

CALL TO ORDER

Mayor Osterback was not able to make this meeting. Assembly Member Chris Babcock was appointed as Mayor Pro Tempore for the duration of this meeting. Mayor Pro Tem Chris Babcock called the Aleutians East Borough Assembly meeting to order by teleconference on April 8, 2021 at 3:05 p.m.

ROLL CALL

Mayor Alvin D. Osterback	Absent-excused.
Chris Babcock	Present (<i>appointed as Mayor Pro Tempore</i>)
Carol Foster	Present
Warren Wilson	Present
Josephine Shangin	Present
Paul Gronholdt	Present
Brenda Wilson	Present
Denise Mobeck	Absent-excused

Advisory Members:

Dailey Schaack, Cold Bay	Present
Samantha McNeley, Nelson Lagoon	Present
Tom Hoblet, False Pass	Present

A quorum was present.

Staff Present:

Roxann Newman, Finance Director
Jacki Brandell, Finance Assistant
Tina Anderson, Clerk
Anne Bailey, Administrator
Mary Tesche, Assistant Administrator
Ernie Weiss, Natural Resources Director
Charlotte Levy, Assistant Natural Resources Director
Glennora Dushkin, Administrative Assistant
Laura Tanis, Communications Director

Assembly Member Chris Babcock was appointed as Mayor Pro Tempore in the absence of Mayor Osterback.

Adoption of the Agenda:

MOTION

WARREN moved to amend the agenda with additions and second by JOSEPHINE:

Agenda additions:

New Business: Grant Aviation

New Business: Alaska Airlines

New Business: Brownfields Federal Funding and Grant

Community Roll Call and Public Comments on Agenda Items:

All Assembly and staff were participating by teleconference from their individual locations, for the purpose of following the mandates of social distancing and protecting the public health. Also broadcast on KSDP radio.

The Communications Director, Laura Tanis, will read any Public Comments submitted by e-mail.

Below are public comments submitted and read by Communications Director Tanis:

Public Comments from City of Cold Bay Council Member, Candace Nielsen regarding Alaska Airlines:

*Dear Borough Assembly Members and Mayor,
With Alaska Airlines already being established in Cold Bay, we are requesting that the Borough submit an appeal to the Airline's recent decision to end service to Cold Bay and to further improve your current relationship with Alaska Airlines. It is disheartening to hear of the impending loss. As a community member of one of the many towns impacted and a local who witnesses the challenges of travel to and from this area having Alaska Airlines has been a tremendous win for our Borough and beyond. This service has played an integral role of stability for air travel in the region and potential for tremendous growth in the economy as well as access to many opportunities. We wholeheartedly believe that our people deserve to have options in air service. It is in the AEB's best interest and the communities we serve to lobby for Alaska Airlines to continue their 2 days a week service as they are already flying overhead those days to Adak.*

There are many people, businesses and organizations that will be negatively impacted by this decision to not continue service, including but not limited to, the following - Cold Bay, King Cove, False Pass, Sand Point, Akutan, St. Paul, St George, Unalaska, Atka, Nelson Lagoon, Port Moller.

There is no reason that Ravn and Alaska cannot have a successful partnership and both land in Cold Bay. As we have seen in the past, having only one airline serving our communities is extremely limiting. Knowing this area and the ever changing situations, we should be advocating to increase and sustain rather than reduce them.

Knowing your priority is the well-being and best interest of the people that are in the Aleutians East Borough, I urge you to work with Alaska Airlines on our behalf to support their continued service.

Public Comments from City of Cold Bay Tara Ferguson-Gould regarding Alaska Airlines:

Aleutians East Borough Assembly Members and Mayor,

Thank you for all you do to support the communities in the AEB. Being from the region, a local business owner and previously serving on the assembly I appreciate the role of the AEB and the service the assembly members provide.

The recent news on Alaska Airlines ceasing service into Cold Bay has brought about much conversation on how this decision will negatively impact the communities and residents in the area. As you know, Cold Bay is a hub community that serves all of the surrounding communities and beyond. Please consider advocating on our behalf to continue the essential transportation services Alaska Airlines provides.

Thank you for your consideration.

Tara Ferguson-Gould

Public Comments from AEBSD Superintendent Patrick Mayer, regarding Resolution 21-44:

Dear Mayor Osterback and members of the AEB Assembly,

Moving forward, I know that the AEB Assembly will be addressing a limited opening of the borough building to board members during today's meeting. As the school district has a relatively large local staff and the principal usually attends our meetings, would it be allowable, by invitation only, to provide needs based access to the office of the superintendent for fully vaccinated staff? Social distancing and masks would be a requirement and access would only be to the school district side of the building.

Thanks,

Patrick Mayer, Superintendent

PRESENTATIONS

Alaska Permanent Capital Management Presentation:

Blake Phillips said he is the VP, Director of Institutional Solutions. He introduced Brandy Niclai, Chief Investment Officer, Multi-Asset Strategies and Allison Capps, Client Relationship Manager. APCM helps manage AEB's operating fund, various bond funds, and the Permanent Fund.

Ms. Brandy Niclai reviewed the Permanent Fund account performance activity throughout the years, which AEB started in 1993. Total AEB contributions \$19.38M, with cumulative withdrawals of \$20.75M, and market value at end of February 2021 was \$44.92M with an account return of +6.67%. Current allocation is 66% in stock market and 34% in bonds. End of March value is \$45.95M.

Ms. Niclai also reviewed the global market through the year of events and the outlook for 2021. Full presentation in the packet.

Jennifer LeMay, *DRAFT* AEB Hazard Mitigation Plan:

Jennifer LeMay said the hazard mitigation plan is to reduce the loss of life and property by lessening the impacts of natural disasters. AEBs top three concerns are earthquakes, volcanoes, and tsunamis. She has held meetings, provided an online public survey, and this is the 3rd presentation at an Assembly meeting. As of March 29 the draft was posted on the AEB website, Facebook page, and In-the-Loop e-newsletter, notifying the public of the public review period.

The Public comment period on draft ends Friday, April 16 at 5:00 p.m. Once public comments are added, the revised draft plan will be submitted to the State of Alaska DHS&EM and FEMA for review. Due to Covid and emergencies, FEMA review response time may be slow. The Borough, cities and Nelson Lagoon Tribal Council adoption follows and then the final approval from FEMA. Having an approved mitigation plan allows the AEB and participating communities to apply for grants and the State of Alaska requires an adopted mitigation plan. Presentation is in the packet.

2020 was very active for earthquakes. An avalanche occurred in 2012, which was after the previous plan adoption so this plan update includes avalanche. There have been multiple Nelson Lagoon erosion studies. 80 meters of shoreline has eroded between 2013 and 2019, and the air strip will also be impacted.

The plan tries to determine what natural hazards are possible and develop a mitigation plan to reduce the impacts of future disaster events. This plan is not a legal document. If there is something you want to see documented, let her know and she will add to the plan. The mitigation plan also helps communities plan for projects, in the future.

CHRIS said he reviewed the draft plan and feels Ms. LeMay did a wonderful job and is looking forward to seeing the finalized plan.

Conflict of Interests:

Mayor Pro Tempore asked for any potential **Conflict of Interests** to discuss. There were no conflicts on agenda items.

Minutes, March 11, 2021:

MOTION

WARREN moved to approve the March 11, 2021 Assembly Meeting Minutes and second by BRENDA.

ROLL CALL

Yeas: Warren, Chris, Paul, Carol, Brenda (*Josephine missing*). Advisory: Dailey, Samantha, Tom.
Nay: None

February 2021 Financial Report:

MOTION

CAROL moved to approve the February Financial Report and second by JOSEPHINE.

Administrator Anne Bailey said February financials, at 56% of the year-to-date budget. Everything tracking along. Insurance is higher than anticipated at beginning of fiscal year. February raw fish tax is \$128,580 which is lower than the February 5-year average, typically around \$317,000. Year-to-date balance is \$1.5M, which is lower than the 5-year average, typically at \$2.7M.

PAUL asked where the CARES Act funds are located in the budget. Administrator Bailey answered Fund 20, Dept. 401.

ROLL CALL

Yeas: Carol, Brenda, Paul, Warren, Josephine, Chris. Advisory: Dailey, Samantha, Tom.
Nay: None

MOTION CARRIED

February Investment Report:

Administrator Bailey said Permanent Fund balance value presently is \$ 46.5M. December report value is at \$44,926,875.

MOTION CARRIED

(Carol left the meeting.)

CONSENT AGENDA

- Resolution 21-42, Assembly authorizes the Mayor to execute a contract with Moffatt & Nichol to assist the Aleutians East Borough with preparing a 2021 MARAD Port Infrastructure Development Grant Application for the Sand Point and Akutan Harbors Floating Docks Project in an amount not to exceed \$32,000.00.
- Resolution 21-44, Assembly approves Phase 1 of the Aleutians East Borough Offices Reopening Plan.
- Emergency Ordinance 21-11, Declaration of Disaster and Authorization of Telephonic Quorum.

MOTION

WARREN moved to adopt the Consent Agenda and second by BRENDA.

In reviewing Resolution 21-42 Bailey said both Sand Point boat harbor Float A and Akutan boat harbor Floats B & A are needed to finish the boat harbors. Since AEB does not have funding to complete, AEB hired Moffatt & Nichol last year to write the MARAD grant, but unfortunately did not receive the funding for 2020. We met with Moffatt & Nichol in February to do an overview of 2020 application and review potential areas of improvement to the grant to reapply for 2021 application cycle. In packet is Moffatt & Nichol proposal to assist AEB in preparing a 2021 MARAD PIDP Grant Application, not to exceed \$32,000. Funds are available in a project contingency line item and Sand Point/Akutan harbor float line item.

Resolution 21-44 authorizes Phase 1, AEB offices re-opening plan, after being closed due to Covid. Phase 1 would permit Assembly Members to attend regular and special meetings at the offices. If an Assembly Member does not feel comfortable they can still attend telephonically as long as the emergency declaration is in place. Suggested protocol is Assembly members not permitted in the office if sick; recommended to not enter after interstate or intrastate travel, if not vaccinated with 14 days past their second vaccination and are asymptomatic; recommended to not enter after interstate and intrastate travel without following the State/local travel requirements, have a negative COVID-19 test, and asymptomatic; must wear a mask; and remain socially distanced inside the building. Offices will remain closed to the general public until further notice and tenants would be separate from this agreement.

PAUL asked how many phases will there be. Bailey said no more than three.

Emergency Ordinance 21-11. Is issuing a Declaration of Disaster in response to Covid-19. If approved would supersede the previous emergency ordinance and would go into effect for 60 days, effective until June 6, 2021.

ROLL CALL

Yeas: Brenda, Paul, Chris, Josephine, Warren. Advisory: Dailey, Tom, Samantha.

Nay: None

MOTION CARRIED

ORDINANCES

RESOLUTIONS

Resolution 21-43, Assembly authorizes the mayor to negotiate and execute a contract agreement with Levesque Law Group, LLC to provide general legal counsel for the Aleutians East Borough.

MOTION

BRENDA moved to approve Resolution 21-43 and second by JOSEPHINE.

Administrator Bailey said Resolution 21-43 is in regards to Levesque Law Group contract agreement. AEB has been in contract with Levesque for services since 2001, and current contract expires April 17, 2021. Contract outlining services is in packet. Administration supports renewal. Per our code the attorney is appointed by the mayor and confirmed by the Assembly. Did not have to go out to bid for this and is under the legal line item in the budget.

PAUL said he opposes the resolution because he felt it could have been done differently.

ROLL CALL.

Yeas: Josephine, Brenda, Chris, Warren. Advisory: Dailey, Samantha, Tom.

Nay: Paul

YEAS: 4 NAYS: 1

MOTION CARRIED

OLD BUSINESS *None*

NEW BUSINESS

CARES Act funding discussion:

Administrator Bailey said there is a balance of \$1M CARES Act funding to be spent by December 31, 2021. \$854,000 is available for re-appropriation.

Bailey said Alaska Airlines will no longer provide service to Cold Bay after August 14, 2021. Alaska Airlines provided service last year when Ravn bankrupt and now that new Ravn is providing service they feel they no longer need to. AEB has a good relationship with Alaska Airlines. TSA will no longer be placing permanent improvements in the terminal for scanning equipment.

Bailey reviewed the two options for CARES Act re-appropriation funding. Option 1, Cold Bay terminal expansion. Due to Covid-19 and circumstances, there is need for more space in the facility. DOWL did a 10% concept design for the facility prior to Alaska Airlines announcement to stop service to Cold Bay. Essentially, the project to expand is \$620,000 to \$960,000. The expansion size also triggered the need for another restroom.

Option 2 would be to do another Emergency Assistance & Economic Stimulus Grant Program, food meat distribution box, and Non-Profit and Civic Organization Relief Grant Program, and pay roll expenditures for employees.

PAUL asked what funds are we talking about. Administrator Bailey answered 2020 stimulus funds.

PAUL believes the next round of stimulus funds can be used for food distributions and emergency assistance. Bailey said until those guidelines come out she cannot confirm, but believes so.

DAILEY suggested parking lot area improvements. Bailey agrees parking lot needs to be addressed but CARES Act funds cannot be used for that.

WARREN supports extending the building. If we can make improvements, he supports.

CHRIS also supports. He feels it would be beneficial to improve the terminal. PAUL agrees.

MOTION

PAUL moved to have administration use the CARES Act funds to pursue the Cold Bay terminal expansion. Second by WARREN.

ROLL CALL.

Yeas: Brenda, Josephine, Warren, Chris, Paul. Advisory: Tom, Dailey, Samantha.

Nay: None

MOTION CARRIED

Grant Aviation:

CHRIS said when Grant Aviation doesn't fly it is a struggle to get over to Cold Bay. Thankful Eider Air and Precision Air provide service when Grant doesn't. Grant has the Essential Air Service (EAS) and feels they are not providing reliable service, which is frustrating. He asked if there is anything we can do to bring a discussion to Grant. Bailey said Grant Aviation has EAS for King Cove, False Pass, and Dutch Harbor to Akun. When Grant doesn't fly they do not get paid by EAS. She suggested reaching out to Grant directly about the poor service. She will give it more thought as to what the AEB can do. She suggested the communities also reach out to Grant directly.

CHRIS said, when Eider and Precision are providing service, some people feel we are not treating passengers well by not allowing them access into the terminal from tarmac, for connecting flight.

DAILEY said Ravn does not make passengers use outer door, staff opens the door on tarmac for passengers.

Bailey said we've had conversations with Alaska Airlines regarding this issue and they said they are allowing passengers in through the door on tarmac also. She noted tenants have keys and those that are not tenants don't have keys to the facility. CHRIS said he understands when Alaska Airlines is on the ground there are security reasons for not allowing access through tarmac. Sounds like things are getting better for those that are flying on smaller carriers to make their connections.

WARREN voiced his concerns about the poor air service for King Cove. He said it is getting difficult to make air travel work due to weather and other issues. He suggested a letter be sent to Dept of Transportation to explain Grant Aviation ongoing problems with weather issues that prevent or lessen Grant from carrying out scheduled flights.

Alaska Airlines:

Administrator Bailey said Alaska Airlines informed AEB on Friday that they will no longer be providing services to Cold Bay after August 14, 2021. They feel now that Ravn Alaska is operating again, it is not fiscally viable to continue service to Cold Bay. That is all the information we have received from Alaska Airlines, at this time. Communications Director will send notice out In-the-Loop to notify the public.

PAUL suggests AEB staff work with D.C. lobbyist and Delegation to do as much as possible to continue the service. Bailey will contact lobbyist.

JOSEPHINE asked if Alaska Airlines will include Ravn to the Alaska Airlines mileage program. CHRIS said at SWAMC Ravn said they would be joining the mileage program. DAILEY also answered that it is in the works.

Brownfields Federal Funding discussion:

TOM said he received an e-mail from Ernie Weiss regarding assessments for community clean up grant funding. He asked if the AEB could assist in pursuing the grant money to clean up the community of old metal and buildings.

Weiss said the e-mail is about webinars that he had shared with Tom and others regarding FY22 EPA Brownfields Grant Program that may receive a few billion dollars into the program. Grant applications are this fall and has to be led by the community and authorization from land owners. If you're selected, they come in and do the cleanup.

TOM, as a community within the AEB, requested AEB assistance with the grant application. TOM believes there is a deadline of April 12th for \$20,000 to do an assessment. Weiss said April 14th is a webinar and there is a short application to complete to be considered for advisory services, not the grant itself. TOM said around \$2.25B is going into the grant program. Weiss will attend the webinar.

REPORTS AND UPDATES

Administrator's Report in packet. Highlights below:

CARES Act Funding Update:

Breakdown of what has been spent through March 31, in packet.

Cold Bay Terminal:

Alaska Airlines informed the AEB that they will stop service in Cold Bay on August 14, 2021.

Cold Bay School:

Northern Edge Exercise: The U.S. Navy is conducting a joint exercise with the U.S. Marine Corps and U.S. Air Force, in Cold Bay through part of May. The military will be using the School as a staging area and living quarters.

On March 11 AEB issued an interest/proposal from public and private entities for the Cold Bay School. Received two proposals on April 1 and in the process of reviewing, and will present information at the May 13 Assembly meeting.

King Cove Road Update:

King Cove Group has not received any further notice on oral argument schedule.

State of Alaska, AEB and City of King Cove continue to working on Section 1110(b) application process with the COE and USFWS. Next step is for State to obtain a special use permit for summer field work to complete the right of way application.

New Secretary of Interior is Deb Haaland. Agdaguux Tribal Council Member, Etta Kuzakin and King Cove Corp. Administrator Della Trumble have requested a virtual meeting with Secretary of Interior Haaland that she had committed to with Senator Murkowski.

Nelson Lagoon Dock Repairs Project:

Heko Services is scheduled to complete project this spring/summer. Tentative schedule is mobilizing May 3 and completing construction and cleanup by June 29, 2021. The State permit only allows work to be done May 3 through June 30, due to in water work necessary.

Bond Refinancing:

May have another opportunity to refund the 2010B Series Three Bond. Assembly approved two resolutions authorizing the issuance of a GO Refunding Bond previously. Anticipate receiving the refunding bond prices soon.

Congressional Earmarks:

Earmarks once again available at the federal level. Will only be able to submit ten from each state. AEB projects to be submitted for FY22 process:

- Cold Bay Clinic
- Sand Point boat harbor

Federal Highway Bill: Akutan harbor road project

FY2022 budget:

New budget close to finalizing to be introduced at May 13 Assembly meeting, finalized May 27. No June meeting.

Assistant Administrator Report in packet. Highlights below

Cold Bay Clinic:

Working with the city and EAT, Inc. on clinic site alternatives to consider in order to find a more affordable solution. Still considering the original site with possible changes and the site were clinic currently is. Both sites have many details to work out. Working with DOWL on the process.

Sand Point School DEED Application:

Plan to move forward with 35% design. Working with DOWL to improve the 2020 application to gain more points to be ranked higher for funding possibility.

Akutan Harbor:

Gathering information on harbor subdivision lands ownership.

Employee Handbook Revisions:

In the process of updating the handbook, draft to be presented end of summer.

Communications Director Report in packet. Highlights below:

Website Design:

Researching new website designs and working with staff to determine website design needs.

Marine Highway:

Held meetings regarding the marine highway online petition and discussion paper, to be posted soon to change.org website.

Fish News and In-the-Loop:

Continue to go out for distribution.

Will send out a special edition with Alaska Airlines recent information.

Natural Resources Director Report in packet. Highlights below:

Board of Fisheries:

House Fisheries Committee have a joint confirmation hearing with the House Resources Committee on Saturday, April 10 at 1:00 p.m. to take public testimony on the consideration of five unconfirmed Board of Fisheries members: John Jensen, McKenzie Mitchell, Marit Carlson-Van Dort, Abe Williams, and John Wood. Go to www.akleg.gov for more information.

Board of Game:

Call for proposals has reopened for Game Management Units 9 & 10.

Land Selections:

Received final conveyance for municipal lands in Port Moller. Other two projects going through process are Bear Lake and Sandy River.

NPFMC:

Council meets next week. The meeting agenda will include the Initial review of the BSAI Halibut Abundance-based Management. Might also be interest from the State to pursue Gulf groundfish rationalization.

North Pacific Research Board:

Will be soliciting for a fishery industry representative on the Board. Nominations due April 15.

ComFish:

ComFish met by webcast March 30-31. Josh Keaton did a presentation on the EM trawl project. He acknowledged Charlotte Levy's exceptional work on the project for the WGOA.

Assistant Natural Resources Director Report in packet. Highlights below:

Electronic Monitoring (EM) Project:

Draft report to be provided to the Trawl EM Committee. The report will serve as the foundation for NMFS to develop the regulatory analysis to start the process of moving the EM into regulation.

Josh Keaton, the NMFS monitoring branch supervisor, provided a great presentation at ComFish. Will provide link in next report when available.

Applying for third and final round for NFWF funding for the EM project to extend through 2023 prior to going into regulation.

Mariculture:

Bond to be completed soon, to finalize lease agreement. Organizing research cruise to assess kelp resources. Work to begin on project this spring and will conclude NFWF project.

AFSC Cooperative Hydroacoustic Study:

Exploratory survey to determine if hydroacoustics can be used to survey cod by pairing tows with cameras. Discussed with AFSC stock assessment author, Steve Barbeaux, and research biologist Susanne McDermott. Feels it could be paired with another round of cod tagging study next year, for the most cost effective way to do.

Other AFSC:

AFSC is interested in collaborating with communities to collect long term ocean data, as it relates to changing ocean conditions.

Cod Tagging Study:

Charter for cod tagging lasted 9 days and came in under budget. Team completed all the priority sampling and sites offshore and on bad weather days added additional sites inshore. Hope to have

report available next month. The most important part is to get tags back so data can be analyzed. The satellite tags are scheduled to pop up on a schedule at 90 days, 180 days, and 365 days. Will be attending ongoing tagging study meetings with AFSC to analyze results.

Two tags surfaced early. Data shows they were Simeonoff tagged cod that had travelled past Sanak. 25 satellite tags and 1000 conventional tags were released, 155 biological samples collected, and 183 set length maturity samples.

ASSEMBLY COMMENTS

PUBLIC COMMENTS

No more public comments received.

NEXT MEETING DATE


May 13, 2021.

ADJOURNMENT

BRENDA moved to adjourn and second by JOSEPHINE. Hearing no more, the meeting adjourned at 5:19 p.m.



Mayor Alvin D. Osterback



Tina Anderson, Clerk

Date: 5/13/21