

CALL TO ORDER

Mayor Alvin D. Osterback called the Aleutians East Borough Assembly meeting to order by teleconference on December 10, 2020 at 3:02 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
Denise Mobeck	Present

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  
Emil Mobeck, Maintenance Director

Adoption of the Agenda:

**MOTION**

CAROL moved to adopt the agenda and second by DENISE.

**AMENDMENT**

PAUL moved to amend the agenda to include New Business items and second by DENISE.

**NEW BUSINESS**

- Cold Bay Clinic
- Cold Bay Airport Terminal

- Discussion: Invitation to processors for updates
- False Pass Hydro Project

Hearing no objection the agenda is approved **AS AMENDMENT**.

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.

There were no public comments.

PRESENTATIONS

Jennifer LeMay, Hazard Mitigation Planning Process:

Jennifer LeMay reviewed her presentation in the packet. In presentation, she said the State of Alaska has acquired a grant from FEMA to update the AEB plan in 2021. It is a requirement every 5 years and AEB plan expired in 2015. There was an attempt to update in early 2020, which did not get completed. Ms. LeMay said she is a contractor hired by the State to assist AEB in updating the plan.

She will update the 2010 mitigation plan. The intent is to minimize the impacts before they happen. Will review AEB's 2010 plan and make sure the hazards identified are still relevant and update facilities and people at risk.

When she finds out which jurisdictions want to participate, she will develop a schedule. The State planner is JJ Little. AEB, local municipalities and Nelson Lagoon, are welcome to participate.

Bailey said it was started almost two years ago and did not get completed. She will call Ms. LeMay to set up meetings with the communities.

AEB 2021 Legislature Presentation – AEB Lobbyist Mark Hickey:

AEB State Lobbyist Mark Hickey, reviewed his presentation in packet.

In presentation, he said the State's Statutory Reserve Account will be depleted in 2021. The Alaska Permanent Fund reserve is the only reserve account left. Permanent Fund value has increased by \$6B. Going into the state budget with a budget deficit. If full dividend given, there will be a state budget deficit. Every dollar you add to Permanent Fund Dividend you have a dollar cut from the budget. Governor's budget will be released December 14.

Conflict of Interests:

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

Minutes, November 12, 2020:

**MOTION**

JOSEPHINE moved to approve the November 12 Assembly Meeting Minutes and second by CAROL.

Hearing no more **MOTION CARRIED.**

Financial November:

**MOTION**

CHRIS moved to approve November Financial Report and second by WARREN.

Administrator Anne Bailey said October financials tracking along as should be. Raw fish tax last 5-year year-to-date average were approximately at 61%. Fish tax year-to-date in October is at 27%. Some salary line item have been offset with CARES Act funding so lower than they should be.

**ROLL CALL**

Yeas: Paul, Warren, Denise, Chris, Carol, Josephine, (No Brenda). Advisory: Samantha, Dailey, Tom.  
Nay: None

**MOTION CARRIED**

October Investment Report:

Administrator Bailey said Permanent Fund balance presently is \$43,051,002.

**CONSENT AGENDA**

- Resolution 21-25, authorizing the mayor to negotiate and execute a contract with DOWL to perform a King Cove Delta Creek Mitigation Study in an amount not to exceed \$29,500.
- Resolution 21-26, adopting an alternative allocation method for the FY21 Shared Fisheries Business Tax Program for FMA 2.
- Resolution 21-27, adopting an alternative allocation method for the FY21 Shared Fisheries Business Tax Program for FMA 3.

**MOTION**

BRENDA moved to approve the Consent Agenda and second by JOSEPHINE.

Administrator reviewed Resolution 21-25, saying Delta Creek is prone to flooding and may impact the King Cove/Cold Bay access road owned by AEB. To prevent damage AEB would like to address permitting and flooding mitigation along Delta Creek. Phase 1 DOWL conducted a reconnaissance site visit and erosion assessment, and recommends King Cove Delta Creek Flood Phase 2 – Mitigation Study.

The Clerk reviewed Resolutions 21-26 and 21-27. The State allocates a share of state fish tax collected outside the municipal boundaries with the communities affected by the fishing industry activities. The shared fish tax is based on 2019 fishing activity. The resolutions adopt an alternative method for allocation for FMA 2 and FMA 3 that municipalities have agreed to since the inception of the program.

**ROLL CALL**

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

**MOTION CARRIED**

**ORDINANCES**

Emergency Ordinance 21-07, issuing a declaration of disaster emergency in response to Covid-19.

**MOTION**

BRENDA moved to approve Emergency Ordinance 21-07 and second by DENISE.

Administrator Bailey said this is another emergency ordinance in response to Covid-19. This extends our declaration of disaster on the pandemic. In effect for 60 days, expiring February 7, 2021.

PAUL asked if there were changes from the last time. Bailey said nothing changed other than clerical items. PAUL said close to vaccines, and suggested we begin to consider what will be required of our employees in regards to vaccines. Mayor Osterback said will have to check on the legality of requiring employees getting vaccines.

CHRIS suggested considering ways to open meetings to the public better.

Mayor Osterback said due to Covid-19 we are doing the best we can with the technology we have. It is just the times we are in and hopefully will end by summer.

PAUL said public participation is important. The Mayor suggested, if you have ideas, send to Administrator.

**ROLL CALL.**

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

**MOTION CARRIED**

**RESOLUTIONS**

Resolution 21-24, authorizing the mayor to negotiate and execute an aquatic farm lease (ADL 233402) with State of Alaska, DNR, for the AEB Kelp Mariculture Project:

**MOTION**

BRENDA moved to approve Resolution 21-24 and second by CHRIS.

Natural Resources Assistant Director Charlotte Levy reviewed Resolution 21-24. She said additional funding was received from National Sea Grant to construct and operate the pilot farm. Intended use of pilot farm includes but not limited to testing a variety of local species; training and demonstration; and mariculture research. AEB applied for a 9.9 acre plot of State-owned tide site.

The lease agreement outlines conditions and stipulations. The annual fee has been paid and agreement reviewed by AEB attorney. Since lease is government to government, approval can be done by resolution.

PAUL hesitant of approving because Trident in Kodiak got denied on their lease. Levy said she assisted Trident with their permit application in Sand Point. Trident-Kodiak submitted an application for a bay that is not appropriate for a kelp farm and will be looking at a different site.

Mayor recommends moving forward with the lease.

Levy said State and ADF&G has thoroughly reviewed and has approved. Once Resolution 21-24 is approved, it is finalized.

TOM asked if it would interfere in any fishing operations. Levy said looking at all the conflicts was part of the review process. She said lines are out planted in the fall, grow throughout the winter, harvested in the spring, and gear removed before salmon season.

#### **ROLL CALL**

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

Nay: Paul.

ASSEMBLY YEAS: 6 ASSEMBLY NAYS: 1

#### **MOTION CARRIED**

OLD BUSINESS *None*

NEW BUSINESS

Strategic Plan Quarter Three Update:

Administrator Bailey said quarter three ended November 30, 2020. Due to Covid-19, a lot of projects had to shift due to other priorities. Many will just move over to next year.

Cold Bay Clinic:

PAUL is disappointed the clinic is not going to be able to go out to bid again. He asked what the available amount is for the project. Assistant Administrator Tesche said \$4.8M was needed initially which included all three alternatives and a 20% contingency. Of that \$4.8M we have \$4.7M remaining for the project and the lowest base bid came back at \$4.7M, which does not include any alternatives preferred or contingency.

PAUL does not understand why fill is having to be brought in. Tesche said project manager is exploring. There are three local sources for fill. One federal source, a city source and King Cove Corporation source, so exploring whether we would have access. We were requiring contractors to bring in fill material. 7,000 cy of material needed for project.

Bailey agrees. Lowest bid \$4.7M, but each add alternative was \$1.6M, which would bring project up to \$7-8M. Highest bidders at \$8M. Decided to pull the bid. We are looking at different alternatives and also will look into a modular building. This is a top priority and everyone is disappointed.

CHRIS agrees with Paul and supports looking for alternatives and continuing to pursue the clinic.

Mayor Osterback said this is a building only, with nothing inside that is 3100 sq. ft. Have to be financially responsible when we build this. Will figure out what happened, why it got this far off track, at \$2,200 per sq. ft. Not trying to stop the clinic replacement or slow it down but it has to make sense.

DAILEY is disappointed and supports to continue working to resolve the issues and determine what the line items are that cost so much. Suggests a new engineering firm.

Mayor Osterback said we opened bids a week ago so are working on solutions and the clinic project is still a priority. The clinic is also used as a hub clinic for the other communities as well as Coast Guard for medivacs. We have to be able to afford to replace and will move forward to figure that out.

CHRIS asked if COVID-19 increased the cost. The Mayor said a certain percentage was built into deal with COVID. We will talk to engineers and people that deal with projections as to where the bids should be.

PAUL asked who the low bidder is. Tesche answered T C Construction out of Wasilla.

PAUL does not understand why the project would need 7,000 yards of gravel. The Mayor agreed and is something we have to review.

#### Cold Bay Terminal:

Paul said there needs to be a short term solution and a long term solution for needed space in the terminal.

Mayor Osterback said opening the terminal was the fastest project that ever happened. TSA are continually coming up with change requirements. With Covid-19 and the airlines folding at the same time has put a big demand on the airport terminal in Cold Bay. Because there were no airlines anywhere Alaska Airlines stepped in on their flights to Adak and back. There was so much red tape to bring the jet in and is not the best situation that we have. We thought New Ravn would take some stress off since there are Ravn flights directly Anchorage/Dutch Harbor.

BRENDA said, in discussing with people in the region, people will continue to use Alaska Airlines because they can use mileage for travel. She does not see anything different in the foreseeable future and Ravn seats fill up quickly. She suggested to accommodate more space by putting benches outside.

Mayor Osterback said Ravn begins flights to Cold Bay around December 18<sup>th</sup>. In the meantime, feels we can purchase benches for outside. He is unsure on adjacent lands for long term solution, this is state land and state leases require lots of hoops to jump through.

Administrator Bailey will look at where to put outdoor benches. Still working with TSA and State in getting security in place, constantly addressing TSA requests. Our lot is small, and if we expand beyond would have to get authorization. For the interim, we can order benches for outdoors.

CHRIS supports seating outside and saw how fast Covid-19 spread in Cold Bay.

DAILEY said Ravn is discussing opposite flight days than Alaska Airlines. Mayor Osterback added that Ravn and Alaska agreed both could not be in the terminal on the same day.

DENISE asked how long Alaska Airlines is going to be in Cold Bay. Administrator said she does not see them leaving any time soon. They have a 5-year contract.

Invitation to the processors:

PAUL suggested inviting the processors, including the new Peter Pan owner. Mayor Osterback said we did invite the new owners and they said possibly in January, they receive ownership January 1. Will send out invitations to processors to come and do presentations at our next meeting.

False Pass Hydro Project:

TOM does not want to lose sight of a False Pass hydro project, and getting renewable energy in False Pass. Mayor Osterback suggested having the city draft a letter to send to Administrator Bailey. TOM said they made their last payment on the engineering report and will share that with Bailey when they receive it.

## REPORTS AND UPDATES

### **Administrator's Report in packet. Highlights below:**

#### **CARES Act funding:**

AEB issued EAES grant extended to December 4 and to include increased cost-of-living as a COVID impact. We have over 640 applications and expended \$384,000 so far through November. The break out per community is in packet report.

#### **Air Purification Systems in King Cove and Sand Point School:**

King Cove project complete. Project started at Sand Point School to be completed before end of the month. Contractor followed COVID-19 protocol.

#### **Cold Bay Community Center:**

Moving along with the conversion of community center to provide extra space for passengers delayed or waiting in Cold Bay.

Eastern Aleutian Tribes, Inc.: Will be entering into agreement with EAT for funding to go towards COVID-19 related Nelson lagoon Clinic renovations.

Food Distribution Program: Meat boxes have been purchased for all households in each community. This will also include \$1,500 gift cards from local stores or an alternative to communities that do not have a local store gift card.

Upgrades to Transmitter: Assisting with upgrades to Sand Point and Nelson Lagoon transmitters. Akutan upgrades are delayed due to weather and COVID -19, to be completed in the spring.

Utilities Expenditures: After researching, unable to distribute COVID funds for utilities per capita payment without an application assessment of individual hardship, which is difficult for us to do.

Cold Bay terminal: Was closed to the public Nov. 24 – Dec. 1, due to the COVID outbreak in Cold Bay.

Helicopter Operations:

In 2019 Maritime agreed to cover 50% through the EAS program. AEB entered into agreement to pay for the other 50%. Will have a new draft agreement presented at the January meeting.

King Cove Road Update:

Opening Brief filed on November 23. Opponents will file their opposing brief by January 15, 2021.

Shared Business Tax: Sent a memo giving the Assembly an update. This would have very little tax since not much landing tax received.

**Assistant Administrator Report in packet. Highlights below**

EAES Grant Program:

Making sure applicants have completed paperwork to receive full payment. Thanked Administrative Assistant Glennora Dushkin for all her hard work on that.

#MaskupAleutiansEast: Those that participated by posting pictures wearing AEB masks were placed in a drawing for a gift card.

**Communications Director Report in packet. Highlights below:**

Alaska Marine Highway System:

Petition for Change.org draft had a few edits and has been sent to AML and SWAMC for feedback. Hoping to have many Alaskans sign the petition on the importance of the ferry system.

Power Cost Equalization (PCE) White Paper: Continuing research for white paper showing program history up to present.

E-News:

Fish News and In-the-Loop continue to go out.



2021 Calendar: Working on the 2021 calendar. Using a collage of mask-up photos posted.

**Natural Resources Director Report in packet. Highlights below:**

NPFMC:

Mayor Osterback said Natural Resources Director Ernie Weiss termed out of the Advisory Panel. Quite an achievement to serve on the panel for 9 years.

Weiss said NPFMC meeting presently still going on. Public hearings on specs for Bering Sea and Gulf of Alaska going on now. Motion on specs tomorrow.

Salmon FMP for Cook Inlet: They closed area outside 3 miles. Eventually may consider closing our areas outside of 3 miles.

Advisory appointments will be made at end of Council meeting. Kate Reedy stepping down from SSC.

Limited Entry White Paper:

Submitted comments from the Mayor on proposed regulation changes that will provide additional opportunities for emergency transfers for widows and widowers, which achieves some of the goals we have been trying to do.

AEB Fishermen's Meeting:

End of year Zoom meeting is scheduled for December 16. Link on flyer to meeting. Will be sent out tomorrow to fishermen.

Seafood Tariff Relief Program:

Deadline extended to January 15.

Alaska Board of Fisheries & Game:

Game management Unit 9 and 10, meeting will be via web to discuss re-schedule.

Board of Fisheries shellfish meeting scheduled to begin March 5, comment deadline February 18. Area M salmon and P-cod proposals due April 9, 2021.

**Assistant Natural Resources Director Report in packet. Highlights below:**

GOA Groundfish Plan Team:

Pacific Cod:

2021 max ABC, 23,000 tons; 2022, 38,000 tons.

Concerns in stock assessment but no additional reduction recommended and should have a federal fishery.

Pollock:

2021 ABC 105,722t, a decrease of 3% from 2020; 2022 decreasing ABC to 91,934t.

Concerns of drop in Shelikoff Strait acoustic survey biomass. Uncertainty if there will be a 2021 GOA survey. No recommendation for a reduction in ABC.

WGA2 Electronic Monitoring (EM)/EFP:

EFP Team reviewed the revised EFP. Now covering the entire fleet and working with NMFS to improve education and enforcement. Pre-season meeting to be scheduled to get ready for A Season.

AFSC Cod Tagging Project:

Resumed preparation for the cod tagging study to take place in March, 2021. Can't move forward until we hear about funding and should have information on that by next meeting. Working on sampling design, and COVID protocols training.

Mariculture Pilot Project:

Will be working on the initial stipulations for Surety Bond and finalizing the lease.

NGA Fishermen's Data Portal:

A draft in report of data flow shows you how data will move from the vessels, to processors, to cloud, and back to the vessel owners on a mobile app. There will be a hotspot map to help the fleet to avoid salmon.

Maintenance Director Report:

TSA:

Staying informed on the requirements at terminal.

Schools Maintenance: Receiving quotes on contractor for repairs to circulation pumps issues at the Akutan School and also addressing obsolete circulation system in False Pass School.

MAYOR'S UPDATE

Mayor Osterback said in regards to a letter from Peninsula Fishermen's Coalition (PFC) to Assembly. He said third paragraph down is not a true statement, which says AEB would not be supporting any candidates for the Advisory Panel (AP). AEB did not submit a name to the AP, but in the last meeting we discussed that we would support a name brought to AEB. PFC knew the Natural Resources Assistant Director Charlotte Levy was not interested in the position. HE had a conversation with Administrator Bailey, Levy and the Governor's Office and told them that we would not be submitting her name. Feels she has a lot of projects ongoing and would not have time to do the AP and do all the projects that have been approved by the Assembly. If PFC would have submitted a name to AEB, he would have written a letter of support, placed it before the Assembly, and he would have called the Governor's office.

ASSEMBLY COMMENTS

DAILEY asked about the Cold Bay repeater. Bailey said it required FCC approval, which came through last week.

PUBLIC COMMENTS

NEXT MEETING DATE

January 14, 2021.

ADJOURNMENT

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



Mayor Alvin D. Osterback



Tina Anderson, Clerk

Date: 1/14/21