

Aleutians East Borough  
April 23, 2012  
7:00 p.m.

**CALL TO ORDER**

Mayor Mack called the April 23, 2012 Assembly meeting to order at 7:00 p.m. at the AEB office building in Sand Point and by teleconference in each community.

**ROLL CALL**

Mayor Stanley Mack	Present
Paul Gronholdt	Present
Carol Foster	Present
Marvin Mack	Present
Bill Cumberlidge	Present
Ken McHugh	Absent-Excused
Joe Bereskin, Sr.	Present
Justine Gundersen	Present

**Advisory Members:**

Nikki Hoblet, False Pass	Present
Harold Kremer III, Cold Bay	Present

A quorum was present.

**Staff Present:**

Sharon Boyette, Administrator  
Roxann Newman, Finance Director  
Tina Anderson, Clerk  
Ernie Weiss, Resource Director  
Laura Tanis, Communications Manager  
Anne Bailey, Community Development Director

**Agenda Additions:**

- Resolution 12-14, Recognizing Sharon Boyette and her years of service to the people and communities of the Aleutians East Borough:

**Adoption of Agenda:**

Paul moved to adopt the agenda with the addition and second by Bill. There were no objections  
**MOTION PASSED.**

**Community Roll Call and Public Comment on Agenda Items:**

All AEB communities and the Anchorage office were present.

Richard Kochuten, Sand Point Harbor Master, said an assessment of the Sand Point Robert E. Galovin Small Boat Harbor was done a couple years ago and has been provided to the Assembly. He feels a rebuild of the harbor is needed, but the city has come to a road block with all the funding necessary for the harbor. Majority of funding is there but can't seem to come up with part of it. It is turning into a safety issue and having to turn boats away. Photos in packet were taken for

assessment by URS. We have changed out the hinges of boat harbor over the years. In last 15 years we have changed out close to 30 floats that were obsolete. Right now waiting for word back on a couple of major floats we have to change out. When we go to work on the floats it is like a domino effect. Change one thing and 4-5 other things fall apart. Many sections are on a critical list. This year broke a couple of floats. Piling getting squared off on all the wear and tear and not enough piling for what we support.

Bob Barnett, from the public, asked if for some reason the hovercraft makes original run with hovercraft and AEB finds out it is not feasible, would that \$2M contract be switched over to a different type vessel. Mayor Mack answered yes it could be.

Minutes, March 21, 2012:

MOTION

Carol moved to approve and second by Marvin.

Paul suggested adding Schaack behind Paul under Paul Schaack Public Comments.

Hearing no objections MOTION PASSED.

Financial Reports, March 2012:

MOTION

Justine moved to adopt the March financial report and second by Carol.

ROLL CALL

Bill-yes, Justine-yes, Carol-yes, Paul-yes, Marvin-yes, Joe-yes. Advisory: Harold-yes, Nikki-yes.

MOTION PASSED.

Investment Report, March 2012:

The permanent fund month-end market value of the portfolio is \$29,535,690, which includes \$58,158 in accrued interest.

ORDINANCES

Introduction Ordinance 12-05, Adopting the Operating and Capital Budget for FY2013:

MOTION

Bill moved to adopt and set for Public Hearing and second by Joe.

DISCUSSION

Paul said at workshop discussed items on budget and believes there is room for changes and expects by the next meeting that some might have more priority than others including a way to accommodate Sand Point harbor. He also feels a little optimistic on AEB Fish Tax. Will save possible amendment at Public Hearing, might be necessary to have a second Public Hearing.

ROLL CALL

Marvin-yes, Joe-yes, Carol-yes, Justine-yes, Paul-yes, Bill-yes. Advisory: Harold-yes, Nikki-yes.

MOTION PASSED.

## OLD BUSINESS

*Tabled*-City of Sand Point Robert E. Galovin Small Boat Harbor Funding Request:

### MOTION

Paul motioned to remove from table second by Marvin. There were no objections, MOTION PASSED.

### DISCUSSION

Bill recommended accepting the \$2M funding request from City of Sand Point for the harbor repairs. Marvin also supported.

Paul said at the workshop there was discussion on using the tentative bond money. There was also some discussion of using the \$1.8M available in the Permanent Fund. He feels using the bond is a good option.

Joe asked what the bond money was tied to currently. Mayor Mack said \$2M bond is tied to transportation or economic development projects. The Administrator further explained when the bonds were ready to be sold, you had to further describe what projects you were going to use it for. \$3M for Akutan airport and \$2M had only been discussed in the past to be used for the King Cove/Cold Bay road construction so that is what the \$2M got described for. In talking to AEB Attorney, Joe Levesque, he thinks we can change it from the King Cove/Cold Bay road construction. She added that bond money can only be used for something that AEB owns. For example, when we build harbors, we have to get land deeded to AEB. Then once the bonds are paid off we can then deed it over. GO Bonds have to be spent on capital projects and on something we own. So, the new AEB Administrator and city of Sand Point Administrator, Paul Day, will need to figure out that solution. Joe said he has no issue, just making sure there is nothing prohibiting us from doing it.

Mayor Mack said the other option of using the \$1.8M available in permanent fund might work better with less strings.

### MOTION

Paul moved that it is AEB intent to transfer and allocate the \$2M in GO Bond available to be used specifically for the Robert E. Galovin Boat Harbor project and figure out how to do it. Second by Marvin.

Carol asked if the \$1.8M permanent fund money available can be used if the bond money cannot be transferred or only part of it can be used. If we don't have to use the permanent fund money, suggested giving some to all the communities.

Paul Day said if the AEB agrees to fund the \$2M, it allows the city of Sand Point to not lose the allocated State funding for the project. If the State of Alaska has a promise from city for \$2M and AEB \$2M, it provides assurance to not lose state funding. His plan is to put the harbor renovations project out to bid and fix next summer.

### ROLL CALL

Paul-yes, Joe-yes, Justine-yes, Marvin-yes, Carol-yes, Bill-yes. Advisory: Harold-yes, Nikki-yes.  
MOTION PASSED.

**Contract Approval with Brechan Enterprises-Sand Pt. School Loop/rear parking paving project:**

Mayor Mack said the Sand Point School loop paving only is \$243,135. Entire paving package which includes the parking in front is \$401,760. He recommends the Assembly approve full package.

**MOTION**

Marvin moved to accept the full paving package and second by Bill.

**DISCUSSION**

Joe asked where the money will be coming from. Mayor Mack said thanks to the Maintenance Director work we will be receiving reimbursements from the State for the Sand Point School gym floor, Akutan School siding, and Sand Point pool repairs. Also have option from permanent fund.

Paul said very lucky to get paving equipment every ten years. Even though it is a chunk of money, he supports since paving equipment won't be around again for a while.

City of Sand Point Mayor, Martin Gundersen, said the School District has asked the city to blade that some times. If it were paved, it is much easier to blade on a paved road and doesn't take much time. Since one time deal and easier to maintain and the city is always willing to help here. If the revenue continues on as good as it has been, feels we will be okay.

Marvin said in King Cove, it saves money when maintaining the pavement.

**ROLL CALL**

Marvin-yes, Justine-yes, Bill-yes, Joe-yes, Paul-yes, Carol-yes. Advisory: Nikki-yes, Harold-yes.

**MOTION PASSED.**

**NEW BUSINESS**

**Preliminary Discussion of Contract for Hoverlink (Akutan-Akun Hovercraft Operations):**

The Administrator recommended the Assembly review and decide at the next meeting.

Paul said he is not happy with the whole agreement and suggested trying to figure out a way while we have some money. Otherwise there won't be any of these kinds of meetings where we will have money to fund projects. It is important to figure out a sensible solution.

**Akutan Harbor Contracts:**

- Contract approval with URS and Shannon & Wilson in the amount of \$105,000.
- Contract Approval with Denali Drilling in the amount of \$125,000 for the geotechnical drilling in Akutan Harbor.

**MOTION**

Paul moved to approve both Akutan harbor contracts and second by Bill

**DISCUSSION**

Joe said working to thaw out ice in the harbor still and project should start soon.

ROLL CALL

Bill-yes, Marvin-yes, Carol-yes, Joe-yes, Paul-yes, Justine-yes. Advisory: Nikki-yes, Harold-yes.  
MOTION PASSED.

Appointment of New Administrator, Rick Gifford:

MOTION

Joe moved to confirm the appointment of Rick Gifford and second by Marvin.

No discussion.

ROLL CALL

Joe-yes, Bill-yes, Marvin-yes, Carol-yes, Justine-yes, Paul-yes. Advisory: Harold-yes, Nikki-yes.  
MOTION PASSED.

Resolution 12-14, Recognizing Sharon Boyette and her years of service to the people and communities of the Aleutians East Borough,

MOTION

Bill moved to approve Resolution 12-14 and second by Carol.

Mayor Mack read Resolution 12-14 to the public.

ROLL CALL

Justine-yes, Carol-yes, Paul-yes, Marvin-yes, Joe-yes, Bill-yes. Advisory: Harold-yes, Nikki-yes.  
MOTION PASSED.

REPORTS AND UPDATES

Redistricting:

Ernie Weiss gave a redistricting report saying everything is still pending. Deadline is June 1 for legislature office so may need an interim plan if June 1 deadline is not met.

Mayor Mack asked, if we go back does it keep the AEB and western Aleutians intact. Ernie said the amended superior court plan keeps us together, if new interim plan then splits. So someone needs to make the call of what the interim plan will be. There is some discussion of status quo until they come up with something that everyone agrees on.

Paul said he went to 3-4 days of redistricting meetings. Things change so have to keep track of it, but feels things will turn out in our favor.

ASSEMBLY COMMENTS

PUBLIC COMMENTS

NEXT MEETING DATE AND TIME

May 29 by teleconference beginning after 3:30 p.m.

ADJOURNMENT

There was no further discussion. The meeting adjourned at 7:54 p.m.

Stanley Maad  
Mayor Date

Shirley Anderson 5/29/12  
Clerk Date