

CALL TO ORDER

Mayor Alvin D. Osterback called the Aleutians East Borough Assembly meeting to order by teleconference on July 8, 2021 at 3:00 p.m.

ROLL CALL

| | |
|--------------------------|----------------|
| Mayor Alvin D. Osterback | Present |
| Chris Babcock | Present |
| Carol Foster | Present |
| Warren Wilson | Absent-excused |
| 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 | Absent |

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:

CAROL moved to approve the agenda with the removal of Resolution 22-02 from the Consent Agenda to be placed under Resolutions. Second by JOSEPHINE.

Hearing no objections agenda will stand as amended.

Community Roll Call and Public Comments on Agenda Items:

For the purpose of protecting the public health there are no public meeting locations. Public comments can be e-mailed in to the Communications Director, Laura Tanis, to be read at the proper time. Also broadcast on KSDP radio.

City of Cold Bay Mayor Harold Kremer submitted the following public comments regarding Ordinance 22-01 and 22-02:

We would like to address the school building situation in Cold Bay. We understand that the building has been "sold". Our concern is that once the school building is "sold" there will not be a place to hold school in the future. We are asking the Borough to take this into consideration. The children of Cold Bay deserve to have a school building/facilities for their education. At this present time the children of Cold Bay do not have access to a gym for PE activities or an outdoor playground. Before the school building changes hands we would like the Borough to begin construction on a replacement facility. We thank you in advance for your consideration.

AEBSD Superintendent Patrick Mayor submitted the following comments regarding Ordinance 22-01 and 22-02:

I am writing this letter to inquire about the proposed sale of the Cold Bay School, as well as the future of providing a public education to the students of Cold Bay.

Upon review of the AEB meeting agenda for July 8, 2021, it appears that the Assembly is voting on an ordinance to authorize negotiations for the sale of Cold Bay School. As the Superintendent of the Aleutians East Borough School District, I am concerned about the aforementioned proposed sale, especially as it relates to providing a public education to the students of Cold Bay, present and future.

As a school district and a borough our educational futures are intrinsically linked. The borough assumes the responsibility, statutorily, by building and maintaining school facilities. Conversely, the school district designs and provides the educational programs within the borough's facilities. Thus, each entities responsibility is mutually dependent upon the other.

While it is certainly acknowledged that the school was closed to students in 2015 upon the recommendation of the previous AEBSD administration, I do not believe that the intent on the part of the AEBSD was ever for the school to be sold or demolished. That would have amounted to a decision being made that would impact future families and students. In fact, the absence of a school since 2015 has in all likelihood impacted whether young families would even consider moving to Cold Bay, and absent a school, this pattern will likely continue.

One thing we know for sure is that there are pre-school aged students that will soon need a place to receive a public education and if there is no school that will present a significant challenge. If the school is sold, what plans does the borough have to provide a school to meet community needs?

I would like to propose a joint meeting between the borough assembly and the school board to discuss the future educational needs of the Cold Bay community before an irreversible decision is made. In that way, we can work together to ensure the community needs will be best served. Please let me know what timeframe would be acceptable for a joint meeting.

Conflict of Interests:

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

Minutes, May 13, 2021:

MOTION

CAROL moved to approve the May 13, 2021 Assembly Meeting Minutes and second by BRENDA.

Hearing no more **MOTION CARRIED**.

Minutes, May 27, 2021:

MOTION

DENISE moved to approve the May 27, 2021 Special Assembly Meeting Minutes and second by BRENDA.

AMENDMENT

Paul amended the May 27, 2021 Minutes. Last page to include in his comments, "and he also supports *most of the items*"

Hearing no more **MOTION CARRIED with amendment**.

April, May 2021 Financial Reports:

MOTION

PAUL moved to approve the April, May Financial Report and second by BRENDA.

Administrator Bailey said April and May financials on track on almost everything. April Raw Fish tax at 92.4% of 5-year average. May Financial, Raw Fish Tax is \$415,000, which is 166% of 5-year average.

PAUL asked if we will be closer to 95% of budgeted amount, at the end of fiscal year. Bailey said will be close to what we predicted in June, 2020.

ROLL CALL

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

Nay: None.

MOTION CARRIED

YEAS: 6

NAYS: 0

April and May Investment Reports:

Reports in packet.

CONSENT AGENDA

- Resolution 22-01, authorizing the mayor to negotiate and execute a services agreement with BDO USA, LLP to provide professional auditing services for FY2021, in an amount not to exceed \$72,500.
- Resolution 22-03, authorizing the Mayor to negotiate and execute a Memorandum of Agreement between the Aleutians East Borough and the City of King Cove regarding maintenance of the King Cove Access Road during Fiscal Year 2022.

MOTION

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

Resolution 22-01 authorizes to extend the agreement with BDO USA, LLP for auditing services. In 2018 AEB issued a RFP with an option to continue for the next three years. Determined that BDO is the most responsive. Recommend exercising the option to extend. Does not include travel and out-of-pocket costs so an additional \$10,000 has been added to the audit amount to cover those expenses. If approved, BDO will immediately begin the audit for CARES Act funds.

Resolution 22-03 authorizes a MOA with the City of King Cove to perform road maintenance, and allow use of AEB owned grader and newly purchased excavator to do maintenance on AEB road and use of equipment on other roads. \$100,000 is available in the FY22 budget. Recommend approval.

ROLL CALL.

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

Nays: None

YEAS: 6

NAYS: 0

MOTION CARRIED

ORDINANCES

Introduction Ordinance 22-01, authorizing the assignment of certain real property leased by the Aleutians East Borough.

MOTION

JOSEPHINE moved to accept Ordinance 22-01 and set for Public Hearing at the August Regular Assembly meeting. Second by DENISE.

Administrator Bailey said the Cold Bay School closed in 2015 and has remained unoccupied. AEB owns the building and the State of Alaska owns the property, leased by AEB. The Assembly passed Resolution 17-06 authorizing the Mayor to dispose of the building. AEB issued a RFIP to government agencies, and native tribes and councils. The City of Cold Bay requested the building but reconsidered. AEB reissued a RFIP July, 2018 and no submissions were received by August, 2018. In February 2019, AEB issued a RFIP to private and public entities and received one response from Aleutian Services, which fell through late 2019. In March, 2021 AEB reissued RFIP and received two responses. The AEB reviewed and went with the local bid, Gould Construction.

Some uses recommended by Gould are office space, classroom space for home schooled children, emergency shelter for airline passengers, gym use, temporary lodging. If Gould Construction changes intended use, Gould would work directly with the State of Alaska, AEB would not be involved. In order to transfer, an assignment of lease needs to occur outlined in Ordinance 22-01. Ordinance 22-02 authorizes the sale as is, where is, in the amount of \$10 less than fair market value. Administration feels the sale benefits the community and AEB. This has been on the Strategic Plan since 2017 and has been before the Assembly for four year.

In regards to future school concerns, the AEB does own Lot 5, Block 10 for a potential new school site, if AEBSD needs a school in Cold Bay. In the interim AEB could rent space in the community center while a new school is being built.

PAUL is uncomfortable with the building/lease going to a private business and not a public entity; and there are two public comments about this particular item and suggests postponing a decision.

MOTION TO TABLE

PAUL moved to LAY ON THE TABLE the motion to *accept Ordinance 22-01 and set for Public Hearing* until the August 12, 2021 regular scheduled meeting. Second by CHRIS.

ROLL CALL TO LAY ON THE TABLE

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

Nay: None

YEAS: 6

NAYS: 0

MOTION CARRIED

Introduction Ordinance 22-02, authorizing the sale of a certain real property owned by Aleutians East Borough.

MOTION

PAUL moved to accept Ordinance 22-02 and set for Public Hearing at the August Regular Assembly meeting. Second by CHRIS.

MOTION TO TABLE

CHRIS moved to LAY ON THE TABLE the motion to *accept Ordinance 22-02 and set for Public Hearing* until the August 12, 2021 regular scheduled Assembly meeting. Second by PAUL.

ROLL CALL MOTION

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

Nay: None

YEAS: 6

NAYS: 0

RESOLUTIONS

Resolution 22-04, Phase 2 of the AEB Reopening Plan:

MOTION

CAROL moved to approve Resolution 22-04 and second by JOSEPHINE.

Administrator Bailey said Resolution 22-04 authorizes Phase 2, reopening of the AEB offices. The offices have been closed to the public since April 8, 2021, due to Covid-19. Assembly approved Phase 1 to allow Assembly members to attend Assembly meetings in the AEB offices. Phase 2 supersedes Phase 1, and goes into effect August 1, allowing the public and Assembly access to offices. There is some suggested protocol in that they should not come in when sick and recommendation to be vaccinated, follow state and local recommendations and remain social distanced inside buildings.

PAUL said Sand Point businesses and offices are already open and Sand Point is ready to move on. He supports moving forward with Phase 2 with an amendment.

AMENDMENT

PAUL moved to amend last WHEREAS, to read, effective upon adoption of the resolution and REMOVE August 1, 2021.

MOTION FAILS lack of a second.

JOSEPHINE asked if all AEB offices should be addressed separately, if local protocols in the communities are different. Mayor Osterback said this only pertains to AEB offices. Opening of the offices is up to the mayor and the emergency ordinance allows teleconferencing from individual locations, which expires July 28.

PAUL feels it is incumbent upon the AEB to be consistent with whatever we do. Right now not that consistent with community. Sand Point community members he has talked to are ready to go back to normal.

CHRIS supports Phase 2 of re-opening on August 1. Peter Pan in King Cove is still in lockdown. He has no problem with a couple more weeks.

CAROL supports Phase 2 also. If a community has a COVID outbreak, the Mayor has the ability to close the offices and is comfortable with that.

BRENDA noted her concerns with the increased positive cases of the DELTA variant. We have a large vaccination rate in our communities, however, with the influx of fishermen and processor workers our chances of having positive cases could happen. She is confident the Mayor can step in to re-close offices, if needed.

ROLL CALL

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

Nay: None

YEAS: 6

NAYS: 0

MOTION CARRIED

Resolution 22-05, authorizing the Mayor to negotiate and execute a contract with Kuchar Construction to perform deferred maintenance work at the King Cove School in an amount not to exceed \$405,000.

MOTION

BRENDA moved to approve Resolution 22-05 and second by CAROL.

Administrator Bailey said AEB owns and maintains the King Cove School. In 2018 AEB enlisted DOWL to identify maintenance needs. According to the 2018 King Cove School Condition Survey, architectural, electrical, mechanical and control work needs were identified. DOWL issued a request for contractor and did not receive any bids by February deadline. Authorized DOWL to contact Kuchar Construction. Proposal amount is for \$405,000 with an additional 15%. Funding in Maintenance Reserve. Recommend approval.

ROLL CALL

YEAS: Brenda, Denise, Paul, Josephine, Carol, Chris. Advisory: Dailey, Samantha.

NAYS: None

MOTION CARRIED

YEAS: 6

NAYS: 0

Resolution 22-02, authorizing the mayor to negotiate and execute a MOA between the AEB and City of King Cove regarding the reimbursement of expenses associated with the King Cove Access Project (KCAP) for FY2022:

MOTION

CHRIS moved to approve Resolution 22-02 and second by BRENDA.

Administrator Bailey said February 2017 AEB entered into a MOA to reimburse for expenses related to the KCAP and has been approved since for reimbursements through FY2021.

Recommend entering into a new Agreement with the City to help offset expenses incurred by the City related to the KCAP for FY22. Funds available in Sub Dept. 210, AEB Hovercraft Proceeds line item.

PAUL said everybody on the Assembly has always supported the KCAP including himself, a strong supporter of the project. He feels we are going about it the wrong way and that KCAP is our responsibility to do ourselves. Project ongoing for years and years and he feels we should hire someone whose specific duty is to work on the project, on our behalf. Our money and our responsibility. Strongly support the project but will vote no because he feels there is a better way to help the project move along.

ROLL CALL

Yeas: Chris, Josephine, Carol, Brenda, Denise. Advisory: Dailey, Samantha.
Nay: Paul

YEAS: 5
NAYS: 1

MOTION CARRIED

OLD BUSINESS *None*

NEW BUSINESS

Strategic Plan Quarter 1 Update:

Administrator Bailey said we have completed the Quarter 1 of plan. Have moved some projects around. The Navigational Chart is in packet which shows the progress.

REPORTS AND UPDATES

Administrator's Report in packet. Highlights below:

CARES Act Funding Update:

\$2.7M has been expended. Funds left in some outstanding items. Allocations in packet report.

Will apply for the next Covid funding in the new fiscal year -- \$300,000 this year and \$300,000 next year.

Cold Bay Terminal:

Alaska Airlines: Last flight August 14. Alaska is required to remove all signs and agreed to pay cost of removing wall.

Terminal Expansion: June 7th received four proposals from contractors. Committee met on June 11, selecting F & W for pre-construction services. DOWL is finalizing the contract work. The company agreed they can finish the work in time.

Cold Bay School:

Tabled.

King Cove Road Update:

Oral argument scheduled virtually August 4.

Special Use Permit may be issued soon to conduct field work on road.

Nelson Lagoon Dock Repairs:

Heko Services barge arrived May 31, divers arrived June 6. All work has been completed. DOWL will go out and review work. There have been change orders for additional damage identified.

Bond Refinancing:

Bond refinancing closed June 16. Will save AEB approximately \$20,000 per year.

Akun Dock and Breakwater:

Submitted last documents on Tribal Partnership Program with Akutan Traditional Council. In September the Corps will conduct a site visit to Akun.

Assistant Administrator Report in packet. Highlights below

Cold Bay Clinic:

DOWL visited Cold Bay for terminal expansion but reviewed potential sites for clinic as well. Reviewing site determination and how to approach the project plan. There are several factors for each proposed site. Most require further discussion with the community and EAT. Taking all into consideration.

Sand Pt. School Dept of Education and Early Development (DEED) Application:

Due to the costs, decided to not move forward with design update. Will update the narrative portion of application to increase points in the point system for funding.

Employee Handbook Updates:

Scheduled to present an updated handbook this summer.

Resignation of Assistant Administrator:

In September, Mary Tesche will be moving out of state. Sept. 10th last day of work.

DAILEY asked about terminal vending machines for the terminal. Tesche said an RFP is written and plan to put it out to bid soon.

Communications Director Report in packet. Highlights below:

Website Design:

\$15,000 grant through Rasmussen Foundation has been won. 21 designers have expressed interest. July 23 deadline.

Annual Report:

Working on annual report.

E-News:

In-the-Loop and AEB Fish continue to go out to the public.

Natural Resources Director Report in packet. Highlights below:

Salmon:

Second day of test fishery, juvenile fish count were below 100 so season able to open. Fish catch reports high but weight of fish low. Weir escapement numbers in Chignik not high, but not too bad.

NPFMC:

Rationalization to be discussed. Priorities is getting meaningful sideboards for Western Gulf and as much as possible to be processed onshore.

Alaska Young Fishermen Summit:

Hope to do a seafood raffle again to sponsor attendees.

CAROL asked for an update on the CARES Act money that went to Fish & Game for fishermen. Weiss will look into and get back to the Assembly.

Assistant Natural Resources Director Report in packet. Highlights below:

Electronic Monitoring (EM):

Presented the results for EM to AP and NPFMC, at June meeting.

Draft alternatives for regulatory analysis were presented. There was a lengthy discussion around Alternative 3 in draft, excluding tender vessels from participating. She testified against Alternative 3. Council moved to adopt the draft alternatives, including Alternative 3, but noted Alternative 3 not a preferred alternative.

Preliminary analysis in looking at cost of human monitoring vs. EM. EM is \$442,000 less than what traditional observers cost. Timeline for regulatory implementation has been extended two years.

WGOA Data Portal:

Project team met with Cape Cod Fishermen's Alliance to hear about results of their similar project.

Mariculture:

Kelp pilot farm has officially been approved for Zachary Bay lease. On May 27 we did field work to collect data for all species permitted, collecting over 300 samples.

AFSC Cod Tagging Project:

7 conventional tags returned and one satellite tag. Working with AFSC to design webpage for updates and progress to be posted.

Maintenance Director Report:

False Pass School:

Replacing circulating pumps on heating system, will go back out to replace check valves in August and do other minor repairs.

King Cove AEB Office:

While in King Cove, lights will be replaced and ridge of building sealed to help resolve fly problem in building.

Akutan:

Day visit scheduled to do a walk through at school and helicopter hangar to determine any maintenance issues.

AEB Property:

Working to complete list of AEB property owned and getting a maintenance log in place.

Boiler Inspections:

Schools, offices and terminal all passed inspections.

MAYOR'S UPDATE

Next meeting will be open to the public and Assembly and staff will be back to designated meeting locations.

ASSEMBLY COMMENTS

None

PUBLIC COMMENTS

No public comments received.

NEXT MEETING DATE

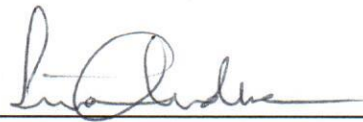
August 12, 2021.

ADJOURNMENT

CAROL moved to adjourn and second by JOESPHINE. Hearing no more, the meeting adjourned at 4:43 p.m.



Mayor Alvin D. Osterback



Tina Anderson, Clerk

Date: 7/8/21