

CALL TO ORDER

Mayor Alvin D. Osterback called the Aleutians East Borough Assembly meeting to order by teleconference in each community on September 9, 2021 at 3:00 p.m.

ROLL CALL

Mayor Alvin D. Osterback	Present
Chris Babcock	Absent
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 (last meeting)  
Ernie Weiss, Natural Resources Director  
Charlotte Levy, Assistant Natural Resources Director  
Glennora Dushkin, Administrative Assistant  
Laura Tanis, Communications Director  
Emil Mobeck, Maintenance Director  
Talia Jean-Lewis, Assistant Administrator (first meeting)

Adoption of the Agenda:

MOTION

Paul moved to remove Ordinance 22-03 from the agenda and second by Denise.

Hearing no objections, the agenda is approved as amended.

Presentation:

- Employee Handbook Presentation (*workshop only*)

Community Roll Call and Public Comments on Agenda Items:

The communities of King Cove, Sand Point, Akutan, Cold Bay, False Pass, Nelson Lagoon and the Anchorage office were participating by teleconference. Also broadcast on KSDP radio.

There were no public comments.

Conflict of Interests:

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

Minutes, August 12, 2021:

**MOTION**

JOSEPHINE moved to approve the August 12, 2021 Assembly Meeting Minutes and second by BRENDA.

Hearing no more **MOTION CARRIED.**

*DRAFT* June, 2021 Financial Reports – for discussion only:

Administrator Bailey said in the packet is a draft June Financial Report for information only, at this time. Still in the process of reviewing with contract accountant and ongoing reconciliation. Hope to have June and July presented to the Assembly at the next meeting. Total draft revenues is \$7,029,000; expenditures that includes general, bond and maintenance is \$6,081,000; helicopter operation transfer \$764,000 and terminal transfer \$179,000; leaving \$375,000 surplus.

During FY21 we had a surplus of CARES Act funds used for some legal, pay roll, and projects, which helped on expenditures.

PAUL asked where the helicopter transfer shows up. Bailey answered under Fund 22, the deficit for Fund 22 is covered from the general fund.

Paul asked about Fund 22. Bailey said terminal revenue, \$764,000; helicopter revenue, \$337,000. Fund 22 expenditures overall is \$1.1.M and the difference to be covered from the general fund.

PAUL asked when there would be a plan for the additional Covid money we will receive. Bailey said AEB applied for the ARPA funds and will receive \$648,000. We did received \$324,000 deposited into a separate AMLIP account. Second installment will be received next year. Will bring options before the Assembly ways to utilize those funds.

July Investment Reports:

Report in the packet. Bailey said \$1,752,000 of permanent fund earnings has been withdrawn for this fiscal year and have been transferred into AMLIP account for permanent fund earnings.

CONSENT AGENDA

- Resolution 22-11, appointing election judges for the October 5, 2021 Regular Election.

- Resolution 22-12, appointing a canvass committee for the October 5, 2021 Regular Election.
- Resolution 22-13, Assembly approving the Alaska State Land Survey (ASLS) 2017-46.

**MOTION**

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

Resolution 22-11 appoints election judges for the Regular Election and allows the Clerk to appoint an alternative, if a judge is not able to serve.

Resolution 22-13 appoints a Canvass Committee for the Regular Election to canvass votes after the election.

The lands is part of the AEB Municipal Land Entitlements. Natural Resources Director Weiss said Resolution 22-13 is final approval for ASLS 2017-46 to be conveyed to AEB. If approved, will be signed by AEB Mayor, State, surveyor and then patented.

**ROLL CALL**

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

Nay: None

YEAS: 6

NAYS: 0

**MOTION CARRIED**

**ORDINANCES**

*Ordinance 22-03 removed from agenda.*

**RESOLUTIONS**

Resolution 22-14, Assembly authorizing the Mayor to Negotiate and Execute a Contract with DOWL to conduct construction administration/oversight and completion inspection/travel for the Cold Bay Terminal Expansion in an amount not to exceed \$86,655:

**MOTION**

DENISE moved to approve Resolution 22-14 and second by JOSEPHINE.

Administrator Bailey said AEB administration was directed to expand the terminal facility to accommodate additional space needed due to Covid-19. DOWL has been involved from the beginning through final 100% design. DOWL issued a proposal to provide contract administration/oversight and completion inspection/travel of the Cold Bay Terminal addition construction, not to exceed \$86,655. This includes a lump sum payment of \$62,128 for contract administration, and \$24,527 for time and materials for inspection and travel. If approved, to be paid from the terminal maintenance fund and project contingency fund.

**ROLL CALL**



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

YEAS: 6  
NAYS: 0

**MOTION CARRIED**

Resolution 22-15, Assembly authorizing the appropriation of \$250,000 from the Borough Alaska Municipal League Investment Pool (AMLIP) to the Cold Bay Terminal Expansion Project.

**MOTION**

BRENDA moved to approve Resolution 22-15 and second by DENISE.

Administrator Bailey said at the August Assembly meeting, the Assembly authorized the Mayor to negotiate and execute a contract with F & W Construction, not to exceed \$1M and appropriating \$200,000 from AMLIP account. At the time, F&W Construction had not submitted their cost estimate. The final estimate is \$1,261,778. AEB has approximately \$854,000 in CARES Act funds and \$200,000 appropriated from AMLIP. Resolution 22-15 is requesting an additional \$250,000 from the AMLIP account to be appropriated to the project.

PAUL asked when the contractor will have equipment onsite. Bailey said Eastern Aleutian Tribes provided access to a barge. Equipment and material is mobilized in Homer, leaving tomorrow.

**ROLL CALL**

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

**MOTION CARRIED**

YEAS: 6  
NAYS: 0

OLD BUSINESS

NEW BUSINESS

Strategic Plan Quarter 2 Update:

Administrator reviewed the 2<sup>nd</sup> Quarter that ended Aug 31, 2021. Vision Navigational Chart in the packet shows an overview of work accomplished. Bailey noted the Harbor floats grants for Akutan and Sand Point have all been submitted.

REPORTS AND UPDATES

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

CARES Act Funding Update:

Updated allocations in the packet. \$885,000 balance is remaining and a large portion for terminal expansion.

Due to the increased amount of Covid cases, AEB hosted two Covid-19 meetings with the communities since August 24.

Cold Bay Dock:

In February 2020, damage occurred to dock with an insurance claim to AMLJIA. Moffat & Nichol did a damage assessment July 2021. Contacted West Marine Construction while they were in the region to submit a proposal. Huge cost savings since they were in the region, costing \$286,785. West Marine arrived September 3 and repairs completed in two days. Will submit an insurance claim with AMLJIA to get reimbursed.

King Cove Road Update:

Held a virtual meeting with Secretary of the Interior, Deb Haaland. Due to Covid-19 the September 17 travel trip to King Cove has been cancelled, to be rescheduled in the fall or winter.

Nelson Lagoon Dock Repairs:

Project is completed. More damage had been identified and also completed.

Akun Dock Breakwater:

Attended a four hour meeting with Corps of Engineers for project planning. Travel with Corps has been cancelled due to Covid, will reschedule later.

Power Cost Equalization (PCE) Lawsuit:

AEB won the lawsuit protecting the PCE Program. The judge ruled in our favor and people should get their PCE payments back.

Strategic Planning:

Tentatively scheduled to go out to the communities October 25, but due to Covid will postpone and figure out a different way to involve the communities in the process.

New Assistant Administrator:

This is Mary Tesche's last meeting as an employee. The new Assistant Administrator is Talia Jean-Lewis.

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

Sand Point DEED Grant:

SERRC suggested we re-submit our scores from last year to not risk losing points by submitting new. Superintendent Patrick Mayer submitted the reuse of scores.

Akutan ownership determination:

In regards to Tract 5, Lot 2 of Akutan Subdivision at the Akutan Harbor, the property ownership may change based on new information, still under review.



Employee Handbook:

Reviewed at workshop, final will be submitted for approval to the Assembly at the October meeting.

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

Annual Report:

The final report is being printed and copies will be mailed out to the communities soon.

Website Design:

Committee selected a new website designer. Next step is to get a signed contract.

Fish News and In-the-Loop:

E-news continues to go out to the public.

Mayor Osterback thanked Communications Director Tanis for the Power Cost Equalization White Paper that explains the inception of the program up to present day. Originally written to remind new legislature and others why the long time program was developed. The White Paper was also used in the lawsuit.

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

Alaska Board of Fisheries:

Work session is October 20-21. ACR 6 and 7 submitted would restrict fishing in Dolgoi and Shumagin Islands sections. Public comments due October 6. If ACRs are accepted by the Board, it would then be scheduled for possibly the March meeting. Will be contacting local fishermen in the next 10 days to encourage people to submit comments. AEB will oppose the two ACRs. New board member is a commercial fishermen from Bristol Bay, involved in a sport fishing lodge and is a resident of Soldotna.

North Pacific Fishery Management Council:

Next meeting in October. Assembly approved Resolution 22-10 requests the Council to delay action of BSAI P-cod Trawl Catcher Vessel Cooperative Program rationalization program until in-person meetings can begin again, meetings have been virtual due to Covid. The Council will be virtual through the end of 2021. Will submit Resolution 22-10 as public comment. At this time, there are no provisions for communities, just processors. Also, at the October Council meeting there will be groundfish specifications for GOA and BSAI and the Observer Program.

2020 U.S. Census:

The 2020 U.S. Census has been released. The Redistricting Board will be drafting a plan. November 10 or 11 the Board will adopt its final proclamation plan. Alaska population has increased. AEB population has increased, whereas the population of our neighboring communities have gone down.

PAUL asked if the Board allows public testimony is there money budgeted for travel. He said the SE District Mainland has not been open so would be favorable to have testimony on the impact of that. Weiss said they may not have an in-person meeting and may not have a public testimony, but if it is an in person meeting, we will have people attend.

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

**Electronic Monitoring Project:**

Preparing for the 610 Pollock season that started on September 1. Following the season closely to make sure everything runs smoothly, and working out any conflicts that occur. The project team submitted a pre-proposal grant application for electronic monitoring at processing plants for salmon by-catch.

Levy had an article published in the EM4U, titled, Projects in the Field: Data Modernization in the Western Gulf of Alaska.

**WGOA Data Portal Project:**

Data Portal fully implemented and all participating fishermen have information available. The fully implemented E-log in the Western Gulf fleet triggers a notice that gets distributed to the fleet.

**Mariculture:**

Writing an RFP to go out to bid again for a research charter to collect seaweed data while following Covid protocol.

**AFSC Cod Tagging Project:**

More conventional tags have been reported caught in the Bering Sea. Plan to put together a formal updated map, when there is more time available.

**Salmon Research:**

Compiling harvest history, escapement history and WASSIP information.

**Maintenance Director Report:**

False Pass School: Mobeck said he travelled to False Pass to complete the circulation pumps projects.

AEB office-King Cove: A sealant was put on the AEB-King Cove office building. A lot of caulking and sealer was placed on the building to resolve the fly issue in the building.

**AEB office-Sand Point building:**

Replacing the Sand Point men's bathroom flooring.

**Cold Bay Terminal:**

Changing lights and adding signs to the terminal building.

**ASSEMBLY COMMENTS**

Assembly Member Carol Foster said in regards to the tabled Ordinances 22-01, 22-02 she did not understand the terms "lay on the table" and "take from the table". She did not intend for the ordinances to not move forward to a public hearing. During our Strategic Plan we instructed the administration to get rid of the Cold Bay School building. If things changed, it should have been



discussed in a public meeting. She requested a discussion be placed on the December Assembly meeting agenda when we are all together for the Strategic Planning session.

DAILEY supports Carol's comments and was confused about the process also.

Assembly Members thanked Mary Tesche for the four years of work at AEB.

PAUL asked to see pictures of the Cold Bay dock completion. Bailey will forward to Assembly.

WARREN said in regards to the school building, feels it is a tough one to deal with due to state owned land, and FAA regulations near airport. He thought we washed our hands of the building, but still have the land lease.

#### PUBLIC COMMENTS

Bob Barnett, from the public, said we complained about past airlines and Ravn Airlines is bad. He voiced his support for Alaska Airlines to remain in the region and asked if there is anything the public can do to keep Alaska Airlines in the region.

Mayor Osterback said we've worked very close with Alaska Airlines. Alaska Airlines ~~runs~~ used to move about 654,000 deplanements a year at Dutch Harbor and left that market and they moved less than 6,000 deplanements in Cold Bay ~~total~~. We told them they are welcomed back anytime. As far as public, it would not hurt to have public send letters asking them to come back. It was a corporate level decision, looking at their bottom line. When they applied for EAS they only applied for Adak. He also wants them to stay, especially after doing all that work to get them into Cold Bay.

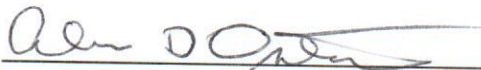
amended  
Oct. 14,  
2021

#### NEXT MEETING DATE

Regular Assembly Meeting October 14, 2021.

#### ADJOURNMENT

CAROL moved to adjourn and second by JOSEPHINE. Hearing no more, the meeting adjourned at 4:40 p.m.



Mayor Alvin D. Osterback



Tina Anderson, Clerk

Date: Oct. 14, 2021