cove -- there have been disagreements as to who gets to capture the tax. He added that the only thing to rely on is fish tickets to determine who can collect the tax. Paul G. also said catcher/processors that bottom fish near Sealion Rock offload in city of Sand Pt. boundaries to cargo trampers.

ROLL CALL

Paul S.-yes, Marvin-yes, Justine-yes, Ken-yes, Paul G.-yes. Passed.

Investment Report, September:

Report in packet.

RESOLUTIONS

Resolution 11-15, Authorizing Participation in the Community Development Block Grant Program and Submitting a Grant Application Entitled: False Pass Harbor Utility Project:

MOTION

Paul G. moved to adopt and second by Ken.

ROLL CALL

Justine-yes, Paul S.-yes, Ken-yes, Marvin-yes, Paul G.-yes. Passed.

Resolution 11-16, Recognizing Assembly Member Ken McHugh for his service to Aleutians East Borough:

Mayor Mack read Resolution 11-16.

MOTION

Paul G. moved to adopt Resolution 11-16 and second by Justine.

Mayor Mack and Paul G. thanked Ken for his positive contribution to the Borough.

Marvin said that when we considered reapportionment, no community would be without representation. Akutan has had two seats, Sand Point two seats and King Cove two seats. Now it is going to begin changing and all the votes could be from one community. He suggested re-considering all seats being Borough wide. We discussed at lengths at that time, however suggested researching further to ensure future representation is proportioned throughout the communities.

Justine said she really appreciated working with Ken and hopes he continues in his involvement with the Borough.

ROLL CALL

Paul S.-yes, Marvin-yes, Paul G.-yes, Justine-yes, Ken-abstain. Passed.

NEW BUSINESS

AEBSD funding rollover request of \$200,000:

Justine does not object to a rollover of funds but would like an explanation as to where the funding is going. She believes more needs to be done in our small school sites. The Administrator said that we seem to do this every year and that the last paragraph on the hold harmless provision is the big issue.

MOTION

Ken moved to accept and second by Paul S.

ROLL CALL

Paul S.-yes, Marvin-yes, Paul G.-yes, Ken-yes, Justine-no. Passed.

City of Sand Point \$1M funding request for the Robert E. Galovin Small Boat Harbor repairs:

Mayor Mack explained that the city of Sand Point has requested \$1M in funds for boat harbor repairs. At this time, he does not believe we can provide the funding because we are trying to put together a package for the new harbor float system in Sand Point. The new harbor will provide a new funding source.

Paul G. suggested the excess funding in the bond package, money that has already been approved. He also suggested maybe using some of the transportation money, possibly some room for discussion there. The Administrator said we had bonding money and spent bonding money. If you look under Sand Point harbor, there is some money in the Sand Point harbor account, which is the money reimbursed back to us. We've always talked about using that money for the match for the floats, which we did for the first part of the float project. The AEB also contributed \$300,000 to get water to the new harbor so some of that money is going into that project already. Since we are concentrating on the new harbor, the city is being the entity to work on the old harbor. She also noted that what we have in the harbor fund is no where near \$1M. Mayor Mack suggested concentrating on the new harbor and start getting new revenues captured.

There was no further discussion.

Hovercraft Operations Winter Layup:

Mayor Mack said we have come to the conclusion of the economic impact on the AEB by the hovercraft operation. We find it necessary to put it in layup for the winter months and consider reinstating it in the spring. He recommends winterizing and revisit the financial package later.

Marvin felt that the winterization plan is going to need 1-2 people out there to watch in case of a disaster. He suggested a committee to discuss further saying that the AEB can't just let a \$7M piece of equipment just lay there. He suggested the plan include routine checks on the equipment. The Administrator has discussed with the King Cove Administrator about the police department doing spot checks at the hovercraft terminal for vandalism. She also suggested having someone else to check more thoroughly on equipment. Marvin suggested having someone with vessel experience to be checking the equipment.

Paul S. expressed his concerns about going back to unsafe medivacs. Mayor Mack agreed, but right now, based on the numbers, it is just not economic.

Mayor Mack asked if there is any objection to the hovercraft layup for the winter. There were no objections. The AEB will proceed with winterization.

King Cove Land Exchange and Road Corridor Environmental Impact Statement Memorandum of Understanding:

Postponed until next meeting

Certification of the November 2, 2010 Special Election:

Assembly Seat G – William (Bill) Cumberlidge

MOTION

Ken moved to accept and second by Paul G. There were no objections, motion passed.

Bill Cumberlidge was sworn into office.

Reports & Updates:

Reports are in the packet.

ASSEMBLY COMMENTS

Paul G. said Aleutia has a designated seat for AEB, which he believes entitles the Assembly to find out things, for instance, the Right of First Refusal agreement.. Next year a possible no red crab season and would like to see how that plays into.

Paul said the \$20M road project, will have a lot of jobs available for those with CDLs. Mayor Mack said we stress local hire with the contractor. The Administrator added that when the contractor is selected, a partnership meeting is scheduled and that is one of the things we discuss. However, can not make them hire locally, but they are usually happy to do so.

Paul S. requested the Cold Bay boat ramp drawings for the ramp necessary to review for repairs needed. He also asked when the terminal building inspection is scheduled. The Administrator said FAA is planning their formal inspection tomorrow. AEB inspection will be on Saturday.

Paul G. said the windows taken out of terminal should be disposed of properly following the disposal of property ordinance. The Administrator said, at this time, it is necessary to keep them in case the opposing group in lawsuit wants to look at them.

PUBLIC COMMENTS

Ken McHugh welcomed Bill Cumberlidge to the Assembly and expressed his appreciation to the Assembly and staff for all the help in the last few years.

Seward Brandell suggested rehiring certified staff once the hovercraft goes back into operation. He added that in the meantime crew will have to look for further job opportunities. Mayor Mack said he has thought of that and can't stop crew from doing that. Toby said dealing with what we have, the economics just don't seem to be able to do that. He hopes that the AEB has given some consideration for the crewmembers.

North Pacific Fisheries Management Council:
December 6-13 in Anchorage.

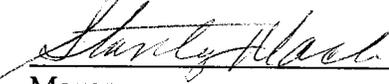
Next Meeting Date and Time:

Tentatively scheduled for the December 8 in the evening at 4:00 p.m.

ADJOURNMENT

MOTION

Justine moved to adjourn and second by Bill. Hearing no objections the meeting adjourned at 4:21p.m.


Mayor

12/8/10
Date


Clerk

12/8/10
Date