

**Aleutians East Borough Assembly Minutes
May 31, 2016**

Due to lack of a quorum, the May 27, 2016 Assembly meeting was rescheduled for May 31, 2016.

CALL TO ORDER

Mayor Mack called the Special Assembly meeting to order by teleconference in each community on May 31, 2016 at 11:00 a.m.

ROLL CALL

Mayor Stanley Mack	Present
Chris Babcock	Present
Carol Foster	Present
Warren Wilson	Present
Alvin D. Osterback	Present
Ken McHugh	Absent
Joe Bereskin, Sr.	Absent
Brenda Wilson	Present

Advisory Members:

Chris Emrich, False Pass	Present
Angela Simpson, Cold Bay	Absent
Justine Gundersen, Nelson Lagoon	Present

A quorum was present.

Staff Present:

Rick Gifford, Administrator
Roxann Newman, Finance Director
Tina Anderson, Clerk
Anne Bailey, Administrator Assistant
Laura Tanis, Communications Director

Adoption of the Agenda:

MOTION

Community Roll Call and Public Comments on Agenda Items:

The communities of King Cove, False Pass, Sand Point, Nelson Lagoon, and the Anchorage office were participating. Cold Bay and Akutan were not participating.

MOTION TO REMOVE FROM TABLE

Chris removed Resolution 16-17 from the table. Second by Alvin. Hearing no objection,
MOTION APPROVED.

Resolution 16-17, authorizing the Borough Mayor to enter into a Memorandum of Agreement (MOA) with the City of King Cove for the King Cove Access Project:

MOTION

Brenda moved to approve Resolution 16-17 and second by Chris B.

DISCUSSION

Carol suggested tabling until we have a work session. Initially, we agreed to wait for the sale of the hovercraft, saying \$825,000 is a large amount of money and is uncomfortable approving at this time.

Mayor Stanley Mack said the previous Administrator, Bob Juettner, asked King Cove to take the lead on the King Cove road project. Had King Cove not taken the lead on it, the entire project to extend the road toward Cold Bay would not have happened. There was not a MOA in place at that time, but feels it is our obligation to continue with this project. Had King Cove not taken the lead, AEB would have hired another employee to the project. This MOA helps us to have a handle on the road project this day forward.

The Administrator said AEB attorney, Shane Levesque reviewed and revised the draft MOA. If hovercraft does not sell by December then can discuss how to pay forward. We are at a prime in getting this land exchange. Senator Murkowski staff is excited about moving forward and he supports approval of the resolution.

Alvin said he has had time to review the MOA more thoroughly. In reviewing, there is the \$625,000 previously approved available to be reimbursed once receipts are submitted to AEB. Initially, once hovercraft is sold, AEB would then discuss what money is available to reimburse King Cove, Akutan, and AEB. He is more comfortable with that plan than putting a date on this MOA and taking out of the general fund to make the agreement whole. He said the money to purchase the hovercraft was allocated by Senator Ted Stevens and he fully supports the money going back into the communities and not back in the AEB general fund except for what the AEB has expended on the project.

Mayor Mack said AEB can sustain the impact of the \$625,000 and the \$825,000 with available funds since revenues have been good, in order to continue with the project. Each fiscal year we are under the budgeted amount. The Akutan/Akun connection another project he also hopes to satisfy reimbursements with the sale of the hovercraft.

Justine asked the status of the hovercraft sale. The Administrator said there was a company in United Kingdom that took the hovercraft for a test drive in February. One of their projects in the works has folded, but there is still interest in the hovercraft for another project of theirs. There are inquiries, but no offer at this time.

ROLL CALL

Brenda-yes, Alvin-no, Warren-yes, Carol-no, Chris B.-yes. Advisory: Chris E.-yes, Justine-no: MOTION FAILED.

Resolution 16-18, Authorizing to participate in the FY17 Community Revenue Sharing Program:

MOTION

Brenda moved to approve and second by Carol.

ROLL CALL

Warren-yes, Carol-yes, Brenda-yes, Alvin-yes, Chris B.-yes. Advisory: Justine-yes, Chris-yes. MOTION PASSED.

Conflict of Interest Discussion:

Alvin asked about Assembly Member Chris Babcock's possible Conflict of Interest as a city employee on the vote of Resolution 16-17 and whether he should have voted.

AEB Attorney, Shane Levesque, said AEB Ordinance Section 2.20.100 governs its Conflicts of Interest, which mirrors the requirements of the Alaska Statutes, in that a member of the governing body shall declare a substantial financial interest if the member has in an official action asked to be excused from the vote on the matter. The question is, if an Assembly member who is employed by the City of King Cove be permitted to participate in and take action on the question. He feels it is too remote to qualify as a substantial financial interest in this moment unless that funding ensures the Assembly Member retains a position or would actually fund that Assembly member's salary. He does not see it as a substantial financial interest since it affects the entire city and entire group of employees. If there is question, all of the facts should be disclosed and the mayor would make a determination as to whether the Assembly Member conflict of interest exists. The decision to be excused from a vote may be overridden by a majority vote of the remaining members.

Mayor Mack, asked, Levesque if the money has any direct impact on the Assembly Member's financial status. Attorney Levesque said, without further facts, if interest is simply that he is a city employee and the money is paid to the city, it is somewhat remote. However, this would be the decision that would fall upon the mayor to make. Without more facts, he is unsure.

Alvin said residents have asked him if Assembly members should declare a potential conflict for the record and asked if they should be required to do that. Mayor Mack agreed they should disclose.

NEXT MEETING DATE AND TIME

Tentatively, August 11.

ADJOURNMENT

Carol moved to adjourn and second by Alvin. Hearing no more the meeting adjourned at 11:30 a.m.

[Handwritten Signature]
Mayor

[Handwritten Signature]
Clerk

Date: 6/7/16