

CALL TO ORDER

Mayor Alvin D. Osterback called the Aleutians East Borough Assembly meeting to order by teleconference on October 8, 2020 at 3:00 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	Absent

A quorum was present.

Staff Present:

Roxann Newman, Finance Director
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

Adoption of the Agenda:

BRENDA moved to adopt the agenda and second by CAROL.

Hearing no more the agenda is approved as presented.

Conflict of Interests:

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

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.

MOTION

CHRIS moved to go into a Planning Commission meeting and second by WARREN.

P.C. Resolution 21-01, recommending approval of OSP: 2020-01 for the onshore seafood processing plant, Peter Pan Seafoods-Port Moller.

MOTION

JOSEPHINE moved to approve Resolution 21-01 and second by PAUL.

Clerk Tina Anderson reviewed the Peter Pan Seafood-Port Moller Onshore Seafood Processing Land Use Permit, 2020-01 application, in the packet. In reviewing, the Clerk said Peter Pan submitted all the required documents and permit copies for the 5-year land use permit. A 30-day public review comment period started September 2 and ended October 1, 2020. There were no public comments received.

ROLL CALL

Yeas: Carol, Warren, Josephine, Paul, Chris, Denise (Brenda knocked off line) Advisory: Dalley, Samantha.

Nay: None

MOTION CARRIED

MOTION TO ADJOURN

CHRIS moved to adjourn from the Planning Commission and second by Denise. There were no objections, **MOTION CARRIES.**

Minutes, September 10, 2020:

MOTION

WARREN moved to approve the September 10, 2020 Assembly Meeting Minutes and second by JOSEPHINE.

Hearing no more **MOTION CARRIED.**

Financial July, August:

MOTION

Warren moved to approve July and August Financial Reports and second by Carol.

Administrator Anne Bailey said July, 2020 is beginning of FY2021 saying all line items are on track as they should be for new fiscal year.

August Financial Report, AEB Raw Fish Tax, is approximately at 50% of the 5-year average. To date, \$332,820. Starting to think of alternative revenue sources and whether this is a constant trend or not. Everything else tracking as planned.

PAUL asked about alternative sources. Bailey said we are going to be discussing in the Strategic Planning cycle, and mariculture is an alternative source.

Mayor Osterback said we are careful on how we handle the funding we have available and realize we have obligations on ongoing projects and bonds. If it looks like a trend, we will have to look at all of our projects we have before us and future planning. Assembly and staff will require a financial workshop prior to any decisions. Scary to see a cut in raw fish tax and thankful the Assembly had the foresight to prepare for this.

ROLL CALL

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

Nay: None

MOTION CARRIED

August Investment Report:

Administrator Bailey said balance presently is \$42,294,000. Administration will move \$1.7M into AMLIP portfolio so Permanent Fund will reflect what is accurately in there.

PAUL said Permanent Fund is at a historic high adding that the further we draw down the Permanent Fund, the less interest available to share.

Emergency Ordinance 21-04, an emergency ordinance of the Assembly issuing a Declaration of Disaster Emergency in response to Covid-19:

MOTION

CAROL moved to approve Emergency Ordinance 21-04 and second by WARREN.

Administrator Bailey said declaration is in response to Covid-19. Ordinance 21-04 extends what was done previously and will remain in effect for 60 days.

ROLL CALL

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

Nay: None

Introduction Ordinance 21-05, amending the operating and capital budget for the Aleutians East Borough Fiscal Year 2021.

MOTION

Brenda moved to accept Introduction Ordinance 21-05 and set for Public Hearing at the October Special Assembly Meeting. Second by Josephine.

Administrator said on May 28 the Assembly adopted the FY21 budget. The Assembly passed a resolution for CARES Act items, which included \$50,000 allocated to AEBSD. After further consideration, administration recommends re-appropriating the CARES Act funds to AEBSD, adding \$35,000 to payroll totaling \$185,000 and \$15,000 to legal fees totaling \$90,000. Administration also recommends amending AEB FY2021 budget, by decreasing Administration salary and Assistant Administrator salary, Communications Director salary and legal line item, all to be offset by CARES Act funding; and increasing AEBSD by \$50,000 from general fund.

PAUL asked if the School District needs to itemize. Bailey said the purpose is to make their budget whole.

ROLL CALL

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

MOTION CARRIED

Resolution 21-17, authorizing the mayor to negotiate and execute a MOA between AEB, the City of False Pass and Silver Bay Seafoods for the use of the False Pass harbor Float A:

MOTION

BRENDA moved to approve Resolution 21-17 and second by DENISE.

Administrator Bailey said AEB owns the False Pass boat harbor and the city manages. Silver Bay Seafoods (SBS) has requested authorization to moor vessels 160-172 feet to Float A in order to offload fish. The harbor is not designed for vessels that length and would require modifications. AEB hired Moffett & Nichol to conduct a Condition Assessment of Float A to provide a baseline condition report of the float in the event SBS larger vessels damage the float, paid for by SBS. MOA is a 2-year term, and termination can happen without cause with 60-day notice provided; city and Borough can also terminate for cause, for instance, if Silver Bay does not pay moorage costs.

Float A shall be inspected annually to ensure that the float is not overstressed or damaged. AEB and city not responsible. Harbor is a public facility so public access must be permitted, and SBS must have proper insurance and be responsible for all damage caused to float by use or by modification to float.

WARREN asked when they are going to do the reconstruction of the float. Bailey said once MOA is approved we will work on schedule. WARREN supports them being responsible for damages

and suggested SBS find a more permanent solution, like the main dock. Mayor Osterback said the more you pump fish, the more the value goes down. This is something we did not want to do from the start. Processor didn't think about the process to get the fish. If value of fish goes down, that effects price to the fishermen. Hopefully nothing gets damaged while they figure out a permanent solution. Best we can come up with to keep the value of the fish up for processor and fishermen, at this time.

WARREN supports as a temporary solution, until SBS come up with a permanent plan.

Public Comments, from Silver Bay Seafoods, Abby Fredrick. Read by Laura Tanis.

*On behalf of Silver Bay Seafoods – False Pass, we want to extend our sincere thanks to the Aleutians East Borough (AEB) for bringing forward AEB resolution #21-17 and we appreciate the opportunity to comment. We **support** this resolution, authorizing the AEB mayor to negotiate and execute a MOA between the Aleutians East Borough, the City of False Pass, and Silver Bay Seafoods for the use of the False Pass Harbor Float A, which is critical to the operations of our new processing facility in False Pass.*

These temporary modifications would reduce operating costs which will ensure the long-term success of our plant, directly benefit our fishermen owners (many of which are AEB residents), and support economic stimulus offered to the community/region from having a new, state-of-the-art fish processing facility in False Pass.

The proposed temporary modifications to Float A have been designed with flexibility in mind, to transfer load from the larger vessels directly to the piles while allowing flexibility to moor smaller vessels and use the dock for other purposes by using a system that is easy to remove when the large vessels are not using the float. We would be accepting responsibility for the cost of the project and are committed to being good neighbors with those accessing this public dock.

We thank AEB and the City of False

ROLL CALL

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

Nay: None

Resolution 21-18, authorizing the Aleutians East Borough to be an applicant of an ANILCA 1110(b) Application:

MOTION

WARREN moved to approve Resolution 21-18 and second by Josephine.

Administrator Bailey said AEB and all others have been advocating to complete the construction of a 12-mile road link to connect King Cove to Cold Bay Airport. The State and other qualified applicants intend to submit an ANILCA 1110(B) application to the Federal government which would permit access to federal lands within Izembek Refuge. If approved, State, AEB or City of

King Cove would be allowed to use the federal lands inside the Refuge. Attorneys are still determining who applicant(s) should be. No additional funds from AEB will be needed.

PAUL said nothing has changed for quite a few years and asked why we waited until now to apply. Bailey said it is the appropriate time to do this and the state is taking the lead.

WARREN said the ANILCA clause was used by a northern mining community. Surrounding villages are supposed to be able to have access to the airport when surrounded by federal wilderness lands. So there is provisions in that to be able to get a right-of-way through the wilderness. When they made the Izembek wilderness, Dept of Fish & Game burned down all the King Cove residents trapping cabins and no one could claim they had rights to the lands. A lot of other community members also trapped in the area. He said King Cove Corporation doesn't have access to their lands on the west side of Cold Bay, which had been included in the land exchange. This is another way to justify getting our easement through the wilderness. He hopes to get a road from King Cove to Cold Bay.

ROLL CALL

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

MOTION CARRIED

Resolution 21-19 Requesting a Fishery Disaster Determination for the 2020 South Alaska Peninsula Commercial Salmon Fishery:

Mayor Osterback said after discussion in workshop, during break the resolution was modified.

MOTION

PAUL moved to accept the modified Resolution 21-19, which includes all AEB communities.
Second by Denise.

Natural Resources Director Ernie Weiss said in September we talked about a disaster resolution for the salmon season. During workshop it was suggested we include the north and south Peninsula. So any reference to South Peninsula has been changed to Alaska Peninsula and/or Area M. Also, the 5-year average decrease percentage has been revised to 61%. He will review more thoroughly. If passed, we will submit to the State of Alaska Governor.

PAUL said when we determine the value, sometime there are spring bonuses since not available yet, asked how to calculate into formula. Weiss said the only real information we have is AEB fish tax, which is included in our resolution. Staff concludes at least 50% decrease in revenue for fishermen. There is no timeline to submit.

Mayor Osterback suggested the accompanying letter state the adjusted fish prices normally is not known until spring and that becomes part of the season earnings.

ROLL CALL

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

MOTION CARRIED

REPORTS AND UPDATES

Administrator's Report in packet. Highlights below:

COVID-19:

Eastern Aleutian Tribes reported a positive Covid case, non-Alaska resident in King Cove.

CARES Act Funding:

- Emergency Assistance and Economic Stimulus Grant: 272 applications, paid 132 residents, so far. Approximately \$99,000 paid out.
- Non-Profit and Civic Relief Program: Acceptance of applications started. Can be awarded up to \$10,000. Amount prorated, determined by how many applicants.
- \$100,000 appropriated for indoor air quality upgrades on AEB buildings. Working with DOWL and local Anchorage company.
- CARES Act Funding Reporting: Through August reported \$153,000 and through September expended \$103,000.

AEB Employee Policy still in place. Policy prohibits employees travelling into communities to reduce transmission of virus. We will develop travel protocol for some projects that have to happen and need to have travel occur, to be reviewed by Administrator. Covid protocol will also be customized based on community requirements.

Bi-weekly Covid Meetings: Still hosting meetings with all AEB community leaders, School District and Eastern Aleutian Tribes.

Alaska Municipal League Conference:

Conference is virtual. Newly Elected Officials, November 9-10, annual meeting November 16-20.

Cold Bay terminal:

TSA: Final design in packet for screening area to provide the maximum public use of space and holding area. No timeline yet. AEB also installing double locking door system for TSA security requirements. It will be in secure mode 15 minutes before and after Alaska Airlines flight. Once they leave it is opened back up to the other terminal airlines.

New Ravn: Waiting to receive Ravn documentation. Ravn has been provided keys to the facility and has a trial run to Cold Bay and Dutch Harbor scheduled October 9. Flights to Sand Point tentatively scheduled to begin November 15. Ticketing system will be the same ticketing system Ravn used before.

Akun Boat Harbor Study (breakwater and dock): Working with Akutan Tribal Council and Corps of Engineers. All paperwork submitted to Corps for their review and hope to get determination soon.

Akutan Essential Air Service: Grant and Maritime have submitted their proposals, and a letter of support for both submitted to USDOT for two-year term with a one additional three-year option. AEB would continue to pay the necessary expenses. AEB will continue to pay 50% for helicopter between Akun and Akutan, to come before the Assembly later.

King Cove Access Project: The Alaska Federal District Court order of opinion on the land exchange is currently under active appeal. 9th Circuit Court issued a scheduling order. King Cove Corp, tribes, State, Dept of Interior to file opening brief by October 22; opposition to King Cove Land Exchange to file by November 23; reply brief filed by December 14. Once done the 9th Circuit Court 2021 schedule will be in Anchorage in the summer. However, because of Covid some might be held virtually.

U.S. Air Force Exercises: interested in conducting a military exercise in the spring, in Cold Bay.

Assistant Administrator's Report in packet. Highlights below:

Cold Bay Clinic:

Reissued bid, due November 20 and a resolution to approve a contract will be before the Assembly in December. Bid opening will be held via video conference. Contractor to provide a Covid prevention plan and follow all federal and state mandates with a negative Covid test.

Project completion date, late July 2021, and final completion August, 2021.

Stimulus: 321 applications submitted.

Communications Director Report in packet. Highlights below:

U.S. Census flyer: Submitted flyers to communities for 2020 U.S. Census.

In-the-Loop E-News: continually going out with information.

Alaska Marine Ferry Service:

Plan to do video testimonials to post to YouTube to reach law makers and others on the importance of the ferry service in the region.

Website: Update plans in the works to improve looks and navigation.

Natural Resources Director Report in packet. Highlights below:

Alaska Marine Highway Reshaping Work Group:

Final meeting was September 29. Links in packet report. There was a discussion of the possibility eliminating the Aleutian Chain run during their reshaping discussions.

BSAI Crab: Bristol Bay red king crab down to 2.6M lbs. for Total Allowable Catch. Snow crab continuing to increase for past 4-5 years, 45M lbs. Going to be a West Bering Sea tanner crab, same as last year at 2.3M lbs.

Peter Pan Seafoods will be processing crab since pollock running late after speculation they will be custom processing elsewhere. APICDA custom packing their crab in Unalaska, so loss of tax revenue.

NPFMC:

Gulf surveys are only done every other year, they need to be prioritized next year so it is not 3 years of no surveys.

Seafood Trade Relief Assistance Program:

USDA program to mitigate financial damage for any retaliatory tariffs by China on specific seafood, is available to permit holders to submit applications through CFEC until December 14. Payments based on 2019 landings.

Fishermen Zoom Meeting:

A fishermen Zoom meeting to be scheduled to review all relief programs available.

2018 Gulf of Alaska Pacific Cod Fishery Disaster Draft Distribution Plan:

Assembly commented on distribution plan twice. State came out with distribution plan adding vessel crew, increased processor allocation and community allocation. Comments due on October 19th.

Assistant Natural Resources Director Report in packet. Highlights below:

Electronic Monitoring (EM) Program:

Held outreach meeting between C and D Seasons to resolve issues and getting fleet educated. Processor engagement has been high and a lot of good response from them. Held pre-season meeting for fleet/processers. Presentation in report. Spent time putting together tools to use and educating fishermen on data collecting. EM project has been able to provide some supplemental data for stock assessments for Pollock.

Attended trawl EM Committee meeting and lots of discussion on next steps for EM across the Pacific. Trawl EM meeting report link in packet.

Data Portal:

Having difficulty finalizing a contract with Inter-Tidal Agency who is pass through of funding, to be resolved soon. Working closely with processors to get access to landings.

Mariculture:

Revisiting travel policy to allow field work in the region. Before any travel occurs will put together a thorough a Covid safety protocol, similar to processors. Also putting together a RFP for vessel charters.

Maintenance Director Report in packet. Highlights below:

AEB office paint project: Almost complete.

Earthquake Damage: Assessing earthquake damage in the schools.

King Cove School: Hard water issues in copper piping and looking into water softener before major problems occur.

Akutan School: Aleutian Heating went out to do assessment on circulating pump heating issue.

Cold Bay terminal: Scheduling fire and sprinkler inspection.

Warren said the powerhouse pipe for waste heat to the King Cove School and clinic is in bad shape and asked who is responsible for replacement. Mobeck said he is not sure at this time and will look into it.

ASSEMBLY COMMENTS

WARREN said he heard cod has been reduced 30%, reducing the state cod season 30% also. He heard that the cod are coming up as by-catch in the trawl pollock season. He noted his concern about the state allocation that comes off of the TAC. Weiss said the state allocation comes off of the federal TAC. Last year federal TAC for cod was so low there was no federal fishery but enough for by-catch in federal fisheries and a state cod fishery. Weiss said the AP just passed a proposed TAC, final to come out in December. Feels it will be a rollover from last year, so may not be a federal season but a state season only, in the Gulf. The Bering Sea proposed spec sheet shows a decrease in P-cod.

Charlotte Levy said she does not have the by-catch numbers from Pollock trawl but will look into, if interested. WARREN said he was concerned about not having a state cod fishery. Need to make every effort to get the cod fishery going again for the fishermen.

JOSEPHINE said, in regards to the CARES Act funds, if there is a plan for left over funds, to adjust the stimulus application or a plan on the use of the left over funds. Bailey said she hopes that people continue to apply between now and November 15 deadline. Could do a second round and/or think of other ways to re-appropriate the monies.

Mayor's Update:

Mayor Osterback said regarding executive sessions, he understands there is a frustration for Assembly members to bring an Executive Session onto the agenda. If an Assembly member has something important they feel needs to be put on there, they need to contact the Administrator and possibly attorney to see if it needs to go into Executive Session. We operate on municipal rules and some things don't qualify. If there is a need from an Assembly member, that conversation should take place, and then be put on the next meeting agenda, giving staff time to prepare and bring in expert opinions, if needed.

PUBLIC COMMENTS None

NEXT MEETING

October 19, 2020 Special Assembly Meeting.

ADJOURNMENT

Hearing no more the meeting adjourned at 4:45 p.m.



Mayor Alvin D. Osterback



Tina Anderson, Clerk

Date: 11/12/20