

CALL TO ORDER

Mayor Mack called the Regular Assembly meeting to order at the Cold Bay Library and by teleconference on September 22, 2017 at 6:00 p.m.

ROLL CALL

Mayor Stanley Mack	Present
Chris Babcock	Present
Carol Foster	Present
Warren Wilson	Present
Alvin D. Osterback	Present
Ken McHugh	Absent-Excused
Paul Gronholdt	Present
Brenda Wilson	Present

Advisory Members:

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

A quorum was present.

Staff Present:

Roxann Newman, Finance Director  
Tina Anderson, Clerk  
Anne Bailey, Administrator  
Laura Tanis, Communications Director  
Ernie Weiss, Resource Director

Adoption of the Agenda:

MOTION

Paul moved to approve the agenda with the removal of Resolution 18-04 from the agenda and second by Alvin. Hearing no objections, agenda is APPROVED as amended.

Community Roll Call and Public Comments on Agenda Items:

The communities of False Pass, King Cove, Cold Bay and the Anchorage office were participating by teleconference. There were no public comments.

Minutes, May 11, 2017 Assembly Meeting, Minutes, June 30, 2017 Special Assembly Meeting:

MOTION

Chris B. moved to approve the May 11, 2017 and June 30, 2017 Minutes and second by Alvin. Hearing no objections, MOTION PASSED.

Financial Reports, May, June, July, August:

MOTION

Chris B. moved to approve the May, June, July, and August Financial Reports and second by Alvin.

DISCUSSION

Mayor Mack said the Finance Director gave an update at the workshop. Chris B. asked how much raw fish tax was collected for July. The Finance Director said July would be in the August Financial Report, \$841,000. Paul asked if June showed up in FY17. The Finance Director said that the final Fiscal Year 2017 raw fish tax was \$4.7M, which includes June.

ROLL CALL

Chris B.-yes, Brenda-yes, Alvin-yes, Paul-yes, Carol-yes, Warren-yes. Advisory: Angela-yes, Chris E.-yes. MOTION PASSED.

Investment Reports, June, July, August: In packet.

CONSENT AGENDA

- Resolution 18-01, appointing election judges for the October 3, 2017 Regular Election.
- Resolution 18-02, appointing Canvass Committee for the October 3, 2017 Regular Election.
- Resolution 18-03, Assembly in support of no changes to the Alaska Board of Fisheries 2017/2018 meeting cycle agenda (*Submitted by Assembly Members, Paul Gronholdt and Alvin Osterback*).

MOTION

Paul moved to approve the Consent Agenda and second by Brenda.

DISCUSSION

Paul clarified typos corrected in the workshop on Resolution 18-03. Two words deleted, the word "pink" and an additional "and".

ROLL CALL

Paul-yes, Chris B.-yes, Alvin-yes, Brenda-yes, Carol-yes, Warren-yes. Advisory: Chris E.-yes, Angela-yes. MOTION PASSED.

ORDINANCES

Introduction Ordinance 18-01, amending the operating and capital budget for FY17:

MOTION

Chris B. move to accept and set for Public Hearing at the next Assembly Meeting. Second by Alvin.

DISCUSSION

The Finance Director will do a memo of all the amendments for Public Hearing.

#### ROLL CALL

Brenda-yes, Carol-yes, Paul-yes, Alvin-yes, Warren-yes, Chris B.-yes. Advisory: Angela-yes, Chris E.-yes. MOTION PASSED.

#### NEW BUSINESS

Discussion item on Essential Air Service (EAS) contract for King Cove, False Pass, Akutan:  
Mayor Mack said Essential Air Service with King Cove, False Pass and Akutan were discussed at the workshop, very little resolution at this time. We will continue this discussion in the future on EAS, when we know a little more on where EAS is going.

#### REPORTS AND UPDATES

##### Washington D.C. Trip:

The Administrator said the week of September 10, she travelled to Washington D.C. with Angela Simpson-City of Cold Bay, Gary Hennigh-City of King Cove, Della Trumble-King Cove Corporation and Mayor Stanley Mack. They met with the Alaska delegation to discuss the King Cove road support. Had a more indebt conversation with Senator Murkowski on an administrative fix in hopes to get road moving forward. The meeting was positive.

Also met with Representative Young's staff, Senator Sullivan's staff and Army Corps of Engineers to discuss the Akun dock/breakwater project. It is the number one priority for Alaska under the federal Small Navigation Project Study (Section 107). No new project starts at this time, but, if they do, hope to see a feasibility study move forward.

Met with the National Congress of American Indians, who also is a big supporter of the King Cove road project. Also, visited Homeland Security and met with a U.S. Coast Guard officer.

Mayor Mack said as of today, he and the King Cove group and lobbyists are putting the final touches on the agreement with the State of Alaska, U.S. Dept. of Interior and Murkowski administration to introduce a legislative bill. Bailey added that they met with the Deputy Director of the Dept. of Interior. Paul said he heard rumors of modifying wilderness designation for Izembek that would allow the road to be built. She answered no, there is a possible administrative direction that Dept. of Interior has on their docket that the lobbyists are working on that could allow the road to be built, however, it is contingent on what Murkowski does.

Alvin asked about the facilities project on Akun, and whether that is dependent on another WRDA bill. Bailey said the COE didn't get their budget until late in the year and was not interested in doing new starts at that time. This project is under consideration, but does not have to do with the WRDA bill. It is the #1 Alaska project, competing with other small areas in the nation. Mayor Mack said the State of Alaska did aerial and satellite photography and soundings out there, which looks good. Bailey said all Corps engineers have retired that do this

type of work and those positions haven't been filled yet. Hopefully will move forward with a feasibility study and choose the best location.

#### Planning Session:

The Planning Session is set for 3-days, December 13-15 at the APIA building. The facilitator is Professional Growth Systems, entered into a contract with them for \$68,000. They will visit all communities and do strategic planning meetings and get ideas on paper in advance. They will do weekly teleconferences with community presenters for December. Presentations on first day by businesses and communities, other two days strategic planning session. The more information from communities in advance, will make the work session more productive. The goal is to not have a plan placed on the shelf and not looked at.

#### Hovercraft update:

The Administrator said there are three interested in the purchase of the hovercraft. A group out of Kazakhstan, an oil company, is interested in the hovercraft, and have been to Akutan twice. Also, a Seattle transit company recently showed interest, and a Lake Ontario company has shown interest. We have not received an offer in writing. Paul suggested reviewing other agents at the December meeting.

#### School Maintenance:

The Administrator said the Sand Point School had 30 electrical projects to complete and work is almost done. The repairs didn't happen as fast as we had hoped. Pool and shop will be operating again on Monday. The Maintenance Director said there is another week of work to do, tracing each circuit and making sure panels are marked properly. 95% of electrical work is done.

Alvin said a piece of the Sand Point School roof tin blew off during a wind storm. When he looked at it, there was also a rotten stringer. He asked if we are at a point where we should bring in an inspector to look at the structure. He added that the flashing was bent down and nailed, and asked if it was going to be repaired properly. The Maintenance Director said roof concerns are in the DOWL report. Mayor Mack said whatever it takes to get it in safe condition, needs to be done.

Carol asked if the problems in the DOWL report are all going to be addressed in a timely manner. The Administrator said the purpose of the assessments is to go through the reports and address the issues. The electrical issues needed to be repaired immediately to prevent any injuries. The roof damage happened in a wind storm that needs to be addressed. The intent is to address the critical items in the DOWL report. Next step is to meet the DOWL to review the assessments to see what needs to be done next.

Brenda felt Sand Point School is getting old, and a replacement needs to be considered. Chris B. felt a new structure should be considered also before putting more money into the school

building. Mayor Mack said we've replaced two furnaces, replaced all windows, siding, and roof, and now the electrical.

Bailey said DOWL also has information, and there is a process to apply for funding for a new school. She will discuss with them and see what it will take.

School District Correspondence:

Mayor Mack said the King Cove and Sand Point schools have a maintenance department operated by the School District, but they have not been doing the work that needs to be completed. AEB had its Maintenance Director doing some during the summer. We have been doing maintenance at the small sites. He plans to address the School Board regarding the letter. He said AEB has put money into the Sand Point School, with boilers replacement, gym floor replacement and new bleachers. Bailey said since the School District letter was received, she has discussed with the Superintendent. We are in the process of drafting a Memorandum of Understanding between the two entities, to have clear guidance on who is responsible for what. The AEB attorney is reviewing the draft, at this time.

Alvin provided some background information, saying the main reason AEB was formed was for potential oil and gas development (Lease Sale 92). AEB took over all the schools from the city responsibility. AEB reached the maximum amount of money the state allowed to be contributed to the School District. To help the School District, we took the Maintenance Director position and the maintenance budget out of the School District budget, which allowed them to request more funding from AEB for education. The understanding was everything was to be put back into the schools maintenance. So, a Memorandum of Understanding (MOU) was drafted by the AEB, but the MOU never got approved by the School District. It was never intended that the AEB wouldn't take care of the structures, the structures belong to the AEB.

Mayor Mack said the AEB could take over the maintenance program entirely, taking that portion out of their budget. There have been issues with one entity not working with the other. Other school districts do all the maintenance, which seems to be working. He feels it could be satisfied and to begin discussing.

Bailey will meet with the School District Superintendent and then come to the bodies for approval of a MOU.

Nelson Lagoon Erosion Project: The Administrator submitted another extension, 4<sup>th</sup> amendment extending the project to December. Alvin asked if the storms have done further damage. Bailey was not sure. She added 421 bags are filled and waiting to be moved and placed in position.

ASSEMBLY COMMENTS None.

PUBLIC COMMENTS

City of King Cove Mayor, Henry Mack, said there was discussion about the Essential Air Service (EAS). He said during the first round of EAS, King Cove made their voices heard regarding the poor service by Grant Aviation. He also voiced his concerns about the very poor mail service. Other communities have also contacted them as well.

Mayor Henry Mack also said there is a scheduled dedication on October 5 for the new hydroelectric project, Waterfall Creek. As of May, hydroelectric power is running the community at 100%. AEB will be recognized for their contribution.

City of Cold Bay Mayor, Dailey Schaack, thanked everyone for coming to Cold Bay. She voiced her concern about the EAS and Nelson Lagoon Village lack of mail getting in there and the medical issues. She suggested AEB invite Grant Aviation, higher management, to the Planning Session. She added Grant Aviation had a maintenance person in Cold Bay and felt Grant should have two aircrafts available. When one is down, the other would still be available. As far as EAS with Pen Air, they did have it at one point, but lost it due to lack of paperwork. Pen Air is working towards getting it back. Cold Bay also had a good visit with Senator Sullivan when he stopped in to Cold Bay. She requested Cold Bay be involved in the King Cove/Cold Bay road since Cold Bay is a key player. Schaack added that Cold Bay is having a difficult time home schooling students, with no school. Hopes to start somewhere so we can work back up to having some sort of school again.

Angela Simpson said Cold Bay has up to 13 children under school age. One family recently moved because there is no school and felt a pre-school is needed saying that Cold Bay needs families to stabilize the communities.

Candace Nielsen, a community member, hopes we can find a way to keep all the families in Cold Bay. She wants the AEB to focus on Cold Bay and Nelson Lagoon, along with other projects. The airport terminal has a new tarmac, and asked what the plans are for the terminal. She asked if offices in the terminal will be available for airlines. She feels Cold Bay needs to be on all airlines radars and suggested advertising Cold Bay. Cold Bay is important to the entire region and suggested investing and developing more in Cold Bay. She supports the planning session visits to the communities to get feedback from the region. Mayor Mack said it is long overdue.

#### NEXT MEETING DATE

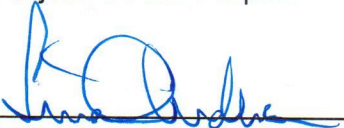
Special Meeting on October 16 to certify the election.

#### ADJOURNMENT

Paul moved to adjourn. Hearing no more the meeting adjourned at 7:13 p.m.

  
\_\_\_\_\_  
Mayor

Date: 11/9/17

  
\_\_\_\_\_  
Clerk