

CALL TO ORDER

Mayor Alvin D. Osterback called the Assembly meeting to order by teleconference in each community on November 8, 2018 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
E. Ingrid Cumberlidge	Present

Advisory Members:

Angela Simpson, Cold Bay	Present
Justine Gundersen, Nelson Lagoon	Present

A quorum was present.

Staff Present:

Roxann Newman, Finance Director
Tina Anderson, Clerk
Anne Bailey, Administrator
Laura Tanis, Communications Director
Mary Tesche, Assistant Administrator
Charlotte Levy, Assistant Resource Director
Emil Mobeck, Maintenance Director
Ernie Weiss, Resource Director

Swearing in newly elected Assembly Member, E. Ingrid Cumberlidge:
Newly elected Assembly Member, E. Ingrid Cumberlidge read the Oath of Office.

Adoption of the Agenda:

There were no objections, agenda stands as written.

Conflict of Interests:

Mayor Osterback asked for any potential **Conflict of Interests** to discuss. Assembly Member Carol Foster said the youth representative applicant is a close relative. Mayor Osterback said there is only one applicant to consider, so Carol will be allowed to vote.

Community Roll Call and Public Comments on Agenda Items:

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

City of King Cove Administrator, Gary Hennigh, noted his support to Resolution 19-23, to renew the contract with Juneau lobbyist, Mark Hickey at Hickey & Associates.

City of Akutan Mayor, Joe Bereskin, voiced his support for Resolution 18-22, land lease with the City of Akutan for a portion of Lot 1, Akutan Harbor Subdivision, for the Akutan Harbor Utility Project.

GCI Broadband Presentation - Dan Boyette:

Dan Boyette provided a presentation on GCI fiber optic in Alaska. He reviewed the existing fiber optic and microwave routes, recognizing that the left out region is the Aleutians. He reviewed the

proposed undersea fiber optic cable plans for Aleutians, south route. The scope of the fiber optic cable from Kodiak to Unalaska with landings in AEB communities of Sand Point, King Cove, Cold Bay, False Pass, Akutan. One express cable to Unalaska, and other cable connecting to other communities along the route. Goal is to partner with other existing entities, bringing a better service to the region. Towers will be added to allow a better link, and antennae's outside of buildings. Wireless services will be upgraded to LTE. If approval by end of 2018, will be in service by end of 2020.

The project cost is \$62 million, due to high risk for GCI in a small population, have requested a 5-year commitment from businesses in the communities. Internet, cellular and long distance services will be offered.

Mr. Boyette said the bad news is Federal Communication Commission's (FCC), Wireline Division, ruling on October 10, cut rural health care funding by 26% to all carriers, including GCI. GCI business capability has been stalled pending the outcome of the funding. 2017 funding had been decreased by 26%, and 2018 funding year is still being held, pending outcome, and is not sure if the 26% decrease will remain the same.

GCI will file an appeal to the FCC commissioners on the decision to cut funding. If the decision stands, may need to narrow focus in rural areas, in order to meet our maintenance and federal obligations and focus future investments in urban areas, where less risk. The Alaska Delegation are all supporting GCI efforts. AEB can support by asking Alaska Delegation to continue their effort to reverse FCC decision.

Minutes, October 11, 2018, October 15, 2018 Assembly Minutes:

MOTION

WARREN moved to approve the October 11 and October 15 Assembly Meeting Minutes and second by CHRIS.

Hearing no objections, **MOTION CARRIED.**

October Financial Reports:

MOTION

BRENDA moved to approve the October Financial Report and second by INGRID.

DISCUSSION

The Administrator said nothing out of the ordinary, everything tracking along accordingly.

ROLL CALL

YEAS: Paul, Warren, Chris, Carol, Josephine, Ingrid, Brenda. Advisory: Justine, Angela.

NAY: None

MOTION CARRIED

September, Investment Report:

In packet.

Consent Agenda. *None*

Ordinances. *None*

RESOLUTIONS

Resolution 19-22, authorize the mayor to negotiate and execute a ground lease with the City of Akutan for a portion of Lot 1, Akutan Harbor Subdivision, for the Akutan Harbor Utility Project at less than fair market value.

MOTION

BRENDA moved to approve Resolution 19-22 and second by Carol.

DISCUSSION

The Administrator said this is for a portion of Lot 1, Akutan Harbor Subdivision, ideal flat land for bulk fuel storage and generator. In 2016 the city of Akutan and AEB entered into a harbor management agreement. Since agreement in place, the city is authorized to maintain and operate. The city is interested in installing electrical utilities at boat harbor, serving Float A and lighting around perimeter rim of harbor. Transfer from government to government may be by resolution and may be less than fair market value.

ROLL CALL

YEAS: Josephine, Ingrid, Warren, Carol, Chris, Paul, Brenda. Advisory: Justine, Angela.

NAY: None

MOTION CARRIED

Resolution 19-23, Assembly authorizing the mayor to negotiate and execute a contract agreement between the Aleutians East Borough and Hickey & Associates for lobbying/consulting services for FY2019.

MOTION

CHRIS moved to approve Resolution 19-23 and second by BRENDA.

DISCUSSION

The Administrator said approval of Resolution 19-23 will allow Mayor Osterback to execute a contract with Hickey and Associates. AEB is involved in many projects that require a lobbyist. Hickey & Associates has been with AEB since 1998. Contract ends December 31 2018, and can be renewed by agreement. Contract would begin January 1, 2019, ending December 31, 2019. Agreement for \$3,500 a month and reimbursement for any out-of-pocket expenses. Same agreement for the last few years. Recommend approval.

Ingrid asked what the extraordinary expenses are. Bailey said it varies, as an example, AEB paid for Mark Hickey's travel to Anchorage for planning session last year. It hasn't amounted to much over the last few years.

Paul expressed his concern with having one lobbyist work for so many communities in one region. He suggested waiting and see how things go in Juneau with new administration before approving.

Mayor Osterback said, in regards to Hickey as lobbyist, he feels AEB is closely linked with the communities and considers it a positive, since AEB helps fund a lot of community projects.

ROLL CALL

YEAS: Carol, Brenda, Ingrid, Chris, Warren, Josephine. Advisory: Justine, Angela.

NAY: Paul

MOTION CARRIED

Resolution 19-24, Assembly urging the U.S. Department of Transportation to approve the Buy America waiver for Alaska's M/V Tustumena Replacement Project:

MOTION

INGRID moved to approve Resolution 19-24 and second by BRENDA.

DISCUSSION

The Administrator reviewed saying, Resolution 19-24 urges U.S. Dept. of Transportation to approve Buy American Waiver for M/V Tustemena replacement project, to service the Aleutians. Project is held up due to the Buy America Act. The state has requested a waiver, and this resolution is in support to approve the waiver also. SWAMC also approved a resolution.

Paul said the Tustemena breaks down frequently, and the sooner replaced, the better. Kodiak Borough also sent a letter supporting a waiver.

ROLL CALL

YEAS: Warren, Paul, Chris, Josephine, Carol, Brenda, Ingrid. Advisory: Angela, Justine.

NAY: None

MOTION CARRIED

Resolution 19-25, Assembly relating to disposal of surplus, obsolete, or unneeded supplies:

- One (1) modular unit containing one (1) 30 kW generator and one (1) 80 kW generator, located in King Cove. Approximate value: \$10,000.

MOTION

BRENDA moved to approve Resolution 19-25 and second by CHRIS.

DISCUSSION

The Administrator said this is surplus one modular unit with generators located in King Cove. Currently this modular has had a lot of water damage to floor of facility and AEB interested in surplus by sealed bid, per Assembly approval.

ROLL CALL

YEAS: Brenda, Carol, Warren, Chris, Ingrid, Paul, Josephine. Advisory: Justine. Angela,

NAY: None

MOTION CARRIED

Resolution 19-26, authorizing the Mayor to Negotiate and Execute a Contract with Bering Industrial Contractors Inc. for the Deferred Maintenance Mechanical and Testing and Balancing Work at the Sand Point School in an Amount Not to Exceed \$167,348.

MOTION

BRENDA moved to approve Resolution 19-26 and second by JOSEPHINE.

AMENDMENT

BRENDA moved to amend, to remove Akutan School out of the, Now Therefore Be it Resolved section. Second by CHRIS.

ROLL CALL ON AMENDMENT

YEAS: Chris, Ingrid, Brenda, Paul, Carol, Josephine, Warren. Advisory: Justine. Angela,

NAY: None

MOTION CARRIED

DISCUSSION

The Administrator said it was determined that additional funds were needed. Resolution 19-26 supersedes Resolution 19-16. Resolution 19-26 authorizes the mayor to negotiate and execute a contract with Bering Industrial Contractors Inc., with an amount not to exceed \$167,348.

ROLL CALL ON MAIN MOTION

YEAS: Chris, Brenda, Paul, Ingrid, Carol, Warren, Josephine. Advisory: Justine, Angela.

NAY: None

MOTION CARRIED

Resolution 19-27, A resolution of the Assembly in support of a 58 foot limitation in the Federal Western Gulf of Alaska Pollock Trawl Fishery.

MOTION

INGRID moved to approve Resolution 19-27, with the amendment below. Second by PAUL.

(Second to last Whereas)

WHEREAS, also reducing trip limits and capping size of vessels are recognized beneficial to small boat fisheries;

DISCUSSION

Paul feels the resolution will help AEB efforts at NPFMC.

Resource Director, Ernie Weiss said, if Resolution 19-27 is passed, it would be submitted as public comment at NPFMC, D-2, limiting Pollock vessels to 58 foot and under. A discussion paper of moving forward with trip limits and 58' limit started last December. King Cove and Sand Point vessels are 58 ft. If this moves forward through the Council process, it will benefit our fishermen and onshore processors.

ROLL CALL

YEAS: Josephine, Brenda, Carol, Ingrid, Warren, Paul, Chris. Advisory: Angela, Justine.

NAY: None

MOTION CARRIED

OLD BUSINESS

NEW BUSINESS

Appointment of Youth Advisory Representative:

MOTION

BRENDA moved to appoint Logan Thompson as the Youth Advisory Representative and second by CHRIS.

DISCUSSION

Brenda said, Logan is a fine young man, always involved in activities in the region. Very positive and he will do an awesome job on our Assembly.

Ingrid noted her **Conflict of Interest** with Logan Thompson. Mayor Osterback said, for the record, Carol noted her conflict of interest earlier. As there is just one candidate, supported by the school principal, both Assembly Members can vote.

Hearing no objections to the motion, **MOTION CARRIES.**

Mayor Osterback welcomed Logan to the Assembly as an Advisory, adding that this will be a good experience for all of us.

Donation Requests:

The Administrator reviewed the two donation requests. AEB donation policy established requests donations be submitted November 1 and May 1. At the May meeting, \$9,800 was approved for FY19 donations. Two requests have been received and recommendation is below:

Agdaadux Tribe (culture camp) -	\$3,500
QTT Earth Day Fair -	<u>\$ 200</u>
TOTAL:	\$3,700

MOTION

CHRIS moved to approve the Administrator's recommendation above, totaling \$3,700. Second by Josephine.

DISCUSSION

BRENDA noted her **Conflict of Interest**, as an Agdaadux Tribal Member. Mayor Osterback agreed. Brenda will abstain from participating.

ROLL CALL

YEAS: Chris, Warren, Carol, Paul, Josephine, Ingrid. Advisory: Angela, Justine.

NAY: None

Abstain: Brenda

MOTION CARRIED

REPORTS AND UPDATES

Administrator's Report in the packet. Highlights below:

King Cove/Cold Bay Road litigation: On October 4 Judge Burgess recused himself from the case, and Judge Holland was appointed, but also recused himself. Judge Gleason is now assigned to the case. Timeline unknown. Executive Session scheduled for the December Assembly meeting to go into more details on the litigation.

Cold Bay Terminal: Maintenance: Working with FAA on HVAC system. Also, issued a request for three quotes for pop out bracing work needed and received one quote. Estimated cost was higher due to winter work schedule. Work will be done in the summer, when more cost effective.

Terminal lease: Began discussion with airlines, working with smaller and larger carriers. The rate structure is not to make money but to recoupe costs. Consultant did a great rate structure document, and revising that based on discussion with airlines. Goal was December 31, but will now be later.

Akutan Essential Air Service: Met with U.S. Dept. of Transportation in Washington D.C. They have verbally committed to subsidy Dutch Harbor to Akun 100%, and 50% for helicopter, Akun/Akutan. Still working on finalizing the agreement with all parties involved.

Akun Dock/Breakwater: Met with Corps of Engineers in Washington D.C. The Energy & Water Appropriations Committee signed off on Corps of Engineer program list, the breakwater listed as #1 priority project. This will allow us to do a feasibility study determining location and cost analysis.

Strategic Initiative: Planning work session scheduled December 11-12, working on logistics to get prepared for that meeting. Strategic plan is a great tool to keep everyone on track and show where we're going. Have accomplished more because of this plan in place.

Assistant Administrator Report in packet. Highlights below:

Akutan harbor: Working on Corps of Engineer mitigation measure requirements for the harbor project.

Cold Bay Clinic: Met with city of Cold Bay and Eastern Aleutian Tribes (EAT) to discuss project next steps. Goal of meeting was to discuss funding strategy, project timeline and meet the new EAT Director. Working on a "white paper" for December packet. Construction proposed for 2020.

Nelson Lagoon School Renovations: Building assessment completed. Building in general in okay condition. Finalized assessment will be provided to Nelson Lagoon Tribal Council.

Office Technology and Connectivity: ICE Services contract signed. ICE made trip to King Cove and Sand Point offices and will make recommended upgrades for AEB offices.

Helicopter Operations: In October 265 passengers, 12,800 lbs. mail and freight, and four charters.

Communications Director Report in packet. Highlights below:

Pacific Marine Expo: Preparing for Pacific Marine Expo booth, November 18-20. False Pass flyer updated with new processor information, new photos for display and working on a slideshow of community photos, harbors/docks and other infrastructure, to display at Expo.

Annual Report: Working on the annual report to go out to the public. Will be completed end of the month.

Resource Director Report in Packet. Highlights below:

NPFMC:

- Pollock and cod, BSAI and GOA quota will be down.
- Assistant Resource Director, Charlotte Levy, will attend the groundfish plan team meetings.
- Pollock season structure changes by combining A & B and C& D seasons, and cod quota moved between the A & B cod fishery seasons, both to better avoid bycatch, supported by fishermen.

Board of Fisheries meetings:

- Attended all the meetings and was able to interact with the Board Members.
- Will attend the Dillingham Board of Fish meeting.
- Advisory Committee training took place with Board Executive Director.
- Preparing for the February Board of Fish meeting, continually strategizing.

Assistant Resource Director:

Board of Fish: Main focus is February meeting. Have attended several meetings, most recently with Mayor Osterback and Eric Volk, to discuss strategy. Gathering names of those interested in testifying.

Kelp Mariculture Grant: beginning stage of permitting process. Part of that is visiting the proposed location sites. Starting with a visit to Akutan site at the end of the month. Also, researching the potential of multi-trophic integrated aquaculture to integrate other species, which could bring more revenue into the region.

Alaska Ocean Cluster's 2018 OTIS 2018: Intensive workshop. Working on a prototype for aquaculture project for multiple species, as stated above.

HB267: Regarding municipalities that tax sport fishing and game hunting activities. Municipalities that tax that industry can now access the information from the state for a fee. \$500 per report for big game, \$1000 for sport fishing activities. AEB has a land use permit program, but does not tax, so no access to that information. We have had a decline also on land use permits. Possible option can be to make changes to the AEB Code, wording fee to a tax fee, to be able to gain access to the information or restructure the system.

Paul said the main point is to get a handle on the King salmon being caught on the north and south side, to determine how much impact they are making.

Mayor Osterback suggested checking with sports fishing division to see if sports fishing catch reports are collected and available.

Maintenance Director Report in packet. Highlights below:

- Annual fire inspections completed at the schools.
- Installed a new fire alarm system in False Pass School. Faulty alarm system was causing false alarms.
- Cold Bay terminal, annual fire inspection completed.
- Sand Point School Projects - Working on timeframe for the three contractors for Sand Point School projects, hoping to be completed before end of year.
- Updating fire extinguishers at schools.

Mayor Osterback reviewed the pink salmon disaster funds distribution plan in the Lobbyist Gilman Report in packet.

ASSEMBLY COMMENTS

Paul said, on pink salmon disaster relief funds, there is a rumor the state is approved for a 4-year extension on the distribution. He has not been able to confirm yet. Our region qualifies for \$2.7M.

Chris asked about the Advisory seat in False Pass, now that there is no longer an Assembly seat there. The Clerk explained she will post a request for letters of interest for Advisory seats for False Pass, Nelson Lagoon and Cold Bay to be considered at the December Assembly meeting, for the calendar year 2019.

Brenda thanked the staff for all the good work and hard work they do.

Paul said he was pleased with the first Strategic Planning Session meeting but has reservations with doing yearly. Paul also suggested putting up a sign at the new Cold Bay clinic site.

PUBLIC COMMENTS

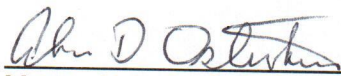
Logan Thompson, youth representative, had to leave the meeting. He passed on comments for the Assembly and Mayor, to be read by Ingrid. Logan said, on behalf of the 2019 Sand Point Close-Up class, he thanked the Assembly for the generous donation and support to Close-Up. All very excited and appreciative.

NEXT MEETING DATE

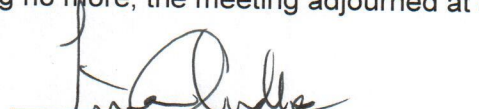
December 13, 2018 in Anchorage.

ADJOURNMENT

Chris moved to adjourn second by Brenda. Hearing no more, the meeting adjourned at 5:15 p.m.



Mayor Alvin D. Osterback



Tina Anderson, Clerk

Date: 12/13/18