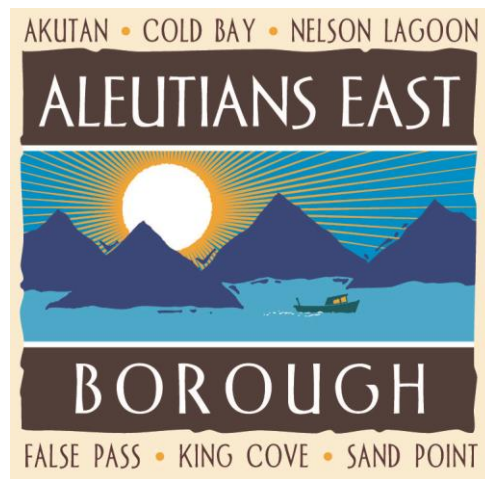


Aleutians East Borough Assembly Meeting

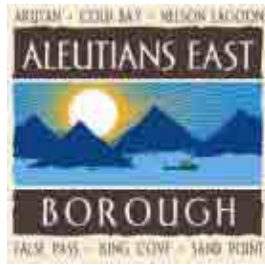


Workshop: Thursday, May 30, 2013 – 3:00 p.m.

Meeting: Thursday, May 30, 2013 – 6:00 p.m.

Roll Call & Establishment of a Quorum

Adoption of Agenda



Agenda

Assembly Meeting

(packet available on website www.aleutianseast.org)

Date: May 30, 2013

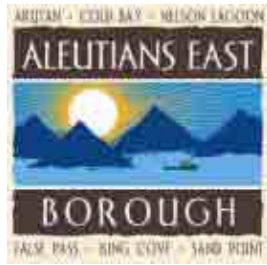
Time: Workshop: 3:00 p.m. Meeting: 6:00 p.m.

Location: By teleconference locations below:

King Cove -AEB office	Sand Point – AEB office
Nelson Lagoon -Corp.office	False Pass - city office
Akutan- city office	Cold Bay – city office
Anchorage office – 3380 C St., Ste 205	

All communities will be provided with conference calling information for the designated location in your community. Public comments on agenda items will take place immediately after the adoption of the agenda. Additional public comments can be made at the end of the meeting.

1. Roll Call & Establishment of Quorum
2. Adoption of the Agenda.
3. Community Roll Call and Public Comment on Agenda Items.
4. Minutes
 - April 22, 2013 Minutes
5. Financial Reports
 - Financial Report, April 2013
 - Investment Report, April 2013
6. Resolutions
 - Resolution 13-23, the Assembly formally submits a harbor facility grant application to the State of Alaska, Dept. of Transportation and Public Facilities in an amount not to exceed \$3.5M for the project entitled: Akutan Harbor Floats.
7. Public Hearing
 - Public Hearing Ordinance 13-06, Adopting the FY14 Budget.
 - Public Hearing Ordinance 13-07, Authorizing the Mayor to negotiate and execute a tidelands lease within Alaska Tidelands Survey No. 1161 for construction, operation and maintenance of a dock at False Pass Harbor.
8. Old Business *None*
9. New Business
 - Donation Requests:
 - Sand Point Silver Salmon Derby fund raiser - \$750
 - Cold Bay Volunteer EMS Silver Salmon Derby fund raiser - \$500.
 - King Cove Volunteer Fire Dept. Scholarship fund raiser – no specific amount.



- Sand Point Teen Center – \$2,000
- Qagan Tayagungin Tribe Culture Camp - \$7,000.
- University of Alaska Fairbanks (Bree Witteveen) - \$5,000-\$8,000.
- City of Sand Point, 4th of July Fund Raiser- no specific amount.
- City of Sand Point, Annual Community Clean-up – \$300.
- King Cove Community Center, Annual Clean-up – no specific amount.
- City of False Pass, assistance for freight cost for 980 loader - \$5,000.
- King Cove Women’s Club, Alaska Charity Walk event - \$35-100.
- City of King Cove, Biggest Loser Challenge - \$1,000.
- Alaska Financial Inc., loan fund program - \$40,000.
- John Gardner, III, fish stream markers and stream clearing - \$13,600.

10. Reports and Updates
11. Assembly Comments
12. Public Comments
13. Next Meeting Date and Time
14. Adjournment

Community Roll Call & Public Comment on Agenda Items

Minutes

Aleutians East Borough
April 22, 2013
3:00 P.M.

CALL TO ORDER

Mayor Mack called the April 22, 2013 Assembly meeting to order at 3:00 p.m. at the Cold Bay Community building and by teleconference in other communities.

ROLL CALL

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

Advisory Members:

Nikki Hoblet, False Pass	Absent - Excused
Harold Kremer III, Cold Bay	Present
Justine Gundersen, Nelson Lagoon	Present

A quorum was present.

Staff Present:

Rick Gifford, Administrator
Roxann Newman, Financial Director
Tina Anderson, Clerk
Ernie Weiss, Resource Director
Laura Tanis, Communications Manager
Anne Bailey, Community Development Coordinator

Adoption of Agenda:

MOTION

Brenda moved to adopt the agenda as presented and second by Ken. There were no objections, MOTION PASSED.

PRESENTATION

Veteran's Association-Outreach Program:

Sharon Strutz-Norton, Rural Health Outreach, said they are doing outreach in the communities. 70,000 vets are in Alaska, only 30,000 have signed up for services. They have signed with 26 native corporations and also working with health care entities to service both native and non-native vets for benefits. They are doing outreach to encourage vets to enroll and provide information on what they have to offer and what they can reimburse.

Chad Pomelow, U.S. Dept. of Veterans Affairs Anchorage Regional Office Manager, said there is a large population of Vietnam Vets in the region. He said the VA benefit requirements are changing allowing vets to qualify for more reimbursement and benefits.

COMMUNITY ROLL CALL AND PUBLIC COMMENT ON AGENDA ITEMS:

Communities present were False Pass, Sand Point and Cold Bay. There were no public comments.

Minutes, March 15, 2013:

MOTION

Brenda moved to adopt the March 15, 2013 Minutes and second by Ken. Hearing no objections the minutes are approved.

March Financial Report:

MOTION

Brenda moved to adopt the March financial Report and second by Ken.

ROLL CALL

Marvin-yes, Brenda-yes, Bill-yes, Paul-yes, Carol-yes, Ken-yes. Advisory: Justine-yes, Harold-yes. MOTION PASSED.

Investment Report, March:

In packet.

CONSENT AGENDA

- Resolution 13-21, Honoring U.S. Senator Daniel Akaka for his years of support for the Izembek Refuge Land Exchange and Road.
- Resolution 13-22, Supporting the appointment of Duncan Fields to NPFMC.
- Introduction Ordinance 13-07, authorizing the Mayor to negotiate and execute a tidelands lease within Alaska Tidelands Survey No. 1161 for construction, operation and maintenance of a dock at False Pass Harbor.

MOTION

Paul moved to adopt the consent Agenda and second by Marvin.

ROLL CALL

Carol-yes, Paul-yes, Bill-yes, Marvin-yes, Ken-yes, Brenda-yes. Advisory: Harold-yes, Justine-yes. MOTION PASSED.

ORDINANCES

Introduction, Ordinance 13-06, FY14 Budget:

MOTION

Brenda moved to approve for Public Hearing at the next Assembly meeting and second by Bill.

DISCUSSION

Paul said there was a good discussion on budget during workshop. At Public Hearing in May he anticipates having additional discussion and additional information that the Administrator brought up in his monthly report and hopes to make good decisions at that time.

ROLL CALL

Paul-yes, Marvin-yes, Ken-yes, Brenda-yes, bill-yes, Carol-yes. Advisory: Justine-yes, Harold-yes. MOTION PASSED.

REPORTS AND UPDATES

In packet.

ASSEMBLY COMMENTS

Harold said there is interest in shipping fresh product out of Cold Bay and it was mentioned that what would really help the process is a breakwater as the AEB is aware the dock has received a lot of damage over the year. City is working diligently along with the Community Development Coordinator to get it repaired. He was told a floating breakwater might be doable for a fast action but ultimately Cold Bay would like a breakwater, however, that might not protect the large vessel that wants to come in. He asked AEB to support the city in putting some sort of breakwater in.

Dawn Lyons, Cold Bay Administrator, said Cold Bay asked for sponsorship a couple years ago and will be addressing again. The request was for a small boat harbor study. Mayor Mack said there were three areas identified in a study. Skunk Hollow, Nurse Lagoon and the other a permanent breakwater off the dock. Skunk Hollow receives too much fresh water, Nurse Lagoon is wildlife habitat with endangered Steller's eiders. A breakwater at the dock would be cost prohibited because of the depth. He is inclined to support something on behalf of the city, however, is not going to tell the city of Cold Bay what they should have and suggested the Council do some research on viable options so something can be done in the future.

Mayor Mack said he has not heard from the entity involved in the fresh crab venture adding that a lot of research needs to be done to make it work. Don't know where the crab is coming from, who is going to process it and how it is going to be shipped. He said Mr. Gary Ferguson did

approach AEB about this happening so he encourages the city do some research. The Community Development Coordinator said she has the harbor study and will get Cold Bay a copy. Marvin noted his support for the fresh product venture. Mayor Mack added that a protective harbor project would take approximately five years or more before completion.

NEXT MEETING

Next meeting in King Cove on May 30.

ADJOURNMENT

Paul moved to adjourn and second by Brenda. Hearing no objections the meeting adjourned at 3:30 p.m.

Mayor

Date

Clerk

Date

Financial Report

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Current Period: APRIL 12-13

		12-13 YTD Budget	12-13 YTD Amt	APRIL MTD Amt	12-13 YTD Balance	% of Budget
Fund 01 GENERAL FUND						
Active	R 01-201 INTEREST REVENUE	\$35,000.00	\$11,654.14	\$0.00	\$23,345.86	33.30%
Active	R 01-203 OTHER REVENUE	\$90,000.00	\$113,673.18	\$3,000.00	-\$23,673.18	126.30%
Active	R 01-204 OPERATING TRANSFER F	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 01-206 AEBSD Fund Balance Refun	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 01-218 AEB RAW FISH TAX	\$3,200,779.00	\$3,205,458.39	\$445,537.61	-\$4,679.39	100.15%
Active	R 01-229 Southwest Cities LLC	\$0.00	\$30,000.00	\$0.00	-\$30,000.00	0.00%
Active	R 01-233 STATE PERS ON-BEHALF	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 01-265 STATE RAW FISH TAX	\$2,033,096.94	\$2,033,096.94	\$0.00	\$0.00	100.00%
Active	R 01-266 STATE EXTRATERRITORIA	\$243,084.00	\$219,390.89	\$0.00	\$23,693.11	90.25%
Active	R 01-267 STATE FISH LANDING TAX	\$53,571.00	\$60,622.86	\$0.00	-\$7,051.86	113.16%
Active	R 01-268 State "Loss" Of Raw Fish Tax	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 01-270 STATE REVENUE OTHER	\$542,712.00	\$575,711.00	\$0.00	-\$32,999.00	106.08%
Active	R 01-276 AEB SCHOOL	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 01-277 STATE BOND REBATE	\$1,045,464.00	\$645,881.00	\$0.00	\$399,583.00	61.78%
Active	R 01-291 PLO-95 PAYMNT IN LIEU O	\$559,000.00	\$0.00	\$0.00	\$559,000.00	0.00%
Active	R 01-292 USFWS LANDS	\$36,256.00	\$15,123.00	\$0.00	\$21,133.00	41.71%
	Total Fund 01 GENERAL FUND	\$7,838,962.94	\$6,910,611.40	\$448,537.61	\$928,351.54	88.15%

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*Expenditure Guideline©

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Current Period: APRIL 12-13

		12-13 YTD Budget	12-13 YTD Amt	APRIL MTD Amt	12-13 YTD Balance	% of Budget
Fund 01 GENERAL FUND						
DEPT 100 MAYORS OFFICE						
Active	E 01-100-000-300 SALARIES	\$71,468.00	\$59,556.80	\$5,955.68	\$11,911.20	87.50%
Active	E 01-100-000-350 FRINGE BENEFITS	\$27,810.00	\$22,787.42	\$2,279.06	\$5,022.58	86.04%
Active	E 01-100-000-400 TRAVEL AND PER	\$36,000.00	\$30,058.12	\$5,131.89	\$5,941.88	88.76%
Active	E 01-100-000-425 TELEPHONE	\$2,400.00	\$1,121.58	\$109.41	\$1,278.42	46.73%
Active	E 01-100-000-475 SUPPLIES	\$1,000.00	\$504.99	\$0.00	\$495.01	50.50%
Active	E 01-100-000-554 AK LOBBIST	\$36,000.00	\$33,864.27	\$0.00	\$2,135.73	103.79%
Active	E 01-100-000-555 FEDERAL LOBBIS	\$75,600.00	\$56,700.00	\$0.00	\$18,900.00	83.33%
	SUBDEPT 000	\$250,278.00	\$204,593.18	\$13,476.04	\$29,873.45	81.75%
	Total DEPT 100 MAYORS OFFICE	\$250,278.00	\$204,593.18	\$13,476.04	\$29,873.45	81.75%
DEPT 105 ASSEMBLY						
Active	E 01-105-000-300 SALARIES	\$25,000.00	\$14,400.00	\$1,600.00	\$10,600.00	57.60%
Active	E 01-105-000-350 FRINGE BENEFITS	\$56,000.00	\$51,537.60	\$4,739.20	\$4,462.40	92.03%
Active	E 01-105-000-400 TRAVEL AND PER	\$40,000.00	\$31,027.57	\$1,731.07	\$8,972.43	77.57%
Active	E 01-105-000-425 TELEPHONE	\$4,500.00	\$3,630.23	\$393.99	\$889.77	86.43%
Active	E 01-105-000-475 SUPPLIES	\$500.00	\$70.67	\$70.67	\$429.33	94.13%
	SUBDEPT 000	\$126,000.00	\$100,666.07	\$8,534.93	\$24,674.94	79.89%
	Total DEPT 105 ASSEMBLY	\$126,000.00	\$100,666.07	\$8,534.93	\$24,674.94	79.89%
DEPT 150 PLANNING/CLERKS DEPARMENT						
Active	E 01-150-000-300 SALARIES	\$83,886.00	\$68,935.66	\$6,804.94	\$14,930.34	86.07%
Active	E 01-150-000-350 FRINGE BENEFITS	\$33,524.00	\$25,189.80	\$2,599.95	\$8,334.20	78.97%
Active	E 01-150-000-400 TRAVEL AND PER	\$12,500.00	\$4,800.00	\$200.00	\$7,700.00	38.40%
Active	E 01-150-000-425 TELEPHONE	\$7,500.00	\$5,655.80	\$666.75	\$1,844.20	79.16%
Active	E 01-150-000-450 POSTAGE/SPEED	\$1,500.00	\$143.91	\$31.98	\$1,356.09	9.59%
Active	E 01-150-000-475 SUPPLIES	\$9,000.00	\$4,108.09	\$535.03	\$4,891.91	45.65%
Active	E 01-150-000-526 UTILITIES	\$15,000.00	\$22,655.17	\$3,876.46	-\$7,655.17	151.03%
Active	E 01-150-000-530 DUES AND FEES	\$5,000.00	\$3,923.80	\$170.00	\$1,076.20	78.48%
Active	E 01-150-000-650 ELECTION	\$25,000.00	\$5,479.77	\$0.00	\$19,520.23	21.92%
Active	E 01-150-000-670 Planning Commissio	\$4,300.00	\$0.00	\$0.00	\$4,300.00	0.00%
	SUBDEPT 000	\$197,190.00	\$140,892.00	\$14,885.10	\$51,488.76	71.45%
	Total DEPT 150 PLANNING/CLERKS DEPARMENT	\$197,190.00	\$140,892.00	\$14,885.10	\$51,488.76	71.45%
DEPT 200 ADMINISTRATION						
Active	E 01-200-000-300 SALARIES	\$168,792.00	\$145,076.47	\$14,505.74	\$23,715.53	90.25%
Active	E 01-200-000-350 FRINGE BENEFITS	\$64,234.00	\$66,898.27	\$7,088.04	-\$2,664.27	109.37%
Active	E 01-200-000-380 CONTRACT LABO	\$18,000.00	\$16,500.00	\$3,000.00	\$1,500.00	100.00%
Active	E 01-200-000-382 ANCHORAGE OFFI	\$0.00	\$13,324.75	(\$929.87)	-\$13,324.75	0.00%
Active	E 01-200-000-400 TRAVEL AND PER	\$25,500.00	\$41,236.11	\$570.36	-\$15,736.11	166.17%
Active	E 01-200-000-425 TELEPHONE	\$6,000.00	\$5,342.87	\$163.41	\$657.13	102.50%
Active	E 01-200-000-450 POSTAGE/SPEED	\$2,500.00	\$1,720.50	\$215.58	\$779.50	68.82%
Active	E 01-200-000-475 SUPPLIES	\$18,120.00	\$9,911.87	\$1,395.59	\$8,208.13	55.00%
Active	E 01-200-000-500 EQUIPMENT	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 01-200-000-525 RENTAL/LEASE	\$36,980.00	\$18,689.22	\$0.00	\$18,290.78	53.73%
Active	E 01-200-000-530 DUES AND FEES	\$2,500.00	\$2,390.00	\$0.00	\$110.00	95.60%
	SUBDEPT 000	\$342,626.00	\$321,090.06	\$26,008.85	\$7,619.44	93.71%
	Total DEPT 200 ADMINISTRATION	\$342,626.00	\$321,090.06	\$26,008.85	\$7,619.44	93.71%
DEPT 250 FINANCE DEPARTMENT						
Active	E 01-250-000-300 SALARIES	\$120,458.00	\$100,966.00	\$9,198.82	\$19,502.00	88.29%
Active	E 01-250-000-350 FRINGE BENEFITS	\$51,161.00	\$41,241.61	\$4,137.11	\$9,919.39	84.45%
Active	E 01-250-000-400 TRAVEL AND PER	\$4,000.00	\$4,155.00	\$768.00	-\$155.00	103.88%
Active	E 01-250-000-425 TELEPHONE	\$5,000.00	\$3,292.14	\$370.13	\$1,707.86	72.77%

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Current Period: APRIL 12-13

		12-13 YTD Budget	12-13 YTD Amt	APRIL MTD Amt	12-13 YTD Balance	% of Budget
Active	E 01-250-000-450 POSTAGE/SPEED	\$2,500.00	\$1,539.53	\$0.00	\$960.47	61.58%
Active	E 01-250-000-475 SUPPLIES	\$10,500.00	\$11,534.14	\$689.78	-\$1,134.14	112.13%
Active	E 01-250-000-526 UTILITIES	\$4,000.00	\$3,431.09	\$196.05	\$568.91	90.87%
Active	E 01-250-000-550 AUDIT	\$45,000.00	\$39,313.61	\$0.00	\$5,686.39	87.36%
Active	E 01-250-000-600 REPAIRS	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
SUBDEPT 000		\$242,619.00	\$205,563.12	\$15,359.89	\$29,006.45	84.73%
Total DEPT 250 FINANCE DEPARTMENT		\$242,619.00	\$205,563.12	\$15,359.89	\$29,006.45	84.73%
DEPT 650 RESOURCE DEPARTMENT						
Active	E 01-650-000-300 SALARIES	\$72,520.00	\$60,433.40	\$6,043.34	\$12,086.60	87.50%
Active	E 01-650-000-350 FRINGE BENEFITS	\$30,040.00	\$23,723.24	\$2,459.10	\$6,316.76	83.07%
Active	E 01-650-000-380 CONTRACT LABO	\$75,000.00	\$82,500.00	\$6,250.00	\$12,500.00	83.33%
Active	E 01-650-000-400 TRAVEL AND PER	\$35,000.00	\$27,329.02	\$1,160.00	\$7,670.98	84.83%
Active	E 01-650-000-401 SEMD SAMPLING	\$89,000.00	\$89,000.00	\$0.00	\$0.00	100.00%
Active	E 01-650-000-402 NPFMC Meetings	\$15,000.00	\$8,699.00	\$1,200.00	\$8,301.00	44.66%
Active	E 01-650-000-403 BOF Meetings	\$25,000.00	\$38,790.61	\$11,431.04	-\$13,790.61	155.16%
Active	E 01-650-000-425 TELEPHONE	\$3,000.00	\$1,821.31	\$441.53	\$1,178.69	63.05%
Active	E 01-650-000-475 SUPPLIES	\$7,000.00	\$4,410.66	\$0.00	\$2,589.34	63.11%
Active	E 01-650-000-525 RENTAL/LEASE	\$6,000.00	\$6,265.61	\$725.28	-\$265.61	116.51%
Active	E 01-650-000-679 Fisheries Developm	\$15,000.00	\$15,000.00	\$0.00	\$0.00	100.00%
SUBDEPT 000		\$372,560.00	\$335,972.85	\$29,710.29	\$29,172.71	90.18%
Total DEPT 650 RESOURCE DEPARTMENT		\$372,560.00	\$335,972.85	\$29,710.29	\$29,172.71	90.18%
DEPT 651 PUBLIC INFORMATION						
Active	E 01-651-011-300 SALARIES	\$88,018.00	\$74,055.80	\$7,334.78	\$13,962.20	88.30%
Active	E 01-651-011-350 FRINGE BENEFITS	\$32,736.00	\$26,677.08	\$2,805.54	\$6,058.92	84.18%
Active	E 01-651-011-400 TRAVEL AND PER	\$15,000.00	\$14,131.99	\$0.00	\$868.01	101.79%
Active	E 01-651-011-425 TELEPHONE	\$2,400.00	\$1,544.03	\$313.62	\$855.97	72.82%
Active	E 01-651-011-450 POSTAGE/SPEED	\$250.00	\$0.00	\$0.00	\$250.00	0.00%
Active	E 01-651-011-475 SUPPLIES	\$4,500.00	\$1,440.34	\$666.89	\$3,059.66	32.17%
Active	E 01-651-011-525 RENTAL/LEASE	\$6,800.00	\$6,537.59	\$815.94	\$262.41	106.47%
Active	E 01-651-011-532 ADVERTISING	\$15,000.00	\$2,880.75	\$7.97	\$12,119.25	19.21%
SUBDEPT 011 PUBLIC INFORMATION		\$164,704.00	\$127,267.58	\$11,944.74	\$30,908.57	77.27%
Total DEPT 651 PUBLIC INFORMATION		\$164,704.00	\$127,267.58	\$11,944.74	\$30,908.57	77.27%
DEPT 700 PUBLIC WORKS DEPARTMENT						
Active	E 01-700-000-300 SALARIES	\$75,625.00	\$68,920.08	\$6,572.04	\$6,704.92	96.62%
Active	E 01-700-000-350 FRINGE BENEFITS	\$29,602.00	\$25,026.47	\$2,515.26	\$4,575.53	89.10%
Active	E 01-700-000-400 TRAVEL AND PER	\$11,000.00	\$13,702.00	\$600.00	-\$2,702.00	124.56%
Active	E 01-700-000-425 TELEPHONE	\$1,500.00	\$913.62	\$98.43	\$586.38	69.35%
Active	E 01-700-000-475 SUPPLIES	\$8,000.00	\$7,576.12	\$31.38	\$423.88	94.70%
Active	E 01-700-000-500 EQUIPMENT	\$1,500.00	\$0.00	\$0.00	\$1,500.00	0.00%
Active	E 01-700-000-526 UTILITIES	\$1,500.00	\$2,359.18	\$712.46	-\$859.18	157.28%
SUBDEPT 000		\$128,727.00	\$118,497.47	\$10,529.57	\$4,603.58	92.05%
Total DEPT 700 PUBLIC WORKS DEPARTMENT		\$128,727.00	\$118,497.47	\$10,529.57	\$4,603.58	92.05%
DEPT 844 KCAP						
Active	E 01-844-000-300 SALARIES	\$2,500.00	\$0.00	\$0.00	\$2,500.00	0.00%
Active	E 01-844-000-350 FRINGE BENEFITS	\$2,000.00	\$0.00	\$0.00	\$2,000.00	0.00%
Active	E 01-844-000-400 TRAVEL AND PER	\$0.00	\$959.13	\$0.00	-\$959.13	0.00%
Active	E 01-844-000-425 TELEPHONE	\$1,120.00	\$539.35	\$178.57	\$580.65	53.34%
Active	E 01-844-000-475 SUPPLIES	\$600.00	\$2,395.44	\$1,565.71	-\$1,795.44	400.45%
Active	E 01-844-000-525 RENTAL/LEASE	\$7,580.00	\$6,265.61	\$725.28	\$1,314.39	92.23%
SUBDEPT 000		\$13,800.00	\$10,159.53	\$2,469.56	\$2,849.86	73.62%
Total DEPT 844 KCAP		\$13,800.00	\$10,159.53	\$2,469.56	\$2,849.86	73.62%

ALEUTIANS EAST BOROUGH

*Expenditure Guideline©

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Current Period: APRIL 12-13

		12-13 YTD Budget	12-13 YTD Amt	APRIL MTD Amt	12-13 YTD Balance	% of Budget
DEPT 850 EDUCATION						
Active	E 01-850-000-700 LOCAL SCHOOL C	\$1,231,000.00	\$990,000.00	\$240,000.00	\$241,000.00	80.42%
Active	E 01-850-000-701 SCHOOL SCHOLA	\$20,000.00	\$16,838.00	\$0.00	\$3,162.00	84.19%
Active	E 01-850-000-703 School Contribution	\$60,000.00	\$0.00	\$0.00	\$60,000.00	0.00%
Active	E 01-850-000-756 STUDENT TRAVEL	\$5,000.00	\$5,000.00	\$0.00	\$0.00	100.00%
SUBDEPT 000		<u>\$1,316,000.00</u>	<u>\$1,011,838.00</u>	<u>\$240,000.00</u>	<u>\$304,162.00</u>	<u>76.89%</u>
Total DEPT 850 EDUCATION		<u>\$1,316,000.00</u>	<u>\$1,011,838.00</u>	<u>\$240,000.00</u>	<u>\$304,162.00</u>	<u>76.89%</u>
DEPT 860 SPECIAL ASSISTANT-NLG,FP,CDB						
Active	E 01-860-000-300 SALARIES	\$72,520.00	\$62,100.08	\$6,043.34	\$10,419.92	89.80%
Active	E 01-860-000-350 FRINGE BENEFITS	\$27,256.00	\$23,791.94	\$2,459.10	\$3,464.06	91.80%
Active	E 01-860-000-400 TRAVEL AND PER	\$10,000.00	\$2,292.90	\$0.00	\$7,707.10	22.93%
Active	E 01-860-000-425 TELEPHONE	\$4,000.00	\$664.14	\$181.13	\$3,335.86	19.06%
Active	E 01-860-000-450 POSTAGE/SPEED	\$250.00	\$0.00	\$0.00	\$250.00	0.00%
Active	E 01-860-000-475 SUPPLIES	\$4,500.00	\$785.46	\$250.00	\$3,714.54	17.62%
Active	E 01-860-000-525 RENTAL/LEASE	\$7,000.00	\$5,751.04	\$725.28	\$1,248.96	92.52%
SUBDEPT 000		<u>\$125,526.00</u>	<u>\$95,385.56</u>	<u>\$9,658.85</u>	<u>\$25,058.24</u>	<u>75.99%</u>
Total DEPT 860 SPECIAL ASSISTANT-NLG,FP,CDB		<u>\$125,526.00</u>	<u>\$95,385.56</u>	<u>\$9,658.85</u>	<u>\$25,058.24</u>	<u>75.99%</u>
DEPT 900 OTHER						
Active	E 01-900-000-500 EQUIPMENT	\$13,200.00	\$12,191.45	\$0.00	\$1,008.55	92.36%
Active	E 01-900-000-515 AEB VEHICLES	\$10,000.00	\$1,965.00	\$0.00	\$8,035.00	19.65%
Active	E 01-900-000-525 RENTAL/LEASE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 01-900-000-526 UTILITIES	\$13,000.00	\$28,606.51	\$5,175.96	-\$15,606.51	220.05%
Active	E 01-900-000-527 Aleutia Crab	\$58,522.00	\$0.00	\$0.00	\$58,522.00	0.00%
Active	E 01-900-000-551 LEGAL	\$150,000.00	\$171,997.78	\$23,786.61	-\$21,997.78	127.85%
Active	E 01-900-000-552 INSURANCE	\$180,000.00	\$135,794.83	\$0.00	\$44,205.17	75.44%
Active	E 01-900-000-600 REPAIRS	\$10,000.00	\$9,518.53	\$2,312.30	\$481.47	107.79%
Active	E 01-900-000-727 BANK FEES	\$2,000.00	\$476.68	\$226.68	\$1,523.32	23.83%
Active	E 01-900-000-751 OPERATING TRAN	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 01-900-000-752 CONTRIBUTION T	\$150,000.00	\$107,500.00	\$32,500.00	\$42,500.00	71.67%
Active	E 01-900-000-753 MISC EXPENSE	\$96,000.00	\$95,802.27	\$0.00	\$197.73	99.79%
Active	E 01-900-000-757 DONATIONS	\$23,500.00	\$7,000.00	\$0.00	\$16,500.00	29.79%
Active	E 01-900-000-760 REVENUE SHARIN	\$32,000.00	\$32,000.00	\$0.00	\$0.00	100.00%
Active	E 01-900-000-770 Depreciation Expen	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 01-900-000-943 WEB SERVICE	\$22,000.00	\$20,924.18	\$1,566.00	\$1,075.82	96.93%
SUBDEPT 000		<u>\$760,222.00</u>	<u>\$623,777.23</u>	<u>\$65,567.55</u>	<u>\$115,004.65</u>	<u>82.05%</u>
Total DEPT 900 OTHER		<u>\$760,222.00</u>	<u>\$623,777.23</u>	<u>\$65,567.55</u>	<u>\$115,004.65</u>	<u>82.05%</u>
Total Fund 01 GENERAL FUND		<u>\$4,040,252.00</u>	<u>\$3,295,702.65</u>	<u>\$448,145.37</u>	<u>\$654,422.65</u>	<u>81.57%</u>

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		12-13 YTD Budget	12-13 YTD Amt	APRIL MTD Amt	12-13 YTD Balance	% of Budget
Fund 20 GRANT PROGRAMS						
Active	R 20-201 INTEREST REVENUE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 20-203 OTHER REVENUE	\$0.00	\$57,316.11	\$0.00	-\$57,316.11	0.00%
Active	R 20-204 OPERATING TRANSFER F	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 20-207 AEB Grant Revenue	\$296,000.00	\$0.00	\$0.00	\$296,000.00	0.00%
Active	R 20-254 KCAP Road Completion	\$707,444.26	\$0.00	\$0.00	\$707,444.26	0.00%
Active	R 20-287 KCAP/09-DC-359	\$1,956,992.03	\$0.00	\$0.00	\$1,956,992.03	0.00%
Active	R 20-422 DENALI COMMISSION/FAL	\$313,421.00	\$182,717.00	\$0.00	\$130,704.00	58.30%
Active	R 20-424 EDA/Akutan Harbor Floats	\$1,000,000.00	\$0.00	\$0.00	\$1,000,000.00	0.00%
Active	R 20-499 Cold Bay Airport-Apron&Taxi	\$2,000,000.00	\$0.00	\$0.00	\$2,000,000.00	0.00%
Active	R 20-504 Nelson Lagoon Erosion10C1	\$238,500.00	\$0.00	\$0.00	\$238,500.00	0.00%
Active	R 20-512 Nelson Lagoon #810758 AC	\$3,743.14	\$3,555.28	\$0.00	\$187.86	94.98%
Active	R 20-516 Library Grant Program	\$1,500.00	\$0.00	\$0.00	\$1,500.00	0.00%
Active	R 20-517 CIAP-COLD BAY BOAT RA	\$34,384.99	\$39,138.79	\$0.00	-\$4,753.80	113.83%
Active	R 20-518 CIAP-Create A Resource La	\$255,050.00	\$114.54	\$114.54	\$254,935.46	0.04%
Active	R 20-811 US FISH&WILDLIFE MARITI	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 20-813 Akutan Airport/CIP Trndent	\$900,000.00	\$0.00	\$0.00	\$900,000.00	0.00%
Total Fund 20 GRANT PROGRAMS		\$7,709,035.42	\$282,841.72	\$114.54	\$7,426,193.70	3.67%

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	12-13 YTD Budget	12-13 YTD Amt	APRIL MTD Amt	12-13 YTD Balance	% of Budget
Fund 20 GRANT PROGRAMS					
DEPT 422 DENALI COMMISSION/FALSE PASS					
Active E 20-422-000-850 CAPITAL CONSTR	\$313,421.00	\$209,762.95	\$27,045.95	\$103,658.05	66.93%
SUBDEPT 000	\$313,421.00	\$209,762.95	\$27,045.95	\$103,658.05	66.93%
Total DEPT 422 DENALI COMMISSION/FALSE PASS	\$313,421.00	\$209,762.95	\$27,045.95	\$103,658.05	66.93%
DEPT 424 EDA/Akutan Harbor Floats					
Active E 20-424-000-850 CAPITAL CONSTR	\$1,000,000.00	\$0.00	\$0.00	\$1,000,000.00	0.00%
SUBDEPT 000 NO DESCR	\$1,000,000.00	\$0.00	\$0.00	\$1,000,000.00	0.00%
Total DEPT 424 EDA/Akutan Harbor Floats	\$1,000,000.00	\$0.00	\$0.00	\$1,000,000.00	0.00%
DEPT 499 Cold Bay Airport-Apron&Taxiway					
Active E 20-499-000-850 CAPITAL CONSTR	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
SUBDEPT 000 NO DESCR	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active E 20-499-049-850 CAPITAL CONSTR	\$2,000,000.00	\$0.00	\$0.00	\$2,000,000.00	0.00%
SUBDEPT 049 DCCED-13-DC-501	\$2,000,000.00	\$0.00	\$0.00	\$2,000,000.00	0.00%
Total DEPT 499 Cold Bay Airport-Apron&Taxiway	\$2,000,000.00	\$0.00	\$0.00	\$2,000,000.00	0.00%
DEPT 502 Cold Bay Dock/Grant					
Active E 20-502-000-600 REPAIRS	\$71,000.00	\$0.00	\$0.00	\$71,000.00	0.00%
SUBDEPT 000 NO DESCR	\$71,000.00	\$0.00	\$0.00	\$71,000.00	0.00%
Total DEPT 502 Cold Bay Dock/Grant	\$71,000.00	\$0.00	\$0.00	\$71,000.00	0.00%
DEPT 504 Nelson Lagoon Erosion					
Active E 20-504-000-850 CAPITAL CONSTR	\$238,500.00	\$0.00	\$0.00	\$238,500.00	0.00%
SUBDEPT 000 NO DESCR	\$238,500.00	\$0.00	\$0.00	\$238,500.00	0.00%
Total DEPT 504 Nelson Lagoon Erosion	\$238,500.00	\$0.00	\$0.00	\$238,500.00	0.00%
DEPT 512 Nelson Lagoon-Hazard Impact					
Active E 20-512-000-380 CONTRACT LABO	\$3,743.14	\$0.00	\$0.00	\$3,743.14	0.00%
SUBDEPT 000	\$3,743.14	\$0.00	\$0.00	\$3,743.14	0.00%
Total DEPT 512 Nelson Lagoon-Hazard Impact	\$3,743.14	\$0.00	\$0.00	\$3,743.14	0.00%
DEPT 513 COLD BAY APRON PROJECT					
Active E 20-513-000-850 CAPITAL CONSTR	\$225,000.00	\$0.00	\$0.00	\$225,000.00	0.00%
SUBDEPT 000 NO DESCR	\$225,000.00	\$0.00	\$0.00	\$225,000.00	0.00%
Total DEPT 513 COLD BAY APRON PROJECT	\$225,000.00	\$0.00	\$0.00	\$225,000.00	0.00%
DEPT 516 Library Grant Program					
Active E 20-516-000-475 SUPPLIES	\$2,000.00	\$893.83	\$328.50	\$1,106.17	44.69%
SUBDEPT 000	\$2,000.00	\$893.83	\$328.50	\$1,106.17	44.69%
Total DEPT 516 Library Grant Program	\$2,000.00	\$893.83	\$328.50	\$1,106.17	44.69%
DEPT 517 CIAP-COLD BAY BOAT RAMP					
Active E 20-517-000-300 SALARIES	\$0.00	\$8,400.00	\$0.00	-\$8,400.00	0.00%
Active E 20-517-000-350 FRINGE BENEFITS	\$0.00	\$887.90	\$0.00	-\$887.90	0.00%
Active E 20-517-000-380 CONTRACT LABO	\$2,414.88	\$6,761.14	\$0.00	-\$4,346.46	280.00%
Active E 20-517-000-400 TRAVEL AND PER	-\$1,164.00	\$2,438.00	\$0.00	-\$3,602.00	-209.45%
Active E 20-517-000-475 SUPPLIES	\$9,646.48	\$9,138.61	\$0.00	\$507.87	94.74%
SUBDEPT 000	\$10,897.16	\$27,625.65	\$0.00	-\$16,728.49	253.51%
Total DEPT 517 CIAP-COLD BAY BOAT RAMP	\$10,897.16	\$27,625.65	\$0.00	-\$16,728.49	253.51%
DEPT 518 CIAP-Create A Resource LandUse					
Active E 20-518-000-850 CAPITAL CONSTR	\$255,050.00	\$28,916.46	\$390.00	\$226,133.54	11.34%
SUBDEPT 000 NO DESCR	\$255,050.00	\$28,916.46	\$390.00	\$226,133.54	11.34%
Total DEPT 518 CIAP-Create A Resource LandUse	\$255,050.00	\$28,916.46	\$390.00	\$226,133.54	11.34%
DEPT 802 CAPITAL - COLD BAY					

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		12-13 YTD Budget	12-13 YTD Amt	APRIL MTD Amt	12-13 YTD Balance	% of Budget
Active	E 20-802-000-850 CAPITAL CONSTR	\$60,000.00	\$0.00	\$0.00	\$60,000.00	0.00%
	SUBDEPT 000	\$60,000.00	\$0.00	\$0.00	\$60,000.00	0.00%
	Total DEPT 802 CAPITAL - COLD BAY	\$60,000.00	\$0.00	\$0.00	\$60,000.00	0.00%
	DEPT 803 CAPITAL - FALSE PASS					
Active	E 20-803-000-850 CAPITAL CONSTR	\$14,070.13	\$0.00	\$0.00	\$14,070.13	0.00%
	SUBDEPT 000	\$14,070.13	\$0.00	\$0.00	\$14,070.13	0.00%
Active	E 20-803-059-850 CAPITAL CONSTR	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	SUBDEPT 059 FY12 CIP	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	Total DEPT 803 CAPITAL - FALSE PASS	\$14,070.13	\$0.00	\$0.00	\$14,070.13	0.00%
	DEPT 806 CAPITAL - SAND POINT					
Active	E 20-806-000-850 CAPITAL CONSTR	\$120,000.00	\$120,000.00	\$0.00	\$0.00	100.00%
	SUBDEPT 000	\$120,000.00	\$120,000.00	\$0.00	\$0.00	100.00%
	Total DEPT 806 CAPITAL - SAND POINT	\$120,000.00	\$120,000.00	\$0.00	\$0.00	100.00%
	DEPT 812 AKUTAN AIRPORT/FEASIBILITY					
Active	E 20-812-000-684 STOCK ID FEASIBI	\$24,000.00	\$4,000.00	\$0.00	\$20,000.00	16.67%
	SUBDEPT 000	\$24,000.00	\$4,000.00	\$0.00	\$20,000.00	16.67%
	Total DEPT 812 AKUTAN AIRPORT/FEASIBILITY	\$24,000.00	\$4,000.00	\$0.00	\$20,000.00	16.67%
	DEPT 813 Akutan Airport/CIP Trident					
Active	E 20-813-000-850 CAPITAL CONSTR	\$900,000.00	\$464,149.10	\$464,149.10	\$435,850.90	51.57%
	SUBDEPT 000 NO DESCR	\$900,000.00	\$464,149.10	\$464,149.10	\$435,850.90	51.57%
	Total DEPT 813 Akutan Airport/CIP Trident	\$900,000.00	\$464,149.10	\$464,149.10	\$435,850.90	51.57%
	DEPT 867 KCC Alternative Road					
Active	E 20-867-000-300 SALARIES	\$0.00	\$13,800.00	\$750.00	-\$13,800.00	0.00%
Active	E 20-867-000-350 FRINGE BENEFITS	\$0.00	\$14,949.13	\$1,083.86	-\$14,949.13	0.00%
Active	E 20-867-000-380 CONTRACT LABO	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 20-867-000-381 ENGINEERING	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 20-867-000-400 TRAVEL AND PER	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 20-867-000-475 SUPPLIES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	SUBDEPT 000	\$0.00	\$28,749.13	\$1,833.86	-\$30,168.69	0.00%
Active	E 20-867-168-300 SALARIES	\$17,800.00	\$0.00	\$0.00	\$17,800.00	0.00%
Active	E 20-867-168-350 FRINGE BENEFITS	\$8,985.46	\$0.00	\$0.00	\$8,985.46	0.00%
Active	E 20-867-168-381 ENGINEERING	\$943,500.00	\$0.00	\$0.00	\$943,500.00	0.00%
Active	E 20-867-168-400 TRAVEL AND PER	\$5,926.49	\$0.00	\$0.00	\$5,926.49	0.00%
Active	E 20-867-168-850 CAPITAL CONSTR	\$982,780.08	\$0.00	\$0.00	\$982,780.08	0.00%
	SUBDEPT 168 KCAP/09-DC-359	\$1,958,992.03	\$0.00	\$0.00	\$1,958,992.03	0.00%
Active	E 20-867-169-300 SALARIES	\$0.00	\$450.00	\$0.00	-\$450.00	0.00%
Active	E 20-867-169-350 FRINGE BENEFITS	\$0.00	\$505.39	\$0.00	-\$505.39	0.00%
Active	E 20-867-169-400 TRAVEL AND PER	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 20-867-169-753 MISC EXPENSE	\$7,100.00	\$0.00	\$0.00	\$7,100.00	0.00%
Active	E 20-867-169-850 CAPITAL CONSTR	\$741,058.88	\$0.00	\$0.00	\$741,058.88	0.00%
	SUBDEPT 169 KCAP Road Completion	\$748,158.88	\$955.39	\$0.00	\$747,203.49	0.13%
	Total DEPT 867 KCC Alternative Road	\$2,707,150.91	\$29,704.52	\$1,833.86	\$2,676,026.83	1.10%
	DEPT 900 OTHER					
Active	E 20-900-000-507 FY13 POLLOCK S	\$128,000.00	\$114,494.12	\$37,928.47	\$13,505.88	89.45%
Active	E 20-900-000-511 FY12 ACOUSTIC T	\$5,218.70	\$3,627.90	\$3,627.90	\$1,590.80	69.52%
Active	E 20-900-000-753 MISC EXPENSE	\$0.00	\$119,948.75	(\$6,265.96)	-\$119,948.75	0.00%
Active	E 20-900-000-850 CAPITAL CONSTR	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	SUBDEPT 000 NO DESCR	\$133,218.70	\$238,070.77	\$35,270.41	-\$104,852.07	178.71%
	Total DEPT 900 OTHER	\$133,218.70	\$238,070.77	\$35,270.41	-\$104,852.07	178.71%
	Total Fund 20 GRANT PROGRAMS	\$8,078,051.04	\$1,123,123.28	\$529,017.82	\$6,953,508.20	13.90%

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		12-13	12-13	APRIL	12-13	% of
		YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Fund 22 OPERATIONS						
Active	R 22-203 OTHER REVENUE	\$1,375,000.00	\$1,218,940.00	\$0.00	\$156,060.00	88.65%
Active	R 22-204 OPERATING TRANSFER F	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 22-221 COLD BAY TERMINAL LEA	\$139,620.00	\$114,715.99	\$11,635.11	\$24,904.01	82.16%
Active	R 22-222 COLD BAY TERMINAL OTH	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 22-245 HOVERCRAFT/MEDEVACS	\$5,000.00	\$0.00	\$0.00	\$5,000.00	0.00%
Active	R 22-246 HOVERCRAFT /TICKETS	\$330,000.00	\$59,490.20	\$8,290.80	\$270,509.80	18.03%
Active	R 22-247 HOVERCRAFT/ VEHICLES	\$0.00	\$1,000.00	\$0.00	-\$1,000.00	0.00%
Active	R 22-248 HOVERCRAFT/ FREIGHT	\$100,000.00	\$168,621.30	\$74,184.35	-\$68,621.30	168.62%
Total Fund 22 OPERATIONS		\$1,949,620.00	\$1,562,767.49	\$94,110.26	\$386,852.51	80.16%

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		12-13 YTD Budget	12-13 YTD Amt	APRIL MTD Amt	12-13 YTD Balance	% of Budget
Fund 22 OPERATIONS						
DEPT 802 CAPITAL - COLD BAY						
Active	E 22-802-200-300 SALARIES	\$24,000.00	\$20,840.00	\$2,072.00	\$3,160.00	91.15%
Active	E 22-802-200-350 FRINGE BENEFITS	\$3,617.00	\$2,195.30	\$217.14	\$1,421.70	63.70%
Active	E 22-802-200-380 CONTRACT LABO	\$35,000.00	\$39,434.21	\$2,882.68	-\$4,434.21	112.67%
Active	E 22-802-200-400 TRAVEL AND PER	\$3,000.00	\$322.00	(\$27,000.00)	\$2,678.00	10.73%
Active	E 22-802-200-425 TELEPHONE	\$4,500.00	\$3,540.06	\$340.74	\$959.94	87.26%
Active	E 22-802-200-475 SUPPLIES	\$15,000.00	\$4,171.58	\$1,488.36	\$10,828.42	28.04%
Active	E 22-802-200-525 RENTAL/LEASE	\$5,335.00	\$12,541.42	\$5,335.04	-\$7,206.42	235.08%
Active	E 22-802-200-526 UTILITIES	\$24,000.00	\$15,944.98	\$2,622.68	\$8,055.02	67.47%
Active	E 22-802-200-551 LEGAL	\$100,000.00	\$113,382.70	\$239.81	-\$13,382.70	113.38%
Active	E 22-802-200-576 GAS	\$1,500.00	\$119.33	\$0.00	\$1,380.67	7.96%
Active	E 22-802-200-577 FUEL	\$15,000.00	\$17,957.28	\$1,047.42	-\$2,957.28	119.72%
Active	E 22-802-200-770 Depreciation Expen	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
SUBDEPT 200 COLD BAY TERMINAL		\$230,952.00	\$230,448.86	-\$10,754.13	-\$1,310.87	99.78%
Total DEPT 802 CAPITAL - COLD BAY		\$230,952.00	\$230,448.86	-\$10,754.13	-\$1,310.87	99.78%
DEPT 843 Hovercraft Operation						
Active	E 22-843-100-300 SALARIES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 22-843-100-350 FRINGE BENEFITS	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 22-843-100-380 CONTRACT LABO	\$2,560,000.00	\$1,806,948.54	(\$479,183.91)	\$753,051.46	78.41%
Active	E 22-843-100-400 TRAVEL AND PER	\$0.00	\$55,350.00	\$55,350.00	-\$55,350.00	0.00%
Active	E 22-843-100-425 TELEPHONE	\$2,500.00	\$1,633.81	\$120.00	\$866.19	65.35%
Active	E 22-843-100-475 SUPPLIES	\$300,000.00	\$658,197.85	(\$156,836.73)	-\$358,197.85	219.49%
Active	E 22-843-100-500 EQUIPMENT	\$0.00	\$18,381.19	(\$63,201.31)	-\$18,381.19	0.00%
Active	E 22-843-100-526 UTILITIES	\$5,000.00	\$3,713.95	\$0.00	\$1,286.05	74.28%
Active	E 22-843-100-552 INSURANCE	\$215,000.00	\$262,020.19	\$0.00	-\$47,020.19	121.87%
Active	E 22-843-100-576 GAS	\$10,000.00	\$6,206.98	\$0.00	\$3,793.02	77.00%
Active	E 22-843-100-577 FUEL	\$445,000.00	\$299,901.33	\$26,260.00	\$145,098.67	90.33%
Active	E 22-843-100-770 Depreciation Expen	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
SUBDEPT 100 HOVERCRAFT OPERATION		\$3,537,500.00	\$3,112,353.84	-\$617,491.95	\$118,787.06	87.98%
Total DEPT 843 Hovercraft Operation		\$3,537,500.00	\$3,112,353.84	-\$617,491.95	\$118,787.06	87.98%
Total Fund 22 OPERATIONS		\$3,768,452.00	\$3,342,802.70	-\$628,246.08	\$117,476.19	88.70%

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Current Period: APRIL 12-13

		12-13	12-13	APRIL	12-13	% of
		YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Fund 24 BOND CONSTRUCTION						
Active	R 24-201 INTEREST REVENUE	\$0.00	\$31,519.73	\$0.00	-\$31,519.73	0.00%
Active	R 24-203 OTHER REVENUE	\$0.00	\$96,483.94	\$0.00	-\$96,483.94	0.00%
Active	R 24-204 OPERATING TRANSFER F	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 24-227 COE-HARBOR PROJECTS	\$2,052,245.00	\$0.00	\$0.00	\$2,052,245.00	0.00%
Active	R 24-259 BOND PROCEEDS	\$1,171,609.64	\$0.00	\$0.00	\$1,171,609.64	0.00%
Active	R 24-270 STATE REVENUE OTHER	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 24-277 STATE BOND REBATE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Total Fund 24 BOND CONSTRUCTION		\$3,223,854.64	\$128,003.67	\$0.00	\$3,095,850.97	3.97%

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Current Period: APRIL 12-13

	12-13 YTD Budget	12-13 YTD Amt	APRIL MTD Amt	12-13 YTD Balance	% of Budget
Fund 24 BOND CONSTRUCTION					
DEPT 809 Akutan Airport/Grant					
Active E 24-809-000-850 CAPITAL CONSTR	\$2,708,552.94	\$1,922,303.15	\$538,847.52	\$786,249.79	70.97%
SUBDEPT 000	\$2,708,552.94	\$1,922,303.15	\$538,847.52	\$786,249.79	70.97%
Total DEPT 809 Akutan Airport/Grant	\$2,708,552.94	\$1,922,303.15	\$538,847.52	\$786,249.79	70.97%
DEPT 830 KING COVE HARBOR					
Active E 24-830-000-850 CAPITAL CONSTR	\$89,676.00	\$0.00	\$0.00	\$89,676.00	0.00%
SUBDEPT 000	\$89,676.00	\$0.00	\$0.00	\$89,676.00	0.00%
Total DEPT 830 KING COVE HARBOR	\$89,676.00	\$0.00	\$0.00	\$89,676.00	0.00%
DEPT 831 SAND POINT HARBOR					
Active E 24-831-132-850 CAPITAL CONSTR	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
SUBDEPT 132 Sand Point Harbor	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Total DEPT 831 SAND POINT HARBOR	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
DEPT 833 FALSE PASS HARBOR					
Active E 24-833-000-850 CAPITAL CONSTR	\$416,215.75	\$18,249.32	\$0.00	\$397,966.43	4.38%
SUBDEPT 000	\$416,215.75	\$18,249.32	\$0.00	\$397,966.43	4.38%
Total DEPT 833 FALSE PASS HARBOR	\$416,215.75	\$18,249.32	\$0.00	\$397,966.43	4.38%
DEPT 839 AKUTAN HARBOR					
Active E 24-839-000-850 CAPITAL CONSTR	\$1,171,609.64	\$100,788.14	\$8,200.00	\$1,070,821.50	8.60%
SUBDEPT 000	\$1,171,609.64	\$100,788.14	\$8,200.00	\$1,070,821.50	8.60%
Total DEPT 839 AKUTAN HARBOR	\$1,171,609.64	\$100,788.14	\$8,200.00	\$1,070,821.50	8.60%
DEPT 862 NELSON LAGOON DOCK					
Active E 24-862-000-850 CAPITAL CONSTR	\$17,809.36	\$0.00	\$0.00	\$17,809.36	0.00%
SUBDEPT 000	\$17,809.36	\$0.00	\$0.00	\$17,809.36	0.00%
Total DEPT 862 NELSON LAGOON DOCK	\$17,809.36	\$0.00	\$0.00	\$17,809.36	0.00%
DEPT 867 KCC Alternative Road					
Active E 24-867-169-850 CAPITAL CONSTR	\$2,000,000.00	\$0.00	\$0.00	\$2,000,000.00	0.00%
SUBDEPT 169 KCAP Road Completion	\$2,000,000.00	\$0.00	\$0.00	\$2,000,000.00	0.00%
Total DEPT 867 KCC Alternative Road	\$2,000,000.00	\$0.00	\$0.00	\$2,000,000.00	0.00%
DEPT 900 OTHER					
Active E 24-900-000-380 CONTRACT LABO	\$0.00	\$26,868.41	\$3,096.29	-\$26,868.41	0.00%
Active E 24-900-000-725 BOND INTEREST	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active E 24-900-000-745 Bond Sale Expense	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active E 24-900-000-850 CAPITAL CONSTR	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
SUBDEPT 000	\$0.00	\$26,868.41	\$3,096.29	-\$30,010.69	0.00%
Total DEPT 900 OTHER	\$0.00	\$26,868.41	\$3,096.29	-\$30,010.69	0.00%
Total Fund 24 BOND CONSTRUCTION	\$6,403,863.69	\$2,068,209.02	\$550,143.81	\$4,332,512.39	32.30%

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Current Period: APRIL 12-13

		12-13 YTD Budget	12-13 YTD Amt	APRIL MTD Amt	12-13 YTD Balance	% of Budget
Fund 30 BOND FUND						
Active	R 30-201 INTEREST REVENUE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 30-203 OTHER REVENUE	\$2,815,936.78	\$0.00	\$0.00	\$2,815,936.78	0.00%
Active	R 30-204 OPERATING TRANSFER F	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 30-259 BOND PROCEEDS	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	Total Fund 30 BOND FUND	\$2,815,936.78	\$0.00	\$0.00	\$2,815,936.78	0.00%

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Current Period: APRIL 12-13

		12-13	12-13	APRIL	12-13	% of
		YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Fund 30 BOND FUND						
DEPT 900 OTHER						
Active	E 30-900-000-725 BOND INTEREST	\$1,395,936.78	\$967,731.95	\$0.00	\$428,204.83	101.82%
Active	E 30-900-000-726 BOND PRINCIPAL	\$1,420,000.00	\$1,170,000.00	\$0.00	\$250,000.00	82.39%
Active	E 30-900-000-745 Bond Sale Expense	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
SUBDEPT 000		<u>\$2,815,936.78</u>	<u>\$2,137,731.95</u>	<u>\$0.00</u>	<u>\$224,536.08</u>	<u>75.92%</u>
Total DEPT 900 OTHER		<u>\$2,815,936.78</u>	<u>\$2,137,731.95</u>	<u>\$0.00</u>	<u>\$224,536.08</u>	<u>75.92%</u>
Total Fund 30 BOND FUND		<u>\$2,815,936.78</u>	<u>\$2,137,731.95</u>	<u>\$0.00</u>	<u>\$224,536.08</u>	<u>75.92%</u>

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Current Period: APRIL 12-13

		12-13 YTD Budget	12-13 YTD Amt	APRIL MTD Amt	12-13 YTD Balance	% of Budget
Fund 40 PERMANENT FUND						
Active	R 40-201 INTEREST REVENUE	\$0.00	\$2,767,901.79	\$0.00	-\$2,767,901.79	0.00%
Active	R 40-203 OTHER REVENUE	\$350,000.00	\$0.00	\$0.00	\$350,000.00	0.00%
Active	R 40-204 OPERATING TRANSFER F	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 40-230 LAND SALES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	Total Fund 40 PERMANENT FUND	\$350,000.00	\$2,767,901.79	\$0.00	-\$2,417,901.79	790.83%

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Current Period: APRIL 12-13

		12-13	12-13	APRIL	12-13	% of
		YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Fund 40 PERMANENT FUND						
DEPT 900 OTHER						
Active	E 40-900-000-380 CONTRACT LABO	\$350,000.00	\$26,868.41	\$3,096.29	\$323,131.59	8.57%
Active	E 40-900-000-751 OPERATING TRAN	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
SUBDEPT 000		<u>\$350,000.00</u>	<u>\$26,868.41</u>	<u>\$3,096.29</u>	<u>\$319,989.30</u>	<u>7.68%</u>
Total DEPT 900 OTHER		<u>\$350,000.00</u>	<u>\$26,868.41</u>	<u>\$3,096.29</u>	<u>\$319,989.30</u>	<u>7.68%</u>
Total Fund 40 PERMANENT FUND		<u>\$350,000.00</u>	<u>\$26,868.41</u>	<u>\$3,096.29</u>	<u>\$319,989.30</u>	<u>7.68%</u>

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Current Period: APRIL 12-13

		12-13	12-13	APRIL	12-13	% of
		YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Fund 41 MAINTENANCE RESERVE FUND						
Active	R 41-201 INTEREST REVENUE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 41-203 OTHER REVENUE	\$100,000.00	\$149,248.25	\$0.00	-\$49,248.25	149.25%
Active	R 41-204 OPERATING TRANSFER F	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	R 41-276 AEB SCHOOL	\$0.00	\$138,315.02	\$0.00	-\$138,315.02	0.00%
Total Fund 41 MAINTENANCE RESERVE FUND		\$100,000.00	\$287,563.27	\$0.00	-\$187,563.27	287.56%

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Current Period: APRIL 12-13

		12-13 YTD Budget	12-13 YTD Amt	APRIL MTD Amt	12-13 YTD Balance	% of Budget
Fund 41 MAINTENANCE RESERVE FUND						
DEPT 800 CAPITAL - SCHOOL						
Active	E 41-800-857-300 SALARIES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 41-800-857-350 FRINGE BENEFITS	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 41-800-857-380 CONTRACT LABO	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 41-800-857-400 TRAVEL AND PER	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 41-800-857-475 SUPPLIES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 41-800-857-850 CAPITAL CONSTR	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	SUBDEPT 857 FALSE PASS SCHOOL	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 41-800-860-300 SALARIES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 41-800-860-350 FRINGE BENEFITS	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 41-800-860-475 SUPPLIES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	SUBDEPT 860 SAND POINT Gym Floor	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 41-800-865-300 SALARIES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 41-800-865-350 FRINGE BENEFITS	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 41-800-865-400 TRAVEL AND PER	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 41-800-865-475 SUPPLIES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	SUBDEPT 865 Akutan School	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 41-800-866-300 SALARIES	\$0.00	\$420.00	\$0.00	-\$420.00	0.00%
Active	E 41-800-866-350 FRINGE BENEFITS	\$0.00	\$44.39	\$0.00	-\$44.39	0.00%
Active	E 41-800-866-380 CONTRACT LABO	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 41-800-866-400 TRAVEL AND PER	\$0.00	\$492.00	\$0.00	-\$492.00	0.00%
Active	E 41-800-866-425 TELEPHONE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 41-800-866-475 SUPPLIES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 41-800-866-850 CAPITAL CONSTR	\$0.00	\$3,220.00	\$0.00	-\$3,220.00	0.00%
	SUBDEPT 866 NELSON LAGOON SCHOOL	\$0.00	\$4,176.39	\$0.00	-\$4,176.39	0.00%
Active	E 41-800-867-300 SALARIES	\$0.00	\$13,132.50	\$262.50	-\$13,132.50	0.00%
Active	E 41-800-867-350 FRINGE BENEFITS	\$0.00	\$1,387.87	\$27.51	-\$1,387.87	0.00%
Active	E 41-800-867-400 TRAVEL AND PER	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 41-800-867-475 SUPPLIES	\$0.00	\$958.51	\$0.00	-\$958.51	0.00%
Active	E 41-800-867-850 CAPITAL CONSTR	\$0.00	\$51,710.00	\$51,350.00	-\$51,710.00	0.00%
	SUBDEPT 867 Sand Point School	\$0.00	\$67,188.88	\$51,640.01	-\$67,188.88	0.00%
Active	E 41-800-868-300 SALARIES	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 41-800-868-350 FRINGE BENEFITS	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 41-800-868-380 CONTRACT LABO	\$0.00	\$17,231.91	\$0.00	-\$17,231.91	0.00%
Active	E 41-800-868-400 TRAVEL AND PER	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 41-800-868-475 SUPPLIES	\$0.00	\$13,167.83	\$0.00	-\$13,167.83	0.00%
Active	E 41-800-868-551 LEGAL	\$0.00	\$4,275.00	\$0.00	-\$4,275.00	0.00%
Active	E 41-800-868-577 FUEL	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 41-800-868-852 ASPHALT PAVING	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	SUBDEPT 868 King Cove School	\$0.00	\$34,674.74	\$0.00	-\$44,793.01	0.00%
Active	E 41-800-869-300 SALARIES	\$0.00	\$2,640.00	\$0.00	-\$2,640.00	0.00%
Active	E 41-800-869-350 FRINGE BENEFITS	\$0.00	\$279.04	\$0.00	-\$279.04	0.00%
Active	E 41-800-869-380 CONTRACT LABO	\$0.00	\$600.00	\$0.00	-\$600.00	0.00%
Active	E 41-800-869-400 TRAVEL AND PER	\$0.00	\$590.00	\$0.00	-\$590.00	0.00%
Active	E 41-800-869-475 SUPPLIES	\$0.00	\$410.28	\$0.00	-\$410.28	0.00%
Active	E 41-800-869-942 PROPERTY LEASE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	SUBDEPT 869 COLD BAY SCHOOL	\$0.00	\$4,519.32	\$0.00	-\$4,519.32	0.00%
	Total DEPT 800 CAPITAL - SCHOOL	\$0.00	\$110,559.33	\$51,640.01	-\$120,677.60	0.00%
DEPT 900 OTHER						
Active	E 41-900-000-751 OPERATING TRAN	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Active	E 41-900-000-753 MISC EXPENSE	\$0.00	\$0.00	\$0.00	\$0.00	0.00%

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Current Period: APRIL 12-13

		12-13	12-13	APRIL	12-13	% of
		YTD Budget	YTD Amt	MTD Amt	YTD Balance	Budget
Active	E 41-900-000-880 LAND	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	SUBDEPT 000	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	Total DEPT 900 OTHER	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	Total Fund 41 MAINTENANCE RESERVE	\$0.00	\$110,559.33	\$51,640.01	-\$120,677.60	0.00%
	FUND					

INVESTMENT REPORT



May 7, 2013

Mr. Rick Gifford
Administrator
Aleutians East Borough
3380 C Street, Suite 205
Anchorage, Alaska 99503

sent via email

Dear Rick,

Enclosed is the April 2013 report for the Aleutians East Borough, which includes a listing of portfolio assets, purchases and sales. .

Permanent Fund:

The month-end market value of the portfolio was \$32,974,275, which includes \$74,613 in accrued interest receivable. Estimated annual cash income from the portfolio, excluding dividends on equities, is \$307,252.

Series E account:

The month-end market value of the portfolio was \$2,452,553.

Akutan Harbor-2006A:

The month-end market value of the account was \$1,643,674.

Operating Fund:

The month-end market value of the portfolio was \$2,511,836.

2010 Series A:

The month-end balance \$2,011,686.

2010 Series B:

The month-end balance was \$2,015,850.

If we can provide anything further please let us know.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bert Wagnon".

Bert Wagnon
Senior Vice President

A handwritten signature in blue ink, appearing to read "Evan Rose".

Evan Rose
President and CEO

cc via email: Anne Bailey, Office Manager,
Linda Mack, Administrative Clerk



MONTHLY PERSPECTIVES

ECONOMY & MARKETS

Will April flowers bring May showers?

U.S. equities continued on a roll with the S&P 500 gaining almost +2% in April. It is up +12.7% year to date. Developed country equities did even better in April with the EAFE index up +5.2% last month and +10.6% year to date. Bonds rallied in April pushing interest rates lower to around 1.7% on the ten year Treasury bond. Thirty year mortgages are once again back around 3.5%.

With stocks up +17% over the past 12 months and housing prices running almost +10% over year ago levels the "wealth effect" is helping to encourage consumer spending. But government spending is down and has been for three years now. In fact ISI Strategies notes that private spending is up +3% per year over the past three years while government spending is down -3% over the same period. The result has been subpar GDP growth closer to +2%.

The strong market action is a bit puzzling given this generally modest economic growth here and struggling growth overseas especially in Europe, which is still in recession and has a 12.1% unemployment rate. And while first quarter corporate earnings in the U.S. have surprised on the upside they are only up about +4% from a year ago and revenue growth has been flat.

On top of this, action in the commodities markets suggests that a whiff of deflation is in the air. Gold collapsed -14% over a two day period last month but rebounded a bit ending the month down over -7% at \$1,477 an ounce. That's still -23% lower than its 2011 highs. The broad based Dow Jones UBS commodity index is off -4% year to date. Reported CPI inflation in the U.S. is only +1.5% over the past year. Inflation is generally declining across the globe.

This of course has allowed central banks throughout the world to maintain ultra-easy monetary policies. It looks like both the Bank of Japan and the European Central Bank are following the Federal Reserve by keeping rates at rock bottom levels and pursuing more quantitative easing.

A recent headline from USA Today states *Stocks defying gravity in surge*. It does seem like the markets are getting ahead of economic fundamentals. So what to do? Is it time to sell in May and go away?

We would argue probably not, although a market "correction" is possible at any time. There is an old saying that it is not market timing, but time in the market that matters. That's especially true these days with cash interest rates near zero.

In a [recent article by Morningstar](#) titled *Market timing is hard: Actual investor returns lag fund returns*, the investment research company measures the returns that investors actually achieved in the mutual funds they invest in, taking into account actual inflows and outflows – market timing.

They compare the performance of the average fund with the average investor, broken down by category like U.S. stocks or municipal bonds. Morningstar observes: "We see that across almost every category and every timeframe, the investor return lags the fund return. That gap also tends to grow over time, with an average underperformance of nearly 1% a year over the last 10 years."

For example, the average U.S. stock fund gained +7.89% for the 10 years ending 12/31/12, while the average investor in those funds earned +6.88%. Morningstar states "Investors know they should hold diversified portfolios, but many chase past performance and end up buying funds too late or selling them too early."

Of course investors should monitor their holdings and rebalance portfolios from time to time. But being diversified, staying the course and adhering to your long term asset allocation is the best advice.

Jeff Pantages, CFA
Chief Investment Officer



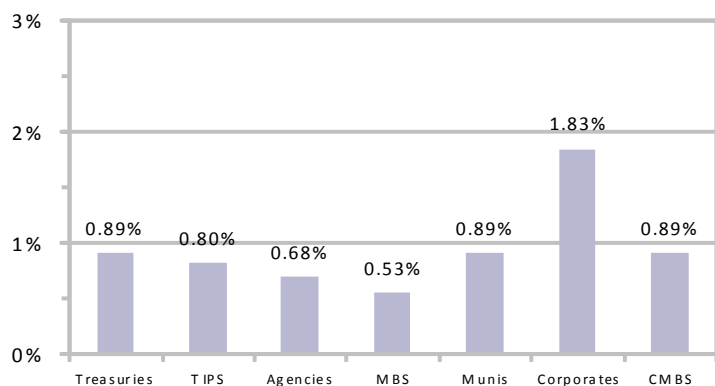
Bill Lierman, CFA
Portfolio Manager

■ The U.S. Aggregate Index roared in April returning a positive +1.01% on the heels of continued monetary easing by the U.S. Federal Reserve Bank, Bank of Japan, and the European Central Bank. The 30 year Treasury fell 23 basis points ending the month at 2.87% the lowest end of month print year to date.

■ The market downgraded its inflation expectations, measured

by Treasury breakevens, which was consistent with a decline in commodities prices. Oil prices fell to \$87 per barrel before recovering and ending the month at \$93. The market has increased the probability of deflation as world prices have weakened and the U.S reported a less than forecasted +1.5% year over year increase on the CPI inflation index.

April 2013 Bond Total Return



Data: Barclays

■ Agency yields followed Treasury yields lower and had a total return of +0.68%. 2 year Agencies are very expensive with a spread of 4 basis points to Treasuries. We still find value in the 5 and 7 year space, as Agency spreads are still at +18 and +22 vs. Treasuries, respectively.

■ The loan level data in April for commercial mortgage securities was mixed. The 60+ delinquency rates fell 40bps to finish at 9.8%. However, loss severities rose to 53% from 51%.

■ High grade corporate bonds posted a strong +1.83% total return for the month. Lower quality credit did well. BBB rated bonds are now up +1.99% year to date compared to AAA bonds which are up +0.61%. Apple sold \$17bn worth of bonds, the biggest nonbank corporate-bond deal ever. Bids for the securities exceeded \$50bn.

■ Municipals gained +0.89% for the month. JP Morgan notes prices of municipals did not weaken despite municipal bond funds seeing their seventh consecutive week of outflows.

■ The S&P 500 set a new all-time closing high again on the last day of April, as it posted its sixth consecutive monthly gain. Q1 earnings have surprised on the upside and the level has increased to \$104 per share (annual rate) versus \$100 a year ago, but revenues have been disappointing. With the S&P at 1,597, the P/E ratio is at 15x which is close to its historical average.

■ Developed international equities gained +5.2% as the European periphery joined the rally (Italy, Portugal, and Spain each gained over +10.0%) and Japanese equities continued to climb another +8.7% in dollar terms. A temporary solution to Cyprus and investors appreciation of the Japanese stimulus program supported the rally.

■ Emerging markets posted a marginal gain of only +0.8%. Chinese equities turned further down (Shanghai -1.8%) on disappointing macro data and concerns about stricter property curbs. The Shanghai composite is now more than -20% below its 2010 peak. Southeast Asia has been the bright spot YTD with the Philippines up +22.0%, Indonesia +15.8% and Thailand +13.7%.

■ REITs gained +6.7% in April, the first month of 2013 in which they surpassed the broader stock market. Low borrowing costs and positive prospects for rent growth amid tight supply of space have supported the sector.

■ The DJ-UBS Commodity Index fell -2.8%, bringing the index down -3.9% YTD. Energy and metals led the decline due to stagnating Chinese demand and the unstable European economy. Both Brent oil and gold dropped more than -7%.

Total Return (%) as of April 30, 2013

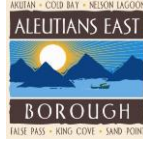
	One Month	Three Month	Six Month	Twelve Month
Domestic Equities				
Large Cap S&P 500	1.9	7.2	14.4	16.9
Mid Cap S&P 400	0.6	6.5	19.2	18.8
Small Cap S&P 600	-0.3	5.4	16.3	17.3
International Equities				
Developed MSCI EAFE	5.2	5.1	16.9	19.4
Emerging MSCI Emerging Markets	0.8	-2.2	5.3	4.0
Other				
Commercial Property S&P U.S. REIT	6.7	11.2	19.3	19.4
Commodities DJ-UBS Commodity	-2.8	-6.1	-6.3	-5.3
Fixed Income				
Total Bond Market Barclays Aggregate	1.0	1.6	0.9	3.7
1-3 Yr U.S. Treasury/Agency Barclays 1-3 Gov	0.1	0.2	0.4	0.6
Int'l Treasury Barclays Global Tsy ex-US	2.6	0.1	-0.2	2.2



Brandy Niclai, CFA
Portfolio Manager



Resolutions



Agenda Statement

Date: May 7, 2013

To: Mayor Mack and Assembly

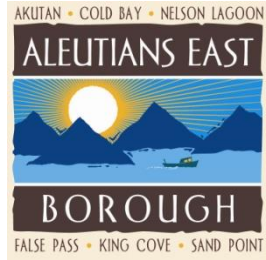
From: Anne Bailey, Community Development Coordinator

Re: State of Alaska Harbor Facility Grant

A Tier 2 State of Alaska Harbor Facility Grant is available for municipally owned harbor facilities. These funds can be used for float systems for permanent and transient moorage, launch ramps, pilings and anchors and other harbor facility items of work. One project that qualifies is the Akutan Harbor Float Design/Build Project.

On March 19, 2013, the Borough took ownership of the harbor, which currently consists of a harbor basin and breakwaters. Floats and other inner harbor facilities are still required to make the harbor a fully functional and operational piece of infrastructure. The Borough is interested in requesting up to \$3,500,000 for harbor floats. The Borough has secured \$3.1 million in funding by combining funds and collaborating with EDA, the City of Akutan and APICDA. This will contribute the necessary match for the project.

The Borough applied for this grant last year for Akutan Harbor Floats and submitted a CAPSIS request and was unsuccessful. We hope that renewed efforts will prove to be successful this year resulting in a fully functional and operational facility.



RESOLUTION 13-23

A RESOLUTION OF THE ASSEMBLY OF THE ALEUTIANS EAST BOROUGH (AEB), FORMALLY SUBMITS A HARBOR FACILITY GRANT APPLICATION TO THE STATE OF ALASKA, DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES (DOT&PF) IN AN AMOUNT NOT TO EXCEED \$3,500,000 FOR THE PROJECT ENTITLED: AKUTAN HARBOR FLOATS

WHEREAS, the State of Alaska, Department of Transportation and Public Facilities administers the Harbor Facility Grant Program; and

WHEREAS, the Aleutians East Borough owns and the City of Akutan will maintain and operate the Akutan Harbor and the Akutan Harbor is eligible for a Harbor Facility Grant; and

WHEREAS, the Aleutians East Borough has the required 50% in local matching funds for construction of the Akutan Harbor Floats Project per the Harbor Facility Grant Program; and

WHEREAS, the Aleutians East Borough is capable of completing the Akutan Harbor Float Project within eighteen (18) months after award of a Harbor Facility Grant; and

WHEREAS, the Akutan Harbor is critical to the community of Akutan and the Aleutians East Borough as the newly constructed Harbor and the floats will allow local vessels to moor safely in the harbor and allow for local economic development.

NOW THEREFORE BE IT RESOLVED by the Aleutians East Borough Assembly that the Aleutians East Borough supports the project entitled Akutan Harbor Floats Project and agrees, subject to available Alaska Legislative funding and selection by DOT&PF, to enter into a grant agreement with the State of Alaska, Department of Transportation and Public Facilities for a Harbor Facility Grant.

BE IT FURTHER RESOLVED by the Aleutians East Borough Assembly that the AEB will provide up to a local 50% funding match of \$3,500,000 for the Akutan Harbor Floats Project.

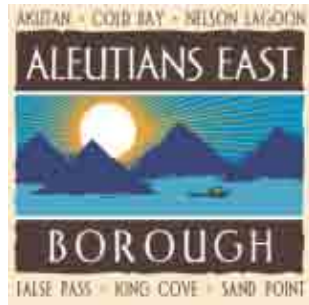
PASSED AND APPROVED by the Aleutians East Borough on this day May 30, 2013.

Stanley Mack, Mayor

ATTEST:

Tina Anderson, Clerk

Public Hearings



ORDINANCE 13-06

AN ORDINANCE ADOPTING THE OPERATING AND CAPITAL BUDGET FOR THE ALEUTIANS EAST BOROUGH FISCAL YEAR 2014.

Section 1. Classification	This is a non-code ordinance
Section 2. Effective Date	This ordinance becomes effective upon Adoption.
Section 3. Severability	The terms, provisions, and sections of this Ordinance are severable.
Section 4. Content	The operating and capital budget for the Aleutians East Borough and the Aleutians East Borough School District for Fiscal Year 2014 is adopted as follows:

REVENUES		FY13 BUDGET
Local		
	Interest Income	\$35,000
	AEB Fish Tax	\$3,200,779
	AEBSD Refund	
	Other Revenue	\$7,000
State		
	Shared Fishery Tax	\$2,033,097
	Extraterritorial Fish Tax	\$243,084
	Landing Tax	\$53,571
	Debt Reimbursement	\$1,045,464
	State Aid to Local Government	\$575,711
Federal		
	Payment in Lieu of Taxes	\$559,000
	USF&WS Lands	\$36,256
	Total FY13 Revenues	\$7,788,962
	AEBSD Revenue	\$6,977,000

OPERATING FUND EXPENDITURES

Mayor	\$260,707
Assembly	\$126,000
Administration	\$323,522
Clerk/Planning	\$186,867
Finance	\$240,528
Natural Resources	\$337,913
Communications Manager	\$169,680
Development Coordinator	\$128,879
Public Works	\$128,740
Educational Support	\$825,000
KCAP	\$15,123
Other Gen.Fund	
Equipment	\$13,200
AEB Vehicles	\$20,000
Repairs	\$10,000
Utilities	\$25,000
Aleutia Crab	\$58,522
Legal	\$175,000
Insurance	\$150,000
Bank Fees	\$2,000
EATS	\$150,000
Misc.	\$96,000
Donations	\$23,500
NLG Rev. Sharing	32,000
Web Service/Tech	\$25,000
Total Other	\$780,222
Total General Fund	\$3,523,181
Capital Projects	\$0
Bond Projects	\$0
Debt Services	\$2,159,005
Maintenance Reserve	\$100,000
Total Expenditure	\$5,782,186
AEB Surplus	\$2,006,776
AEBSD Expenses	\$6,977,000.00
Fund 20, Grants, Revenues	\$1,196,611
Fund 20, Grants, Expenditures	\$1,196,611
Fund 22, Hovercraft, Revenues	\$485,000
Fund 22, Hovercraft, Expenditures	\$3,094,500

Fund 22, Terminal Operations, Revenues	\$139,620
Fund 22, Terminal Operations, Expenditures	\$132,452
Fund 24, Bond Project, Revenues	\$5,000,000
Fund 24, Bond Project, Expenditures	\$5,000,000
Fund 30, Bond Payments, Revenues	\$1,597,433
Fund 30, Bond Payments, Expenditures	\$1,597,433
Fund 40, Permanent Fund, Revenues	\$350,000
Fund 40, Permanent Fund, Expenditures	\$35,000
Fund 41, Maintenance Reserve, Revenues	\$100,000
Fund 41, Maintenance Reserve, Expenditures	\$100,000

Passed and adopted by the Aleutians East Borough Assembly this _____ day of May, 2013.

Mayor

ATTEST:

Clerk

REVENUES		FY14	FY 14 W/COLA	FY14 Budget		FY13 Amounts/Will Change FY14
			\$0			Medical 876.02 mon.
	AEBSD Revenues	\$ 6,977,000.00		\$ 6,977,000.00		PERS 22%
						ESC 2.92%
						Medicare 1.45%
	Interest Income	\$ 35,000.00		\$ 35,000.00		PERS/DC 5.71%
Local	AEB Fish Tax	\$ 3,200,779.00		\$ 3,200,779.00		74.09
	AEBSD Refund					
	Other Revenue	\$ 7,000.00		\$ 7,000.00		
State	Shared Fishery Tax	\$ 2,033,097.00		\$ 2,033,097.00		
	Extraterritorial Fish Tax	\$ 243,084.00		\$ 243,084.00		
	Landing Tax	\$ 53,571.00		\$ 53,571.00		
	Debt Reimbursement	\$ 1,045,464.00		\$ 1,045,464.00		
	Coastal Management	\$ -		\$ -		
	State Aid to Local Governments	\$ 575,711.00		\$ 575,711.00		
Federal	Payment in Lieu of Taxes	\$ 559,000.00		\$ 559,000.00		
	USF&WS Lands	\$ 36,256.00		\$ 36,256.00		
	Total FY13 Revenues	\$ 7,788,962.00		\$ 7,788,962.00		
Operating Fund Expenditures			2% COLA			
	Mayor	\$ 259,278.00		\$ 260,707.00		
	Assembly	\$ 126,000.00		\$ 126,000.00		
	Administration	\$ 320,146.00		\$ 323,522.00		
	Clerk/Planning	\$ 185,190.00		\$ 186,867.00		
	Finance	\$ 238,119.00		\$ 240,528.00		
	Natural Resources	\$ 336,463.00		\$ 337,913.00		
	Public Information Officer	\$ 167,920.00		\$ 169,680.00		
	Development Coordinator	\$ 127,429.00		\$ 128,879.00		
	Public Works	\$ 127,227.00		\$ 128,740.00		
	Educational Support	\$ 825,000.00		\$ 825,000.00		
	KCAP	\$ 15,123.00		\$ 15,123.00		
	Other GF					
	Equipment	\$ 13,200.00		\$ 13,200.00		
	AEB Vehicles	\$ 20,000.00		\$ 20,000.00		
	Repairs	\$ 10,000.00		\$ 10,000.00		
	Utilities	\$ 25,000.00		\$ 25,000.00		
	Aleutia Crab	\$ 58,522.00		\$ 58,522.00		
	Legal	\$ 175,000.00		\$ 175,000.00		
	Insurance	\$ 150,000.00		\$ 150,000.00		
	Bank Fees	\$ 2,000.00		\$ 2,000.00		
	EATS	\$ 150,000.00		\$ 150,000.00		

	Misc.	\$	96,000.00			\$	96,000.00					
	Donations	\$	23,500.00			\$	23,500.00					
	NLG Rev. Sharing	\$	32,000.00			\$	32,000.00					
	Web Service/Tech Support	\$	25,000.00			\$	25,000.00					
		\$	780,222.00	\$	15,064.00	\$	780,222.00					
	Total General Fund	\$	3,508,117.00	\$	3,523,181.00	\$	3,523,181.00					
	Capital Projects		\$0									
	Bond Projects		\$0									
	Debt Services	\$	2,159,005.00			\$	2,159,005.00					
	Maintenance Reserve		\$100,000			\$	100,000.00					
	Total Expenditure	\$	5,767,122.00			\$	5,782,186.00					
	AEB Surplus	\$	2,021,840.00	\$0	\$0	\$0	2,006,776.00					
	AEBSD Expenditures	\$	6,977,000.00			\$	6,977,000.00					
	Fund 20, Grants, Revenues	\$	1,196,611.00			\$	1,196,611.00	*AEB/Cold Bay Dock Repairs \$71,000/Cold Bay Terminal Apron \$225,000				
	Fund 20, Grants, Expenditures	\$	1,196,611.00			\$	1,196,611.00	*Trident Grant/Akutan Airport \$900,000				
	Fund 22, Hovercraft, Revenues	\$	485,000.00			\$	485,000.00					
	Fund 22, Hovercraft, Expenditures	\$	3,094,500.00			\$	3,094,500.00					
	Fund 22, Terminal Operations, Revenues	\$	139,620.00			\$	139,620.00					
	Fund 22, Terminal Operations, Expenditures	\$	132,452.00			\$	132,452.00					
	Fund 24, Bond Project, Revenues	\$	5,000,000.00			\$	5,000,000.00					
	Fund 24, Bond Project, Expenditures	\$	5,000,000.00			\$	5,000,000.00					
	Fund 30, Bond Payments, Revenues	\$	1,597,432.52			\$	1,597,433.00					
	Fund 30, Bond Payments, Expenditures	\$	1,597,432.52			\$	1,597,433.00					
	Fund 40, Permanent Fund, Revenues	\$	350,000.00			\$	350,000.00					
	Fund 40, Permanent Fund, Expenditures	\$	35,000.00			\$	35,000.00					
	Fund 41, Maintenance Reserve, Revenues	\$	100,000.00			\$	100,000.00					
	Fund 41, Maintenance Reserve, Expenditures	\$	100,000.00			\$	100,000.00					

							FY14 Budget		
Mayor's Office			FY14	2%					
	Salary		\$ 71,468.00	\$ 1,429.00	\$ 72,897.00		\$ 72,897.00		
	Fringe		\$ 27,810.00				\$ 27,810.00		
	Travel		\$ 36,000.00				\$ 36,000.00		
	Phone		\$ 2,400.00				\$ 2,400.00		
	Supplies		\$ 1,000.00				\$ 1,000.00		
	Lobbying, federal		\$ 75,600.00				\$ 75,600.00		
	Lobbying, state		\$ 45,000.00				\$ 45,000.00		
	Total Mayor's Office		\$ 259,278.00	\$ 1,429.00	\$ 260,707.00		\$ 260,707.00		
Assembly									
	Meeting Fee		\$ 25,000.00				\$ 25,000.00		
	Fringe		\$ 56,000.00				\$ 56,000.00		
	Travel		\$ 40,000.00				\$ 40,000.00		
	Phone		\$ 4,500.00				\$ 4,500.00		
	Supplies		\$ 500.00				\$ 500.00		
	Total Assembly		\$126,000		\$ 126,000.00		\$126,000		
Administration									
	Salary		\$ 168,792.00	\$ 3,376.00	\$ 172,168.00		\$ 172,168.00		
	Fringe		\$ 64,234.00				\$ 64,234.00		
	Contract labor		\$ 18,000.00				\$ 18,000.00		
	Travel & per diem		\$ 25,500.00				\$ 25,500.00		
	Phone		\$ 6,000.00				\$ 6,000.00		
	Postage		\$ 2,500.00				\$ 2,500.00		
	Supplies		\$ 18,120.00				\$ 18,120.00		
	Rent		\$ 14,500.00				\$ 14,500.00		
	Dues & fees		\$ 2,500.00				\$ 2,500.00		
			\$ -				\$ -		
	Total Administration		\$ 320,146.00	\$ 3,376.00	\$ 323,522.00		\$ 323,522.00		
Clerk/Planning									
	Salary		\$ 83,866.00	\$ 1,677.00	\$ 85,543.00		\$ 85,543.00		
	Fringe		\$ 33,524.00				\$ 33,524.00		
	Travel & per diem		\$ 12,500.00				\$ 12,500.00		
	Phone		\$ 7,500.00				\$ 7,500.00		
	Postage		\$ 1,500.00				\$ 1,500.00		
	Supplies		\$ 9,000.00				\$ 9,000.00		
	Utilities		\$ 20,000.00				\$ 20,000.00		
	Dues & fees		\$ 5,000.00				\$ 5,000.00		
	Elections		\$ 8,000.00				\$ 8,000.00		

	Planning Com.		\$ 4,300.00				\$ 4,300.00		
	Total Clerk/Planning		\$ 185,190.00	\$ 1,677.00	\$ 186,867.00		\$ 186,867.00		
Finance									
	Salary		\$ 120,458.00	\$ 2,409.00	\$ 122,867.00		\$ 122,867.00		
	Fringe		\$ 51,161.00				\$ 51,161.00		
	Travel & per diem		\$ 4,000.00				\$ 4,000.00		
	Phone		\$ 5,000.00				\$ 5,000.00		
	Postage		\$ 2,500.00				\$ 2,500.00		
	Supplies		\$ 5,000.00				\$ 5,000.00		
	Utilities		\$ 5,000.00				\$ 5,000.00		
	Audit		\$ 45,000.00				\$ 45,000.00		
	Total Finance		\$ 238,119.00	\$ 2,409.00	\$ 240,528.00		\$ 240,528.00		
Natural Resources									
	Salary		\$ 82,520.00	\$ 1,450.00	\$ 83,970.00		\$ 83,970.00		
	Fringe		\$ 30,040.00				\$ 30,040.00		
	Contract labor		\$ 75,000.00				\$ 75,000.00		
	Travel & per diem		\$ 35,000.00				\$ 35,000.00		
	Phone		\$ 3,000.00				\$ 3,000.00		
	Supplies		\$ 7,000.00				\$ 7,000.00		
	NPFMC		\$ 15,000.00				\$ 15,000.00		
	BOF Meeting		\$ 30,000.00				\$ 30,000.00		
	Rent		\$ 8,903.00				\$ 8,903.00		
	Unimak Bight Crab Survey		\$ 50,000.00				\$ 50,000.00	*New Budget Item	
	Total		\$ 336,463.00	\$ 1,450.00	\$ 337,913.00		\$ 337,913.00		
Public Information Officer									
	Salary		\$ 88,018.00	\$ 1,760.00	\$ 89,778.00		\$ 89,778.00		
	Fringe		\$ 32,736.00				\$ 32,736.00		
	Contract labor		\$ -				\$ -		
	Travel & per diem		\$ 15,000.00				\$ 15,000.00		
	Phone		\$ 2,400.00				\$ 2,400.00		
	Postage		\$ 250.00				\$ 250.00		
	Supplies		\$ 4,500.00				\$ 4,500.00		
	Rent		\$ 10,016.00				\$ 10,016.00		
	Advertising/promotions		\$ 15,000.00				\$ 15,000.00		
	Total		\$ 167,920.00	\$ 1,760.00	\$ 169,680.00		\$ 169,680.00		
Other									
	Equipment		\$ 13,200.00				\$ 13,200.00		
	AEB Vehicles		\$ 20,000.00				\$ 20,000.00		
	Repairs		\$ 10,000.00				\$ 10,000.00		

	Utilities		\$ 25,000.00				\$ 25,000.00		
	Aleutia Crab		\$ 58,522.00				\$ 58,522.00		
	Legal		\$ 175,000.00				\$ 175,000.00		
	Insurance		\$ 150,000.00				\$ 150,000.00		
	Bank Fees		\$ 2,000.00				\$ 2,000.00		
	EATS		\$ 150,000.00				\$ 150,000.00		
	Misc.		\$ 96,000.00				\$ 96,000.00		
	Donations		\$ 23,500.00				\$ 23,500.00		
	NLG Rev. Sharing		\$ 32,000.00				\$ 32,000.00		
	Web Service/Tech Support		\$ 25,000.00				\$ 25,000.00		
	Total Other		\$ 780,222.00		\$ 760,222.00		\$ 780,222.00		
Development Coordinator									
	Salary		\$ 72,520.00	\$ 1,450.00	\$ 73,970.00		\$ 73,970.00		
	Fringe		\$ 27,256.00				\$ 27,256.00		
	Travel & per diem		\$ 10,000.00				\$ 10,000.00		
	Phone		\$ 4,000.00				\$ 4,000.00		
	Postage		\$ 250.00				\$ 250.00		
	Supplies		\$ 4,500.00				\$ 4,500.00		
	Rent		\$ 8,903.00				\$ 8,903.00		
	Total Development		\$ 127,429.00	\$ 1,451.00	\$ 128,880.00		\$ 128,879.00		
Public Works									
	Salary		\$ 75,625.00	\$ 1,513.00	\$ 77,138.00		\$ 77,138.00		
	Fringe		\$ 29,602.00				\$ 29,602.00		
	Travel & per diem		\$ 11,000.00				\$ 11,000.00		
	Phone		\$ 1,500.00				\$ 1,500.00		
	Postage		\$ -				\$ -		
	Supplies		\$ 6,000.00				\$ 6,000.00		
	Equipment		\$ 1,500.00				\$ 1,500.00		
	Utilities		\$ 2,000.00				\$ 2,000.00		
	Total Public Works		\$ 127,227.00	\$ 1,513.00	\$ 128,740.00		\$ 128,740.00		
Education									
	Local Contribution		\$800,000				\$ 800,000.00		
	Scholarships		\$20,000				\$ 20,000.00		
	Student travel		\$5,000				\$ 5,000.00		
	Special Ed. Aid						\$ -		
	Total Educational Support		\$825,000				\$ 825,000.00		
KCAP									
	Salary		\$ 2,500.00				\$ 2,500.00		
	Fringe		\$ 2,000.00				\$ 2,000.00		
	Telephone		\$ 1,120.00				\$ 1,120.00		

	Supplies		\$ 600.00				\$ 600.00		
	Rental/Lease		\$ 8,903.00				\$ 8,903.00		
			\$ 15,123.00				\$ 15,123.00		
					\$ 2,663,059.00				
TOTAL OPERATING BUDGT			\$ 3,508,117.00	\$ 15,064.00	\$ 3,523,181.00	\$0	\$ 3,523,181.00		

Fund 22 Terminal Operations			FY14		FY14						
Revenues											
	Remaining construction Loan/										
	Remaining FAA reimbursement		\$0								
	Other Income				\$ -						
	Leases		\$ 139,620.00		\$ 139,620.00						
			\$ 139,620.00		\$ 139,620.00						
Expenses											
	Salary		\$ 25,500.00		\$ 25,500.00						
	Fringe		\$ 3,617.00		\$ 3,617.00						
	Contract Labor		\$ 35,000.00		\$ 35,000.00						
	Travel & per diem		\$ 3,000.00		\$ 3,000.00						
	Phone, Internet		\$ 4,500.00		\$ 4,500.00						
	Supplies		\$ 15,000.00		\$ 15,000.00						
	Rental/Lease		\$ 5,335.00		\$ 5,335.00						
	Utilities		\$ 24,000.00		\$ 24,000.00						
	Fuel/Gas		\$ 1,500.00		\$ 1,500.00						
	Fuel/diesel		\$ 15,000.00		\$ 15,000.00						
			\$ 132,452.00		\$ 132,452.00						
Fund 22 Hovercraft Operations			FY14		FY14						
Revenues											
	Grant		\$0		\$ -						
	Medivacs		\$ 5,000.00		\$ 5,000.00						
	Freight		\$ 230,000.00		\$ 230,000.00						
	Other Income		\$ -		\$ -						
	Tickets, fees, etc.		\$ 250,000.00		\$ 250,000.00						
			\$ 485,000.00		\$ 485,000.00						
Expenses											
	Salary		\$ -		\$ -						
	Fringe		\$ -		\$ -						
	Phone/Internet		\$ 2,500.00		\$ 2,500.00						
	Supplies		\$ 100,000.00		\$ 100,000.00						
	Contract		\$ 2,317,000.00		\$ 2,317,000.00						
	Fuel/gas		\$ 10,000.00		\$ 10,000.00						
	Fuel/diesel		\$ 445,000.00		\$ 445,000.00						
	Insurance		\$ 215,000.00 *		\$ 215,000.00						
	Utilities		\$ 5,000.00		\$ 5,000.00						
			\$ 3,094,500.00		\$ 3,094,500.00						



Aleutians East Borough School District

P.O. Box 429, Sand Point, Alaska 99661

Ph. 907-383-5222 FAX 907-383-3496

**Serving the children in the Alaskan communities of:
Akutan, Cold Bay, False Pass, King Cove, Nelson Lagoon, and Sand Point**
www.aebbsd.org

Tim Stathis, Superintendent

May 10, 2013

Stanley Mack, Mayor
Aleutians East Borough

Subject: FY14 Budget

Mayor Mack:

This is to inform you that at its regular meeting of May 6, 2013, the Aleutians East Borough School District Board approved its budget for Fiscal Year 2014. That budget in its detailed entirety is contained herein as an attachment.

In order to meet the needs of the educational programs, services, and operations as set forth for the 2013-14 school-year as outlined in the budget it has approved, the Board is requesting an additional \$600,000 from the Borough.

Also attached is the paper format of a short power-point presented publically and to the Board at the May 6th meeting giving the main factual information pertinent to the District's request for the Borough funding. And, as well, please find attached the original 1-page summary presented both at your March 14th and April 22nd Assembly meetings.

Respectfully Submitted,

A handwritten signature in black ink, appearing to be "T. Stathis".

T. Stathis, Superintendent

cc: T. Jackson, AEBSD Board Chair
C. Warner, AEBSD Business Manager



Aleutians East Borough School District

Budget Balancing Request

from Superintendent, Tim Stathis

March 14, 2013

Baseline Allocation by Borough:

The Borough has historically authorized as its baseline allocation to the School District budget the amount of \$800,000 for general operations according to the formulas of the State for boroughs for equity of services State-wide.

Budget Cap for Borough:

The Borough has a Budget Cap that limits Borough contribution. Again, the State mandates a cap for sustaining a window of equity in the State. AEB's budget cap to give to the School District is just over \$1,900,000.

FY13

For this current fiscal year, in the allocation made one year ago by the Borough, the Borough originally allocated \$700,000 additional funding [thus a total of \$1,500,000], designated to support funding for 3 Small Schools which were not expected to make count and thus not expected to generate any money from the State. Later, the District returned \$269,000 when Nelson Lagoon was subsequently closed. [Thus, the Borough FY13 allocation to the School District was \$1,231,000.]

FY14

a) Cold Bay and False Pass are not expected to make count and thus will not generate a penny in FY14. The combined Budgets to run these schools is \$437,952.

b) We are servicing 3 Nelson Lagoon students through a Correspondence program which has an expense to the District of 29,582.

c) We have discussed Special Education department needs for a Director, and the budgetary need of the District for this essential component to our services is \$133,952.

*The School District cannot support the small schools. The School District needs the Special Education Director for proper management and servicing of students in that program. For these reasons we seek from the Borough the noted District Deficit of \$601,486 (rounding for the sake of ease to \$600,000)

Total Request: \$800,000 + \$600,000 = \$1,400,000.

The District has made cuts to expenditures, but is facing an increase of internet/VTC costs of \$132,000, and a \$30,000 revenue loss in Impact Aide, as well as higher insurance and energy costs, all of which it is having to absorb.

Based on current projections, the District estimates the ability of returning between \$30,000 to \$50,000 at the conclusion on FY13. Should Cold Bay or False Pass make the count of 10 students and generate State funds in FY14, the District will give back to the Borough those additional presently-unanticipated funds.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "T. Stathis", is written over a horizontal line.

Tim Stathis, Superintendent of Schools

Aleutians East Borough School District

FY2014 BUDGET PROPOSAL

First draft - February 2013

Two schools below ten enrollment

	Final FY13	FY14	Increase (Decrease)
REVENUE			
Borough Contribution	800,000	800,000	-
AEB Addl.- schools<10	431,000		(431,000)
State Foundation	4,479,000	4,617,000	138,000
Federal Impact Aid	965,000	935,000	(30,000)
Indirect revenue	10,000	10,000	-
Other revenue	20,000	20,000	-
Pre-paid services FY13		75,000	75,000
	<u>6,705,000</u>	<u>6,457,000</u>	<u>(248,000)</u>

EXPENDITURE SUMMARY

Akutan	14	272,494	311,055	38,562
Cold Bay	6	275,251	244,529	(30,722)
False Pass	6	184,640	193,423	8,783
King Cove	99	1,934,536	1,979,563	45,027
Nelson Lagoon		-	29,582	29,582
Sand Point	101	2,394,817	2,378,240	(16,577)
Regular instruction		111,500	111,500	-
Instructional Support		179,409	336,739	157,331
Student Activities		232,647	237,647	5,000
Special Ed. Support		73,893	200,268	126,375
Operations & Maint.		68,965	54,000	(14,965)
District Admin.		751,850	763,939	12,089
Fund Transfers		<u>225,000</u>	<u>218,000</u>	<u>(7,000)</u>
	226	6,705,000	7,058,486	353,485

REVENUE - EXPENDITURES (0) (601,486)



Aleutians East Borough School District

Budget Balancing Request

from Superintendent, Tim Stathis
March 14, 2013

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Respectfully Submitted,

A handwritten signature in black ink, appearing to be "T. Stathis".

Tim Stathis, Superintendent of Schools



FY14 Budget

Second Draft

March 5th First DRAFT Presented

- + 1) Sand Point at 101 students
- + 2) Frozen Salaries for Staff
- + 3) Health Care cost increase at 10%
- + 4) No One-Time Supplemental Funding from Juneau

Changes in \$\$\$ since March 5th

- + 1) Sand Point and King Cove at 96 Students each **-\$93,000**
- + 2) Step-Increases for Staff **-\$67,400**
- + 3) Health Care Costs at 16% (instead of 10%) **-\$50,000**
- + 4) Money from Juneau: **+\$186,000**
- + 5) Teacher Turnover: **+\$17,000**
- + 6) No Insurance Broker fee **+6000**
- + BALANCES just about...(\$1400)

The \$600,000

- + The \$600K requested from the Borough is the exact costs of three things and only three things:
- + A) The Entire Budgets of False Pass and Cold Bay
- + B) The Special Education Director budget
- + C) The costs to service the 3 students in Nelson Lagoon

LAST YEAR and This Year [Borough]

- + The School District Asked for \$1,500,000 (\$800K + \$700K) before Nelson Lagoon Closed.
- + After Nelson Lagoon Closed the District gave back \$269K
- + Borough therefore contributed \$1,231,000 (\$800K + 431K)
- + This year (for FY14) we are asking for \$1,400,000 (\$800K + \$600K) that's about the same w/ the addition of the Sp. Ed. Dir. and the Nelson Lagoon Correspondence Program

Programs and Services Compared

- + What it does NOT include that we are doing this year from our Allocations from Oct.-Dec. 2012:
- + 1) Does not include money for After-School Clubs and Activities \$50,000
- + 2) Does not include Grant-writing Services \$50,000
- + 3) Does not include Curriculum Writing money \$30,000
- + 4) Does not include Summer School \$25,000
- + 5) Does not include Small School Travel and Supply Money \$22,000
- + 6) Does not include NYO \$10,000
- + 7) TOTAL Removed from FY13 in DRAFT FY14: **\$187,000**

And Other Cuts

- + The FY 14 Budget also includes other CUTS as originally presented in the First DRAFT:
- + Cuts in District-Wide Supply and Textbooks (\$25,000)
- + Federal Program Prof. Services (\$20,000)

Total Cuts from FY13 to FY14 \$232,000 [\$187,000 & \$45,000]

Aleutians East Borough School District

FY2014 BUDGET PROPOSAL

Third draft - April 2013
Two schools below ten enrollment

		First Draft	Third Draft	Increase (Decrease)
REVENUE				
Borough Contribution		800,000	800,000	-
AEB Addl.- schools<10			600,000	600,000
State Foundation		4,617,000	4,524,000	(93,000)
State 1-time grants			186,000	186,000
Federal Impact Aid		935,000	935,000	-
Indirect revenue		10,000	10,000	-
Other revenue		20,000	20,000	-
Pre-paid services FY13		75,000	88,000	13,000
		<u>6,457,000</u>	<u>7,163,000</u>	<u>706,000</u>
EXPENDITURE SUMMARY				
Akutan	14	311,055	319,646	8,591
Cold Bay	6	244,529	249,900	5,371
False Pass	6	193,423	207,139	13,715
King Cove	96	1,979,563	1,989,430	9,867
Nelson Lagoon		29,582	29,582	-
Sand Point	96	2,378,240	2,428,911	50,671
Regular instruction		111,500	116,347	4,847
Instructional Support		336,739	332,079	(4,660)
Student Activities		237,647	237,647	-
Special Ed. Support		200,268	215,368	15,100
Operations & Maint.		54,000	54,000	-
District Admin.		763,939	764,952	1,012
Fund Transfers		<u>218,000</u>	<u>218,000</u>	<u>-</u>
	218	7,058,486	7,163,000	104,515
REVENUE - EXPENDITURES		<u>(601,486)</u>	<u>(0)</u>	

AKUTAN

		First Draft	Third Draft	Increase (Decrease)
<u>REGULAR INSTRUCTION</u>				
Teachers	315	141,300	145,000	3,700
Extra duty	316	3,200	3,200	-
Aides	323	25,500	26,000	500
Substitutes	329	2,000	2,000	-
Health insurance	351	29,000	30,800	1,800
Unemployment	352	2,026	2,076	50
Workers compensation	353	1,200	1,200	-
FICA	354	2,572	2,633	61
TRS retirement	355	17,747	18,212	465
PERS retirement	356	5,610	5,720	110
Leave buy-out	360	1,500	1,500	-
Air fare	361	2,700	4,000	1,300
Supplies	450	3,500	3,500	-
Textbooks	471	1,000	1,000	-
Equipment	510	3,000	3,000	-
		241,855	249,841	7,986
<u>SCHOOL ADMINISTRATION</u>				
Principal/Teacher	313	6,000	6,200	200
Unemployment	352	72	74	2
Workers compensation	353	40	40	-
FICA	354	87	90	3
TRS retirement	355	754	779	25
Postage	434	500	500	-
Telephone	433	1,200	1,200	-
Supplies	450	600	600	-
Dues & fees	491	300	300	-
Equipment	510	500	500	-
		10,053	10,283	230
<u>OPERATIONS & MAINT.</u>				
Maint./Custodial	325	7,500	7,800	300
Substitutes	329	1,000	1,000	-
Unemployment	352	113	117	5
Workers compensation	353	700	700	-
FICA	354	185	190	4
PERS retirement	356	1,650	1,716	66
Other services	440	2,000	2,000	-
Supplies	450	5,000	5,000	-
Electricity	436	17,000	17,000	-
Heating fuel	435	22,000	22,000	-
Equipment	510	2,000	2,000	-
		59,148	59,523	375
Total Akutan		311,055	319,646	8,591

COLD BAY

		First	Third	Increase
		Draft	Draft	(Decrease)
<u>REGULAR INSTRUCTION</u>				
Teachers	315	57,500	59,300	1,800
Extra duty	316	3,000	3,000	-
Aides	323	15,700	16,300	600
Substitutes	329	2,000	2,000	-
Health insurance	351	29,000	30,800	1,800
Unemployment	352	938	967	29
Workers compensation	353	1,600	1,600	-
FICA	354	1,258	1,293	35
TRS retirement	355	7,599	7,825	226
PERS retirement	356	3,454	3,586	132
Leave buy-out	360	1,500	1,500	-
Air fare	361	740	1,000	260
Retirement Incentive	364	5,000	5,000	-
Supplies	450	3,500	3,500	-
Textbooks	471	1,000	1,000	-
Equipment	510	3,000	3,000	-
		<u>136,789</u>	<u>141,671</u>	<u>4,882</u>
<u>SCHOOL ADMINISTRATION</u>				
Principal/Teacher	313	6,000	6,200	200
Unemployment	352	72	74	2
Workers compensation	353	40	40	-
FICA	354	459	474	15
TRS retirement	355	754	779	25
Postage	434	500	500	-
Telephone	433	1,200	1,200	-
Supplies	450	600	600	-
Dues & fees	491	300	300	-
Equipment	510	500	500	-
		<u>10,425</u>	<u>10,667</u>	<u>243</u>
<u>OPERATIONS & MAINT.</u>				
Maint./Custodial	325	8,800	9,000	200
Substitutes	329	1,000	1,000	-
Unemployment	352	118	120	2
Workers compensation	353	900	900	-
FICA	354	62	62	-
PERS retirement	356	1,936	1,980	44
Water & sewer	431	500	500	-
Other services	440	2,000	2,000	-
Supplies	450	5,000	5,000	-
Electricity	436	45,000	45,000	-
Heating fuel	435	30,000	30,000	-
Equipment	510	2,000	2,000	-
		<u>97,316</u>	<u>97,562</u>	<u>246</u>
Total Cold Bay		<u><u>244,529</u></u>	<u><u>249,900</u></u>	<u><u>5,371</u></u>

FALSE PASS

		First Draft	Third Draft	Increase (Decrease)
<u>REGULAR INSTRUCTION</u>				
Teachers	315	65,000	66,900	1,900
Extra duty	316	-	-	-
Aides	323	15,700	24,000	8,300
Substitutes	329	1,000	1,000	-
Health insurance	351	8,900	9,500	600
Unemployment	352	968	1,091	122
Workers compensation	353	600	600	-
FICA	354	1,245	1,393	148
TRS retirement	355	8,164	8,403	239
PERS retirement	356	3,454	5,280	1,826
Leave buy-out	360	1,500	1,500	-
Air fare	361	1,000	1,350	350
Supplies	450	3,500	3,500	-
Textbooks	471	1,000	1,000	-
Equipment	510	3,000	3,000	-
		115,031	128,516	13,485
<u>SCHOOL ADMINISTRATION</u>				
Principal/Teacher	313	6,000	6,200	200
Unemployment	352	72	74	2
Workers compensation	353	40	40	-
FICA	354	87	90	3
TRS retirement	355	754	779	25
Postage	434	500	500	-
Telephone	433	800	800	-
Supplies	450	600	600	-
Dues & fees	491	300	300	-
Equipment	510	500	500	-
		9,653	9,883	230
<u>OPERATIONS & MAINT.</u>				
Maint./Custodial	325	14,000	14,000	-
Substitutes	329	1,000	1,000	-
Unemployment	352	180	180	-
Workers compensation	353	1,000	1,000	-
FICA	354	280	280	-
PERS retirement	356	3,080	3,080	-
Water & sewer	431	1,200	1,200	-
Other services	440	2,000	2,000	-
Supplies	450	5,000	5,000	-
Electricity	436	12,000	12,000	-
Heating fuel	435	27,000	27,000	-
Equipment	510	2,000	2,000	-
		68,740	68,740	-
Total False Pass		<u>193,423</u>	<u>207,139</u>	<u>13,715</u>

KING COVE

		First	Third	Increase
		Draft	Draft	(Decrease)
<u>REGULAR INSTRUCTION</u>				
Teachers	315	640,000	650,000	10,000
Extra duty	316	30,000	33,500	3,500
Aides	323	18,700	30,000	11,300
Substitutes	329	25,000	25,000	-
Health insurance	351	167,000	168,000	1,000
Unemployment	352	8,340	8,502	162
Workers compensation	353	8,000	8,000	-
FICA	354	11,628	11,823	196
TRS retirement	355	84,152	85,848	1,696
PERS retirement	356	4,114	6,600	2,486
Leave buy-out	360	6,000	6,000	-
Air fare	361	9,400	12,500	3,100
Other services	440	8,000	8,000	-
Supplies	450	11,000	11,000	-
Textbooks	471	1,000	1,000	-
Equipment	510	5,000	5,000	-
		<u>1,037,334</u>	<u>1,070,773</u>	<u>33,439</u>
<u>VOCATIONAL EDUCATION</u>				
Teachers	315	33,500	35,300	1,800
Substitutes	329	500	500	-
Health insurance	351	4,450	4,750	300
Unemployment	352	408	430	22
Workers compensation	353	300	300	-
FICA	354	524	550	26
TRS retirement	355	4,208	4,434	226
Leave buy-out	360	400	400	-
Air fare	361	470	625	155
Supplies	450	5,000	5,000	-
Equipment	510	3,000	3,000	-
		<u>52,760</u>	<u>55,288</u>	<u>2,529</u>
<u>SPECIAL EDUCATION</u>				
Teachers	315	100,300	104,000	3,700
Aides	323	50,000	34,000	(16,000)
Substitutes	329	500	500	-
Health insurance	351	4,450	4,750	300
Unemployment	352	1,508	1,385	(123)
Workers compensation	353	1,000	1,000	-
FICA	354	1,493	1,546	54
TRS retirement	355	12,598	13,062	465
PERS retirement	356	11,000	7,480	(3,520)
Leave buy-out	360	1,000	1,000	-
Air fare	361	1,410	1,900	490
Supplies	450	6,000	6,000	-
Equipment	510	2,500	2,500	-
		<u>193,758</u>	<u>179,124</u>	<u>(14,635)</u>

LIBRARY SERVICES

Aides	323	28,000	28,000	-
Substitutes	329	500	500	-
Unemployment	352	342	342	-
Workers compensation	353	300	300	-
FICA	354	444	444	-
PERS retirement	356	6,160	6,160	-
Supplies	450	2,000	2,000	-
		<u>37,746</u>	<u>37,746</u>	-

SCHOOL ADMINISTRATION

Principal	313	82,400	86,500	4,100
Substitutes	329	1,500	1,500	-
Health insurance	351	29,000	9,500	(19,500)
Unemployment	352	1,007	1,056	49
Workers compensation	353	900	900	-
FICA	354	1,310	1,369	59
TRS retirement	355	10,349	10,864	515
Leave buy-out	360	1,500	1,500	-
Air fare	361	940	1,250	310
Travel	420	1,500	1,500	-
Postage	434	4,000	4,000	-
Telephone	433	8,500	8,500	-
Supplies	450	1,200	1,200	-
Dues & fees	491	500	500	-
Equipment	510	1,500	1,500	-
		<u>146,106</u>	<u>131,639</u>	<u>(14,466)</u>

SCHOOL ADMIN SUPPORT

Support staff	324	48,400	48,400	-
Substitutes	329	500	500	-
Health insurance	351	29,000	30,800	1,800
Unemployment	352	587	587	-
Workers compensation	353	500	500	-
FICA	354	740	740	-
PERS retirement	356	10,648	10,648	-
		<u>90,375</u>	<u>92,175</u>	<u>1,800</u>

OPERATIONS & MAINT.

Maint./Custodial	325	116,600	116,600	-
Substitutes	329	5,000	5,000	-
Health insurance	351	19,200	20,400	1,200
Unemployment	352	1,459	1,459	-
Workers compensation	353	7,500	7,500	-
FICA	354	2,073	2,073	-
PERS retirement	356	25,652	25,652	-
Professional services	410	2,000	2,000	-
Water & sewer	431	5,000	5,000	-
Other services	440	5,000	5,000	-
Supplies	450	23,000	23,000	-
Electricity	436	120,000	120,000	-
Heating fuel	435	85,000	85,000	-
Equipment	510	4,000	4,000	-
		<u>421,484</u>	<u>422,684</u>	<u>1,200</u>

Total King Cove	<u>1,979,563</u>	<u>1,989,430</u>	<u>9,867</u>
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NELSON LAGOON

		First Draft	Third Draft	Increase (Decrease)
REGULAR INSTRUCTION				
Teachers	315			-
Extra duty	316	2,000	2,000	-
Aides	323	18,000	18,000	-
Substitutes	329	2,000	2,000	-
Health insurance	351			-
Unemployment	352	240	240	-
Workers compensation	353	200	200	-
FICA	354	182	182	-
TRS retirement	355	-	-	-
PERS retirement	356	3,960	3,960	-
Leave buy-out	360			-
Air fare	361			-
Supplies	450	3,000	3,000	-
Textbooks	471			-
Equipment	510			-
		<u>29,582</u>	<u>29,582</u>	<u>-</u>
SCHOOL ADMINISTRATION				
Principal/Teacher	313			-
Unemployment	352			-
Workers compensation	353			-
FICA	354			-
TRS retirement	355			-
Postage	434			-
Telephone	433			-
Supplies	450			-
Dues & fees	491			-
Equipment	510			-
		<u>-</u>	<u>-</u>	<u>-</u>
OPERATIONS & MAINT.				
Maint./Custodial	325			-
Substitutes	329			-
Unemployment	352			-
Workers compensation	353			-
FICA	354			-
PERS retirement	356			-
Water & sewer	431			-
Other services	440			-
Supplies	450			-
Electricity	436			-
Heating fuel	435			-
Equipment	510			-
		<u>-</u>	<u>-</u>	<u>-</u>
Total Nelson Lagoon		<u>29,582</u>	<u>29,582</u>	<u>-</u>

SAND POINT

		First	Third	Increase
		Draft	Draft	(Decrease)
REGULAR INSTRUCTION				
Teachers	315	700,000	721,500	21,500
Extra duty	316	34,000	37,500	3,500
Aides	323	53,000	49,000	(4,000)
Substitutes	329	25,000	25,000	-
Health insurance	351	176,000	186,700	10,700
Unemployment	352	9,744	9,996	252
Workers compensation	353	6,500	6,500	-
FICA	354	13,324	13,629	305
TRS retirement	355	92,746	95,886	3,140
PERS retirement	356	11,660	10,780	(880)
Leave buy-out	360	5,000	5,000	-
Air fare	361	7,600	11,500	3,900
Other services	440	7,000	7,000	-
Supplies	450	15,000	15,000	-
Textbooks	471	1,000	1,000	-
Equipment	510	5,000	5,000	-
		1,162,574	1,200,991	38,417

VOCATIONAL EDUCATION

Teachers	315	36,300	37,200	900
Substitutes	329	500	500	-
Health insurance	351	8,800	9,250	450
Unemployment	352	442	452	11
Workers compensation	353	400	400	-
FICA	354	565	578	13
TRS retirement	355	4,559	4,672	113
Leave buy-out	360	400	400	-
Air fare	361	330	500	170
Supplies	450	5,000	5,000	-
Equipment	510	3,000	3,000	-
		60,295	61,952	1,657

SPECIAL EDUCATION

Teachers	315	145,000	148,800	3,800
Aides	323	29,000	29,000	-
Substitutes	329	500	500	-
Health insurance	351	30,100	31,300	1,200
Unemployment	352	2,094	2,140	46
Workers compensation	353	1,200	1,200	-
FICA	354	2,561	2,616	55
TRS retirement	355	18,212	18,689	477
PERS retirement	356	6,380	6,380	-
Leave buy-out	360	2,000	2,000	-
Airfare	361	1,300	2,000	700
Supplies	450	6,000	6,000	-
Equipment	510	2,500	2,500	-
		246,847	253,125	6,278

LIBRARY SERVICES

Aides	323	35,000	35,000	-
Substitutes	329	500	500	-
Health insurance	351	20,600	20,600	-
Unemployment	352	533	533	-
Workers compensation	353	350	350	-
FICA	354	546	546	-
PERS retirement	356	7,700	7,700	-
Supplies	450	3,000	3,000	-
Equipment	510	-	-	-
		68,228	68,228	-

SCHOOL ADMINISTRATION

Principal	313	89,000	89,000	-
Substitutes	329	1,000	1,000	-
Health insurance	351	20,600	20,600	-
Unemployment	352	1,080	1,080	-
Workers compensation	353	800	800	-
FICA	354	1,367	1,367	-
TRS retirement	355	11,178	11,178	-
Leave buy-out	360	1,500	1,500	-
Airfare	361	660	1,000	340
Travel	420	1,500	1,500	-
Postage	434	4,000	4,000	-
Telephone	433	7,000	7,000	-
Supplies	450	2,000	2,000	-
Dues & fees	491	500	500	-
Equipment	510	1,500	1,500	-
		143,685	144,025	340

SCHOOL ADMIN SUPPORT

Support staff	324	35,000	35,000	-
Substitutes	329	500	500	-
Health insurance	351	17,500	17,500	-
Unemployment	352	426	426	-
Workers compensation	353	500	500	-
FICA	354	546	546	-
PERS retirement	356	7,700	7,700	-
		62,172	62,172	-

OPERATIONS & MAINT.

Maint./Custodial	325	85,000	88,000	3,000
Substitutes	329	10,000	10,000	-
Health insurance	351	-	-	-
Unemployment	352	1,140	1,176	36
Workers compensation	353	7,600	7,840	240
FICA	354	1,998	2,041	44
PERS retirement	356	18,700	19,360	660
Professional services	410	2,000	2,000	-
Water & sewer	431	5,000	5,000	-
Other services	440	6,000	6,000	-
Supplies	450	23,000	23,000	-
Electricity	436	250,000	250,000	-
Heating fuel	435	220,000	220,000	-
Equipment	510	4,000	4,000	-
		634,438	638,417	3,980

Total Sand Point	<u>2,378,240</u>	<u>2,428,911</u>	<u>50,671</u>
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DISTRICT-WIDE

		First	Third	Increase
		Draft	Draft	(Decrease)
<u>REGULAR INSTRUCTION</u>				
Professional services	410	-	-	-
Travel - students	425	70,000	75,000	5,000
Other services	440	5,000	5,000	-
Supplies	450	15,000	14,847	(153)
Textbooks	471	15,000	15,000	-
Dues & fees	491	1,500	1,500	-
Equipment	510	5,000	5,000	-
		<u>111,500</u>	<u>116,347</u>	<u>4,847</u>

STUDENT ACTIVITIES

Extra duty	316	4,700	4,700	-
Food service staff	326	1,200	1,200	-
Unemployment	352	71	71	-
FICA	354	86	86	-
TRS retirement	355	590	590	-
Staff travel	420	10,000	10,000	-
Student travel	425	203,000	203,000	-
Other services	440	3,000	3,000	-
Supplies	450	12,000	12,000	-
Dues & fees	491	3,000	3,000	-
		<u>237,647</u>	<u>237,647</u>	<u>-</u>

INSTRUCTIONAL SUPPORT

Technology Director	314	73,500	73,500	-
Extra duty	316	5,000	5,000	-
Health insurance	351	8,900	8,900	-
Unemployment	352	882	882	-
Workers compensation	353	500	500	-
FICA	354	1,066	1,066	-
TRS retirement	355	9,232	9,232	-
Airfare	361	660	1,000	340
Professional services	410	20,000	20,000	-
Travel	420	50,000	45,000	(5,000)
Internet/video service	430	134,000	134,000	-
Other services	440	15,000	15,000	-
Supplies	450	12,000	12,000	-
Dues & fees	491	1,000	1,000	-
Equipment	510	5,000	5,000	-
		<u>336,739</u>	<u>332,079</u>	<u>(4,660)</u>

SPECIAL ED. SUPPORT

Director	314	80,000	80,000	-	
Health insurance	351	29,000	18,500	(10,500)	
Unemployment	352	960	960	-	
Workers compensation	353	100	100	-	100765
FICA	354	1,160	1,160	-	-46952

TRS retirement	355	10,048	10,048	-	-3235
Professional services	410	35,000	50,600	15,600	50578
Travel	420	40,000	50,000	10,000	
Other services	440	2,000	2,000	-	
Supplies	450	1,000	1,000	-	
Equipment	510	1,000	1,000	-	
		<u>200,268</u>	<u>215,368</u>	<u>15,100</u>	

OPERATIONS & MAINT.

Professional services	410	10,000	10,000	-	
Travel	420	3,000	3,000	-	
Other services	440	25,000	25,000	-	
Insurance	446	10,000	10,000	-	
Supplies	450	5,000	5,000	-	
Gas & oil	458	500	500	-	
Equipment	510	500	500	-	
		<u>54,000</u>	<u>54,000</u>	<u>-</u>	

SCHOOL BOARD

Meeting fees	322	15,000	15,000	-	
Health insurance	351	36,500	36,500	-	
Unemployment	352	180	180	-	
FICA	354	218	218	-	
PERS retirement	356	3,558	3,558	-	
Travel	420	45,000	45,000	-	
Other services	440	5,000	5,000	-	
Supplies	450	1,000	1,000	-	
Dues & fees	491	10,000	10,000	-	
		<u>116,456</u>	<u>116,456</u>	<u>-</u>	

SUPERINTENDENT OFFICE

Superintendent	311	110,000	110,000	-	
Support staff	324	46,000	46,000	-	
Health insurance	351	58,000	49,300	(8,700)	
Unemployment	352	1,872	1,872	-	
Workers compensation	353	2,800	2,800	-	
FICA	354	2,015	2,015	-	
TRS retirement	355	13,816	13,816	-	
PERS retirement	356	10,120	10,120	-	
Leave buy-out	360	5,000	5,000	-	
Supt travel benefit	361	5,000	5,000	-	
Legal services	414	20,000	20,000	-	
Other prof. services	418	10,000	10,000	-	
Travel -admin.	420	30,000	30,000	-	
Telephone	434	5,000	5,000	-	
Other services	440	3,000	3,000	-	
Supplies	450	12,000	12,000	-	
Dues & fees	491	2,000	2,000	-	
Equipment	510	3,000	3,000	-	
		<u>339,623</u>	<u>330,923</u>	<u>(8,700)</u>	

DISTRICT ADMIN. SUPPORT

Business Manager	321	93,074	88,800	(4,274)
Support staff	324	42,000	42,000	-
Health insurance	351	37,900	61,600	23,700
Unemployment	352	1,621	1,570	(51)
Workers compensation	353	2,000	2,000	-
FICA	354	1,890	1,828	(62)
PERS retirement	356	29,716	28,776	(940)
Leave buy-out	360	4,000	1,000	(3,000)
Air fare	361	660	1,000	340
Auditing	412	34,000	34,000	-
Other prof. services	418	2,000	2,000	-
Travel -admin.	420	8,000	8,000	-
Postage	434	8,000	8,000	-
Other services	440	8,000	8,000	-
Insurance	447	22,000	16,000	(6,000)
Supplies	450	6,000	6,000	-
Dues & fees	491	3,000	3,000	-
Equipment	510	4,000	4,000	-
		<u>307,861</u>	<u>317,573</u>	<u>9,712</u>

FUND TRANSFERS

Teacher Housing	552	38,000	38,000	-
Food Service	553	90,000	90,000	-
Pupil Transportation	554	30,000	30,000	-
Sand Point Pool	555	60,000	60,000	-
		<u>218,000</u>	<u>218,000</u>	<u>-</u>

FY14 BUDGET PROPOSAL - Comparisons by Site

		AKUTAN	COLD BAY	FALSE PASS	NELSON LAGOON	KING COVE	SAND POINT	TOTALS
<u>REGULAR INSTRUCTION</u>								
Teachers	315	145,000	59,300	66,900	0	650,000	721,500	1,642,700
Extra duty	316	3,200	3,000	0	2,000	33,500	37,500	79,200
Aides	323	26,000	16,300	24,000	18,000	30,000	49,000	163,300
Substitutes	329	2,000	2,000	1,000	2,000	25,000	25,000	57,000
Health insurance	351	30,800	30,800	9,500	0	168,000	186,700	425,800
Unemployment	352	2,076	967	1,091	240	8,502	9,996	22,872
Workers compensation	353	1,200	1,600	600	200	8,000	6,500	18,100
FICA	354	2,633	1,293	1,393	182	11,823	13,629	30,952
TRS	355	18,212	7,825	8,403	0	85,848	95,886	216,174
PERS	356	5,720	3,586	5,280	3,960	6,600	10,780	35,926
Leave buy-out	360	1,500	1,500	1,500	0	6,000	5,000	15,500
Air fare	361	4,000	1,000	1,350	0	12,500	11,500	30,350
Retirement incentive	364		5,000					5,000
Other services	440					8,000	7,000	15,000
Supplies	450	3,500	3,500	3,500	3,000	11,000	15,000	39,500
Textbooks	471	1,000	1,000	1,000	0	1,000	1,000	5,000
Equipment	510	3,000	3,000	3,000	0	5,000	5,000	19,000
		<u>249,841</u>	<u>141,671</u>	<u>128,516</u>	<u>29,582</u>	<u>1,070,773</u>	<u>1,200,991</u>	<u>2,821,373</u>
<u>VOCATIONAL EDUCATION</u>								
Teachers	315					35,300	37,200	72,500
Substitutes	329					500	500	1,000
Health insurance	351					4,750	9,250	14,000
Unemployment	352					430	452	882
Workers compensation	353					300	400	700
FICA	354					550	578	1,128
TRS	355					4,434	4,672	9,106
Leave buy-out	360					400	400	800
Air fare	361					625	500	1,125
Supplies	450					5,000	5,000	10,000
Equipment	510					<u>3,000</u>	<u>3,000</u>	<u>6,000</u>
						55,288	61,952	117,241
<u>SPECIAL EDUCATION</u>								
Teachers	315					104,000	148,800	252,800
Aide	323					34,000	29,000	63,000
Substitutes	329					500	500	1,000
Health insurance	351					4,750	31,300	36,050
Unemployment	352					1,385	2,140	3,525
Workers compensation	353					1,000	1,200	2,200
FICA	354					1,546	2,616	4,163
TRS	355					13,062	18,689	31,752
PERS	356					7,480	6,380	13,860
Leave buy-out	360					1,000	2,000	3,000
Air fare	361					1,900	2,000	3,900
Supplies	450					6,000	6,000	12,000
Equipment	510					<u>2,500</u>	<u>2,500</u>	<u>5,000</u>
						179,124	253,125	432,249

Comparisons by Site

		AKUTAN	COLD BAY	FALSE PASS	NELSON LAGOON	KING COVE	SAND POINT	TOTALS
<u>LIBRARY SERVICES</u>								
Aides	323					28,000	35,000	63,000
Substitutes	329					500	500	1,000
Health insurance	351						20,600	20,600
Unemployment	352					342	533	875
Workers compensation	353					300	350	650
FICA	354					444	546	990
PERS	356					6,160	7,700	13,860
Supplies	450					2,000	3,000	5,000
						37,746	68,228	105,975
<u>SCHOOL ADMINISTRATION</u>								
Principal	313	6,200	6,200	6,200	0	86,500	89,000	194,100
Support staff	324					48,400	35,000	83,400
Substitutes	329					2,000	1,500	3,500
Health insurance	351					40,300	38,100	78,400
Unemployment	352	74	74	74	0	1,643	1,506	3,372
Workers compensation	353	40	40	40	0	1,400	1,300	2,820
FICA	354	90	474	90	0	2,109	1,913	4,676
TRS	355	779	779	779	0	10,864	11,178	24,379
PERS	356					10,648	7,700	18,348
Leave buy-out	360					1,500	1,500	3,000
Air fare	361					1,250	1,000	2,250
Travel	420					1,500	1,500	3,000
Postage	433	500	500	500	0	4,000	4,000	9,500
Telephone	434	1,200	1,200	800	0	8,500	7,000	18,700
Supplies	450	600	600	600	0	1,200	2,000	5,000
Dues & fees	491	300	300	300	0	500	500	1,900
Equipment	510	500	500	500	0	1,500	1,500	4,500
		10,283	10,667	9,883	0	223,814	206,197	460,845
<u>OPERATIONS & MAINT.</u>								
Maint./Custodial	325	7,800	9,000	14,000	0	116,600	88,000	235,400
Substitutes	329	1,000	1,000	1,000	0	5,000	10,000	18,000
Health insurance	351					20,400	0	20,400
Unemployment	352	117	120	180	0	1,459	1,176	3,052
Workers compensation	353	700	900	1,000	0	7,500	7,840	17,940
FICA	354	190	62	280	0	2,073	2,041	4,645
PERS	356	1,716	1,980	3,080	0	25,652	19,360	51,788
Professional services	410					2,000	2,000	4,000
Water & sewer	431		500	1,200	0	5,000	5,000	11,700
Other services	440	2,000	2,000	2,000	0	5,000	6,000	17,000
Supplies	450	5,000	5,000	5,000	0	23,000	23,000	61,000
Electricity	455	17,000	45,000	12,000	0	120,000	250,000	444,000
Heating fuel	456	22,000	30,000	27,000	0	85,000	220,000	384,000
Equipment	510	2,000	2,000	2,000	0	4,000	4,000	14,000
		59,523	97,562	68,740	0	422,684	638,417	1,286,926
TOTALS		\$319,646	249,900	207,139	29,582	1,989,430	2,428,911	5,224,608
PROJECTED ENROLLMENT		14	6	6	0	96	96	218
EXPENDITURES/STUDENT	\$	22,832	41,650	34,523		20,723	25,301	

Instructional Percentage

Reg. Instruction	2,937,720		
Vocational Education	117,241		
Special Education	432,249		
Special Ed. Support	215,368		
Library Services	105,975		
School Administration	306,498		
Instructional Support	332,079	4,447,130	64.0%
School Admin. Support	154,347		
Superintendent Office	330,923		
District Admin. Support	317,573		
School Board	116,456		
Operations & Maint.	1,340,926		
Student Activities	<u>237,647</u>	2,497,870	36.0%
Total	6,945,000		

Health insurance +6%	50,400
Step increases - Teachers	47,000
Step increases - Classified	20,400
Airfare benefit - Teachers	10,400
Extra duty contracts	7,000
Life insurance to \$30,000	2,800
Teacher turnover	(17,000)
Insurance broker fee	<u>(6,000)</u>
	115,000



Agenda Statement

Date: April 12, 2013

To: Mayor Mack and Assembly

From: Anne Bailey, Community Development Coordinator

Re: Ordinance 13-07, Authorizing the Mayor to Negotiate and Execute a Tidelands Lease Within, Alaska Tidelands Survey No. 1161, for Construction, Operation and Maintenance of a Dock at False Pass Harbor

APICDA is interested in constructing a steel pile dock in the False Pass Harbor. The dock would be located in the South West corner of the harbor near the causeway breakwater requiring approximately 6,720 square feet of property. APICDA will also install a fish pump that will pump fish from the fishing vessels directly into the Bering Pacific Seafoods facility and will have a crane to offload tenders and other public vessels when needed. The City of False Pass supports this project as shown in the attached letter of support and Borough staff members and the Borough Attorney have assisted APICDA in moving this project forward.

The AEB Code requires that disposal of an interest in real property “must be authorized by ordinance” [Sec. 50.10.050 (b)], i.e., such a lease must be approved by the AEB Assembly in a procedure requiring a first reading and a second reading at distinct Assembly meetings. Therefore, Ordinance 13-07 and a draft of the Tidelands Lease is before you for your review and consideration. Please note that this ordinance will authorize the Borough to lease the property to Bering Pacific Seafoods, LLC for the purpose of promoting economic development and authorizes the Mayor to negotiate, execute, and deliver the terms of the Lease Agreement with Bering Pacific Seafoods.

ALEUTIANS EAST BOROUGH

ORDINANCE SERIAL NO. 13-07

AN ORDINANCE AUTHORIZING the MAYOR to NEGOTIATE AND EXECUTE a TIDELANDS LEASE WITHIN, ALASKA TIDELANDS SURVEY NO. 1161, for CONSTRUCTION, OPERATION AND MAINTENANCE of a DOCK at FALSE PASS HARBOR.

WHEREAS, Bering Pacific Seafoods, LLC, ("BPS") has requested that the Aleutians East Borough ("Borough") lease approximately 6,720 *square feet* of the Borough's tidelands within Alaska Tidelands Survey No. 1611, at False Pass Harbor, as generally depicted on the attached Exhibit "A"; and

WHEREAS, the State of Alaska granted to the Borough Tidelands Patent No. 425, which conveyed to the Borough those tidelands lying seaward of the mean high tide line of Unimak Island, situated in the Aleutians Islands Recording District on June 2, 2004; and

WHEREAS, the tidelands are legally described as: ALASKA TIDELAND SURVEY NO. 1611, CONTAINING 34.86 ACRES, MORE OR LESS, ACCORDING TO THE SURVEY PLAT RECORDED IN THE ALEUTIANS ISLANDS RECORDING DISTRICT ON APRIL 7, 2003, AS PLAT 2003-2; and

WHEREAS, BPS has expressed its desire to enter an agreement with the Borough for the lease of these tidelands for the purpose of constructing, operating and maintaining of a dock and related marine activities; and

WHEREAS, AEBMC Sec. 50.10.060 provides that "[d]isposal of real property may be by sealed bids, outcry auction, lottery, first-come, first-served, negotiation, or such other method as the assembly may provide in the resolution authorizing the disposal"; and

WHEREAS, AEBMC 50.10.100(7) provides that "Real Property" includes interests in real property as well as rights to real property, and includes, but is not limited to, leases, easements, security interests, licenses, permits and options."; and

WHEREAS, AEBMC Sec. 50.10.050 provides for the disposal of real property owned by the Borough mandating that the disposal of real property not covered by other sections within chapter 50.10 "must be authorized by ordinance and must contain" the following:

- (1) a description of the property,
- (2) a finding and the facts that supports the finding that the property or interest is no longer required for a public purpose if the property or interest is or was used for a government purpose,
- (3) the type of interest to be disposed of if less than a fee interest,
- (4) conditions and reservations that are to be imposed upon the property,
- (5) the fair market value of the property,
- (6) the minimum disposal price of the real property,
- (7) the method of disposal, including time, place and dates when relevant,
- (8) special conditions for the disposal, including, when relevant, special qualifications of purchasers and purchase terms, and
- (9) a finding and the facts supporting the finding of the public benefits to be derived if the disposal is to be for less than market value; and

WHEREAS, AEBMC Sec. 50.10.070(a) provides that “[u]nless otherwise provided in the resolution authorizing the disposal, the disposal shall be at not less than the fair market value as determined by a fee appraisal, by the borough’s assessor’s valuation, or by such reasonable estimates as the mayor or assembly, as appropriate, finds to be reliable or appropriate under the circumstances; and

WHEREAS, AEBMC Sec. 50.10.070(c) provides that “[u]ses and purposes that may justify a disposal at less that market value include, but are not limited to” . . . “(3) use that promotes economic development”; and

WHEREAS, the Assembly finds that the lease of the property to BPS is in the best interest of the Borough, and will promote economic development within the Borough; and

WHEREAS, AEBMC Sec. 2.16.020 provides that “[t]he Mayor shall... (A) Direct and supervise the business of the borough to assure that all ordinances and resolutions are executed; and

WHEREAS, AEBMC Sec. 50.10.090 provides that “[t]he mayor may establish procedures and forms for the processing of requests, applications and disposals under this chapter.

NOW THEREFORE, BE IT ENACTED:

Section 1. Classification. This is a non-code ordinance.

Section 2. Authorization to Lease. Based upon the above findings, the Mayor is authorized to negotiate and execute a lease of approximately 6,720 *square feet* of the tidelands located within Alaska Tidelands Survey No. 1611, Aleutian Islands Recording District, as generally depicted on Exhibit “A” with the final square footage to be

established when the as-built survey and legal description of the leased property is submitted to and approved by the Borough.

Section 3. Minimum Essential Terms and Conditions. The lease is subject to the following minimum essential terms and conditions:

- (a) The lease shall be subject to the terms and conditions of the Patent or Deed from the state of Alaska, and subject to any littoral rights and any rights of the public under the Public Trust Doctrine.
- (b) The leased property shall be used for by BPS for the construction, operation, and maintenance of a dock and related marine activities. BPS is required to obtain approval of its construction plans from the Borough as well as meet any other state, federal, or other permit requirements prior to the start of any construction;
- (c) BPS shall provide the Borough with an as-built survey showing the exact boundaries and a legal description of the leased property no later than 45 days after the completion of construction of the dock. Upon acceptance of the as-built and legal description by the Borough the survey and legal description shall replace the description of the leased property set out in Section 2 above and a new exhibit depicting the leased property shall be attached to the lease agreement, and the agreement shall be deemed amended accordingly;
- (d) The lease shall be for an initial term of thirty-five years with one thirty-five year renewal option;
- (e) The annual lease payment for the first five-year period of the lease term shall be \$3,360.00 per year (based on \$.50 per square foot), plus tax; provided that this initial annual lease payment amount will be adjusted to reflect the final square footage of the leased property at the lease rate of \$.50 per square foot or amount determined by the Mayor as per Section 2 of this Ordinance, as determined by the as-built survey and legal description required to be submitted to the Borough by BPS within 45 days after completion of construction as provided in subsection (c) of this section; this lease payment adjustment will be applied prospectively starting with the first annual lease payment to be made following the determination of the final square footage of the leased property;
- (f) Beginning with the first year after the initial five-year period of the term of the lease, the Borough Administrator will re-evaluate and adjust the annual lease payment for the leased property for the next five-year period of the term, and then every five years thereafter. The new annual lease payment amount shall be paid retroactively to the beginning of the lease payment adjustment period. BPS shall pay all appraisal costs associated with re-evaluating and making adjustment to the annual lease payment;

- (g) BPS shall be responsible for obtaining all necessary permits and approvals for its development of the leased property;
- (h) BPS shall indemnify, defend, and hold harmless the Borough for any claims related to or arising out of the BPS development or use of the leased property; and
- (i) The lease shall include all provisions of Borough Code of Ordinances not in conflict with this ordinance; and any other provisions that the Borough Administrator determines to be in the public interest.

Section 4. Effectiveness. This Ordinance shall take effect upon adoption by the Aleutians East Borough Assembly.

INTRODUCED: _____

ADOPTED: _____

Stanley Mack, Mayor

Date: _____

ATTEST:

Borough Clerk

Date: _____



City of False Pass

P.O. Box 50 • False Pass, Alaska 99583-0050
Telephone (907) 548-2319 • Fax (907) 548-2214

Tuesday, March 19, 2013

To whom it may concern and all concerned parties,

The City of False Pass is very supportive of the dock being built within the False Pass Harbor, in the southeast corner. The dock with fish pump and crane will provide for a much better means of which the city to generate revenue from. The added facility should also help the local fish plant, the Bering Pacific Seafood. Such a facility would provide a stronger economic backbone for the community as a whole.

This project, of having a dock with the harbor will hopefully attract more residents to our city. This project will help give those residents year round, or near round jobs. This will help the City of False Pass in the short and long term.

Regards,

Tom Hoblet

City of False Pass

Mayor

TIDELANDS LEASE

This Lease is entered into on _____, 2013, between the Aleutians East Borough (“Lessor”) and Bering Pacific Seafoods, LLC (“BPS” or “Lessee”).

Recitals

A. Lessor is the owner of the tidelands as shown in Exhibit 1 hereto, described as:

Section 27, T. 61 S., R 94W., Seward Meridian and Section 28, T. 61 S., R. 94W., Seward Meridian, in False Pass Alaska. The easement requested is located in the SW corner of the False Pass Small Boat Harbor near the causeway pad. Approximately 6,720 square feet will be required as easement for the steel pile dock. Upon completion of the installation of the steel pile dock, an “as-built” survey will be performed by the Lessee. Once completed, the “as-built” survey will be utilized as the legal description of the tideland easement.

B. Lessee, on its own or through its affiliate, plans to construct a steel pile dock (“Facility”) in the existing harbor in False Pass, Alaska. The parties contemplate that Lessee may, from time to time during the life of this Lease, replace or repair the Facility as it is planned at execution of this Lease.

C. Use of the Tidelands for a steel pile dock will facilitate operations of the Bering Sea Pacific fish processing facility, the City of False Pass and the public.

D. Lessee desires to lease the Tidelands from Lessor, and Lessor desires to lease the Tidelands to Lessee.

E. To facilitate the mutual goals of Lessor and Lessee, they hereby enter into this Lease to document the terms and conditions under which Lessor will lease the Tidelands to Lessee.

F. On April 15, 2005 a Harbor Management Agreement (Agreement) between the Lessor and the City of False Pass (“City”) was executed and will stay in effect until September 30, 2025 (attached as Exhibit 2). The Agreement states that the City agrees to manage and operate the False Pass Small Boat Harbor. According to the Agreement “Any permanent improvement, development or structure proposed by the City or a third party to be constructed or placed within the Harbor, whether upon or separate from an existing facility or improvement in the Harbor, must be approved in writing by the Borough prior to construction or placement.” This Lease authorizes the Lessee to construct the Facility in the False Pass Harbor. The above referenced Agreement is hereby incorporated in this Lease as if fully stated herein.

Terms and Conditions

1. Premises. Lessor leases to Lessee the Tidelands described as approximately 6,720 *square feet* of the Borough’s tidelands within Alaska Tidelands Survey No. 1611, at False Pass Harbor, as generally depicted in Exhibit 3. No later than 45 days after the completion of the construction of the dock, Lessee shall provide the Lessor with an as-built survey showing the exact boundaries and legal description of the leased property. Upon acceptance of the as-built and legal description by the Lessor the survey and legal description shall replace the description of lease property set out in this section and a new exhibit depicting the leased property shall be attached to the lease agreement.

2. Term and Renewal. The Term of this Lease shall be 35 years, beginning on _____, 2013, and ending on _____, 2048, subject to one 35 year renewal or earlier termination as described below.

- (A) The parties intend that the Lease will last for a maximum 70 years, including the 35 year Term and one 35 year renewal. In the event Lessor does not receive written notice of nonrenewal from Lessee not less than 365 days before the end of the Term or the renewal thereof, this Lease shall be renewed for an additional 10 years, subject to the terms and conditions contained in this Lease as the parties may, from time to time, agree to amend it.

3. Rent. Lessee shall pay rent to Lessor at the rate of _____ and taxes per year, due and payable on the date of full execution of this Lease. Lessee shall pay all legal and engineering/consultant fees incurred by the Lessor for this project, due and payable 30 days after an invoice from the Lessor is received by Lessee.

4. Lease Payment and Adjustment.

- (A) After the first year of the Lease Lessee shall pay Lessor the annual lease payments at the start of each subsequent year of the term, with the annual payment due on or before _____.
- (B) The annual lease payment for the remainder of the initial five-year period of the lease term (35 years) shall be _____ and taxes.
- (C) Beginning the first year after the initial five-year period, the Borough Administrator will re-evaluate and adjust the annual lease payment for the lease premises for the next five-year period of this lease and then every five years thereafter. The new annual payment shall be paid retroactively to the beginning of the lease payment adjustment period.

5. Termination. Lessor may terminate this Lease upon Lessee's default upon 90 days' written notice of termination. No such notice of termination shall be sent unless Lessor has given Lessee written notice of default and an opportunity to cure the problem. Lessee may terminate this Lease upon 90 days' written notice to Lessor. Upon termination or cancellation of this Lease, the Lessee shall immediately turn over to the Lessor all plans, records, agreements, and other documents relating to the Facility and its operation under this Lease and shall make available to the Lessor and its agents all records of Lessee that may directly or indirectly affect or reveal the financing of the Facility operation by Lessee. Termination or cancellation of this Lease does not affect the undischarged obligation of one party to this Lease to the other.

6. Authorized Use of Premises. The Tidelands are leased to Lessee to use as Lessee deems necessary or desirable to achieve Lessee's business objectives in constructing, operating and maintaining the Facility, as it may from time to time be repaired or replaced. Lessee shall at all times comply with all applicable laws, ordinances and regulations of duly constituted authorities now or hereafter in effect, with respect to Lessee's use of the Tidelands.

Lessee agrees that nothing in this Article or in this Lease shall create any third-party beneficiary rights or relationship in Lessee or in any other entity.

7. Possession. Upon execution of this Lease and payment of the first rental payment, Lessee shall have the right to possession of the Tidelands.

8. Taxes. Lessee shall be responsible for any and all property taxes assessed during the term of this Lease against any leasehold interest. Lessee shall pay any sales or other tax levied on the rent.

9. Insurance. Lessee, at all times, shall maintain and keep in effect insurance coverage outlined below, naming the Lessor and the City of False Pass as additional insureds (including their Administrators, officers,

officials, employees and volunteers). Lessee will provide the Lessor with proof of insurance and give thirty (30) days written notice prior to cancellation of any policies.

(A) Minimum Scope of Insurance

- (1) Commercial General Liability
- (2) Commercial Automobile Liability Insurance
- (3) Worker's Compensation insurance as required by the State of Alaska and Employers Liability Insurance.
- (4) Property insurance in an amount no less than replacement cost value
- (5) Marinas Operator Liability

(B) Minimum Limits of Insurance

- (1) Commercial General Liability:
 - a. \$1,000,000 combined single limit per occurrence / \$2,000,000 Aggregate for bodily injury and property damage claims arising from contractors operations
 - b. This will cover all dock operations onshore and offshore.
- (2) Auto Liability:
 - a. \$1,000,000 combined single limit per accident for bodily injury and property damage.
- (3) Worker's Compensation and Employers Liability:
 - a. Worker's Compensation shall be statutory as required by the State of Alaska. Employers Liability shall be endorsed to the following minimum limits and contain USL&H coverage endorsement if applicable
 - Bodily Injury By Accident - \$1,000,000 each accident;
 - Bodily Injury By Disease - \$1,000,000 each employee;
 - Bodily Injury By Disease - \$1,000,000 policy limit.
- (4) All risk property insurance, including earthquake and flood, in an amount equal to the replacement cost of the dock
 - a. The replacement cost value of the dock is not less than the completed construction cost.
- (5) Marinas Operator Policy
 - a. \$1,000,000 in pollution insurance

(C) Other Insurance Provisions

- (1) Borough and City to be additional named insureds on General Liability and Automobile liability policies.

- (2) All policies to contain waiver of subrogation in favor of Borough and City of False Pass
- (3) Lessee's liability policies to be primary and non-contributory
- (D) Coverage to be placed with carriers with A.M.Best rating of A- VII

10. Dock Management. Management and operation of the Facility should mirror the requirements outlined in the Harbor Management Agreement between the Lessor and the City of False Pass, attached as Exhibit 2. Lessee agrees and acknowledges that it has read following provisions that are part of the Harbor Management Agreement and restated herein and made part of this lease:

- a. **OPERATION AS A PUBLIC FACILITY.** Lessee hereby agrees to manage and operate the Dock for the use and benefit of the public; to make all Dock facilities and services available to all members of the public on the same basis and on fair and reasonable terms and without discrimination. Unless otherwise directed by the Lessor or required by state and federal law, all state and federal or other publically owned or operated vessels shall receive no special preference for berthing space at or use of the Dock. Said vessels shall use the harbor under the same conditions and at the same rates as those specified for the general public.
- b. **MAINTENANCE, REPAIR AND DOCK UPKEEP.** Lessee hereby agrees to continuously maintain the Dock in a good state of repair and in a clean and orderly manner, at no cost to the Lessor or City of False Pass. Lessee shall be responsible for all major repairs, minor repairs, routine preventative maintenance and upkeep.
 - i. Lessee is required to comply with all Department of Environmental Conservation requirements.
- c. **REVENUES AND ACCOUNTS.** Lessee shall establish tariffs, and shall collect a fee or charges, for all uses of the Dock. Lessee shall keep complete financial records in accordance with generally accepted accounting practices, reflecting all revenue derived by Lessee from the Dock as well as all funds expended by Lessee for the maintenance and operation of the Dock. The right is hereby reserved by the Lessor to examine said financial records at any time during normal business hours.
- d. **IMPROVEMENTS.** Any permanent improvement, development or structure proposed by Lessee to be constructed or place on the Dock, whether upon or separate from the Dock, must be approved in writing by the Lessor prior to construction or placement.
- e. **OWNERSHIP OF IMPROVEMENTS.** All improvements made to the Dock and all fixtures added to and incorporated into the use of the Dock shall become the property of the Lessor upon their construction, addition to or incorporation in to the Dock unless the Lessee, Lessor, and City of False Pass agree otherwise in writing.
 - i. Lessee has plans to install a crane and fish pump on the dock. The Lessor and City of False Pass are aware of this and agree that the Lessee will be the sole owner of the crane and fish pump.
- f. **OPERATOR PROVIDED UTILITIES AND WATER SYSTEM.** Where electrical facilities or electrical, fuel or water distribution systems are not provided by the Lessor or City of False Pass, Lessee may install with its own personnel with prior approval of the Lessor, or have installed by a competent contractor, adequate lighting and power, fuel and water distribution systems. Under no circumstances may Lessee alter or modify existing Harbor facilities for the purpose of installing electrical utilities, fuel, or water systems without first obtaining specific written approval from the Lessor. Prior to installation of any power in or to the Dock, whether to power permanent fixtures of equipment or for distribution to vessels, the Lessee shall provide for the design of the system by an

engineer with recognized experience in the design of electrical systems for marinas and docks that may be affected by electrolysis. The Lessor may require a review of the design by a second engineer or a consultant before approving the project.

- g. **FUEL AND HAZARDOUS MATERIAL HANDLING.** If fuel or any other hazardous materials are handled on the Dock or in the Harbor, Lessee shall insure that only properly trained personnel handle such fuel or materials and that adequate procedures are followed for safely storing, dispensing, and otherwise handling fuel or hazardous materials in accordance with the most current edition of the National Fire Protection Code and all applicable federal, state, and local laws and regulation, in particular, applicable United States Coast Guard regulations. Lessee shall ensure that all necessary permits, operations manuals, and other authorizations are issued or are in place before permitting the handling of fuel or hazardous materials and may require the shipper or handler to obtain such permits and authorizations and to bear all or any part of the expense of obtaining such permits or authorizations and any additions or changes to the Dock facilities that are needed to comply. Such additions or changes to the Dock facilities must be approved by the Lessor and City of False Pass.
- h. **ENVIRONMENTAL POLLUTION.** In the event of a spill or discharge of a petroleum product or hazardous material at the dock, Lessee shall immediately report the spill or discharge to the appropriated authorities and to the Lessor, act promptly to contain the spill or discharge, repair any damage, remove the petroleum product or hazardous material and clean up the affected area, restore the Dock and affected waters to a safe condition and otherwise comply with the applicable provisions of state and federal law.
- i. **LIENS.** Lessee shall keep the Dock free of all liens, pay all costs for labor and materials arising out of construction, improvements or repairs by the Lessee on the Dock, and shall indemnify, defend, and hold the Lessor and the City of False Pass harmless from liability, action, claim, suit, loss, property damage of personal injury of whatever kind resulting from or arising out of any such liens, including costs and attorney fees.
- j. **NO WAIVER.** The failure of the Lessor to insist in any one or more instances upon the strict performance of Lessee of any provision or covenant in this agreement may not be considered a waiver or relinquishment for the future, but the provision or covenant will continue in full force. The waiver by the Lessee of any provision or covenant in this agreement cannot be enforced or relied upon unless the waiver is in writing signed on behalf of the Lessor.
- k. **NATURAL DISASTERS.** In the event any cause which is not due to the fault or negligence of either Lessee, the Lessor, or the City of False Pass renders the Dock unusable and makes the performance of this Agreement impossible, this Agreement may be terminated by either party upon written notice to the other party. Causes include, but are not limited to, acts of God or public enemy, acts of the United States and State of Alaska, fires, floods, or strikes.
- l. **NATIONAL OR STATE EMERGENCY.** In case of any national emergency declared by the federal government, or any state emergency declared by the State of Alaska, Lessee may not hold the Lessor or City of False Pass liable for any inability to perform any part of this Agreement as a result of the national or state emergency.

11. Standard Provisions. This Lease is subject to the Standard Provisions, which are attached hereto and are incorporated as part of this Lease.

IN WITNESS WHEREOF, the parties have executed this Lease the day and year first above written.

Bering Pacific Seafoods, LLC

By: _____

Larry Cotter

Its: Chief Operating Officer

STATE OF ALASKA)
) ss:
FIRST JUDICIAL DISTRICT)

THIS CERTIFIES that on this ____ day of _____, 2013, before me, a Notary Public in and for the State of Alaska, personally appeared **Lawrence P. Cotter**, known to me to be the person whose name is subscribed on the foregoing instrument and, duly sworn, stated to me under oath that he is the Chief Executive Officer of Aleutian Pribilof Island Community Development Association, that he has been authorized by said corporation to execute the foregoing instrument on its behalf, and that he executed the same freely and voluntarily as the free act and deed of said corporation.

WITNESS my hand and official seal the day and year in this certificate first above written.

Notary Public for Alaska
My commission expires:_____

Aleutians East Borough

By: _____

Rick Gifford

Its: Administrator

STATE OF ALASKA)

) ss:

THIRD JUDICIAL DISTRICT)

THIS CERTIFIES that on this ____ day of _____, 2007, before me, a Notary Public in and for the State of Alaska, personally appeared _____, known to me to be the person whose name is subscribed on the foregoing instrument and, duly sworn, stated to me under oath that s/he is the _____ of the Aleutians East Borough, that s/he has been authorized by said municipal corporation to execute the foregoing instrument on its behalf, and that s/he executed the same freely and voluntarily as the free act and deed of said municipal corporation.

WITNESS my hand and official seal the day and year in this certificate first above written.

Notary Public for Alaska
My commission expires:_____

APPENDIX A
STANDARD PROVISIONS

1. PATENT CONDITIONS.

This lease shall be subject to the terms and conditions of the patent or deed from the state of Alaska, and subject to any littoral rights and any rights of the public under the Public Trust Doctrine.

2. RESPONSIBILITY TO PROPERLY LOCATE ON LEASED PREMISES.

It shall be the responsibility of Lessee to properly locate Lessee's improvements on the Lease Premises and failure to so locate shall render Lessee liable as provided by law.

3. APPROVAL OF OTHER AUTHORITIES.

It is agreed upon and acknowledged that the issuance by Lessor of leases, including this lease, does not relieve Lessee of responsibility for obtaining licenses, permits, or approvals as may be required by duly authorized municipal, state or federal agencies.

4. LEASE UTILIZATION.

The Leased Premises shall be used only for the construction, operation and maintenance or a dock and related marine activities, and the terms of the lease and in conformity with the provisions of relevant municipal code and applicable state and federal laws and regulations. Utilization or development of the Leased Premises for other than the allowed uses shall constitute a violation of the lease and subject to cancellation at any time.

5. CONSTRUCTION.

Lessee and Lessor both have had the opportunity to have lawyers review and negotiate the terms of the Lease. The rule of construction that ambiguity is construed against the drafter will not apply.

6. TIMELINES. Time is of the essence of this Lease.

7. HEADINGS. Headings in this Lease are not intended for information only, and not as terms or conditions of the Lease.

8. SIGNATURES. This Lease may be signed in counterparts; a facsimile or emailed signature is as valid as an original signature.

9. LEASE PAYMENT ADJUSTMENT AND DISPUTE RESOLUTION.

Lessee agrees to a review and adjustment of the annual lease payment by the Borough Administrator not less often than every fifth year of the lease term beginning with the payment due after completion of the review period. Should the Lessee disagree with the lease payment adjustment proposed by the Borough Administrator, the Lessee shall pay for an appraisal of the leasehold. In the event the Borough Administrator disagrees with the appraisal, is unable to reach an agreement with the Lessee on the lease payment adjustment, the Lessor shall pay for a second appraisal. The Borough Administrator shall establish the lease payment adjustment based upon the second appraisal. In the event the Lessee disagrees with the lease rent adjustment, the Lessee may appeal to the Borough Assembly. The decision of the Assembly shall be final.

10. SUBLEASING.

Lessee may sublease Leased Premises or any part thereof leased to Lessee hereunder; provided that the proposed sub-lessee shall first obtain written approval from Lessor and further provided, that the improvements on the Leased Premises are the substantial reason for the sublease. Leases not having improvements thereon shall not be sublet. Subleases shall be in writing and be subject to the terms and conditions of the original lease; all terms, conditions, and covenants of the underlying lease that may be made to apply to the sublease are hereby incorporated into the sublease.

11. ASSIGNMENT.

Lessee may assign its rights and obligations under this lease; provided that the proposed assignment shall be approved in writing by Lessor prior to any assignment. The assignee shall be subject to all the provisions of the lease. All terms, conditions and covenants of the underlying lease that may be made applicable to the assignment are hereby incorporated into the assignment.

12. MODIFICATION.

The lease may be modified only by an agreement in writing signed by all parties in interest or their successor in interest.

13. CANCELLATION AND FORFEITURE.

- (a) The lease, if in good standing, may be cancelled in whole or in part, at any time, upon mutual written agreement by the parties.
- (b) Lessor may cancel the lease if it is used for any unlawful purpose.

- (c) If Lessee shall default in the performance or observance of any of the lease terms, covenants or stipulations thereto, or of the regulations now or hereafter in force or service of written notice by the Lessor without remedy by Lessee of the conditions warranting default, Lessor may subject Lessee to appropriate legal action including, by not limited to, forfeiture of the lease. No improvements may be removed by Lessee or other person during any time Lessee is in default.
- (d) Failure to make substantial use of the land, consistent with the proposed use, within one year shall in the discretion of the Lessor with approval of the Borough Assembly constitute grounds for default.

14. NOTICE OR DEMAND.

Any notice or demand, which under terms of a lease or under any statute must be given or made by the parties thereto, shall be in writing, and be given or made by registered or certified mail, addressed to the other party at the address of record.

If to Lessee:
Bering Pacific Seafoods, LLC
234 Gold Street
Juneau, Alaska 99801
Phone: 907-586-0161

If to Lessor:
Aleutians East Borough
3380 C Street, Suite 205
Anchorage, Alaska 99503
Phone: 907-274-7555

City of False Pass Mayor:
City of False Pass
P.O. Box 50
False Pass, AK 99583

However, any party may designate in writing such new or other address to which the notice or demand shall thereafter be so given, made or mailed. A notice given hereunder shall be deemed delivered when deposited in a United States general or branch post office enclosed in a registered or certified mail prepaid wrapper or envelope addressed as hereinbefore provided.

15. ENTIRE AGREEMENT.

This lease constitutes the entire agreement between the parties as to the subject matter hereof. Any prior understanding or representation of any kind preceding the date of this Lease shall not be binding upon either party.

16. RIGHTS OF MORTGAGE OR LIENHOLDER.

In the event of cancellation or forfeiture of a lease for cause, the holder of a properly recorded mortgage, conditional assignment or collateral assignment will have the option to acquire the lease for the unexpired term thereof, subject to the same terms and conditions as in the original lease.

17. ENTRY AND REENTRY.

In the event that the lease should be terminated as hereinbefore provided, or by summary proceedings or otherwise, or in the event that the demised lands, or any part thereof, should be abandoned by Lessee during the term, Lessor or its agents, servants, or representative, may, immediately or any time thereafter, reenter and resume possession of lands or such thereof, and remove all personals and property there from either by summary proceedings or by a suitable action or proceeding at law without being liable for any damages therefore. No reentry by Lessor shall be deemed an acceptance of a surrender of the lease.

18. RE-LEASE.

In the event that the lease should be terminated as herein provided, or by summary proceedings, or otherwise, Lessor may offer the lands for lease or other appropriate disposal pursuant to the provisions of the Borough Code.

19. FORFEITURE OF LEASE PAYMENT.

In the event that the lease should be terminated because of any breach by Lessee, as herein provided, the annual rental payment last made by Lessee shall be forfeited and retained by Lessor as partial or total damages for the breach.

20. WRITTEN WAIVER.

The receipt of lease payment by Lessor with knowledge of any breach of the lease by Lessee or of any default on the part of Lessee in observance or performance of any of the conditions or covenants of the lease shall not be deemed a waiver of any provision of the lease. No failure on the part of the Lessor to enforce any covenant or provision therein contained, nor any waiver of any right thereunder by Lessor unless in writing, shall discharge or invalidate such covenants or provisions or affect the right of the Lessor to enforce the same in the event of any subsequent breach or default. The receipt, by Lessor, or any lease payments or any other sum of money after the termination, in any manner, of the term demised, or extent the resultant term therein demised, or destroy, or in any manner impair the efficacy of any such notice or termination as may have been given thereunder by Lessor to Lessee prior to the receipt of any such sum of money or other consideration, unless so agreed to in writing and signed by Lessor.

21. EXPIRATION OF LEASE.

Unless the lease is renewed or sooner terminated as provided herein, Lessee shall peaceably and quietly leave, surrender and yield up the Lessor all the leased land on the last day of the term of the lease.

22. RENEWAL PREFERENCE.

Any renewal preference granted Lessee is a privilege, and is neither a right nor bargained for consideration. The lease renewal procedure and renewal preference shall be that provided by ordinance in effect on the date the application for renewal is received by the Borough Administrator.

23. REMOVAL OR REVERSION OF IMPROVEMENT UPON TERMINATION OF LEASE.

Improvements owned by Lessee shall within sixty calendar days after the termination of the lease be removed by Lessee; provided, such removal will not cause injury or damage to the lands or improvements demised; and further provided, that Lessor may extend the time for removing such improvements in cases where hardship is proven. Improvements owned by Lessee may, with the consent of the Lessor, be sold to the succeeding Lessee. All periods of time granted Lessee to remove improvements are subject to Lessee's paying the Lessor pro rata lease payments for the period.

- (a) If any improvements and/or chattels not owned by Lessor and having an appraised value in excess of five thousand dollars as determined by an assessor are not removed within the time allowed, such improvements and/or chattels on the lands, after deducting for Lessor lease payments due and owing and expenses incurred in making such sale. Such rights to proceeds of the sale shall expire one year from the date of such sale. If no bids acceptable to the Borough Administrator are received, title to such improvements and/or chattels shall vest in Lessor.
- (b) If any improvements and/or chattels having an appraised value of five thousand dollars or less as determined by an assessor, are not removed within the time allowed, such improvements and/or chattels shall revert to, and absolute title shall vest in Lessor.

24. RENTAL FOR IMPROVEMENTS OR CHATTELS NOT REMOVED.

Any improvements and/or chattels belonging to Lessee or placed on the lease during Lessee's tenure with or without his permission and remaining upon the

premises after the termination date of the lease shall entitle Lessor to charge Lessee a reasonable lease payment therefore.

25. COMPLIANCE WITH REGULATIONS CODE.

Lessee shall comply with all regulations, rules, and the code of the Aleutians East Borough, and with all state and federal regulations, rules and laws as the code or any such rules, regulations or laws may affect the activity upon or associated with the leased land.

26. CONDITIONS OF PREMISES.

Lessee shall keep the premises of the lease in neat, clean, sanitary and safe condition and shall take all reasonable precautions to prevent, and take all necessary action to suppress destruction or uncontrolled grass, brush or other fire on the leased lands. Lessee shall not undertake any activity that causes or increases a sloughing off or loss of surface materials of the leased land.

27. INSPECTION.

Lessee shall allow an authorized representative of Lessor to enter the lease land for inspection at any reasonable time.

28. USE OF MATERIAL.

Lessee of the surface rights shall not sell or remove for use elsewhere any stone, gravel, peat moss, topsoils, or any other materials valuable for building or commercial purposes; provided, however, that material required for the development of the leasehold may be used, if its use is first approved by the Lessor.

29. RIGHTS-OF-WAY.

Lessor expressly reserves the right to grant easements or rights-of-way across leased land if it is determined in the best interest of the Lessor to do so.

30. WARRANTY.

Lessor does not warrant by its classification or leasing of land that the land is ideally suited for the use authorized under the classification or lease and no guaranty is given or implied that it shall be profitable to employ land to said use.

31. HOLDING OVER.

If Lessee holds over beyond the expiration of the term of this lease and the term has not been extended or renewed in writing, such holding over will be a tenancy from month-to-month only.

32. INTEREST ON LATE PAYMENTS.

Should any installment of rent or other charges provided for under the terms of this lease not be paid when due, the same shall bear interest at the rate established by ordinance for late payments or at the rate of 12 percent per annum, if no rate has been set by ordinance.

33. TAXES, ASSESSMENTS, AND LIENS.

During the term of this lease, Lessee shall pay, in addition to the rents, all taxes, assessments, rates, charges, and utility bills for the Leased Premises and Lessee shall promptly pay or otherwise cause to be discharged, any claim resulting or likely to result in a lien, against the Leased Premises or the improvements placed thereon.

34. EASEMENTS.

Lessee shall place no building or structure over any portion of the Leased Premises where the same has been set aside or reserved for easements.

35. ENCUMBRANCE OF PARCEL.

Lessee shall not encumber or cloud Lessor's title to the Leased Premises or enter into any lease, easement, or other obligation of Lessor's title without prior written consent of Lessor; and any such act or omission, without the prior written consent of Lessor, shall be void against Lessor and may be considered a breach of this lease.

36. VALID EXISTING RIGHTS.

This lease is entered into and made subject to all existing rights, including easements, rights-of-way, reservations, or other interests in land in existence, on the date of execution of this lease.

37. STATE DISCRIMINATION LAWS.

Lessee agrees, in using and operating the Leased Premises, to comply with applicable sections of Alaska law prohibiting discrimination, particularly Title 18 of the Alaska Statutes, Chapter 80, Article 4 (Discriminatory Practices Prohibited). In the event Lessee's failure to comply with any of the above non-discrimination covenants, Lessor shall have the right to terminate this lease.

38. UNSAFE USE.

Lessee shall not do anything in or upon the Leased Premises, nor bring or keep anything therein, which will unreasonably increase or tend to increase the risk of fire or cause a safety hazard to persons or obstruct or interfere with the rights of any

other tenant(s) or in any way injure or annoy them or which violates or causes violation of any applicable health, fire, environmental or other regulation by any level of government.

39. HOLD HARMLESS.

Lessee agrees to defend, indemnify, and save Lessor, its employees, volunteers, consultants and insurers, with respect to any action, claim, or lawsuit arising out of or related to the use and occupancy of the Leased Premises by Lessee. This agreement to defend, indemnify, and hold harmless is without limitation as to the amount of fees, costs, expense, or damages resulting from settlement, judgment or verdict, and includes the award of any costs and attorney's fees even if in excess of Alaska Civil Rules 79 or 82. This indemnification agreement applies to the fullest extent permitted by law and is in full force and effect whenever and wherever any action, claim, or lawsuit is initiated, filed, or otherwise brought against Lessor relating to this lease. The obligations of Lessee arise immediately upon actual or constructive notice of any action, claim, or lawsuit. Lessor shall notify Lessee in a timely manner of the need for indemnification, but such notice is not a condition precedent to Lessee's obligations and may be waived where the Lessee has actual notice.

40. SUCCESSORS.

This lease shall be binding on the successors, administrators, executors, heirs, and assigns of Lessee and Lessor.

41. CHOICE OF LAW; VENUE.

This lease shall be governed by the law of the State of Alaska. Venue shall be in the State of Alaska, Third Judicial District at Anchorage.

Exhibit 1 Tidelands



2004-000307-0

Recording Dist. 305 - Aleutian Islands
6/8/2004 12:57 PM Pages: 1 of 3

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L
A
S
K
A



State of Alaska

cc



Tidelands Patent No. 4 2 5

Know All Men By These Presents that the Grantor, the STATE OF ALASKA, DEPARTMENT OF NATURAL RESOURCES, 550 West 7th Avenue, Suite 1050A, Anchorage, Alaska 99501-3579, pursuant to AS 39.05.825 and the regulations promulgated thereunder, for good and valuable consideration, grants and conveys to the Grantee, the ALEUTIANS EAST BOROUGH, whose mailing address of record is 3380 C Street, Suite 205, Anchorage, Alaska 99503, Grantee's successors and assigns, those tidelands lying seaward of the mean high tide line of Unimak Island situated in the Aleutian Islands Recording District, State of Alaska, and described as follows:

ALASKA TIDELAND SURVEY NO. 1611, CONTAINING 34.86 ACRES, MORE OR LESS, ACCORDING TO THE SURVEY PLAT RECORDED IN THE ALEUTIAN ISLANDS RECORDING DISTRICT ON APRIL 7, 2003, AS PLAT 2003-2.

Subject to valid existing rights, including reservations, easements, and exceptions in the U.S. Patent or other state or federal conveyance, and in acts authorizing the issue thereof; easements, rights-of-way, covenants, conditions, reservations, notes on the plat, and restrictions of record, if any.

Grantee may lease the land, but may not sell it.


Grantee takes title to the tidelands subject to the rights of the public under the Public Trust Doctrine.

Title to land conveyed under this authority reverts to the State upon dissolution of the municipality.

The Grantor hereby expressly saves, excepts and reserves out of the grant hereby made, unto itself, its lessees, successors, and assigns forever, all oils, gases, coal, ores, minerals, fissionable materials, geothermal resources, and fossils of every name, kind or description, and which may be in or upon said lands above described, or any part thereof, and the right to explore the same for such oils, gases, coal, ores, minerals, fissionable materials, geothermal resources, and fossils, and it also hereby expressly saves and reserves out of the grant hereby made, unto itself, its lessees, successors, and assigns forever, the right to enter by itself, its or their agents, attorneys, and servants upon said lands, or any part or parts thereof, at any and all times for the purpose of opening, developing, drilling, and working mines or wells on these or other lands and taking out and removing therefrom all such oils, gases, coal, ores, minerals, fissionable materials, geothermal resources, and fossils, and to that end it further expressly reserves out of the grant hereby made, unto itself, its lessees, successors, and assigns forever, the right by its or their agents, servants and attorneys at any and all times to erect, construct, maintain, and use all such buildings, machinery, roads, pipelines, powerlines, and railroads, sink such shafts, drill such wells, remove such soil, and to remain on said lands or any part thereof for the foregoing purposes and to occupy as much of said lands as may be necessary or convenient for such purposes hereby expressly reserving to itself, its lessees, successors, and assigns, as aforesaid, generally all rights and power in, to, and over said land, whether herein expressed or not, reasonably necessary or convenient to render beneficial and efficient the complete enjoyment of the property and rights hereby expressly reserved.

To Have And To Hold the said land, together with the tenements, hereditaments, and appurtenances thereunto appertaining, unto the said Grantee and Grantee's successors and assigns forever.

In Testimony Whereof the State of Alaska has caused these presents to be executed by the Director of the Division of Mining, Land and Water, Department of Natural Resources, State of Alaska, pursuant to delegated authority, this 2nd day of June, 2004.

By: 
Sandra J. Singer
For Bob Loeffler, Director
Division of Mining, Land and Water



State of Alaska)
) ss.
Third Judicial District)

This Is To Certify that on the 2nd day of June, 2004, appeared before me SANDRA J. SINGER, who is known to me to be the person who has been lawfully delegated the authority of Bob Loeffler, the Director of the Division of Mining, Land and Water, Department of Natural Resources, State of Alaska, to execute the foregoing document; that Sandra J. Singer executed said document under such legal authority and with knowledge of its contents; and that such act was performed freely and voluntarily upon the premises and for the purposes stated therein.

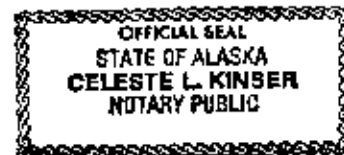
Witness my hand and official seal the day and year in this certificate first above written.

Celeste L. Kinser
Notary Public in and for the State of Alaska

My commission expires: April 4, 2005

Return Recorded Document to:

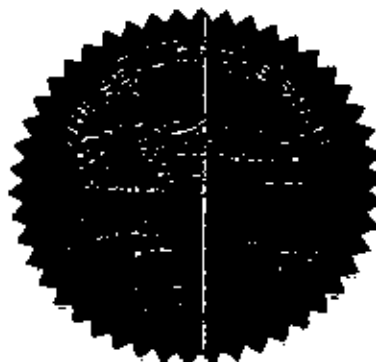
ALEUTIANS EAST BOROUGH
3380 C Street, Suite 205
Anchorage, Alaska 99503



Certified Copy to:

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF MINING, LAND & WATER-RADS
550 West 7th Avenue, Suite 1050
Anchorage, Alaska 99501-3579

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ADL No. 227852
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Sections 27 and 28



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2004-000307-0

ALEUTIANS EAST BOROUGH, ALASKA

HARBOR MANAGEMENT AGREEMENT

This 15 day of April, 2005, the Aleutians East Borough, hereafter called the "Borough" whose address is P.O. Box 349, Sand Point, Alaska 99661, and the City of False Pass, Alaska, hereinafter called the "City," whose address is P.O. Box 50, False Pass, Alaska 99583 do enter this Harbor Management Agreement, hereinafter called "Agreement," of 15 pages, including signature pages, and agree as follows:

A. BASIC PROVISIONS

PREMISES

1. The City of False Pass and the Aleutians East Borough have identified economic needs in False Pass. They have cooperatively submitted and been approved for CDBG funds from the Alaska Department of Commerce, Community and Economic Development (DCCED) and grant funds from the federal Department of Commerce, Economic Development Administration (EDA) for the construction of a harbor to meet those needs.
2. The City is the recipient of CDBG funding and the Borough is the recipient of the EDA funds. Both parties agree to assume the ultimate responsibility for their grant funds including assuring compliance with all applicable laws and program regulations and performance of all work in accordance with the contract. The False Pass mayor will be the contact person for the CDBG and the Borough administrator for the EDA. Both parties and the DCCED and EDA will have access to all grant records and authority to monitor all activities. The City and Borough agree to cooperate in the implementation of the CDBG and EDA programs as approved by the granting agencies.
3. The City and Borough agree that the City will receive the usefulness, advantage and other economic and community benefits of the harbor for the residents of False Pass for at least twenty (20) years.
4. The City agrees to manage and operate the following described marine facilities owned by the Borough, known as the False Pass Small Boat Harbor and hereinafter referred to as the "Harbor" located at False Pass, Alaska, in the Aleutian Islands Recording District, Third Judicial District, Alaska:

All that property consisting of a breakwater and certain docks, floats, approaches, and appurtenant marine facilities located in False Pass, Alaska, in the Aleutian Islands Recording District, State of Alaska.

TERM

5. The term of this Agreement is twenty (20) years from this agreement's last signature date through the last day of September, 2025.

B. GENERAL COVENANTS

OPERATION AS PUBLIC FACILITIES

1. The City hereby agrees to manage and operate the harbor for the use and benefit of the public; to make all Harbor facilities and services available to all members of the public on the same basis and on fair and reasonable terms and without discrimination. Unless otherwise directed by the Borough or required by state and federal law, all state and federal or other publicly owned or operated vessels shall receive no special preference for berthing space at or use of the Harbor. Said vessels shall use the Harbor under the same conditions and at the same rates as those specified for the general public.

MAINTENANCE AND REPAIR

2. The City hereby agrees to continuously maintain the Harbor in a good state of repair, at no cost to the Borough. Provided, however, that all necessary "major repairs" not caused by any action, neglect or negligence of the City shall be undertaken and completed by the Borough, at Borough expense or with funds from the account established pursuant to paragraph 7(d) of this Agreement, subject to the appropriation of sufficient funds for that purpose. The City shall be responsible for all minor repairs and routine preventative maintenance.
 - a. The term "major repair" as used herein is defined as any maintenance or repair having a cost for a single maintenance or repair operation which exceeds twenty-five thousand dollars (\$25,000).
 - b. The terms "minor repair and routine preventative maintenance" as used herein is defined as routine maintenance and repair having a cost for a single maintenance or repair operation of twenty-five thousand (\$25,000) or less, and generally includes the following:
 - (1) Replacement of damaged flotation material.
 - (2) Replacement of damaged decking or other structural members.
 - (3) Repair of electrical utilities and water and fuel systems.
 - (4) Replacement of broken or damaged piling and fenders.
 - (5) Replacement of eroded bank and breakwater protection or fill material.

- (6) Repair of all structural and non-structural damage caused through impact or collision by vessels using the facilities.
- c. The Borough shall have the right to require the City to perform maintenance and repair in the event any inspection of the Harbor by the Borough reveals a failure by the City to adequately maintain Harbor facilities. Such corrective maintenance or repair work shall be accomplished by the City within a reasonable period of time as determined by the Borough. The City shall perform, at its own expense, all major repair or rehabilitation that could have been avoided but for the City deferring minor repairs or routine maintenance.
- d. Notwithstanding the other provisions of this paragraph B2, the City shall not be required to spend more than \$25,000 in any one City fiscal year for all minor repairs and routine preventative maintenance. Routine preventative maintenance includes only those activities that are for the purpose of preserving or restoring the condition of the Harbor. The City shall notify the Borough in a timely manner if the City anticipates that minor repair and routine preventative maintenance expenditures will exceed \$25,000 during the remainder of any City fiscal year.

HARBOR UPKEEP

3. The City agrees to maintain the Harbor in a clean and orderly manner at all times. Derelict or abandoned vessels shall not be allowed to occupy moorage space. Oil drums, nets, fishing gear, skiffs, garbage cans or unsightly debris may not be stored on the Harbor.

LIABILITY

4. The City shall indemnify, defend, and hold the Borough, it's officers, employees and agents harmless from any liability, action, claim, suit, loss, property damage, or personal injury of whatever kind resulting from or arising out of any act of commission or omission by the City, it's agents, employees, or officers arising from the City's management, operation, maintenance or other activity with respect to the Harbor.

HARBOR ORDINANCES, HARBORMASTER

5. The City shall employ appropriate personnel and promulgate such ordinances, resolutions or regulations as may be necessary to provide safe, orderly operation and management of the Harbor. Ordinances, resolutions and regulations shall be in conformance with all of the terms and conditions contained herein, and shall be consistent with applicable ordinances and resolutions of the Borough. The applicable provisions of a Borough

ordinance, resolution or regulation with respect to the Harbor shall supersede the provision of any ordinance, resolution or regulation of the City that is inconsistent therewith, notwithstanding the date the Borough ordinance is adopted.

HARBOR USE AGREEMENTS

6. The City may enter into such agreements for the berthing, use and management of the Harbor as are necessary and appropriate;
 - a. provided, no agreement of any nature with respect to the Harbor is valid or binding upon the City of the Borough to the extent such agreement is contrary to this Agreement or to any ordinance or resolution of the City or the Borough adopted prior to the effective date of such agreement between the City and a third party. The authority of the City to enter into agreements with third parties with respect to the use of the Harbor is derived solely from this Agreement and any agreement of any nature between the City and a third party is subject to the terms, conditions and limitations of this Agreement; further, any agreement or the provisions thereof that are inconsistent or in conflict with or are prohibited under this Agreement are void ab initio in the sole discretion of the Borough. The City shall be liable to the Borough for all damages or losses to the Borough arising out of agreements or provisions thereof between the City and a third party that are inconsistent, in conflict with, or prohibited by this Agreement.
 - b. The Harbor was financed, in part, with the proceeds of a tax exempt bond issued by the Aleutians East Borough. Any management, Harbor use or other agreement that would, alone or in combination with one or more other agreements of the City with respect to the Harbor, adversely affect the tax exempt status of said bonds, is, to such extent, void *ab initio* and unenforceable. Further, if bond counsel to the Aleutians East Borough determines that any provision of this Agreement would adversely affect the tax exempt status of such bonds or that it permits or contemplates agreements between the City and third parties that would adversely affect the tax exempt status of such bonds, such minimum amendments to the agreement as may be necessary to preserve the tax exempt status of said bonds, as determined by bond counsel for the Aleutians East Borough, are deemed to have been made as if contained in this Agreement upon the date of execution of this Agreement. A lease of long term use agreement between the City and a third party user of the Harbor, and any lease or Harbor operating or management agreement between the City and third party is void and unenforceable unless in writing

and approved by the Borough and the Borough bond counsel prior to its execution.

REVENUES, EXPENSES, FUNDS AND ACCOUNTS

7. The City shall establish a tariff, and shall collect a fee or charge, for all uses of the Harbor.
 - a. The City shall include, but not be limited to, fees or charges for moorage, demurrage, wharfage, and services to a vessel. The tariff and all changes thereto shall be filled by the City if filing is required by state and federal law.
 - b. The fees charged by the City shall be established at a level sufficient to:
 - (1) Meet the expenses of adequate management and administration of the Harbor.
 - (2) Satisfy all minor repair and routine maintenance requirements, present and future, as defined in Paragraph (2)b.
 - (3) Provide for contingencies and emergencies.
 - (4) Provide the funds required for the major rehabilitation and repair account.
 - (5) Provide and maintain a harbormaster office, parking area improvements, and sanitary facilities unless any of the foregoing are waived by the Borough, and, as may be required by state or federal agencies, oily waste disposal tanks, connection to vessel pumpout stations for sewage disposal and other waste disposal facilities or services, and trash collection facilities.
 - c. All fees, charges, rates, reimbursements, or other amounts received by the City for moorage within the Harbor shall be deposited in a special fund known as the Harbor Fund established by the City. Said fund shall be separate and distinct from other funds of the City (including those established for the operation of other City docks, harbors or other marine facilities) and shall be used exclusively for the administration, operation, maintenance, repair, rehabilitation, and improvement of the Harbor by the City, and to meet reserve requirements and Borough debt service, if any, secured by revenues of the Harbor. The City shall annually appropriate to such fund all

anticipated and actual Harbor receipts and prior year Harbor Fund balances.

- d. The City shall establish a major repair and rehabilitation account with the Harbor Fund established under Paragraph 7(c).
 - (1) For the purpose of this subparagraph 7(d), "year-end Harbor Fund balance" is the unreserved year-end balance of the Harbor Fund not appropriated for reasonable Harbor operating costs, including Borough debt service, if any, reserved and a reasonable contingency amount. The year-end Harbor Fund balance shall lapse to and be deposited in the major repair and rehabilitation account. It is the purpose of this subparagraph 7(d)(1) to ensure that all Harbor revenues that are not reasonably required for the operation, maintenance and minor repair of the Harbor be accumulated in the major repair and replacement account for use, as may be designated by the Borough, for major repairs or rehabilitation of the Harbor and the construction of additions or improvements to the Harbor. Provided, the Borough may release funds from this account to the City for Harbor operating expenses if the Assembly determines that such a release is necessary in order to meet unusual and unanticipated Harbor operating expenses incurred or to be incurred by the City.
 - (2) The City shall hold monies in the account, in trust for the Borough; provided, in order to ensure that such monies are immediately available for emergency or other needs, the City shall annually appropriate the anticipated maximum balance of the account (including the anticipated deposit of the year end Harbor Fund balance) as part of its annual budget appropriation. The City shall make major repairs or improvements to the Harbor from the funds in the major repair and rehabilitation account only when specifically directed by the Borough or shall pay over to the Borough from said account so much as the Borough determines is required to perform major repairs, rehabilitation or improvements on the Harbor. Upon authorization by the Borough, the City may accomplish, by contract or with it's own forces, such major repair, rehabilitation or improvements as are required and may withdraw from said account amounts up to a maximum specifically authorized by the Borough for such work. Upon termination of this agreement, the City shall promptly pay over to the Borough all funds held in trust in said account for the Borough.

- e. The City shall keep complete financial records in accordance with generally accepted accounting practices, reflecting all revenue derived by the City from the Harbor as well as all funds expended by the City for the maintenance and operation of the Harbor. The right is hereby reserved to the Borough to examine said financial records at any time during normal business hours. In addition, the right is hereby reserved to the Borough to require the City to submit an annual audit or summary of Harbor Fund income and expenses (including reserves).

PROHIBITED MOORAGE

8. The City shall not permit moorage of vessels which might overstress or otherwise damage the Harbor facilities.

IMPROVEMENTS

9. Any permanent improvement, development or structure proposed by the City or a third party to be constructed or placed within the Harbor, whether upon or separate from an existing facility or improvement in the Harbor, must be approved in writing by the Borough prior to construction or placement.

OWNERSHIP OF IMPROVEMENTS

10. All improvements made in or to the Harbor and all fixtures added to and incorporated into the use of the Harbor shall become the property of the Borough upon their construction, addition to or incorporation into the Harbor unless the City and the Borough agree otherwise in writing.

OPERATOR PROVIDED UTILITIES AND WATER SYSTEM

11. Where electrical facilities or electrical, fuel or water distribution systems are not provided by the Borough, the City may install with its own personnel with prior approval of the Borough, or have installed by a competent contractor, adequate lighting and power, fuel and water distribution systems. Under no circumstances may the City alter or modify existing Harbor facilities for the purpose of installing electrical utilities, fuel or water systems without first obtaining specific written approval from the Borough. The Borough will either furnish or approve minimum design standards to accomplish the work. Prior to the installation of any power in or to the Harbor, whether to power permanent fixtures or equipment or for distribution to vessels, the City shall provide for the design of the system by an engineer with recognized experience in the design of electrical systems for marinas and docks that may be affected by electrolysis. The Borough may require a review of the design by a second engineer or a consultant before approving the project.

FUEL AND HAZARDOUS MATERIAL HANDLING

12. If fuel or any other hazardous materials are handled in the Harbor, the City shall insure that only properly trained personnel handle such fuel or materials and that adequate procedures are followed for safely storing, dispensing, and otherwise handling fuel or hazardous materials in accordance with the most current edition of the National Fire Protection Code and all applicable federal, state, and local laws and regulations, in particular, applicable United States Coast Guard regulations. The City shall ensure that all necessary permits, operations manuals, and other authorizations are issued and are in place before permitting the handling of fuel or other hazardous materials and may require the shipper or handler to obtain such permits and authorizations and to bear all or any part of the expense of obtaining such permits or authorizations and any additions or changes to the Harbor facilities that are needed to comply. Such additions or changes to the Harbor facilities must be approved by the City and the Borough.

ENVIRONMENTAL POLLUTION

13. In the event of a spill or the discharge of a petroleum product or hazardous material at the Harbor, the City shall immediately report the spill or discharge to the appropriate authorities and to the Borough, act promptly to contain the spill or discharge, repair any damage, remove the petroleum product or hazardous material and clean up the affected area, restore the Harbor and affected waters to a safe condition and otherwise comply with the applicable provisions of state and federal law.

TERMINATION OF AGREEMENT

14. The Borough may cancel this Agreement by giving the City ninety (90) days advance written notice upon the failure of the City to perform, keep and observe any of the terms, covenants, and conditions contained in this Agreement, provided:
 - a. The deficiency is not cured by the City within said ninety (90) day period.
 - b. The City may terminate this Agreement at any time by notifying the Borough in writing at least six (6) months prior to the effective date of such termination.
 - c. The Borough may terminate this Agreement at any time by notifying the City in writing at least twelve (12) months prior to the effective date of such termination.

- d. Upon termination or cancellation of this Agreement for any reason, the City shall, on the effective date of such termination or cancellation, transmit all amounts received that would have been required by paragraph 7.c. of the Agreement to be deposited in the Harbor Fund; provided, if, for the fiscal year in which the termination or cancellation occurs, the City has contributed to the Harbor Fund from unrestricted other local revenues, the City may retain a portion of such other revenues prorated for time from the beginning of the year. The cancellation or termination of this Agreement for any reason shall constitute and shall have the effect of an assignment to the Borough of all accounts receivable and causes of action of the City with respect to the Harbor and its operation effective on the effective date of the termination or cancellation. All reasonable obligations of the City incurred with respect to the Harbor and its operation prior to the effective date of the termination or cancellation shall be reimbursed by the Borough upon demand and proof of payment by the City, provided, the Borough may assume direct liability for City obligations specifically identified in writing by the Borough for such treatment.
- e. Upon termination or cancellation of this Agreement, the City shall immediately turn over to the Borough all plans, records, agreements, and other documents relating to the Harbor and its operation under this Agreement and shall make available to the Borough and its agents all records of the City that may directly or indirectly affect or reveal the financing of the Harbor operation by the City.
- f. Termination or cancellation of this Agreement does not affect the undischarged obligation of one party to this Agreement to the other.

RENEWAL

15. The City may renew this Agreement by filing a written renewal application with the Borough at least sixty (60) days before the expiration of this Agreement. This filing of an application that fully conforms to the requirements stated herein will operate to extend the term of this Agreement on a month to month basis until the earlier of the date;
- a. A new agreement is executed by both parties, or
 - b. The application is rejected by the Borough in writing, stating the reasons for the rejection.

DISCRIMINATION

16. The City covenants and agrees that discrimination on the basis of race, color, religion, national origin, ancestry, age, or sex will not be permitted against any patron, employee, applicant for employment, or other person or group of persons in any manner prohibited by federal or state law. The City recognizes the right of the Borough to take any action necessary to enforce this covenant, including actions required pursuant to any federal or state law.

EXISTING CONDITIONS

17. The City has examined the preliminary plans for the Harbor and acknowledges that the Borough has made no representation concerning final arrangement or layout of the Harbor nor the completion date of any phase or part of the Harbor.

SUBJECT TO LAWS

- 18.
- a. This agreement is issued subject to all the provisions and requirements of the agreement and the ordinances, resolutions and regulations of the Borough relating to the use and management of Borough owned marine facilities.
 - b. The City shall conduct all operations on the Harbor in compliance with all federal, state, and local laws, ordinances, rules and regulations now or hereafter in force, which may be applicable to such operations.

INSURANCE

- 19.
- a. The City shall maintain harbor keepers liability insurance in an amount not less than \$2,250,000 per occurrence and shall name the Borough as an additional insured, provided, the Borough, its employees, agents and officers may not be disabled from recovering under said policy for otherwise covered acts of the City.
 - b. Unless a lesser coverage is authorized by the Borough, the City shall maintain property damage insurance on the Harbor in an amount of \$100,000 with a deductible of not more than \$5,000. The policy shall name the Borough as owner of the Harbor and shall be for the benefit of the Borough.
 - c. The City shall provide the Borough with a copy of each policy or a certificate of insurance satisfactory to the Borough showing the amounts and type of insurance provided. The certificate shall state the

coverage provided to the Borough and shall provide that no policy may be terminated, cancelled, or permitted to expire with respect to coverage provided to the Borough except upon at least thirty (30) days written notice actually delivered or mailed to the Borough.

- d. The City shall provide and maintain, for all employees and contractors of the City engaged in work on or with respect to the Harbor, Workers' Compensation Insurance as required by AS 23.30, shall promptly make all employer contributions required by AS 23.20, and shall provide insurance coverage for employees covered by the U.S. Longshore and Harbor Workers' Compensation Act (33 U.S.C. 901 et seq.). The City shall indemnify the Borough for all costs, expenses, and liability of the Borough arising in any manner from the failure of the City to provide the insurance or make the contributions identified in the preceding sentence.

LIENS

20. The City shall keep the Harbor free of all liens, pay all costs for labor and materials arising out of any construction, improvements or repairs by the City or a third party on the Harbor, and hold the Borough harmless from liability for any such liens, including costs and attorney fees.

NO WAIVER

21. The failure of the Borough to insist in any one or more instances upon the strict performance by the City of any provision or covenant in this agreement may not be considered a waiver or relinquishment for the future, but the provision or covenant will continue in full force. The waiver by the Borough of any provision or covenant in this agreement cannot be enforced or relied upon unless the waiver is in writing signed on behalf of the Borough.

MODIFICATION

22. The Borough may modify this agreement to meet the revised requirements of federal or state grants or to conform to the requirements of any bond covenant to which the Borough is party. Provided, that except as provided in paragraph 6.c., a modification may not reduce the rights granted the City by this agreement nor cause the City financial loss to its general fund.

VALIDITY OF PARTS

23. If any provision or covenant of this agreement is declared to be invalid by a court of competent jurisdiction, the remaining covenants and provisions will continue in full force.

INTERRELATIONSHIP OF PROVISIONS

24. The basic provisions, general covenants, special covenants, supplements, addenda, and drawings attached as exhibits are essential parts of this agreement and are intended to be cooperative and to describe the respective rights and obligations of the parties to this Agreement. In case of a discrepancy, figured dimensions govern over scaled dimensions unless obviously incorrect. Special covenants govern over basic provisions, both of which govern over general covenants.

NATURAL DISASTERS

25. In the event any cause which is not due to the fault or negligence of either the City or the Borough renders the Harbor unusable and makes the performance of this Agreement impossible, this Agreement may be terminated by either party upon written notice to the other party. Causes include, but are not limited to, acts of God or the public enemy, acts of the United States or the State of Alaska, fires, floods, or strikes.

NOTICES

26. Any notice required by this agreement must be hand delivered or sent by registered or certified mail to the appropriate party at the address set forth on page one of this Agreement or to any other address that the parties subsequently designate in writing.

INTEGRATION, MERGER AND AMENDMENT

27. This Agreement sets forth all the terms, conditions, and agreements of the parties and supersedes any previous understandings or agreements regarding the Harbor whether oral or written. Except as otherwise specifically provided in this Agreement no modification or amendment of this Agreement is effective unless in writing and signed by both parties.

NATIONAL OR STATE EMERGENCY

28. In case of any national emergency declared by the federal government, or any state emergency declared by the State of Alaska, the City may not hold the Borough liable for any inability to perform any part of this Agreement as a result of the national or state emergency.

APPROVAL BY BOROUGH

29. Any approvals required of the Borough by this Agreement will not be unreasonably withheld.

INGRESS, EGRESS, INSPECTION

30. The Borough reserves the right of ingress to and egress from the Harbor and the right to enter any part of the Harbor, including all improvements thereon, for the purpose of inspection at any reasonable time. Except in the case of an emergency, all inspections will be coordinated with the City.

C. SPECIAL COVENANTS

1. This Agreement becomes effective on the date set out in paragraph A2; provided, no term of the Agreement except this paragraph C1 creates and enforceable right in either party until the Borough has provided written notice to the City that the Harbor, including the docks and other facilities and improvements, are substantially complete and available for use. All revenues arising out of the rental or use of property constructed or improved with the proceeds of the Borough's general obligation bond under the Project Cooperation Agreement between the Borough and U.S. Department of the Army for the construction of breakwaters and the dredging of the new harbor in the City are revenues of the City under this agreement and, if paid to the Borough, will be received and held by the Borough in trust for the City.
2. The City and the Borough enter into this Agreement in the contemplation of
 - a. the completion of the new harbor to be constructed under the Project Cooperation Agreement between the Borough and U.S. Department of Army, and
 - b. the separate and subsequent construction by the Borough of docks, floats and other marine facilities and improvements (the Docks and Floats) within the new harbor.

If the Borough constructs the Docks and Floats from revenues other than borrowed funds, then this Agreement remains in full force and effect in accordance with its terms. If the Borough borrows all or part of the funds necessary to finance the construction of the Dock and Floats, and it is necessary for the Borough to pledge the revenues of the Docks and Floats to secure the loan, then the following provisions of this Paragraph C2 shall be in effect and shall supersede and govern to the extent such following provisions are in conflict with any other provisions of this Agreement:

- c. The Borough shall have the authority to establish all tariffs, fees, and other charges for use of the Docks and Floats. The Borough shall consult with the City to determine the rates necessary to meet the City operating and other expenses of the Harbor plus the revenues required to meet debt service payments on the Borough loan and such other reserve and coverage requirements as are set out in the

loan agreement, bond and other documents governing the loan to the Borough (the Loan Documents) for the construction of the Docks and Floats. The tariffs, fees and charges established by the Borough, may not be less, individually, than the amount requested by the City, but may be more than the amount requested by the City if the Borough determines that the estimated revenues from all tariffs, fees and charges for Docks and Float use will not be sufficient to meet the requirements of the Loan Documents and all other revenue needs of the Harbor. If the Borough determines that revenues from the Docks Floats must be increased to meet to the requirements of the Loan Documents, the Borough will give substantial consideration to the preferences of the City for the distribution of the increase among the Harbor tariffs, fees, and other charges.

- d. The will continue to bill, collect and enforce the harbor tariffs, fees and charges; provided, however, it shall establish a Docks and Floats debt service trust account (the Debt Service Trust Account) into which it shall deposit so much of the revenues from the Docks and Floats operation as are required under the terms of the Loan Documents. The funds required to be deposited to the Debt Service Trust Account are funds of the Borough immediately upon their receipt by the City and shall be paid over to the Borough from said account immediately upon request of the Borough or shall be paid over to the Borough at such regularly scheduled times as the Borough or the Loan Documents require. If the Borough's lender, either as a condition of the loan, or upon determining after making the loan that the collection rate of the City is inadequate with respect to Harbor accounts, the Borough may assume all or any part of the billing and collection function for the Harbor accounts and shall, monthly, pay over to the City the revenues collected less amounts required for billing and collection administration, debt service, reserves and coverage required by the Loan Documents. If the City fails to fully and timely pay over to the Borough the funds required to be paid from the Debt Service Trust Account, the Borough may immediately terminate this Agreement. The Borough may pledge and assign to its lender the Borough's rights to funds required to be deposited in the Debt Service Trust Account.
- e. The City shall vigorously pursue the collection of tariffs, fees and other charges arising out of use of the Docks and Floats in order to ensure timely funding of the amounts to be paid into the Debt Service Trust Account.
- f. If the Borough's lender requires fiscal or operational provisions that cannot be made within the scope of the authority reserved to the Borough under this Paragraph C2, and the City is unwilling to agree

to the required new or different provisions, either party to this Agreement may immediately terminate the Agreement.

3. It is the intent of the parties that upon the termination of this Agreement pursuant to Paragraph A2, or upon the discharge of the 2003 Series E general obligation bonds issued for the construction of the new harbor, any bonds issued to refund the 2003 Series E bonds, and any bonds or other Borough obligations issued to fund any part of the cost of the Docks and Floats, the City and the Borough will explore the transfer of the Harbor to the City.

IN WITNESS WHEREOF, the parties hereto have set their hands the day and year stated in the acknowledgments below.

(SEAL)

CITY OF False Pass, AK

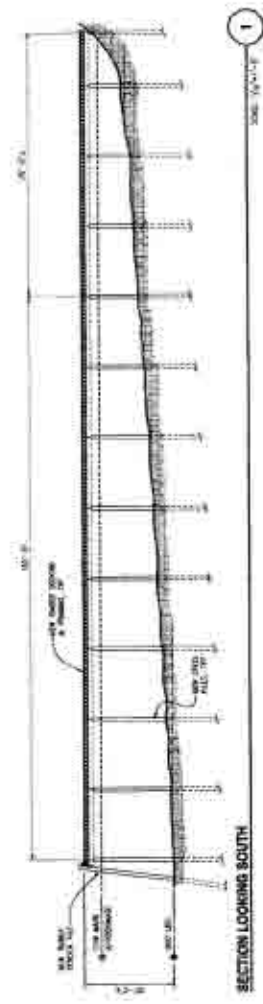
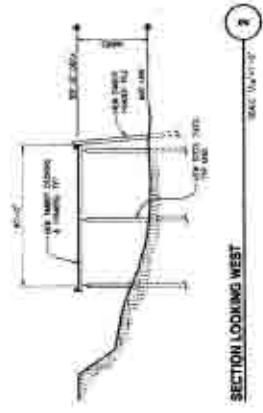
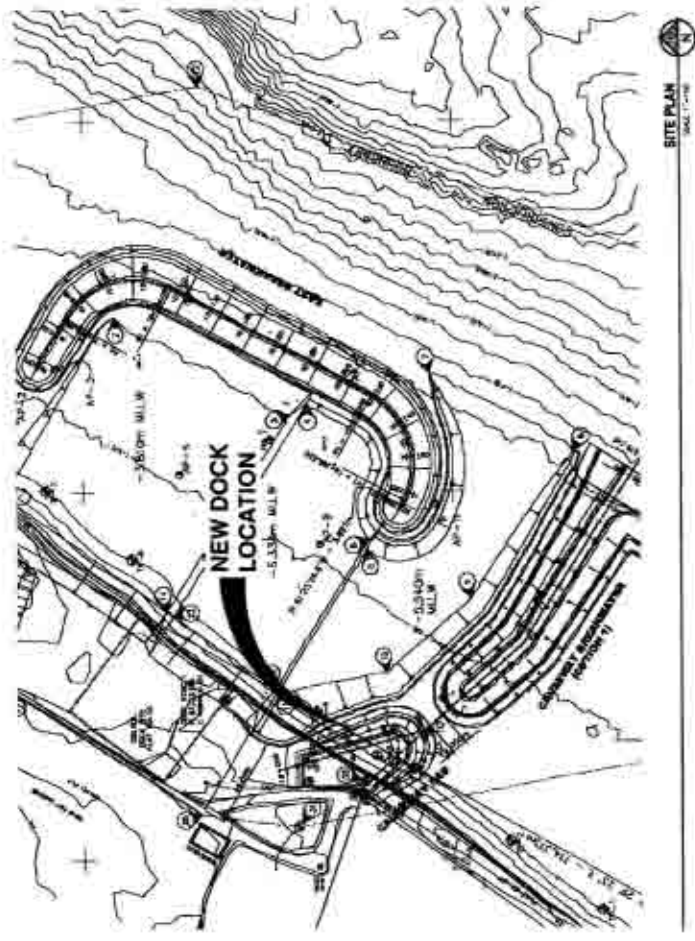
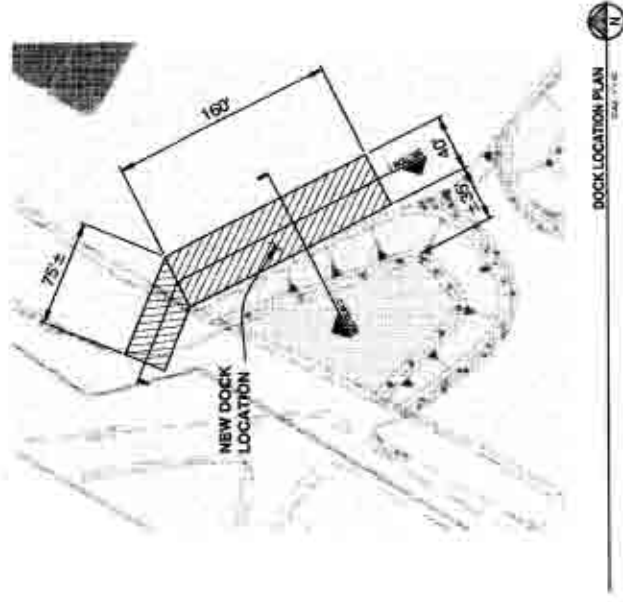
By: John J. Nichols
Title: Mayor

ALEUTIANS EAST BOROUGH

By: Stanley K. Mark
Title: Mayor

Exhibit 3 - Lease Premises

DCI ENGINEERS 10000 10TH AVENUE, SUITE 100 DENVER, COLORADO 80231 PHONE: (303) 733-1100 FAX: (303) 733-1101 WWW.DCIENGINEERS.COM			PROJECT: FALSE PASS UPGRADES SHEET: 10000-0001 DATE: 10/11/11 DRAWN BY: J. J. JENSEN CHECKED BY: J. J. JENSEN APPROVED BY: J. J. JENSEN	APICDA FALSE PASS UPGRADES DOCK ADDITION FALSE PASS, ALASKA	SHEET NO.: SITE PLAN	SHEET NO.: C.1.1
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OLD BUSINESS

none at this time

New Business

DONATION REQUESTS:



REQUEST FOR CONTRIBUTION

THIS FORM MUST BE COMPLETED AND SUBMITTED BY **NOVEMBER 1** OR **MAY 1** TO BE CONSIDERED BY THE AEB ASSEMBLY FOR FUNDING.

ORGANIZATION NAME: SAND PT SILVER SALMON DERBY

PERSON COMPLETING THIS FORM: RAYETTE MCGLASHAN

AMOUNT REQUESTED: \$ \$750 (An amount range is acceptable)

1. Who will benefit from this donation?

SAND PT RESIDENTS Estimated number of AEB Residents

TRANSIENT FISHERMEN AND PROCESSORS Estimated number of Non-AEB Residents

ALL Ages

Is this activity open to all AEB residents? / X /yes / /no If not, please explain.

2. How does this contribution promote the best interests of the AEB? For example, tell us if this project/activity is related to the safety, health or well-being of residents. Specifically perhaps, it offers an alternative (to alcohol or drug abuse) recreation opportunity. Or supports the preservation of the Aleut culture or reinforces the subsistence life-style. Why should this activity receive AEB funds? Please limit your answer to no more than one page.

The Derby provides fun family activities that promote outdoor activities and community involvement. Photos of all the activities of the Sand Point Silver Salmon Derby can be found on Facebook. The Derby fund raiser raises funds for Boy & Girls Club, Culture Camp, EMS and Teen Center. All of these programs are important and would not exist without donations.

3. What is your estimated budget? Where does the AEB contribution fit into the budget? Who are, if any, the other donors? Please limit your answer to no more than one page.

Much of the funds raised are from raffles. Donations go towards purchasing raffle items. Donations also go towards necessary supplies. Below is a list of last year's donators, which requests for donations will go out to again.

2012 Donations:

Pen Air, Peter Pan Seafoods, Coastal Transportation, Alaska Central Express (ACE),
City of Sand Point, Trident Seafoods, Alaska Commercial, Aleut Corp., Toys Plus, Aleutians
East Borough, TelAlaska, Aleutian Housing Authority, Harbor Café, Cut R Loose Coffee

4. Are you willing to report back, without a reminder, to the Mayor and Assembly describing your project/activity within two months of the activity? / ☒ / Yes / ☐ / No



REQUEST FOR CONTRIBUTION

THIS FORM MUST BE COMPLETED AND SUBMITTED BY NOVEMBER 1 OR MAY 1 TO BE CONSIDERED BY THE AEB ASSEMBLY FOR FUNDING.

ORGANIZATION NAME: Cold Bay Vol. EMS. (Silver Salmon Derby)

PERSON COMPLETING THIS FORM: Sandy Roper

AMOUNT REQUESTED: \$ 500.00 (An amount range is acceptable)

1. Who will benefit from this donation?

100 Estimated number of AEB Residents

20 Estimated number of Non-AEB Residents

all Ages

Is this activity open to all AEB residents? (yes) /no If not, please explain.

2. How does this contribution promote the best interests of the AEB? For example, tell us if this project/activity is related to the safety, health or well being of residents. Specifically perhaps, it offers an alternative (to alcohol or drug abuse) recreation opportunity. Or supports the preservation of the Aleut culture or reinforces the subsistence life-style. Why should this activity receive AEB funds? Please limit your answer to no more than one page.

This event funds the Cold Bay EMS which is a hub to several small communities & to USCG.

3. What is your estimated budget? Where does the AEB contribution fit into the budget? Who are, if any, the other donors? Please limit your answer to no more than one page. Our budget varies depending on activities & we are still planning. Usually around \$10,000 is spent.
4. Are you willing to report back, without a reminder, to the Mayor and Assembly describing your project/activity within two months of the activity? (Yes) /no

Other Donors:

City of Cold Bay G & K ASI

City of King Cove Pen Air

Peter Pan Seafood & Bearfoot Inn

King Cove Volunteer Fire Department
P.O. Box 289
King Cove, AK 99612
Phone: 907-497-2210 Fax: 907-497-2556
E-Mail: kingcovedps@gmail.com

Monday, April 19, 2013

To whom it may concern

Each year for the past 15 years, the King Cove Volunteer Fire Department has held an annual fundraiser community picnic to support the KCFD scholarship. This year it is scheduled for Saturday, June 1, 2013. We have appreciated the great support from our community and others who have supported this event. We have extremely good turnouts. In the past 15 years we have given away nearly \$15,000.00 in scholarships to King Cove High-school graduates. We are seeking money donations or donations for door prizes or things that we can raffle off for this event. This event can only continue if we continue to get the support from you and others like you. Any help that you can give to us we would be greatly appreciated.

Sincerely,



Chris Babcock Fire Chief



REQUEST FOR CONTRIBUTION

THIS FORM MUST BE COMPLETED AND SUBMITTED BY **NOVEMBER 1 OR MAY 1** TO BE CONSIDERED BY THE AEB ASSEMBLY FOR FUNDING.

ORGANIZATION NAME: SAND POINT TEEN CENTER

PERSON COMPLETING THIS FORM: TINA ANDERSON

AMOUNT REQUESTED: \$ \$2000 (An amount range is acceptable)

1. Who will benefit from this donation?

60+ SAND PT TEENS Estimated number of AEB Residents

UNKNOWN Estimated number of Non-AEB Residents

GRADE 7 THROUGH AGE 20 Ages

Is this activity open to all AEB residents? / /yes /X/no If not, please explain. ALL AEB RESIDENTS GRADE 7 THROUGH AGE 20

2. How does this contribution promote the best interests of the AEB? For example, tell us if this project/activity is related to the safety, health or well-being of residents. Specifically perhaps, it offers an alternative (to alcohol or drug abuse) recreation opportunity. Or supports the preservation of the Aleut culture or reinforces the subsistence life-style. Why should this activity receive AEB funds? Please limit your answer to no more than one page.

See attached letter.

3. What is your estimated budget? Where does the AEB contribution fit into the budget? Who are, if any, the other donors? Please limit your answer to no more than one page. **Funding would go towards payroll.**

Yearly budget costs: \$20,000

4. Are you willing to report back, without a reminder, to the Mayor and Assembly describing your project/activity within two months of the activity? / X /Yes / /No

Sand Point Teen Center

C/O Unga Tribal Council
PO Box 508
Sand Point, AK 99661

April 29, 2013

Dear Mayor Mack and Assembly:

This is a funding request for \$2000 to the Sand Point Teen Center. Thank you very much for the \$2000 donation last year. Thanks to the support from AEB and other entities, the Teen Center was able to continue to operate another year. The Teen Center has been such a great success so far and this has made such a positive impact in our community.

The teens are enjoying a safe place to socialize and are participating in all the positive activities and events. The Teen Center holds dances every other month, has pool tournaments, Tuesday movie nights, an hour of teen environmental group on Thursdays to do recycling projects, earth friendly products and crafts using recycled items. Our teens also help out during Silver Salmon Derby and 4th of July celebration fundraisers by volunteering at the snack shack and other activities, which teaches them the importance of volunteerism in their community.

All Sand Point teens grade 7 through age 20 can participate, the monthly total of teens attending is around 320.

The Teen Center operates solely on donations and fund raising is an ongoing challenge each year in order to keep the Teen Center operating. Your contribution will help us meet our payroll and to purchase supplies. The teenagers are the future of Aleutians East Borough and we want to help build productive young adults for Aleutians East Borough's future and feel providing a good and safe environment for teens will have a positive effect on them.

The City of Sand Point is still providing us the location for the Teen Center and Unga Tribe is still providing accounting and payroll services. We need continual funding support to operate and build the program. Your help will go a long way to help make our program a success.

Once again, we are asking you to donate to our Teen Center and thank you in advance for any support you give.

Sincerely,



Tina Anderson

Teen Center Committee Member



Qagan Tayagungin Tribe
P. O Box 447
Sand Point, AK 99661
(907)383-5616
Fax (907)383-5814

April 22, 2013

Aleutians East Borough
Mr. Stanley Mack – Mayor
P.O. Box 349
Sand Point, AK 99661



Dear Mr. Mack,

It is that time of year again to begin preparations for our annual Culture Camp. This year will be our fourteenth year of having Culture Camp in Sand Point. The dates for camp this year are July 15, 2013 through July 25, 2013.

For the past thirteen years Qagan Tayagungin Tribe has worked cooperatively with the US Fish & Wildlife Service, APIA, EATS, the Unga and Pauloff Harbor tribes, the Aleut and Shumagin Corporations, Aleutians East Borough and the City of Sand Point, Trident Seafoods, Peter Pan Seafoods, as well as various other businesses and organizations in the Aleutians to provide funding each year for the very successful Culture Camp for the Unangan youth and community members.

Last years camp was very successful with a total of 87 children from grades kindergarten through twelfth grade, and about 45 adult community members who participated in Culture Camp events. It takes a considerable amount of money to fund a camp in our community each year. We hope that you will continue to generously support the Sand Point Culture Camp with a generous donation of \$7,000 that we can apply to expenses for camp.

Please assist us to continue teaching our Unangan youth about their culture and traditions which helps them grow into strong Unangan adults knowledgeable in their traditional values and skills helping to continue keeping our culture alive in our community.

Thank you for your time and support for the Sand Point Culture Camp.

Sincerely,

Tiffany Jackson
Executive Director



REQUEST FOR CONTRIBUTION

THIS FORM MUST BE COMPLETED AND SUBMITTED BY **NOVEMBER 1 OR MAY 1** TO BE CONSIDERED BY THE AEB ASSEMBLY FOR FUNDING.

ORGANIZATION NAME: University of Alaska Fairbanks

PERSON COMPLETING THIS FORM: Briana Witteveen

AMOUNT REQUESTED: \$ 5,000 - \$8,000 (An amount range is acceptable)

1. Who will benefit from this donation?

 Estimated number of AEB Residents

 Estimated number of Non-AEB Residents

All Ages

Is this activity open to all AEB residents? / /yes /~~x~~/no If not, please explain. Field activities are limited due to permitting restrictions, but educational opportunities will be available to all AEB residents.

2. How does this contribution promote the best interests of the AEB? For example, tell us if this project/activity is related to the safety, health or well-being of residents. Specifically perhaps, it offers an alternative (to alcohol or drug abuse) recreation opportunity. Or supports the preservation of the Aleut culture or reinforces the subsistence life-style. Why should this activity receive AEB funds? Please limit your answer to no more than one page.
Please see attached

3. What is your estimated budget? Where does the AEB contribution fit into the budget? Who are, if any, the other donors? Please limit your answer to no more than one page.
Please see attached document.

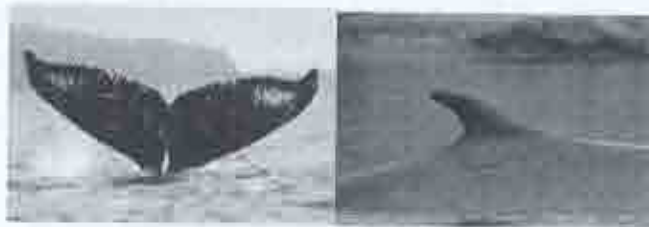
4. Are you willing to report back, without a reminder, to the Mayor and Assembly describing your project/activity within two months of the activity? / ~~x~~/Yes / /No

Whale research in the Shumagin Islands, Alaska

The Shumagin Islands are a group of 20 islands that lie off the southern coast of the Alaska Peninsula and are considered the most northeasterly of the Aleutian Islands. The extremely productive waters of the Shumagin Islands support lucrative commercial fisheries and a highly diverse suite of marine life. The Audubon Society states that at least one million seabirds of 18 different species nest in the Shumagin Islands. In addition to birds, marine mammals are also plentiful in the Shumagins, from year round residents such as sea otters and endangered Steller sea lions to migratory baleen whales. Of the baleen whales found in the Shumagin Islands fin and humpback whale populations were both severely depleted due to commercial whaling. Since the cessation of whaling, fin and humpback whales have experienced tremendous recovery.



Since 1999, research directed at these fin and humpback whale populations has taken place as small components of larger research projects including GAP (Gulf Apex Predator-Prey; www.seagrant.uaf.edu/map/gap) and SPLASH (Structure of Populations Levels of Abundance and Status of Humpback whales; <http://swfsc.noaa.gov/prd-splash.aspx>). This research has been lead by Dr. Bree Witteveen, an assistant research professor at the University of Alaska Fairbanks, with support and assistance from other UAF faculty and the Alaska Department of Fish and Game. Despite limited financial support, this research has provided a substantial amount of valuable information about these two populations of whales.



Using photo-identification techniques, Dr. Witteveen has cataloged nearly 600 individual humpback whales and over 80 individual fin whales. Shumagin Island humpback whales have been linked to migratory breeding grounds in Hawaii, Japan and offshore Mexico. Biopsy samples collected from these animals have provided unique insights into the foraging habits of these whales that support their important role as significant consumers in regional marine ecosystems, including direct and indirect link to commercial fisheries.

The rapid decline and subsequent recovery of these populations coupled with their high levels of consumption makes continued research focused on their abundance, distribution and feeding habits critical. Such research is of particular relevance in rural Alaska communities that are highly dependent on marine resources for livelihood and subsistence.

Benefits

1. Increase understanding of the life history of the most charismatic megafauna in the world
2. Promote research in a region of Alaska not often focused upon
3. Support a research program that began in 1999 and will otherwise be lost.
4. Contribute to the long term monitoring (LTM) of whales in this region. LTM is often overlooked in favor of immediate, "hot-button issues". However, LTM is a critical part of research on long-lived animals. Benefits of LTM are,
 - a. Identify trends in population, including growth rates, calving rates and mortality
 - b. Observe impacts of changing climates
 - c. Longer term perspective on whale diets
 - d. Document ecosystem impacts on the decline and recovery of some of the ocean's largest predators.
5. Provide valuable information on diet composition as it relates to commercial and subsistence fisheries
6. Monitor the potential for human/whale interactions
7. Provide opportunities for collaboration with AEB teachers to create and deliver whale based curriculum to AEB schools and communities.

Budget

To date, funds for this project have been provided through the Gulf Apex Predator-prey program at the University of Alaska Fairbanks. Unfortunately, this funding source will no longer be able to support efforts in the Shumagin Islands. At present, no funding is in place to continue these efforts, although inquiries have been made to multiple funding agencies.

The total amount requested is between \$4450 and \$7450 per year. The relatively low amount of funding required to operate a field project of this nature is the result of an agreement with the Alaska Department of Fish and Game (ADF&G). Each year, the ADF&G Sand Point field office generously allows us to use their lodging and vessel. In exchange, we aim to pay for some aspect of general boat maintenance as a goodwill gesture. The stipulation of this agreement is that an ADF&G employee is required to operate the state vessel and, thus, we are occasionally asked to support a portion of the employee's salary during the whale surveys. Therefore, funding is requested for round trip airfare for two researchers from Kodiak to Sand Point, boat fuel, food, ADF&G employee salary and boat maintenance.

	Quantity	Cost	Total
Airfare - Kodiak to Sand Point	2	\$1,200.00	\$2,400.00
Food - 7 days @ 25/day/person	7	\$50.00	\$350.00
Fish & Game Salary - For vessel operation	1	3000*	3000*
Boat Fuel - \$5/gallon	200	\$6.00	\$1,200.00
Boat Maintenance	1	\$500.00	\$500.00
Grand Total			\$4450 - \$7450

City of Sand Point



Aleutians East Borough
P.O. Box 349
Sand Point, Alaska 99661

April 30, 2013

Re: 4th of July Celebration

Dear Borough Assembly,

We have begun planning the annual 4th of July Celebration for the community of Sand Point. Last year's event was a success and we want to continue on with festivities and fun for the entire community and our summer guests to enjoy. This event is run entirely on fundraising, donations, and the help of volunteers along with the City staff. Typically, the 4th of July celebration includes a bike parade, BBQ, relay races, carnival games, and contests.

We are asking the local businesses and entities to donate a cash amount to help purchase supplies and prizes for any of the following: carnival games, relay races, BBQ supplies, and decorations. Please consider donating to this much anticipated event that will be fun for the entire community.

If you have any questions, please feel free to contact me at (907)383-2696 or by e-mail at sptcity@arctic.net. Thank you for your consideration!

Sincerely,

Jade Cromer
Jade Cromer
City Clerk



REQUEST FOR CONTRIBUTION

THIS FORM MUST BE COMPLETED AND SUBMITTED BY **NOVEMBER 1 OR MAY 1**
TO BE CONSIDERED BY THE AEB ASSEMBLY FOR FUNDING.

ORGANIZATION NAME: 4th of July Celebration/City of Sand Point

PERSON COMPLETING THIS FORM: Jade Cromer

AMOUNT REQUESTED: \$ 500.⁰⁰ (An amount range is acceptable)

1. Who will benefit from this donation?

up to 900 Estimated number of AEB Residents

50+ Estimated number of Non-AEB Residents

0-100 Ages

Is this activity open to all AEB residents? ☒ Yes / ☐ No If not, please explain. Open to all AEB residents in Sand Point during 4th of July Celebration.

2. How does this contribution promote the best interests of the AEB? For example, tell us if this project/activity is related to the safety, health or well-being of residents. Specifically perhaps, it offers an alternative (to alcohol or drug abuse) recreation opportunity. Or supports the preservation of the Aleut culture or reinforces the subsistence life-style. Why should this activity receive AEB funds? Please limit your answer to no more than one page.

This community-wide event helps provide a safe and fun location to celebrate 4th of July for Sand Point residents and visitors alike.

3. What is your estimated budget? Where does the AEB contribution fit into the budget? Who are, if any, the other donors? Please limit your answer to no more than one page. Our budget and what we are able to accomplish depends on donations. As a ball park, we spend up to \$1500.⁰⁰ on prizes alone.
4. Are you willing to report back, without a reminder, to the Mayor and Assembly describing your project/activity within two months of the activity? ☒ Yes / ☐ No

City of Sand Point



Aleutians East Borough
P.O. Box 349
Sand Point, Alaska 99661

April 30, 2013

Subject: **Annual Sand Point Community Clean-up**

Dear Borough Assembly:

Sand Point's Annual Community Clean-Up is just around the corner! This has proven to be a great success in past years due to continuous support from local businesses and individuals.

This year, we will be planning a week long clean up, where community members have all week to stop by the City, get bags, and clean up areas of our community. The clean-up will begin on Monday, May 20th and end on Saturday, May 25th. All participants will be entered in a drawing for prizes to be awarded during the BBQ on Saturday, May 25th at the City Building. The age groups for the prizes are: up to 6th grade, 7th-12th grade, and adults.

This is a donation run event with the help of the city staff and volunteers. We are asking that you consider donating cash to help purchase prizes or donating prizes for our above mentioned age groups. We greatly appreciate any type of donation! Thank you for considering to donate to our annual clean-up and to help keep Sand Point a beautiful place to live. If you have any questions, please feel free to call me at the City Office. 383-2696.

Sincerely,

Jade Cromer
City Clerk



REQUEST FOR CONTRIBUTION

THIS FORM MUST BE COMPLETED AND SUBMITTED BY **NOVEMBER 1 OR MAY 1** TO BE CONSIDERED BY THE AEB ASSEMBLY FOR FUNDING.

ORGANIZATION NAME: City of Sand Point

PERSON COMPLETING THIS FORM: Jade Cromer

AMOUNT REQUESTED: \$ 300.00 (An amount range is acceptable)

1. Who will benefit from this donation?

150 Estimated number of AEB Residents

Estimated number of Non-AEB Residents

0+ Ages

Is this activity open to all AEB residents? / ☒ Yes / ☐ No If not, please explain. This is a local community clean-up in Sand Point.

2. How does this contribution promote the best interests of the AEB? For example, tell us if this project/activity is related to the safety, health or well-being of residents. Specifically perhaps, it offers an alternative (to alcohol or drug abuse) recreation opportunity. Or supports the preservation of the Aleut culture or reinforces the subsistence life-style. Why should this activity receive AEB funds? Please limit your answer to no more than one page.

The Community Clean-up helps provide a clean and safe community for our residents and teaches stu- to take care of their environment.

3. What is your estimated budget? Where does the AEB contribution fit into the budget? Who are, if any, the other donors? Please limit your answer to no more than one page. Our budget varies depending on ge the generosity of our local businesses and entities.

4. Are you willing to report back, without a reminder, to the Mayor and Assembly describing your project/activity within two months of the activity? ☒ Yes / ☐ No

2013 Clean-Up Donations Received	
City of Sand Point	\$1,000
Trident Seafoods	\$250
Aleut Corporation	\$200
Qagan Tayagungin Tribe	\$200

King Cove Community Center
PO Box 37
King Cove, Alaska 99612

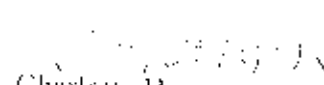
Aleutian East Borough
General Delivery
King Cove, Alaska 99612

Spring clean up day is coming soon and we are getting ready for our **Annual Clean-up** day. We are asking business in our community for donations to help fund this event. This year we will have prizes for everyone that participates. After the clean up we will provide hot dogs, hamburgers, chips, salad, soda and juice for all the hard work cleaning up our community. We are planning to have the clean up on the first nice day in or after May 2013.

Your company can help us by providing in the form of funds to purchase food or buy donating goods and services. Please let me know by calling 497-7013 if you can help with any donation.

Thank you in advance for your support.

Sincerely,


Charlotte Hansen
Community Recreation Dept



City of False Pass

P.O. Box 50 • False Pass, Alaska 99583-0050
Telephone (907) 548-2319 • Fax (907) 548-2214

Organization Name: City of False Pass

Person completing this form: Christopher Enrich

1. Who will benefit from this donation?

40 Estimated number of AEB Residents

30 Estimated number of Non-AEB Residents

All Ages

Is this activity open to all AEB residents. Yes/No If not Please Explain. This will benefit all residents as it will provide for infrastructure maintenance and improvements.

SEE Below

2. How does this contribution promote the best interests of the AEB? For example, tell us if this project/activity is related to the safety, health or well-being of residents. Specifically perhaps, it offers an alternative (to alcohol or drug abuse) recreation opportunity. Or supports the preservation of the Aleut culture or reinforces the subsistence life-style. Why should this activity receive AEB funds? Please limit your answer to no more than one page.

This contribution will help the city afford the freight charges of delivery of a 980 Loader to the city. The City is in dire need of one as the current one owned and operated is a 1986, and in need of some major repairs. There is a lot of need for a loader in False Pass. With all of the projects that are happening, the DOT Airport Bridge, the APICDA Plant Expansion, the APICDA dock construction in the harbor, having one here is extremely important. Every day use of the loader is extremely important in regards to snow removal and boat hauls. The 980 is the only equipment that is large enough to put boats that are shore-side docked for winter. Maintaining the newly built dump, is achieved only with the help of a 980.

3. What is your estimated budget? Where does the AEB contribution fit into the budget? Who are, if any, the other donors? Please limit your answer to no more than one page.

The estimated budget is \$60,000-\$80,000 to purchase a 980, and \$20,000-\$30,000 for freight to get it here. The City is in a position to afford a 980 purchase, however, there is shortfall



City of False Pass

P.O. Box 50 • False Pass, Alaska 99583-0050
Telephone (907) 548-2319 • Fax (907) 548-2214

when it comes to the freight charge. There are 980's for purchase in Alaska, however, the costs of those are \$20,000-\$30,000 higher than the purchase price in the lower 48. With the help of the borough, we can make this purchase that is overdue and needed.

4. Are you willing to report back, without a reminder, to the Mayor and Assembly describing your project/activity within two months of the activity? / Yes / No

The city would be happy to report back to the borough about this purchase.

Signed,

Tom Hoblet

Mayor

Nikki Hoblet

Borough Assembly Member

Christopher Emrich

City Clerk



Original: 03/22/2013

Revised: 03/26/2013

By: Dave Watkins

SHIPPING QUOTATION

Quote Number: **DAV10525**

Chris Emrech
City of False Pass

PHONE: (907)548-2319
FAX:
EMAIL: cityoffalsepass@ak.net

Origin Port: Seattle

Destination Port: False Pass

Project / Bid Name:

Shipper / Consignee:

Booking Number:

Est. Ship Date:

THIS QUOTATION HAS BEEN PREPARED BASED ON INFORMATION PROVIDED ON THIS DATE. CHARGES MAY DIFFER FROM THOSE QUOTED DUE TO CHANGES IN DIMENSIONS, WEIGHT, DESCRIPTION OF GOODS, OR SHOULD THE SHIPPING CIRCUMSTANCES VARY FROM THAT DESCRIBED HEREIN. FINAL RATE APPLICATION WILL BE BASED ON TARIFFS, CLASSIFICATIONS OR CONTRACTS IN EFFECT AT THE TIME OF SHIPMENT. THIS QUOTE IS ONLY BINDING IF YOUR ACCOUNT IS CURRENT. ANY PAYMENTS RECEIVED, INCLUDING PREPAYMENTS, WILL BE APPLIED TO ANY PAST DUE BALANCES FIRST. TENDERED FREIGHT MAY BE HELD AT YOUR EXPENSE UNTIL PAST DUE BALANCES ARE PAID. QUOTE VALID FOR 60 DAYS.

Description of Terms, Rates Offered, Etc.

Description of Items	Weight/Qty	Rate	Rate Type	Totals
980 Cat Loader 31'7"L x 11'7"W x 12'4"H@65,638#	65,638	\$24.28	CWT	\$15,936.91
Over weight Charge in excess of 45,000#	65,638	\$2.00	CWT	\$1,312.76
Current Fuel Surcharge	.3	\$17,249.87	PCT	\$5,174.90

TOTAL: \$22,424.57

Rate includes receiving, securing and to the dock in False

Thank you
David Watkins

SEATTLE TERMINAL
6361 1st Ave South
Seattle, WA 98108

Alaskans Serving Alaskans
www.samsontug.com

TELEPHONE CONTACT
voice 206.767.7820
toll free 800.331.3522
facsimile 206.767.5358



REQUEST FOR CONTRIBUTION

THIS FORM MUST BE COMPLETED AND SUBMITTED BY **NOVEMBER 1 OR MAY 1** TO BE CONSIDERED BY THE AEB ASSEMBLY FOR FUNDING.

ORGANIZATION NAME: King Cove Women's Club

PERSON COMPLETING THIS FORM: Fanny Jo Newton

AMOUNT REQUESTED: \$ 35-100 (An amount range is acceptable)

1. Who will benefit from this donation?

KC Pop. ~ 600 Estimated number of AEB Residents

~100 Estimated number of Non-AEB Residents

All Ages

Is this activity open to all AEB residents? / /yes / /no If not, please explain.

The activity itself is located in Anchorage and will not be available for AEB residents not currently residing in Anchorage; however, the funds collected will be donated to the King Cove Women's Club which will use the funds to improve or add activities to its current workload: Easter Egg Hunt, 4th of July Celebration, Christmas Program.

2. How does this contribution promote the best interests of the AEB? For example, tell us if this project/activity is related to the safety, health or well-being of residents. Specifically perhaps, it offers an alternative (to alcohol or drug abuse) recreation opportunity. Or supports the preservation of the Aleut culture or reinforces the subsistence life-style. Why should this activity receive AEB funds? Please limit your answer to no more than one page.

This activity raises money for the King Cove Women's Club which organizes and holds community events that promote strong community and family relationships, while also encouraging community recreation and well-being. The events that the King Cove Women's Club organize have become a tradition in the King Cove community and are always trying to give back to the community it is a part of.

3. What is your estimated budget? Where does the AEB contribution fit into the budget? Who are, if any, the other donors? Please limit your answer to no more than one page.

The fundraising mark is \$500, and if our Charity Team can raise that much money, it will all be donated to the King Cove Women's Club. If the fundraising level falls below the \$500 mark the money will still be donated to nonprofits and charities already pre-organized. \$100 donated from the AEB would take care of 1/5th of the fundraising mark and would help contribute to the overall fundraising. Other donors that have been confirmed include the Bearfoot Inn. Other possible donors include The Aleut Foundation, Aleutian Pribilof Islands Association, John Gould's and Sons, Alaska Commercial Company, and other small companies.

Participants who register for our team will also be contributing \$35/adult, and \$20/children to participate. If a Team Member donates \$100 or more (including their \$35 registration fee) they will be recognized as a major contributor. This is a rather small fundraiser in that I am looking at to only raise a minimum of \$500.

4. Are you willing to report back, without a reminder, to the Mayor and Assembly describing your project/activity within two months of the activity? //Yes / /No

Every Team Member who registers will receive a t-shirt printed with the Team Name and list major contributors. Prior to and during the activity photos will be taken and shared to the contributors to show the success of the event.

Any donations would be appreciated as I try to get to the \$500 mark so that all funds will be given to the King Cove Women's Club and the King Cove community can benefit from our fundraising.

Thanks!

Team King Cove Women's Club will participate in the 14th annual Alaska charity walk.



REQUEST FOR CONTRIBUTION

THIS FORM MUST BE COMPLETED AND SUBMITTED BY **NOVEMBER 1** OR **MAY 1** TO BE CONSIDERED BY THE AEB ASSEMBLY FOR FUNDING.

ORGANIZATION NAME: CITY OF KING COVE; BIGGEST LOSER CHALLENGE

PERSON COMPLETING THIS FORM: SAVANNAH YATCHEMENEFF

AMOUNT REQUESTED: \$ 1,000.00 (An amount range is acceptable)

1. Who will benefit from this donation?

Approx. 948 Estimated number of AEB Residents

N/A Estimated number of Non-AEB Residents

All Ages / 18+ Ages

Is this activity open to all AEB residents? / ☒yes / ☐no If not, please explain

The primary challenge is only open to residents 18+ years; Activities are open to all ages

2. How does this contribution promote the best interests of the AEB? For example, tell us if this project/activity is related to the safety, health or well-being of residents. Specifically perhaps, it offers an alternative (to alcohol or drug abuse) recreation opportunity. Or supports the preservation of the Aleut culture or reinforces the subsistence life-style. Why should this activity receive AEB funds? Please limit your answer to no more than one page.

Please see attached sheet.

3. What is your estimated budget? Where does the AEB contribution fit into the budget? Who are, if any, the other donors? Please limit your answer to no more than one page.

Please see attached sheet.

4. Are you willing to report back, without a reminder, to the Mayor and Assembly describing your project/activity within two months of the activity? ☒Yes / ☐No

Please see attached sheet.



Aleutians East Borough
Mayor & Board Members
P.O. Box 349
Sand Point, Alaska 99661

May 1, 2012

Re: Request for Contribution

To Aleutians East Borough Mayor & Board Members,

The City of King Cove created ***King Cove's Biggest Loser Challenge*** in January 2013 in effort to promote a healthy and active lifestyle for its residents; so far we are proud to say it's been a success! Obesity is a problem nationwide and it's a present issue and concern for those living in the Aleutians East Borough today; therefore we decided to take the necessary steps to provide a healthy living program for our residents to participate in.

King Cove's Biggest Loser Challenge initially began as a 12 week program that provided a grand prize incentive for the individual who completed the program with the highest weight loss percentage. Throughout the challenge individuals were encouraged to participate in community activities that promoted a healthy, active lifestyle. However, we had such a supportive response from our residents and local organizations/businesses that we were able to provide prizes to the top 5 contestants with the highest weight loss percentages, distribute healthy living pamphlets, and host a grand finale celebration for our entire community filled with healthy foods, prizes, and fun!

57 households signed up for the program and completed the 12 week challenge with a total weight loss of **690+ LBS!** Throughout the challenge, residents were changing their eating habits, participating and creating local workout classes, utilizing the gym facility and active outdoors daily with their families. With the tremendous results and positive feedback we received from community members, we were encouraged to extend the Biggest Loser Challenge throughout the summer with a final weigh in on August 19th, 2013

The objective of extending our program is to encourage residents to keep working towards their health and weight loss goals if they didn't reach them in the first round and to motivate and encourage those to maintain the progress they worked so hard to achieve. We also wish to encourage other communities in the Aleutians East Borough to initiate a similar program, if not the same, for their residents because this challenge has proven itself successful and life changing in King Cove.

In our sincere efforts to provide a fun, healthy, safe and an active environment for all, we are seeking your support. A contribution of \$1,000.00 is ideal; however any monetary amount is much appreciated. The City of King Cove will be more than happy to provide a report of the community's weight loss success at the end of our challenge. If you are willing to support our program or have any further questions, please contact the City Office at 907 497 2343.

Thank you!



Savannah Yalchmenell
City Clerk

City of King Cove
Biggest Loser Challenge
P.O. Box 37
King Cove, Alaska 99612
kccityclerk@gmail.com

Aleutian Financial, Inc.

May 21, 2013

Mayor Stanley Mack
Aleutians East Borough
3380 C St., Suite 205
Anchorage, AK 99503

Re: Aleutian Financial, Inc. – Donation Request

Dear Mayor Mack,

Aleutian Financial, Inc. (AFI) is a 501(c) (3) nonprofit Corporation in the State of Alaska. We were certified as a Native Community Development Financial Institution (CDFI) under the Department of Treasury in 2011. Our purpose is to provide low interest loans to individuals and businesses in our operating region – the Aleutian/Pribilof Region – to assist in the purchase or maintenance of homes and for business development. We specialize in serving individuals who otherwise may have difficulty securing traditional loans from financial institutions. We are often able to help when no one else will. AFI's mission continues to include, "enhancing the quality of life for all communities and residents of the Aleutian Pribilof Region."

AFI recently partnered with the Alaska Housing Finance Corporation to become an approved housing lender. This provides AFI access to \$625,000 on a semi-annual basis, as a 0% interest loan to AFI to use for home loans to the residents of the region. In January 2013, I became licensed to begin mortgage lending. Since that time, AFI has funded three loans, totaling \$433,000, to individuals living in King Cove and Sand Point. In addition, we have loan requests of over \$1,245,000, with the majority of those requests coming from residents of the Aleutians East Borough. AFI is partnering with First National Bank for loan servicing of these loans at no cost to AFI, thereby strengthening the continuance of this funding stream.

Although AFI's focus thus far has largely been on home loans (we have provided loans non-mortgage loans to entities in both Nelson Lagoon and Adak), it is important to note that we have the flexibility to provide loans outside of mortgages. For example, if we had sufficient operating capital we could provide loans for the acquisition of fishing vessels, quota shares, upgrades to vessels, funds to establish new or expand existing businesses. Along those lines we are developing a plan to acquire those funds. For example, if an entity were to loan AFI a substantial sum of money we believe we could generate \$2 as a match donation for every \$1 loaned.

Our intention is to become self-sufficient through the use of the interest income and fee revenue generated from all of our loans. Self-sufficiency should be reached when our loan portfolio reaches \$4 million. In efforts to sustain activity, our staff has also voluntarily reduced hours and salaries, and our board is looking at expanding our service area in order to stay in business and continue these much

needed services. If the AEB provides us with additional funds we will move forward and develop a business plan describing how we will reach self-sufficiency.

AFI was initially funded by the Aleutian Housing Authority, and subsequently with funds donated by APICDA, TAC, AEB, and APIA. It was originally envisioned that each of the founding members (AHA, TAC, APICDA, AEB, and APIA) would contribute \$50,000 in seed money to cover operating expenses. AHA has exceeded that amount and APICDA has met that amount. Both TAC and AEB have each contributed \$10,000. It is our hope that both AEB and TAC will contribute an additional \$40,000 each; thereby bring those donations up to the intended \$50,000 contribution from each founding member.

Due in huge part to changes at the federal level, operational funding that was once available to AFI has been directed to larger entities with strong capital streams. As a result, AFI has not received the operational or lending funds as anticipated.

AFI has come to a pivotal point in its existence: we simply have run out of operating capital to continue our lending activities. That is why your support is so critical at this time. We have a similar request (for \$40,000) to the Aleut Corporation, but they will not be able to respond until their August meeting.

The combination of your generous donation of \$40,000, and with staff reductions, will allow AFI to remain open for another four to six months. During that time AFI will strive to close some of the pending home loans in the region. In addition, as mentioned above, we will complete a comprehensive business plan that will include looking at development of potential partnerships in other interested service areas and building additional resources to reach our self sufficiency goal. It is important to note that these partnerships will also be expected to contribute seed operating funds, in much the same way the founding members have.

We hope the AEB is able to support our request. Thank you for your consideration. Please contact me or any of the AFI board members if you have questions or seek additional information.

Sincerely,



Lori Canady
CEO
Aleutian Financial, Inc.
5099 E. Blue Lupine Drive, Suite #215
Wasilla, AK 99654-0480

Cc: Thomas Mack, AFI President
The Aleut Corporation, President

Bill Shaishnikoff, AFI Vice-President
Bering Shai Construction, Owner

Stanley Mack, AFI Secretary
Aleutians East Borough, Mayor

Patti Bozzo, AFI Treasurer
Wells Fargo, RE Industry Specialist

Larry Cotter, AFI Director
Aleutian Pribilof Island Community Development Association, CEO

Dan Duame, AFI Director
Aleutian Housing Authority, Executive Director

Dimitri Philemonof, AFI Director
Aleutian Pribilof Islands Association, President/CEO



Aleutian Financial

Stanley Mack
Aleutians East Borough
3380 C St., Suite 205
Anchorage, AK 99503

Dear Mr. Mack,

Please accept this letter from Aleutian Financial, Inc. (AFI), a 501(c) (3) nonprofit Corporation in the State of Alaska, as a request for the remaining \$40,000 of which was committed during the formation of AFI. In 2008 all of the founding members committed to seed money of \$50,000 each. We thank AEB for the donation of \$10,000 in June of 2010; with these funds we were able to gain certification from the Dept. of Treasury.

AFI has partnered with Alaska Housing Finance Corporation to become an approved lender whereby giving AFI access to millions of dollars in funding for home loans in the Aleutians. At this time we are asking all of our founding members to fulfill their commitment to AFI.

Thank you,

Lori Canady
CEO

Aleutian Financial, Inc.
5099 E. Blue Lupine Drive, Suite #215
Wasilla, AK 99654-0480

OLD BUSINESS

Funding Requests:

Mayor Mack said AFI requested \$50,000 but they have received funding since their request. The Administrator said AFI received funding from APICDA and The Aleut Corporation. Also, Aleutian Housing Authority gave them a \$90,000 interest free loan. She said the financial report, 900 Other Dept., youth services line item is for donations. The Finance Director said that, with the expenditure overages in the 900 dept., the \$18,400 may be reduced to balance other line items in that dept. Mayor asked for suggestions. Joe does not approve all the funding requests saying that one of the requests might open doors to other requests to run operations. Justine agrees with Joe and also feels that the summer culture camp benefits many. Joe asked for a suggestion from the Administrator for AFI. Administrator suggested giving culture camp \$7,000 and AFI \$10,000.

MOTION

Joe moved to donate \$7,000 to Culture Camp, \$10,000 to AFI. Second by Ken.

ROLL CALL

Justine-yes, Marvin-yes, Paul S.-yes, Joe-yes, Ken-yes. Advisory: Tom-yes. Passed.

NEW BUSINESS

Kvichak Marine Contract Approval:

The contract begins the marine link process by contracting with Kvichak Marine for the design of a hovercraft to Akutan.

MOTION

Joe moved to approve the Kvichak Marine contract and second by Marvin.

ROLL CALL

Joe-yes, Paul S.-yes, Ken-yes, Marvin-yes, Justine-yes. Advisory: Tom-yes. Passed.

S&S General Contractors:

The contract amount for the Cold Bay terminal repairs is \$843,141.

MOTION

Joe moved to approve the S&S General Contractor contract. Second by Ken.

DISCUSSION

Joe asked where the money is coming from. The Administrator said it would have to be added into the budget. It is money we hope we will recover in arbitration with original architect and building contractor in addition to recovering legal fees. She said there were seven responses. Joe asked how much the AEB has put into the terminal from our pocket. The Administrator said in the range of \$1M, but also revenue is coming in from terminal. Mayor Mack said in order to satisfy a tenant we are obligated to do the repairs.

4/15/13

Aleutians East Borough

PO Box 349

Sand Point, AK 99661

Dear Aleutians East Borough Assembly and Mayor,

I am an Area M set netter who is concerned about our fisheries, and not being able to fish in the August, September, and October months, due to the lack of protection of our streams. I made phone calls to the ADFG in Kodiak and the State Troopers. The State of Alaska has cut their funding for putting up stream markers, and having stream guards. Without the fishing fleet fishing, no one is making any money during this time, including the Borough. This is hurting our communities.

There are a number of things we can do on a local level to protect our fisheries. First, we can create a committee dedicated to self-policing our streams. This would mean that fishermen would be committed to making sure other fishermen are not breaking the rules, and if so, the law breakers would be turned in. Many of us realize that if we do not protect what we have now, we may not have anything in the future. By creating a coalition of fishermen to assist in prosecuting "creek robbers," eventually people will stop fishing illegally for fear of the consequences. Posting stream guards, according to ADFG, is not an option that they could fund.

Another thing we can do to help our fisheries would be to post fish markers around terminal areas. This would have to be done by a local charter, which would incur some costs, possibly \$5000. The ADFG has told me that they have a supply of markers in their warehouse, but they don't have the funding to put them up themselves. Treated, movable, tripod markers would be needed for 40 creeks. It would cost \$6100 for hardware. Green metal fence posting would also be needed, at a cost of \$2500.

In addition to posting markers, it would also prove beneficial to clean up some river mouths, where needed. This would ensure that salmon could return to their native streams without any obstacles. We may even have the chance to rebuild some dying stocks by doing this.

I believe the Borough can come up with some funding for this program and a program to go around and clean up the plugged up streams and lake systems. I believe with a system like this in place, the ADFG management will take a good look at this and open up our season, with the knowledge that there is some local protection out there, and fish returning in numbers. We all know that our borough is heavily reliant on raw fish taxes, and by being proactive on these problems, we can begin to rebuild that base of income. If fishermen are successful, the borough will be too.

Sincerely,

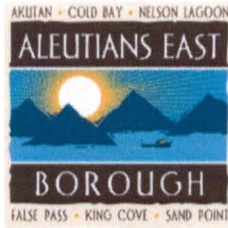
A handwritten signature in dark ink, appearing to read "John P. Gardner III", with a stylized flourish at the end.

John P. Gardner III

Concerned fisherman and taxpayer

CC: Qagan Tayagungin Tribe, Pauloff Harbor Tribe, Unga Tribe, Shumagin Corporation, Agdaagux Tribe of King Cove, Belkofski Tribe, King Cove Corporation

REPORTS AND UPDATES



Memorandum

Date: May 21, 2013

To: The Honorable Mayor Mack and Borough Assembly

From: Rick Gifford, Administrator *RG*

Re: Administrator's Report

Akutan Hovercraft Operations Update-April, 2013

The hovercraft operated 16 days in March of 2013. There were 11 days of bad weather and the hovercraft was out of service for repairs for 2 days in March. The hovercraft hauled a total of 189 passengers, 10,904 pounds of cargo and mail, no vehicles, and 2,923 gallons of fuel was delivered to the City and DOT. Total gross revenue for April was \$35,688 less the cost of fuel on fuel sales for net revenues of \$23,879. Attached is a summary of operations for April, 2013 and since inception on September 1, 2012. The total net revenue from September 1, 2012 through April 30, 2013 was \$231,451.

Izembek Land Exchange

The Interior Department has agreed to take a closer look at the environmental impact statement (EIS) by the US Fish & Wildlife Service (USFWS). Outgoing Secretary Salazar agreed with Senator Murkowski's request to conduct public meetings in King Cove with Assistant Secretary of Indian Affairs Kevin Washburn. The review process will be conducted by the Interior's Bureau of Indian Affairs and overseen by the new Secretary of the Interior, Sally Jewel. The current plans are for Assistant Secretary Washburn to travel to King Cove on Thursday, June 27 and leave on Saturday, June 29. We are currently working on an itinerary for his visit.

We continue to work with the Secretary of Interior's office, as well as Senator Murkowski and Senator Begich, to arrange a visit to King Cove in late summer or early fall. It is also possible that Governor Parnell will also join the group for this visit.

We continue to work with our lobbyist, the congressional delegation and various State people to provide Assistant Secretary Washburn and Secretary Jewell with the information they need to approve the land exchange.

Attachment.

April-13	<u>This Month</u>		<u>Since Inception</u>	
Total Days	30		212	
Days Vessel Operational	28	93%	200	94%
Days Out of Service	2	7%	12	6%
Mission Days Completed	16		116	
Mission Days Missed	2	7%	6	3%
Good Weather Days	19	63%	131	62%
Bad Weather Days	11	37%	81	38%
Service Reliability (includes weather)		53%		55%
Vessel Reliability (excludes weather)		84%		89%
Passengers (#)	189		1,579	
Medical Evacuation (#)	0		1	
Cargo/Mail (pounds)	10,904		89,143	
Vehicles (#)	0		14	
Fuel Delivered (gallons)	2,923		42,511	

- good weather but no mission on April 2nd

- out of service on 4/24-25 due to minor fire involving port lift engine

Total Days	number of days in the calendar month
Days Vessel Operational	days vessel is available for mission
Days Out of Service	days vessel is out of service
Mission Days Completed	days vessel served the route
Mission Days Missed	days vessel did not serve the route when weather was good
Good Weather Days	days when wind/sea/current/surf conditions allowed vessel operation
Bad Weather Days	days when wind/sea/current/surf exceeded the safe operating envelope of the vessel
Service Reliability	Mission Days Completed divided by Total Days
Vessel Reliability	Mission Days Completed divided by Good Weather Days
Passengers	total one-way passengers carried
Medical Evacuations	total medical evacuation trips
Cargo/Mail	total weight of cargo and mail carried
Vehicles	total number of vehicles carried
Fuel Delivered	total gallons of fuel delivered from Akutan to Akun

To: Honorable Mayor Mack and AEB Assembly

From: Anne Bailey, Community Development Coordinator

Subject: Assembly Report

Date: May 16, 2013

Akutan Harbor

I am in the early stages of writing a State of Alaska Harbor Facility Grant for Akutan Harbor Floats. I am working with City of Akutan on the Harbor Management Agreement and with the Aleut Corporation and City on the Conservation Easement.

Cold Bay Dock

On April 16, 2013, DOT issued an RFP under their term contract for the engineering portion of the Cold Bay Dock Repairs. Two responses were received last week and DOT has selected R&M Consultants, Inc. for this work. I assume this work will be completed by December of this year, which means the repairs will not be completed until the 2014 construction season.

CIAP Land Use Permitting Project

Rick, Tina, and I have attended numerous meetings with Susan Harvey to discuss the second portion of the Land Use Permitting project. To date, we have discussed commercial recreation, studies and sand/gravel permits.

CIAP Nelson Lagoon Coastal Erosion Study Project

On April 18, 2013, I issued a Request for Proposal for a contractor to conduct a Coastal Erosion Study in Nelson Lagoon. The proposals were due on May 2, 2013 and we are currently in the process of hiring a firm for this work. The data from this study will assist the community in future planning efforts by identifying safe locations for facilities and sustainable sites for future infrastructure development. The primary objective is to ensure protection of the coastal area along the Nelson Lagoon shoreline and provide the best methods to mitigate shoreline retreat. The ultimate goal is to achieve some preliminary design for mitigation projects that can be done by the community.



Erosion in Nelson Lagoon
Photos courtesy of HDR, Alaska

False Pass Harbor

The electric pedestals were installed in the False Pass Harbor this past summer and have already been damaged. The HDPE pipe has arrived in False Pass for this project and will be installed by City personnel soon.

APICDA – False Pass Steel Pile Dock

APICDA is interested in constructing a steel pile dock in the False Pass Harbor. The Tidelands Lease is before the Assembly as a public hearing item at the May Assembly meeting. The draft ordinance and tidelands lease has also been presented to APICDA for their review and consideration. Please see the packet for more information.

Contract Information

A list of active contracts that I am involved in are listed below:

- Alaska Chadux
False Pass and Akutan Harbor Oil Response Plan \$12,650
- URS
Akutan Harbor Floats
- Harvey Consulting
Land Use Permitting Project \$102,180

Other Items:

- I attended the Rural Renewable Energy Conference on April 29th through May 1st. I found the conference very informative and hope to initiate some of the energy conservation techniques in the region.
- I attended the APICDA conference on May 14th and 15th, which was extremely informative. I did a presentation at the conference providing an overview of AEB projects paying particular attention to the APICDA Communities.
- Assisting False Pass with their Community Development Block Grant for the generators.

As always, if you have any questions, comments or concerns please contact me at (907) 274-7580 or abailey@aeboro.org.



To: Mayor Mack and Assembly

From: Anne Bailey, Community Development Coordinator

Re: “Read a Book – Watch a Movie” Program

Date: May 3, 2013

At the December 13, 2011 Assembly Meeting, the Borough contributed \$1,500.00 for the “Read a Book – Watch a Movie” program. This program was a great success! This program was for young adults between the ages of 14 to 18 in Sand Point and was designed to encourage young adults to read in Sand Point. Twelve kids signed up to participate in the program and even more kids showed up for the movie night. The following books were selected for the program: Hunger Games, Eragon, Chronicles of Narnia, and Flipped. The participants read the book and then had an evening where they read the discussed the book and then watched the movie.

The participants had five chances to enter into a drawing to win a Kindle Fire. Congratulations go to Edmond Cumberlidge who won the Kindle Fire!

I would like to thank Marta Varga for taking on this event, which is outside of her school duties. She has gone above and beyond the call of duty and without her enthusiasm this event would not have been successful.

The kids have enjoyed this program so much they have requested to continue it next year. I do have some funds left over for this program and with Assembly approval would like to continue it.

Thank you so much for supporting this program and encouraging the youth in Sand Point to read!



Edmond and Dick Cumberlidge
Congrats Edmond for winning the Kindle Fire!

Shashirani B
kind code
A (11)

Autism

Sadie
King
Cove
Swimmers



Neel Semelsson

Thank you!

For your support of the

"Read a Book - Watch a Movie" Program

Mariah

We really enjoyed the program and appreciate your involvement in promoting reading in the community of Sand Point!

Clare
King Cove
Swimmers

Nicole
King Cove
Swimmers

Thank you,



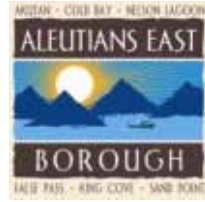
Logan

Edmond S-T

Zach

Faith

Devlin



To: Mayor Mack and Assembly

From: Anne Bailey, Community Development Coordinator

Re: Land Use Permitting Update

Date: May 6, 2013

The Borough has received grant funds from the Coastal Impact Assistance Program to develop a Resource Development Land Use Permitting System. The goal is to develop responsible resource use or extraction opportunities that will create local jobs and revenue while protecting community values and the environment.

In February 2013, the first task of the project was completed. This task included obtaining residents' opinions and recommendations on resource development land use regulation through community meetings. To supplement the community meetings an online survey was also available. Quite a few major findings and recommendations from the community meetings and the opinion survey resulted and are outlined in the Executive Summary portion of the Task 1 Summary Report. This report and appendices are attached for your reference.

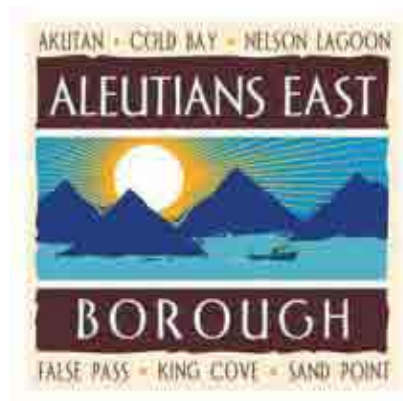
Harvey Consulting LLC is now in the process of doing the second step of the project. Task II involves refining the AEB Code Title 40, Chapter 20 Planning, Platting and Land Use, Resource Development. Rick Gifford, Tina Anderson and I are meeting with Susan Harvey weekly to go over certain types of permitting and possible permit application methods. A draft of the code revisions should be done this summer.

Aleutians East Borough

Resource Development Land Use Permitting System

Task 1: Community Involvement

Summary Report



Prepared for:
Aleutians East Borough

Prepared by:
Harvey Consulting LLC
Solstice Alaska Inc.

February 2013

This report was funded with qualified Outer Continental Shelf oil and gas revenues by the Coastal Impact Assistance Program, Fish and Wildlife Service, U.S. Department of the Interior.

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D.	"In the Loop" E-newsletter articles

EXECUTIVE SUMMARY

The Aleutians East Borough (AEB), with grant funds from the Coastal Impact Assistance Program, has begun a three year process to develop a Resource Development Land Use Permitting System. The goal of the project is to develop responsible resource use or extraction opportunities that will create local jobs and revenue while protecting community values and the environment. The AEB Municipal Code (AEBMC) will be revised to include the new system.

The first task of the project was to obtain residents' opinions and recommendations on resource development land use regulation through community meetings. Four communities were visited with 32 residents attending meetings. To supplement the community meetings the consultants designed, implemented and tallied the results of an on-line opinion survey. Twenty respondents completed the survey; the results were consistent with the opinions heard at the community meetings. This report summarizes the residents' opinions and recommendations and the information will be used by AEB and AEB's Consultants to develop a Resource Development Land Use Permitting System.

Major findings and recommendations from the community meetings and the opinion survey are listed below:

- Oil and gas, mining, extraction of gravel, sand, and rock, eco-tourism businesses (e.g. guided hunting, fishing, and bird watching, outfitters), alternative energy projects (e.g. geo-thermal and hydro-electric), aqua-culture, and the production of drinking water were recommended for inclusion in the permitting system.
- A more comprehensive and rigorous permitting process should be required for higher environmental, social or economic risk to the region and the residents. Oil and gas and mining, with high risk, should have a comprehensive permitting system. Small scale gravel and some eco-tourism businesses, with low risk, should have a less rigorous permitting system.
- Universities and non-profit organizations should have to obtain a Borough permit to conduct studies (e.g. wildlife, air or water quality) related to a resource development; however, in the community meetings, residents agreed that studies should be subject to a less intense permitting process.
- A streamlined permitting process, with lower permit fees should be available for local entrepreneurs and businesses to expedite projects, like alternative energy or gravel extraction, which have value to the communities.
- Residents understand the delicate balance between covering the Borough's costs of implementing the permitting system and discouraging development by making the developers' costs too high. However, residents recommended more research and reporting to better understand how fees and penalties were applied in other Alaskan communities.

The community meetings and opinion surveys produced many interesting and valid suggestions for general permit stipulations and offered other opinions and recommendations that are detailed in the full report's sections 3.1 and 4.1.

1.0 Introduction

The Aleutians East Borough (AEB), with grant funds from the Coastal Impact Assistance Program, has begun a three year process to develop a Resource Development Land Use Permitting System. The goal of the project is to develop responsible resource use or extraction opportunities that will create local jobs and revenue while protecting community values and the environment. This project is a high priority for the Borough because it has abundant resources, including oil and gas, minerals, sand, gravel, geo-thermal energy, and wildlife but, presently without the Coastal Management Program, it has limited locally mandated rules to manage development.

This report presents results of the January 2013 public meetings, held in four of the six Borough communities (Cold Bay, King Cove, False Pass, Nelson Lagoon and Sand Point), to discuss the Resource Development Land Use Permitting System Project. It also presents the results of a Borough-wide opinion survey. The survey was conducted primarily on-line; however, a hard copy was also mailed to each mailbox in Akutan (where a community meeting was not planned). The survey was conducted in January 2013. Records of meetings, the survey and other documents are appended to this document.

2.0 Methods

The project began with community meetings in Cold Bay, King Cove, False Pass, Nelson Lagoon and Sand Point in January 2013 to solicit suggestions, offer ideas, and ask important questions about how the permitting system might work. A community meeting was not planned in Akutan because of because flight access was logistically challenging at that time. The meetings were advertised with flyers in public spaces and through the Borough's e-newsletter.

At the same time an on-line opinion survey was advertised throughout the Borough through the Borough's e-newsletter (twice) so that those who could not attend the public meetings could provide input. The same survey in hard copy was mailed to all Akutan mailboxes, as an alternative to an Akutan community meeting.

3.0 Community Meetings

AEB's Community Development Director and AEB's consultant, travelled to Cold Bay on January 14, 2013 and the meeting was held from 6:30 to 8:20 pm. Only four residents attended the meeting, but the residents who attended were interested, engaged, and offered their opinions and ideas freely. The City Mayor, an assembly member, the City Administrator and a city council person attended. AEB's Community Development Director kept notes and participated in the activities and AEB's consultant led the meeting.

The next day, Tuesday, they travelled to King Cove and held the public meeting from 6:30 to 8:00 pm. In King Cove, four residents attended the meeting, including the City Mayor, an AEB staff member, and an assembly member. Participants were actively engaged, discussions were interesting, and resulted in good ideas.

On Wednesday, AEB's Community Development Director and AEB's consultant travelled to False Pass and held a meeting from 10:30am to noon. Eight False Pass residents attended the meeting, including an assembly member and city council person.

The flight from False Pass to Nelson Lagoon was delayed and it was past the scheduled meeting time when the team arrived in Nelson Lagoon. The Village Administrator met the plane and said that the community was pre-occupied with a personal matter and she didn't think anyone would come to the public meeting. The meeting was cancelled. The Development Director and consultant did, however, spend over an hour explaining the project to the Village Administrator and two other Nelson Lagoon community members and asked for their help in getting Nelson Lagoon residents to complete the survey either in hard copies provided or on-line.

The following Tuesday, January 22, 2013, the AEB Consultant travelled to Sand Point where a community meeting was held that evening from 6:30-8:00 pm. Thirteen Sand Point residents attended the meeting, including the Borough Mayor, the Borough Clerk and City Mayor and two assembly members.

All the meetings began with the Power Point presentation which provided a history of the Coastal Impact Assistance Program funding for this project, a very brief history of AEB permitting efforts to date including work done in anticipation of oil and gas development in the early 2000's. The Power Point presentation provided a map of the Resource Development District and laid out the project goals and objectives and tasks with a general timeline. The presentation is attached as Appendix A.

The AEB Consultant asked the audience in each community to list the resources available for development within the Borough boundaries. Oil and gas, mining, small gravel extraction, large scale gravel, sand, rock extraction, and eco-tourism (defined as hunting, fishing guides and other guiding businesses like bird watching or back country skiing) were listed on poster paper. In Sand Point, energy development (such as wind turbines, hydro-electric plants, and geo-thermal facilities) was added to the list.

For each type of resource development, the AEB Consultant drew lines representing a continuum of permitting system options from: no permitting system; to a permit application only; to a permitting application and approval process with stipulations; to a comprehensive permitting system with an application, stipulations, inspections, audits and possible penalties. Meeting participants were given stickers and asked to place a sticker anywhere on each line where they believed the appropriate permitting system should apply to each type of development. The energy development category was recommended by Sand Point, and the responses to that category were only provided by Sand Point participants. Not all participants used all their stickers therefore the numbers in the table below are not consistent with the number of meeting attendees. The results are summarized in Table 1 below:

Table 1. Number of Meeting Participant Responses to Types of Permitting Systems

Permit Type	No Permitting Process	Applications Only	More than just an Application	Stipulations Applied to Permit	Almost Full Permit System	Comprehensive Permit System
Oil and Gas				1		29
Mining				3		28
Small Scale Gravel	2	11	2	12	2	1
Larger Gravel, Rock				11		17
Eco-tourism		8	4	9		8
Energy (i.e. wind)		4		9		2

Table 1 data and meeting discussions revealed that the residents recommend a strong correlation between the intensity and strength of the permitting program and the environmental, economic and social risk in the development. Oil and gas and mining, with high risk, should have a comprehensive permitting system. Small scale gravel and some eco-tourism, with low risk, could have a less intense permitting system. Only one person in all meetings was against applying any type of permitting system to small development. A majority of residents supported applying stipulations to most approved permits.

The AEB Consultant then asked the group what kind of a permitting system should apply to exploration activities like those currently taking place near Sand Point by a Chilean mining company. Then the Consultant asked how university or other studies (e.g. studies done before a Resource Development Project can begin) should fit into the matrix. Examples of studies discussed included: water quality, caribou counts, and air quality. Results by community are shown in Table 2 below:

Table 2. Community Responses to Types of Permitting Systems for Exploration and Studies

Permit Type	No Permitting	Applications Only	Stipulations	Comprehensive System
Mining Exploration			Cold Bay	Sand Point, False Pass, King Cove
Studies			Sand Point, False Pass, King Cove, Cold Bay	

Table 2 data and meeting discussions revealed that residents recommend mining exploration should be subject to a comprehensive permitting system, but studies should require less oversight after the permit is issued. Residents recommended thorough reviews of study projects in the application stage. They said that the permits include stipulations such as clean up and restoration of the project area.

Only in Cold Bay and False Pass was there sufficient time for the next activity wherein residents paired up. One person of each pair played the role of a developer of a small or large scale gravel operation or a hunting guide. The other resident played the role of the Borough staff who was tasked with getting money from the developer to process the application.

The AEB Consultant gave the developer \$1,000-\$2,000 (depending on the kind of development) in various denominations of play money. Developers were also told that they could opt to take their business development to the Lake and Peninsula Borough if they felt the Borough was asking for too much money. The Borough staff tried to get as much money as possible and the developers tried to keep their costs as low as possible. For about fifteen minutes, the pairs negotiated.

After the exercise, participants talked about how much money traded hands and what arguments were used. In both communities only one pair failed to come to a compromise—and everyone seemed to have fun. One pair left the meeting still discussing their negotiations. Participants understood that the Borough will need funding to implement the permitting process. They understand that there is a fine line between covering all costs and discouraging development in the region.

Cold Bay and False Pass residents recommended that AEB look at other Boroughs' permitting fees to help determine how the AEB's fees can be fair and competitive. Cold Bay residents recommended that

the permitting rules include flexibility to negotiate with developers, if needed. For example the AEB, working with the City perhaps, could offer reduced moorage fees or other benefits to help reduce the developer's costs. This ability to negotiate would be especially important, it was felt, if the business was desirable or if a local entrepreneur was involved.

Each meeting concluded by asking general questions about other natural resources to be included in the permitting process, what general stipulations should be included in approved permits, for recommendations regarding fees and penalties, and finally any other comments. The AEB Consultant provided hard copies of the survey and left the survey website address for everyone to pass along to their neighbors. The AEB Consultant and AEB Development Director thanked everyone for their participation. The AEB Consultant asked everyone to consider being a member of the Planning Commission by contacting the AEB Borough Clerk in Sand Point.

The meetings minutes are attached as Appendix B.

3.1 Meetings Summary

Topic:	Permit Type
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Comments:	Residents at the meetings supported oil and gas, mining, large scale and small scale gravel, rock, sand extraction, eco-tourism businesses, and alternative energy production development in the Borough.
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AEB Code:	§ 40.01.060 Definitions. Section G. "Resource Development"; § 40.20.050 Approval Criteria
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Next Steps:	AEB should consider revising the definition of Resource Development to add: eco-tourism businesses and alternative energy production.
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Topic:	Permitting System Complexity
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Comments:	The intensity and strength of the permitting program should be tied to the risk of the development. Oil and gas and mining (with high risk) should have a comprehensive permitting system. Small scale gravel and some eco-tourism (with low risk) could have a less intense permitting system. Only one person in all meetings was against applying any type of permitting system to small development.
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AEB Code:	§ 40.20.010 - § 40.20.070 Resource Development
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Next Steps:	The AEB should consider a comprehensive permitting system for oil and gas and mining projects. However, the AEB should consider a less onerous, time-consuming and expensive permitting system for development with less risk to community values and the environment.
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Topic:	Alternative Energy
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Comments:	AEB should add alternative energy projects, like geo-thermal, wind and hydroelectric development projects to development that requires an AEB permit. Alternative energy
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projects should have a more streamlined permitting system with applications and stipulation and mitigation measures. A less onerous system would encourage more alternative energy.

AEB Code: § 40.20.010 - § 40.20.070 Resource Development; § 40.01.060 Definitions. Section G. "Resource Development"

Next Steps: AEB should consider adding a definition for "alternative energy development" to the code (e.g. geo-thermal, wind and hydroelectric development projects). AEB should consider whether alternative energy projects should be included in the resource development land use permitting system. AEB should consider the merits of using a more streamlined permitting process to expedite alternative energy generation projects.

Topic: Eco-Tourism

Comments: The AEB should know what guided fishing and hunting is occurring within its boundaries and who is conducting eco-tourism. All eco-tourism development should, at a minimum, be required to complete an application. Two communities expressed very strong support for a comprehensive permitting system for hunting and fishing guides.

AEB Code: § 40.20.010 - § 40.20.070 Resource Development; § 40.01.060 Definitions. Section G. "Resource Development"

Next Steps: AEB should consider adding a definition of "eco-tourism" to the code. AEB should consider including eco-tourism in the permitting system with rigorous permit stipulations as a minimum.

Topic: Exploration Permits (Oil and Gas and Mining)

Comments: Permits should be required for all oil, gas, and mining exploration activities. Most residents agreed that a comprehensive permitting system with all the elements (application through inspections and audits) was necessary.

AEB Code: § 40.01.060 Definitions. Section G. "Resource Development"; § 40.20.050 Approval Criteria

Next Steps: AEB should consider development of a comprehensive permitting system for oil, gas, and mining exploration projects.

Topic: Study Permits

Comments: For study projects, in support of Resource Development, should be required to submit an application that is approved with stipulations. A large scale permitting system, including inspections and audits, is not necessary, unless a problem is reported. A study permit stipulation should be that the AEB receive a copy of the study.

AEB Code: § 40.01.060 Definitions. Section G. "Resource Development"; § 40.20.050 Approval Criteria

Next Steps: AEB should consider defining the term "study permits" in the code so it is clear that the permitting requirement would only apply to studies conducted in support of resource

development projects. AEB should consider a less comprehensive permitting system for study permits, including an application, and stipulations should be designed for studies. AEB should consider requiring copies of studies be made available to the AEB. Proprietary or confidential information could be redacted prior to submission to the AEB.

Topic: Drinking Water Bottling

Comments: AEB should consider adding drinking water bottling projects to the code. Permitting should apply if someone wants to bottle and sell drinking water.

AEB Code: § 40.01.060 Definitions. Section G. “Resource Development”; § 40.20.010 - § 40.20.070 Resource Development

Next Steps: AEB should consider defining “drinking water bottling projects” in the code, and include a permitting system for bottling or selling drinking water.

Topic: AEB Permitting is Another Layer to State and Federal Permits

Comments: Some residents were concerned that Borough permitting is another hoop for development and that it may impede development.

AEB Code: § 40.20.010 - § 40.20.070 Resource Development

Next Steps: AEB should carefully examine where existing state and federal permit processes already provide sufficient protection and where an incremental AEB permit system provides additional protections for local residents and resources not provided under the state and federal programs.

Topic: Will State and Federal Agencies be Required to Obtain a Borough Permit?

Comments: Some residents inquired about state and federal agency projects, specifically Army Corps of Engineers projects, within the Borough, and whether they would be required to obtain a Borough permit.

AEB Code: § 40.20.010 - § 40.20.070 Resource Development

Next Steps: AEB should consult with its attorney on whether the borough has the authority to require state and federal agencies to obtain a borough permit.

Topic: Existing Alaska Borough and Municipality Permitting System Design

Comments: Residents stated that it is important to look at other municipalities’ permitting systems, including fees and penalties, and find out what works and what doesn’t.

AEB Code: § 40.06.030 Planning Department Functions

Next Steps: AEB should consider evaluating the permitting systems of other Alaska boroughs and municipalities.

Topic: Resource Development Area

Comments: The current definition of the AEB Resource Development Area in the code was discussed in each community except Sand Point. Residents generally agreed that the permitting system should apply to all AEB lands not just the “Resource Development Area defined in the AEBMC § 40.15.040 as lands that include 160°00’00” and 162°00’00” degrees longitude, excluding the City of Sand Point and its boundaries, and the City of King Cove and its boundaries, and the Nelson Lagoon Residential and Commercial districts.

AEB Code: § 40.15.040 Establishment of Official Zoning Districts, Boundaries, and Map

Next Steps: AEB should consider whether the Resource Development Area should be redefined at AEBMC § 40.15.040. A revision to the definition would require Assembly approval per §40.15.040(d). AEB should review implications of this recommendation with the AEB attorney and the Assembly. Expansion of the Resource Development District to match the entire AEB area would mean that no area of AEB would be off limits to Resource Development unless specified in code or in general stipulations.

Topic: AEB Permitting Authority on Native Corporation Lands

Comments: Some residents questioned whether the Borough has authority to require permitting on Native Corporation lands or any authority to dictate what development can and cannot be done. Some residents were concerned that the Borough is adding an extra burden on small developers that is not necessary or productive. Others questioned how the AEB’s permitting system and fees would work if the Native Corporation already has a permit system and fees. Some members of the Native Corporations thought it would be appropriate for the Borough to meet with the Corporation boards to discuss how a permitting system would help or hurt their resource development efforts on Native Corporation lands. Another suggestion was to discuss permitting systems with the tribal councils. Some comments were of a positive nature. One comment was that the corporations would be grateful for the assistance. Other comments were not positive with the main negative concern that Borough would be duplicating what the landowners (specifically, the Native Corporations) are already doing.

AEB Code: § 40.01.020 Geographic Scope “This title applies to all private, state, federal, Borough, and municipally owned lands, tidelands, submerged lands and waters within Borough boundaries.”

Next Steps: AEB should consider working with the Borough’s attorney to clarify AEB’s authority on Native Corporation lands. The AEB should meet with Native Corporations.

Topic: Permit Approval Criteria

Comments: Risk mitigation to fish, fish habitat, subsistence and the seafood industry as a whole was most important. Risk mitigation for wildlife, in particular caribou, and long term risk to communities’ schools, housing, clinic, drinking water was mentioned. One person mentioned the risk to land and clean-up of trash.

AEB Code: § 40.20.050 Approval Criteria; § 40.01.060 Definitions H. “Scientific Advisory Council”

Next Steps: The AEB should consider paying special attention to fish, fish habitat and subsistence resource risk mitigation. AEB should consider whether and when it will establish AEB's "Scientific Advisory Council".

Topic: Sand and Gravel Project Impact

Comments: Heavy equipment used in sand and gravel businesses can cause damage on the local roads and create noise at night or early mornings.

AEB Code: § 40.20.010 - § 40.20.070 Resource Development

Next Steps: AEB should consider heavy equipment standards for noise Mitigation.

Topic: Gravel Operation Size

Comments: It is important to differentiate between large and small gravel operation development. One person recommended differentiating between large and small gravel operations by the number of cubic yards removed. Most residents didn't like the idea of using number of employees in a gravel operation to determine gravel operation size like Lake and Peninsula Borough does.

AEB Code: § 40.20.010 - § 40.20.070 Resource Development

Next Steps: AEB should consider designing the permit application system to distinguish between large and small gravel operations, providing a more streamlined process for small gravel operations that have less impact.

Topic: Local Jobs and Training

Comments: The AEB must know that businesses are coming to the region well in advance so locals can get training for jobs.

AEB Code: § 40.20.050 Approval Criteria, Local Economic Development Plan

Next Steps: AEB should examine whether the existing code language at § 40.20.050 Approval Criteria, Local Economic Development Plan addresses this concern, or whether a revision is needed.

Topic: Permit Stipulation Ideas

Comments: Some suggested stipulations included: requiring preventive maintenance on equipment; businesses must return land to original condition; guides should not be allowed to fish/hunt in subsistence areas; and AEB always receives a copy of any studies/reports completed.

AEB Code: § 40.06.030 Planning Department Functions

Next Steps: AEB should consider developing standard stipulations to be included in approved development permits.

Topic: Public Communication and Outreach

Comment: Some residents suggested ways to communicate with the public including: postcards soliciting public comments; newsletters; radio; public postings; sharing company's quarterly reports and for contentious issues; and public meetings. One community suggested that it was important for the Borough to communicate with residents about oil and gas and mining but less about smaller development.

AEB Code: § 40.06.030 Planning Department Functions

Next Steps: AEB should consider developing guidelines which include various strategies for communicating with the public about permits.

Topic: Timelines and Deadlines

Comment: Data management is important. The Borough can't miss deadlines.

AEB Code: § 40.06.030 Planning Department Functions

Next Steps: AEB should consider specific timelines and deadlines for permitting actions and develop a permit data management system.

Topic: City Involvement

Comment: There should be a way for the cities to provide comments on development and specifically on permit applications.

AEB Code: § 40.06.030 Planning Department Functions

Next Steps: AEB should consider ways to involve cities in the permitting process.

Topic: Reduced Fees for Local Businesses

Comments: Local entrepreneurs should get a break on any fees for the development of a business that is beneficial to the community. For example, local gravel operation may reduce the cost of some residential and municipal projects.

AEB Code: § 40.01.050 Fees and Penalties

Next Steps: AEB should consider whether it is possible to provide reduced fees for local businesses; attorney advice should be sought.

Topic: Permit Enforcement

Comments: One participant asked how the Borough intends to enforce clean-up requirements. Another responded that the Borough should ask for help from State and Federal Governments.

AEB Code: § 40.01.050 Fees and Penalties; § 40.06.030 Planning Department Functions

Next Steps: AEB should consider whether state and federal contaminated site requirements are sufficient, or whether the borough should adopt its own supplemental requirements.

Topic: Penalties

Comments: Penalties should depend on the severity of what has happened. Penalties should increase with multiple infractions. Some participants said developers should pay a penalty or fix the problem; however, others thought that the developer should pay a stiff fine plus pay to fix the problem.

AEB Code: § 40.01.050 Fees and Penalties

Next Steps: AEB should consider penalty options by researching existing Alaska Borough and Municipality penalties.

4.0 Opinion Survey

To ensure that all residents had an opportunity provide input, the AEB Consultants recommended that an on-line survey be developed to maximize participation for the community of Akutan (where a meeting was not held due to logistical challenges) and to obtain input from residents that were unable to attend meetings in their community.

The survey was developed using the website called Survey Monkey. The survey is attached as Appendix C. Availability of the on-line survey was advertised in two issues of the Borough's e-newsletter; one before the community meetings in Cold Bay, King Cove, False Pass, Nelson Lagoon and Sand Point and another article after the meetings. Each article requested the public's involvement through either the on-line survey or the meetings or both. The articles dated December 28, 2012 and January 25, 2013 are attached as Appendix D. A hard copy of the survey was mailed from Anchorage to each Akutan household on January 10, 2013.

Eighteen responses to the survey were made on-line using the Survey Monkey website.¹ Two hard copy surveys were received then entered into the website. The low number of responses to the survey might be attributed to the lack of controversy surrounding the subject of a permitting system to be designed and implemented by the Borough. While having only twenty responses (or fewer to several questions) does not provide any measure of reliability, the survey results, tabulated and graphed here, do include good suggestions and comments that are consistent with those made in community meetings.

Anticipating that not only residents but also others who receive the e-newsletter might also complete the survey, the first question attempts to identify how many residents and how many non-residents responded.

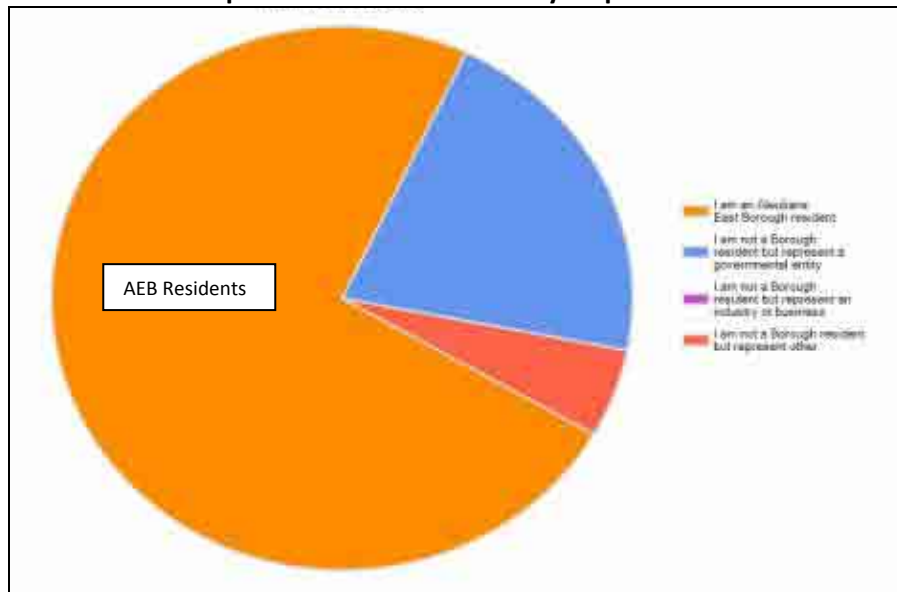
¹ www.surveymonkey.com/s/permittingsurvey

Survey Question No. 1

Question one asked respondents to identify themselves in one of the following four ways. One respondent skipped this question. Nineteen responded. The results were:

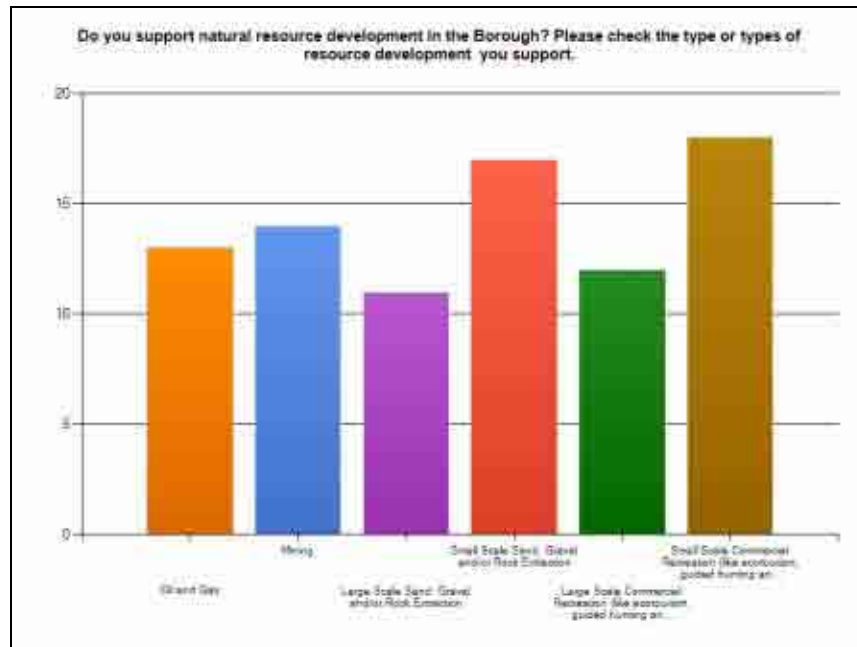
Respondent Type	Number of Responses	Percent
An Aleutians East Borough resident	14	74%
Not an AEB resident but represent a governmental entity	4	21%
Not an AEB resident but represent an industry or business	0	0%
Not an AEB resident but represent other	1	5%
Skipped this Question	1	

Graph 1. Who were the survey respondents?

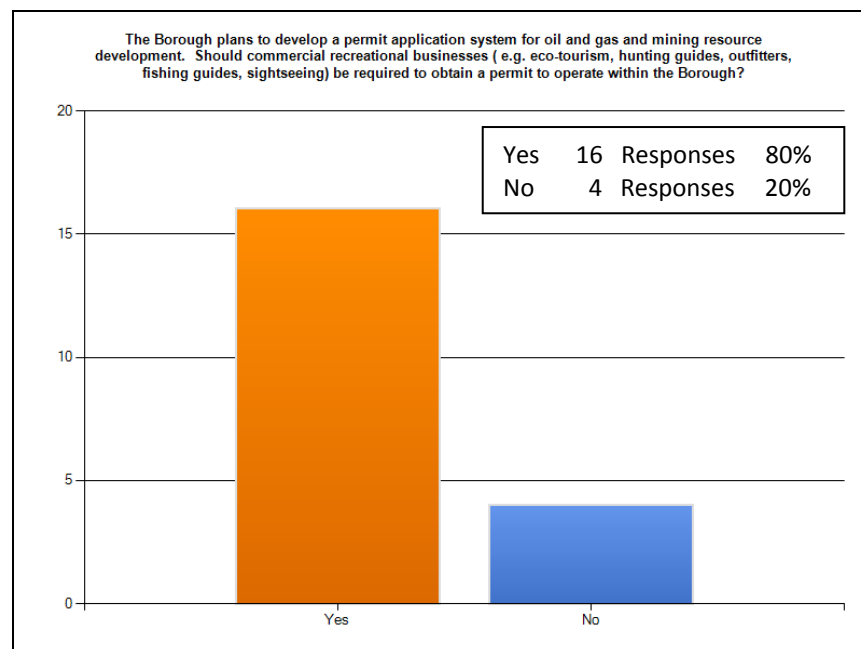
**Survey Question No. 2**

Question two asked the respondents to check the type, or types, of economic development they supported. Respondents could select one or more from the following types of development. One respondent skipped this question. Nineteen responded. The results were:

Type of Economic Development	Number of Responses	Percent
Oil and Gas	13	68%
Mining	14	74%
Large Scale Sand, Gravel and/or Rock Extraction	11	58%
Small Scale Sand, Gravel and/or Rock Extraction	17	90%
Large Scale Commercial Recreation	12	63%
Small Scale Commercial Recreation	18	95%

Graph 2. What types of economic development were supported?**Survey Question No. 3**

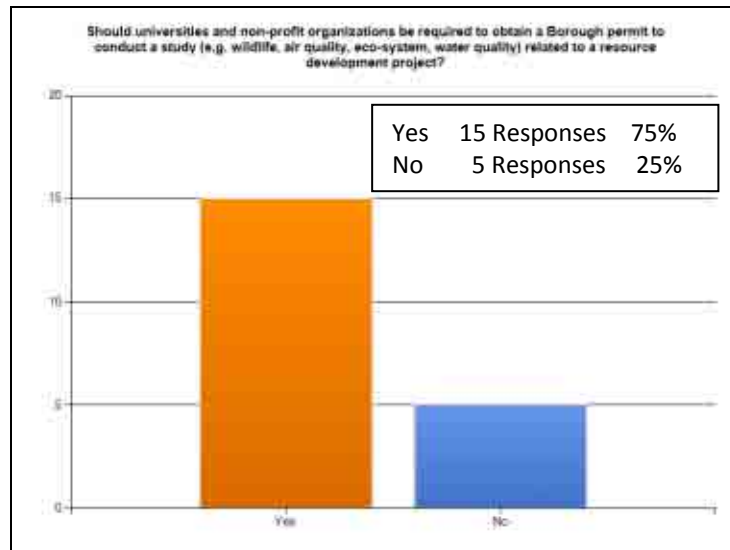
Question three was worded: "The Borough plans to develop a permit application system for oil and gas and mining resource development. Should commercial recreational businesses (e.g. eco-tourism, hunting guides, outfitters, fishing guides, and sightseeing) be required to obtain a permit to operate within the Borough?" All twenty respondents answered.

Graph 3. Should commercial recreation developers be required to get a permit?

Survey Question No. 4

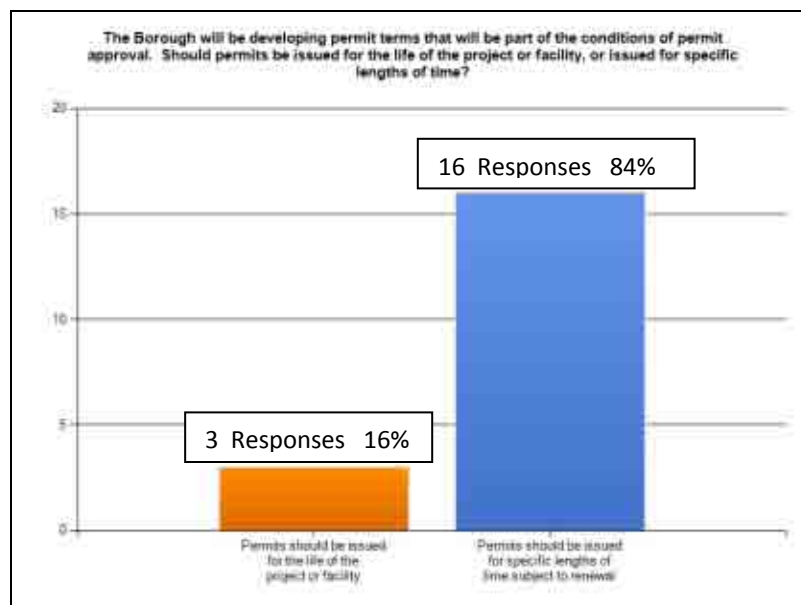
Question four asked if universities and non-profit organizations should be required to obtain a Borough permit to conduct a study (e.g. wildlife, air quality, eco-system, and water quality) related to a resource development project? All twenty respondents answered this question.

Graph 4. Should universities and non-profits be required to get a permit to conduct a study?

**Survey Question No. 5**

Question five was worded: “The Borough will be developing permit terms that will be part of the conditions of permit approval. Should permits be issued for the life of the project or facility, or issued for specific lengths of time?” The respondents were asked to check one of the two answers below. Of the twenty respondents, one skipped this question.

Graph 5. Should permits be for specific lengths of time or the duration of the project?

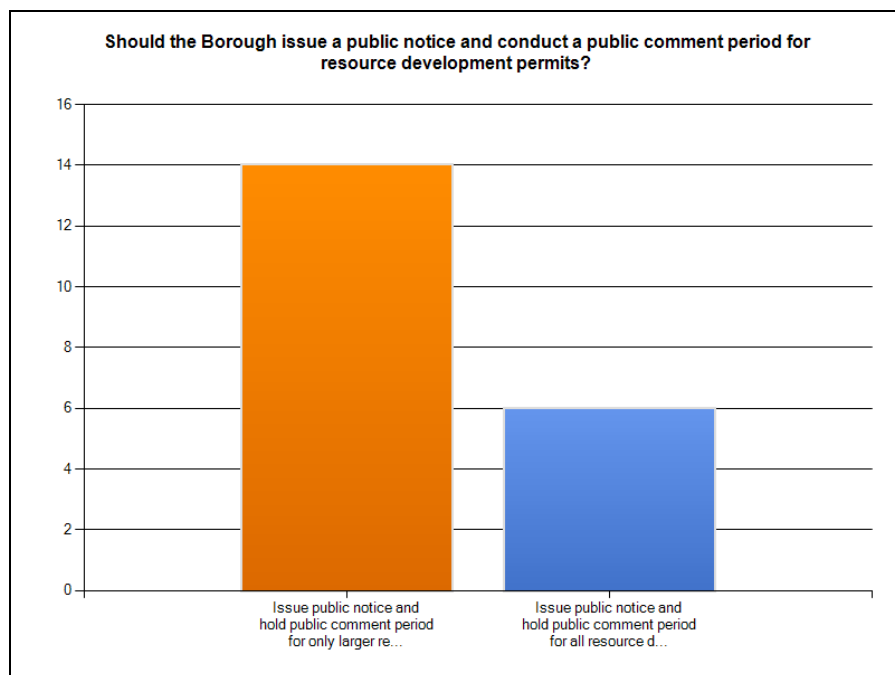


Survey Question No. 6

Question six asked if the Borough should issue a public notice and conduct a public comment period for resource development permits. Respondents were asked to choose between two alternatives. All twenty respondents answered this question.

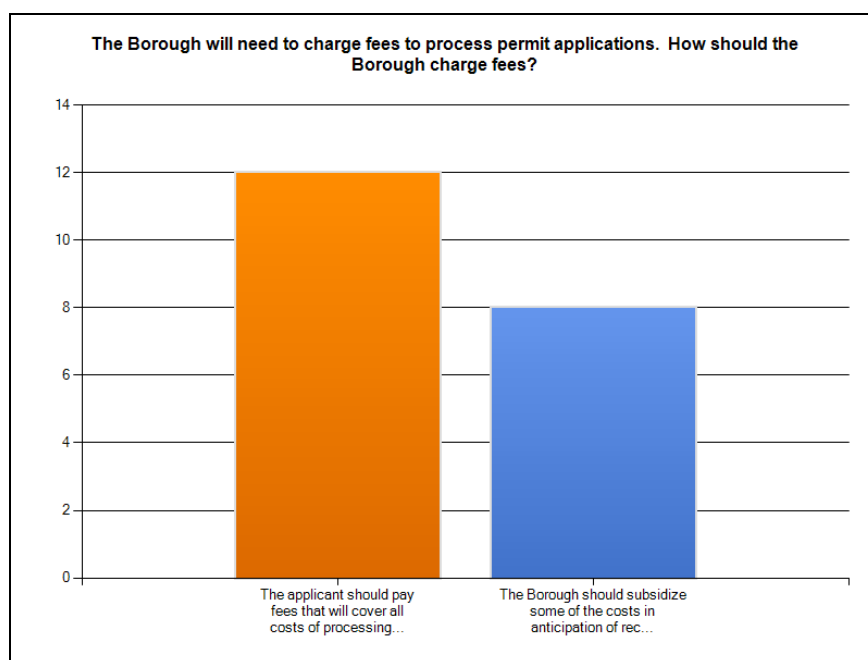
Community Outreach Type	Number of Responses	Percent
The Borough should issue public notice and hold public comment period for only larger resource development projects	14	70%
The Borough should issue public notice and hold public comment period for all resource development projects including small operations like guided hunting or gravel excavation.	6	30%

Graph 6. Should the Borough issue resource development public notices and hold public meetings?

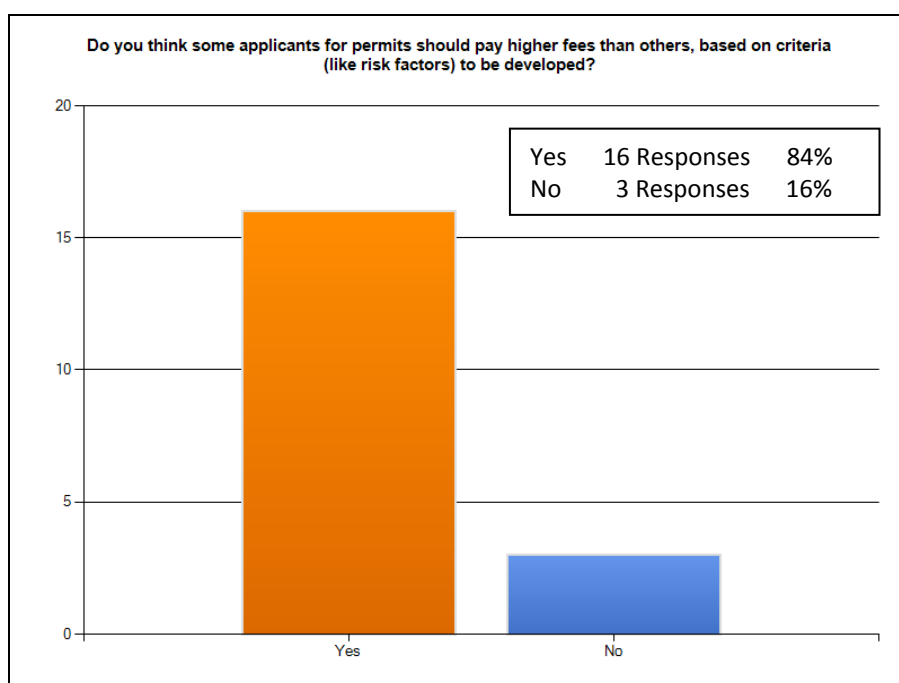
**Survey Question No. 7**

Question seven said that the Borough would need to charge fees to process permit applications and asked how the Borough should charge those fees. The respondents were asked to choose between two alternatives. All twenty respondents answered this question.

Fee Alternatives	Number of Responses	Percent
The applicant should pay fees that will cover all costs of processing the permit application.	12	60%
The Borough should subsidize some of the costs in anticipation of recouping some of the costs later through tax revenues.	8	40%

Graph 7. How should the Borough charge fees for applications?**Survey Question No. 8**

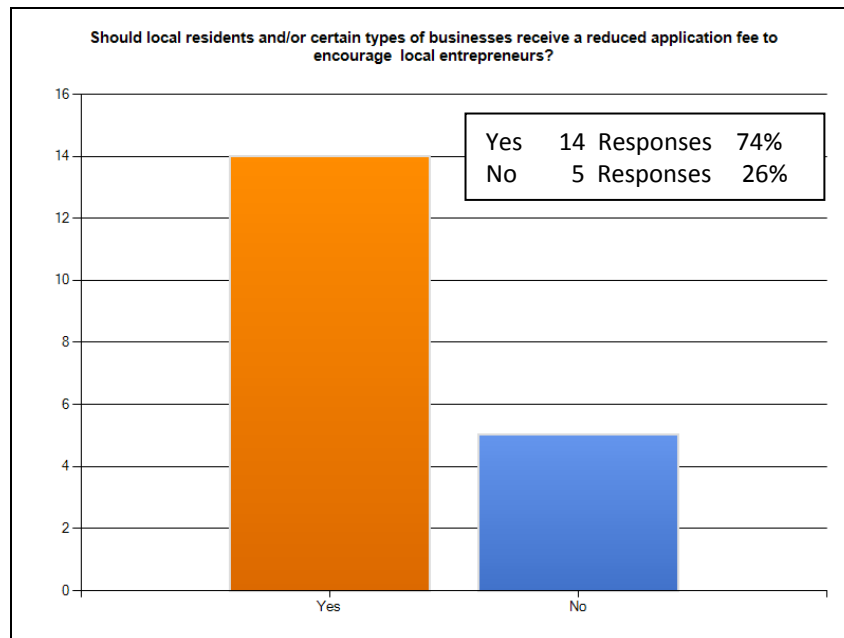
Question eight asked: "Do you think some applicants for permits should pay higher fees than others, based on criteria (like risk factors) to be developed? One respondent skipped this question.

Graph 8. Should higher risk applicants be charged higher fees?

Survey Question No. 9

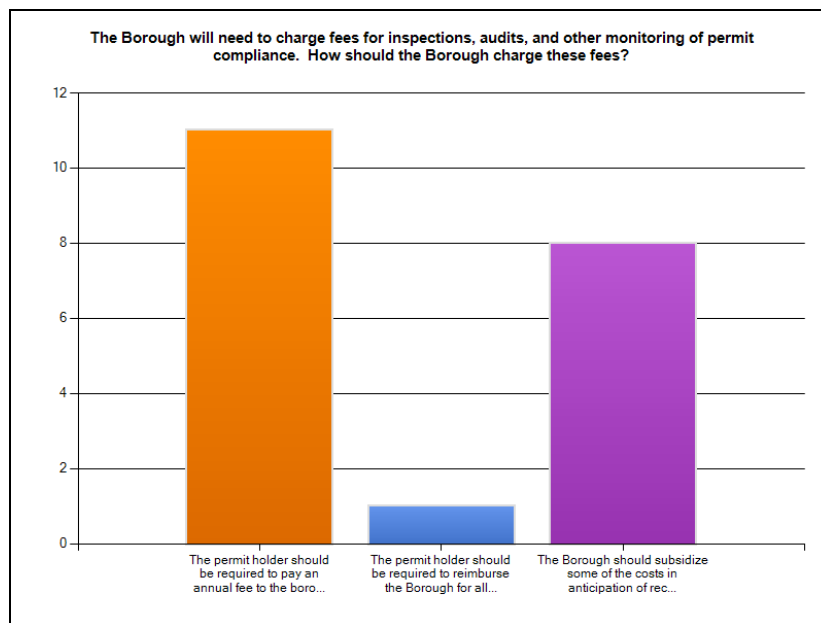
Question nine asked: “Should local residents and/or certain types of businesses receive a reduced application fee to encourage local entrepreneurs?” One respondent skipped this question.

Graph 9. Should locals or certain businesses pay reduced application fees?

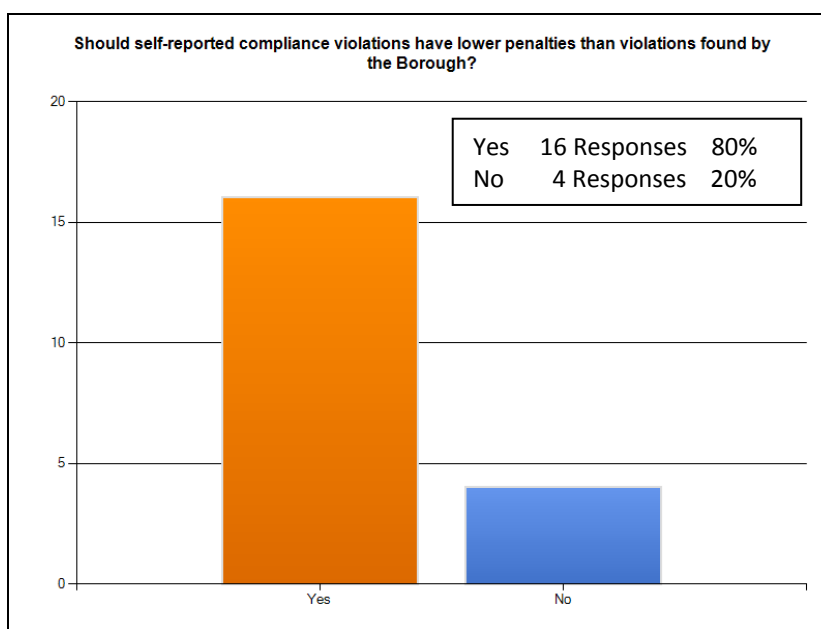
**Survey Question No. 10**

Question ten stated that the Borough will need to charge fees for inspections, audits, and other monitoring of permit compliance and asked how the Borough should charge those fees. Three choices were provided.

Fee Alternatives	Number of Responses	Percent
The permit holder should be required to pay an annual fee to the Borough to fund inspections, audits, and monitoring of permit compliance.	11	55%
The permit holder should be required to reimburse the Borough for all costs incurred by the Borough.	1	5%
The Borough should subsidize some of the costs in anticipation of recouping some of the costs later through tax revenues.	8	40%

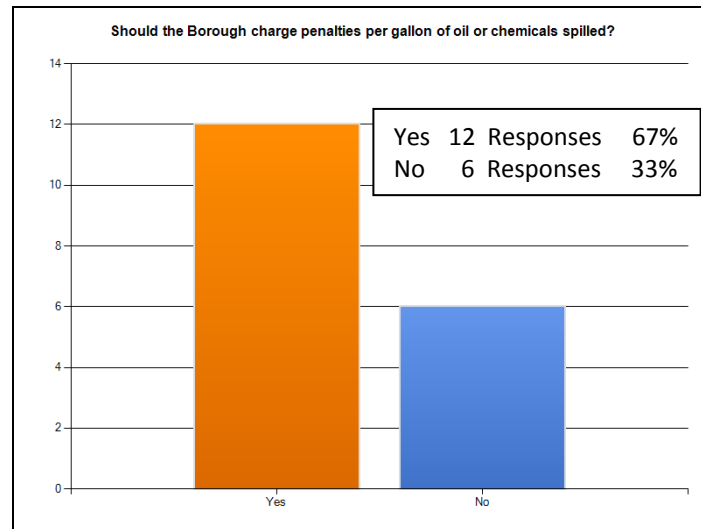
Graph 10. How should the Borough charge fees for compliance monitoring?**Survey Question No. 11**

Question eleven asked: "Should self-reported compliance violations have lower penalties than violations found by the Borough?" All twenty respondents answered this question.

Graph 11. Should self-reported compliance violations have lower penalties?

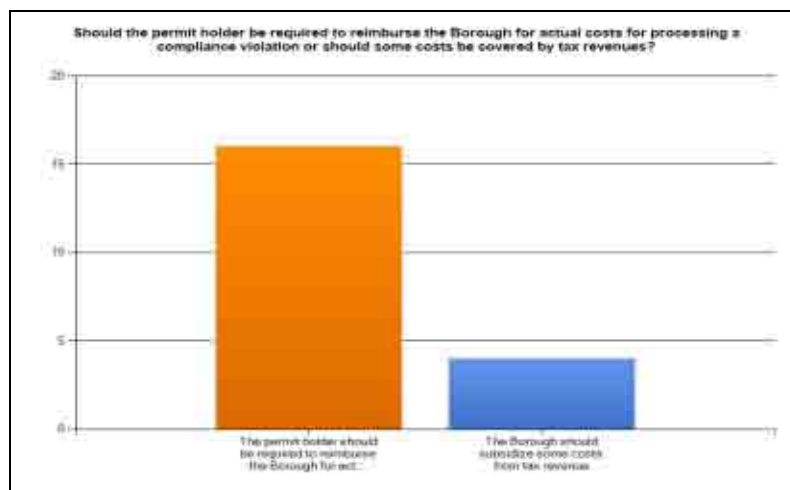
Survey Question No. 12

Question twelve asked: "Should the Borough charge penalties per gallon of oil or chemicals spilled?"
Two respondents skipped this question.

Graph 12. Should the Borough charge per gallon spilled penalties?**Survey Question No. 13**

Question thirteen asked if the permit holder should be required to reimburse the Borough for actual costs for processing a compliance violation or should some costs be covered by tax revenues? All twenty respondents answered this question.

Compliance Violation Cost Recovery	Number of Responses	Percent
The permit holder should be required to reimburse the Borough for actual costs.	16	80%
The Borough should subsidize some costs from tax revenue.	4	20%

Graph 13. Should the permit holder pay actual costs for processing violations?

Survey Question No. 14

Question fourteen stated that the Borough plans to develop a permit system for oil and gas, mining, and gravel and sand extraction projects and perhaps recreation businesses and asked if there were other resource development opportunities in the Borough that should be required to obtain a permit to operate? Five respondents answered the narrative question:

- 1) No
- 2) N/A.
- 3) Possible fisheries extraction. The production of drinking water.
- 4) Aquaculture
- 5) Alternative energy such as geothermal, hydro, thermal, etc.

Survey Question No. 15

Question fifteen stated that the Borough will be developing stipulations that will become part of the permit, if approved and asked if the respondents had any specific recommendations on permit conditions that the Borough should require. Six respondents answered the narrative question:

- 1) No
- 2) Development involving or close to salmon stocks will get extra scrutiny.
- 3) Time period from start to finish.
- 4) Require bond, insurance certificates, etc.
- 5) Oil and gas development should not be offshore.
- 6) Oil & Gas, Mining, Large Scale Sand and Gravel and Large Scale Ecotourism activities should have more permit conditions than the smaller businesses.

Survey Question No. 16

Question sixteen asked if the respondents had any recommendations for the Borough on how best to address local concerns that come up through the public comments on permit applications. Seven respondents answered the narrative question:

- 1) No
- 2) Town meeting of coming development local concerns.
- 3) Local concerns #1, permittee needs to address to satisfaction.
- 4) Surveys, social media
- 5) If they're reasonable, try to incorporate them into the permit application plan.
- 6) Answer directly to person submitting comment.
- 7) Use the Planning Commission to address resource concerns in communities.

Survey Question No. 17

Question seventeen asked: "Do you have any recommendations for the Borough that may relate to collecting fees or levying penalties?" Eight respondents had the following suggestions:

- 1) No
- 2) N/A.
- 3) Pattern after Feds. or industry standards. Levy consistent fining practices.
- 4) bond, insurance
- 5) It might be best to collect permit fees up front before allowing a project to go forward. That way, the Borough isn't out any money.
- 6) Make sure you have an online method of being able to collect fees and penalties.
- 7) Does not the Aleut corp own the surface and subsurface rights to the land in question?

- 8) Fees for small scale operations should be minimal and collected at the time the permit is submitted. For large scale operations (i.e. oil and gas) it might be nice to collect a large sum of money up front to pay for staff time and travel etc... that is needed throughout the life of the project.

Survey Question No. 18

Question eighteen asked: "Do you have any other recommendations in general on the planned resource development permitting system?" Five respondents offered the following:

- 1) No
- 2) N/A.
- 3) Expand area to include more Borough lands
- 4) Mining, oil or gas development should not be near fish spawning habitats. Fishing is a renewable resource, mining, oil and gas is not.
- 5) Look at how other boroughs/municipalities in the state treat resource development.

4.1 Survey Summary

Of the twenty survey respondents, 74% were Aleutians East Borough residents.

All types of development were supported by 58% or more of the respondents with small scale development receiving more support than large scale development.

Topic:	Commercial Recreation Permits
Question:	The Borough plans to develop a permit application system for oil and gas and mining resource development. Should commercial recreational businesses (e.g. eco-tourism, hunting guides, outfitters, fishing guides, and sightseeing) be required to obtain a permit to operate within the Borough?
AEB Code:	§ 40.20.010 Approval Required; § 40.01.060 Definitions. Section G. "Resource Development"
Survey Response:	80% of the respondents felt that commercial recreation operators should be required to get a permit to operate within Borough boundaries.
Next Steps:	AEB should consider including commercial recreation operators in the permitting system.

Topic:	Study Permits in Support of Resource Development
Question:	Should universities and non-profit organizations should be required to obtain a Borough permit to conduct a study (e.g. wildlife, air quality, eco-system, and water quality) related to a resource development project?
AEB Code:	§ 40.20.010 Approval Required
Survey Response:	75% of the respondents felt universities and non-profits should be required to get a permit to conduct studies within Borough boundaries.

Next Steps: AEB should consider requiring study permits for studies completed in support of resource development.

Topic: Permit Duration

Question: The Borough will be developing permit terms that will be part of the conditions of permit approval. Should permits be issued for the life of the project or facility, or issued for specific lengths of time?

AEB Code: § 40.20.030 Duration

Survey Response: 82% of the respondents felt that permits should be issued for specific lengths of time subject to renewal.

Next Steps: AEB should consider a limited permit durations.

Topic: Planning Department Functions

Question: Should the Borough issue a public notice and conduct a public comment period for resource development permits?

AEB Code: § 40.06.030 Planning Department Functions

Survey Response: 70% of the respondents felt that the Borough should issue public notices and hold public meetings for only larger resource development projects.

Next Steps: AEB should consider public notices and public meetings for large development projects to provide an opportunity for public involvement.

Topic: Permit Fees

Question: Borough will need to charge fees to process permit applications. How should the Borough charge those fees?

AEB Code: § 40.01.050 Fees and Penalties.

Survey Response: Not a clear mandate on fee payment. By a small margin, respondents said the applicant should pay all the permit processing cost over the Borough should subsidize some of the costs.

Next Steps: AEB should consider the fee systems used by other Alaska boroughs and municipalities for resource development.

Topic: Higher Permit Fees for Higher Risk Projects

Question: Do you think some applicants for permits should pay higher fees than others, based on criteria (like risk factors) to be developed?

AEB Code: § 40.01.050 Fees and Penalties.

Survey Response: 84% of respondents felt some permit applicants should pay higher fees than others, based on criteria like risk factors.

Next Steps: AEB should consider the higher fees for higher risk projects.

Topic: Reduced Permit Fees for Local Businesses

Question: Should local residents and/or certain types of businesses receive a reduced application fee to encourage local entrepreneurs?

AEB Code: § 40.01.050 Fees and Penalties

Survey Response: 74% of the respondents felt that local residents and/or certain businesses should receive a reduced application fee to encourage local entrepreneurs.

Next Steps: AEB should consider the lower fees for local businesses.

Topic: Inspection, Audit and Monitoring Fees

Question: Borough will need to charge fees for inspections, audits, and other monitoring of permit compliance. How should the Borough charge those fees?

AEB Code: § 40.01.050 Fees and Penalties.

Survey Response: There is not a clear mandate on fee payment. By a small margin, respondents chose permit holder pays annual fees over the Borough should subsidize some of the costs. Only one respondent choose the option of the permit holder reimbursing the Borough for costs.

Next Steps: AEB should consider the inspection, audit and monitoring fee systems used by other Alaska boroughs and municipalities for resource development.

Topic: Lower Penalties for Self-Reported Violations

Question: Should self-reported compliance violations have lower penalties than violations found by the Borough?

AEB Code: § 40.01.050 Fees and Penalties.

Survey Response: 80% of respondents felt that self-reported compliance violations should have lower penalties than violations found by the Borough.

Next Steps: AEB should consider lower penalties for self-reported violations.

Topic: Oil and Chemical Spill Penalties

Question: Should the Borough charge penalties per gallon of oil or chemicals spilled?

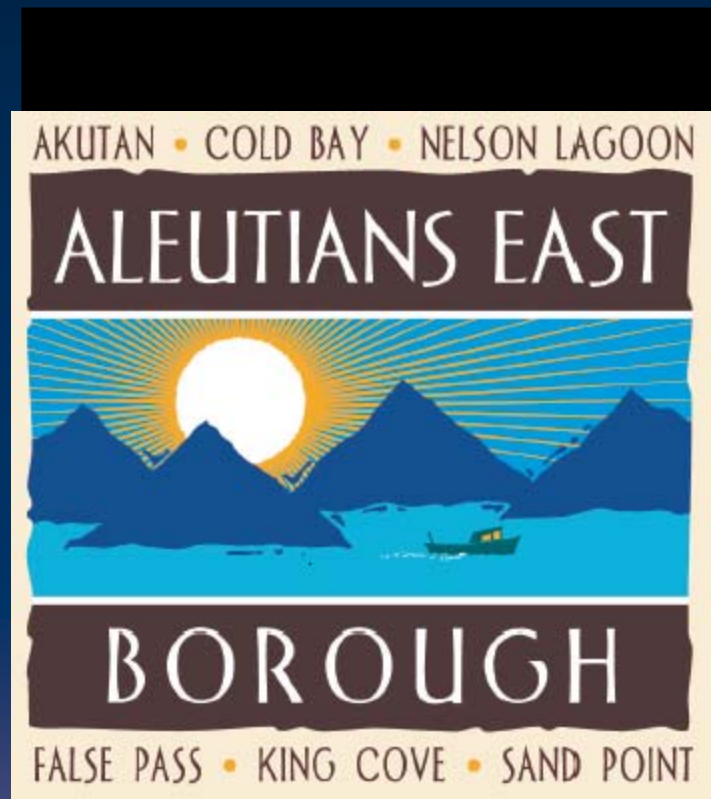
AEB Code: § 40.01.050 Fees and Penalties.

Survey Response: 67% of respondents felt that the Borough should charge penalties on a per gallon spilled basis.

Next Steps: AEB should consider oil and chemical spill penalties.

Topic:	Penalties for Processing a Compliance Violation
Question:	Should the permit holder be required to reimburse the Borough for actual costs for processing a compliance violation or should some of the costs be covered by tax revenues?
AEB Code:	§ 40.01.050 Fees and Penalties.
Survey Response:	80% of respondents felt that the permit holder should be required to reimburse the Borough for actual costs for processing violations. 20% preferred the option of the Borough subsidizing those costs.
Next Steps:	AEB should consider requiring a permit holder to reimburse the Borough for the actual cost of processing a violation when the violation was confirmed.

Resource Development Land Use Permitting System



Resource Development District

- 2006 AEB Revised Borough Code to establish a Resource Development District between 160°00'00" and 162°00'00" degrees longitude.
- Excludes City of Sand Point and boundaries
- Excludes City of King Cove and boundaries
- Excludes Nelson Lagoon Residential and Commercial Districts



Aleutians East Borough Resource Development District Map



AEB Land Use Permitting System

- AEB does not have a permitting system in place
- This project will develop a:
 - Permitting Application System for Resource Development Projects within the Resource Development District
 - Standard Operating Procedures
 - Standard Permit Stipulations
 - Application Fee & Penalty System
 - Inspection & Audit Compliance Program
 - Database Tracking System



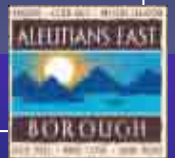
AEB Land Use Permitting System Goals and Objectives

1. Protect coastal resources and the environment;
2. Protect fish resources and ensure continuation of a productive commercial fishery;
3. Protect subsistence resources;
4. Ensure that future growth and development is in accord with the values of its residents;
5. Identify, avoid, and mitigate the negative effects of development;



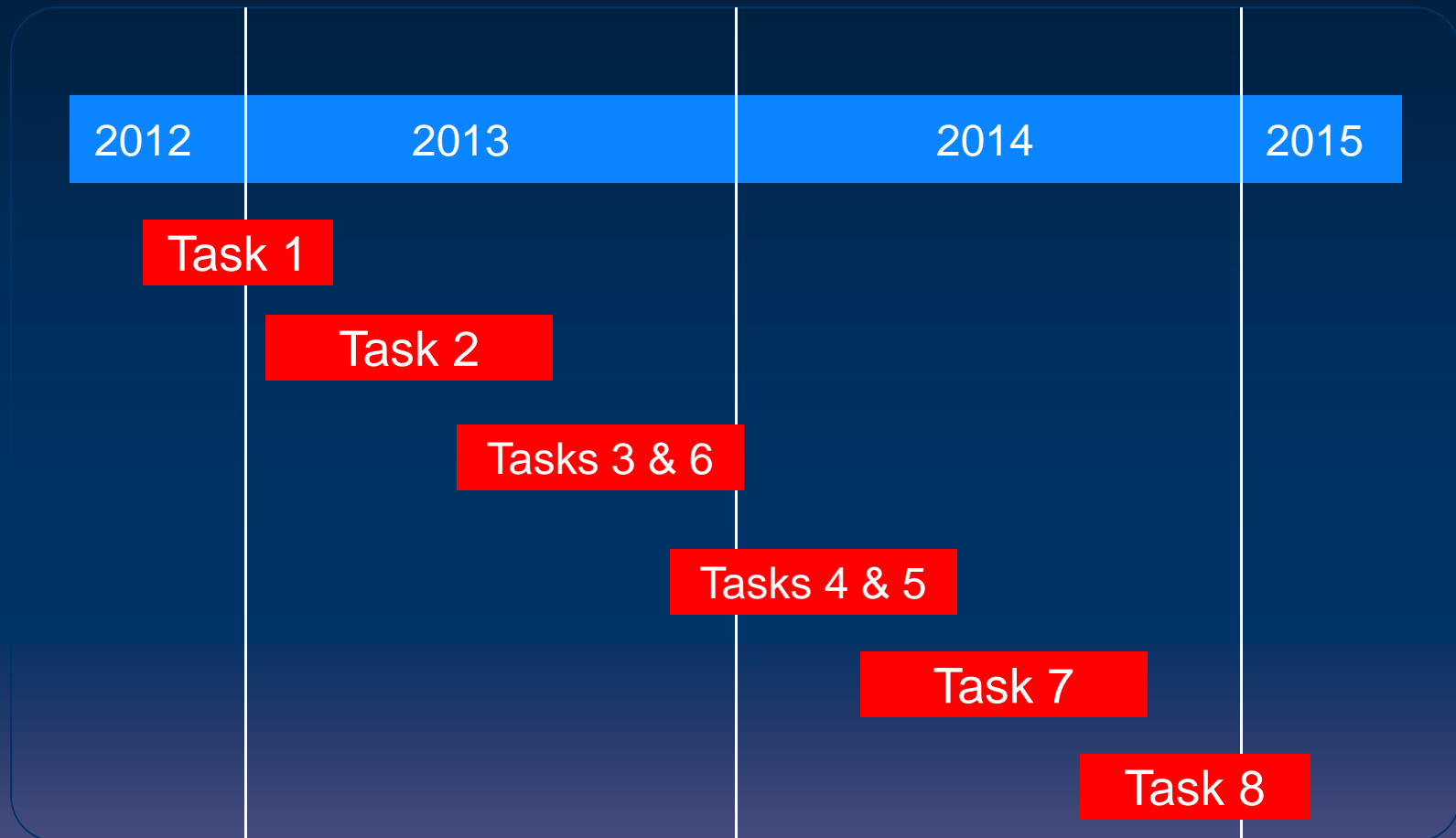
AEB Land Use Permitting System Goals and Objectives

6. Protect human health and the environment by prohibiting adverse impacts of industrial pollution;
7. Ensure public involvement in permitting, planning, and zoning decisions;
8. Be sensitive and responsive to subsistence and other life styles that exist in the communities that the development will affect; and
9. Protect the historical, economic, social, and cultural values of the coastal areas.



AEB Land Use Permitting System Timeline

November 2012 - February 2015



Task 1- Community Meetings

January – February 2013

Obtain Community Input on Coastal Resource Regulation through Community Meetings in each AEB Community

February 2013

Summary Report of Community Input



Task 2 – Refine AEB Code, Title 40

January – March 2013

Draft Proposed Changes to Code

April 2013

AEB Staff and Legal Review

May 2013

Planning Commission Review (introduction)

June 2013

Planning Commission Review (approval)

August 2013

Assembly Review (introduction)

September 2013

Assembly Review (approval)



Tasks 3 & 6 – Land Use Permit Applications & Fees

August 2013

Draft Proposed Application Forms

September 2013

AEB Staff and Legal Review

October 2013

Planning Commission Review (introduction)

November 2013

Planning Commission Review (approval)



Tasks 4 & 5 – Standard Operating Procedures & Standard Permit Stipulations

December 2013

Draft Standard Operating Procedures and Stipulations

January 2014

AEB Staff and Legal Review

February 2014

Planning Commission Workshop

March 2014

Desk Reference & Training



Task 7 – Inspection and Audit Compliance Program

April – May 2014

Draft Standard Operating Procedures

June 2014

AEB Staff and Legal Review

September 2014

Planning Commission Workshop

October 2014

Desk Reference & Training



Task 8– Land Use Permit Database

October – November 2014
Database Design Report

December 2014- February 2015
Database Development



Cold Bay - Land Use Permitting Meeting
January 14, 2013
6:30 p.m. – 8:00 p.m.

Present: Sharon Boyette, Anne Bailey, Dane Lyons, Dawn Lyons, Hap Kremer and Mayor Lopez

Agenda and format:

1. Introduction and the slide show overview and history.
2. List all the possible natural resources development. Does anyone not support any of these industries/businesses?
3. Do activity where participants put stickers on the graph. (See results on the attachment)
4. Discussion of why stickers were placed where they were.
5. Discussion Questions: What about exploration –place one sticker on graph. What about studies – place on sticker on graph. Public Involvement? What kinds of stipulations, examples? How to pay for permitting administration?
6. Pair up for activity. Sharon assigns each developer with a business and gives them money. Permitter has to get as much money as they feel is appropriate to pay for administration. Developer can opt to go develop his business in another region.
7. Other discussion?
8. Thanks. Do the survey! Serve on the Planning Commission?

Sharon provided an overview of the project and explained the resource development area stating that the City of Cold Bay boundaries are not included since the City has their own planning capability. The question came up if the City wanted lands around their community included in the permitting system. Should the Borough Assembly to revisit the resource development area and have it include all Borough boundaries? Residents indicated that they thought that would be a good idea. Sharon said they could include that comment when they completed their surveys.

She further explained a few resource development ideas that the Borough may want to permit. These included:

1. Oil/Gas
2. Mining
3. Small Scale Gravel Extraction
4. Large Scale Gravel Extraction (i.e. gravel, sand & rock)
5. Eco-Tourism (mainly hunting and fishing guides but not the tourists)
6. Exploration
7. Studies

The group did an activity where they determined what type of permitting they wanted for the development listed above. They had to decide whether they wanted no activity, an application only, an application with stipulations or a full blown permitting system. It should be noted on the following table of results (and tables for following communities) for this activity that not all the stickers that residents placed showing their choices fell exactly below each type of permitting process. Some residents chose something between the provided permitting process descriptions.”

COLD BAY	No Permitting Process		Applications Only		Stips and Mit Measures		Full Blown System
Oil and Gas							xxxxx (5)
Mining							xxxxx (5)
Small Scale Gravel			xx (2)	x (1)	xx (2)		
Larger Gravel, Rock					xxx (3)		xx (2)
Eco-tourism			xx (2)		x (1)		xx (2)
Exploration					group discussion		
Studies					group discussion		

Sharon explained what stipulations and mitigation measures were and used the proposed mitigation measures for OCS leasing in the North Aleutian Basin as examples.

Hap explained that he thought that Oil, Gas and Mining were a higher risk and required more regulation. This is due to the negative impacts they could have on the seafood industry. He continued that he believed the small scale gravel business should only be required to apply for a permit while the larger operation should have some stipulations. He also thought that guide businesses should have a full blown permitting requirement. Guides tend to only care about making money and then moving on.

Dawn stated that she thinks the City should have a say in all development.

Mayor Lopez that Oil/Gas is a pollution concern.

The group discussed penalties and some of the ideas included: not making the penalties very stringent; to raise the fine if they commit multiple penalties; to either fix the problem or pay a fine and have a stiff fine plus cleanup costs.

The group also discussed fee requirements. Ideas included: if the project or business causes more harm to the environment they should be required to pay more; they should be charged a percentage of what the business makes, charged per employee, charged an amount quarterly or annually or they should pay a set amount during the initial application process.

Some stipulation requirements that were discussed include: requiring preventative maintenance on equipment; see study results, have the business return areas back to its original condition and guides should not be permitted to fish/hunt in local subsistence areas.

Sharon had the group do an exercise regarding application fees. They groups needed to determine how much the Borough could charge without scaring the business off.

Sharon asked how the public should be contacted to make comments on possible sources of development. The group suggested newsletters, postcards soliciting public comments, and public meeting if the issue is contentious.

Regulation is also an issue. If the Borough charges for clean-up and it is not done then how do you enforce this? The group suggested going to the States or Feds to complain.

Sharon asked everyone to do the survey and participants agreed to do it and also pass along the website address to others.

**King Cove - Land Use Permitting Meeting
January 15, 2013
6:30 p.m. – 8:00 p.m.**

Present: Mayor Mack, Robert Gould, Brenda Wilson, Roxann Newman, Sharon Boyette, and Anne Bailey.

The meeting followed the format previously described.

Sharon provided an overview of the project and explained the resource development area stating that the City of King Cove boundaries are not included since the City has their own planning capability. The question came up if the City wanted lands around their community included in the permitting system. Should the Borough Assembly revisit the resource development area and have it include all Borough boundaries? Residents indicated that they thought that would be a good idea. Sharon said they could include that comment when they completed their surveys.

Someone said that most of resource development area is owned by the Corporations and have been around a lot longer than the Borough. They asked how the Borough can dictate what the corporations can and cannot do. Sharon said that it was important to remember this is another hoop and additional fees for developers and would not replace anything required by the Corps.

She further explained a few resource development ideas that the Borough may want to permit. These included:

1. Oil/Gas
2. Mining
3. Small Scale Gravel Extraction
4. Large Scale Gravel Extraction (i.e. gravel, sand & rock)
5. Eco-Tourism
6. Exploration
7. Studies

The group did an activity where they determined what type of permitting they wanted for the development listed above. They had to decide whether they wanted no activity, an application only, an application with stipulations or a full blown permitting system. Results are:

KING COVE	No Permitting Process		Applications Only		Stips and Mit Measures		Full Blown System
Oil and Gas							XXXX (4)
Mining							XXXX (4)
Small Scale Gravel			X (1)		XX (2)	X (1)	
Larger Gravel, Rock					X (1)		XXX (3)
Eco-tourism					XX (2)		XX (2)
Exploration							group discussion
Studies (not for above)					group discussion		

Some of the discussion points include:

- Oil/Gas should require a full blown permitting system. They are concerned with environmental impacts on the water, wildlife, land, fish and the caribou herd.
- Concerned with long term impacts on the communities: where are the employees going to live, how is it going to affect the schools, clinic, travel in the region and the people.
- Concerned with the effects on subsistence.
- Sand/Gravel – want to make sure the company understands the impacts caused by equipment.
- Exploration should require a full blown permitting system. They do not want to hinder anyone but they do want to protect the resources.
- Studies should have a stipulation if they want to see the results when the study has been completed.

They briefly discussed the fees for the permitting system. They suggested that the fee can be determined by the number of employees or the number of years they have been in business. It is important to get information from other Borough's to see how they charge for their permits. The group stated that the Corporation already has fees and if the Borough has additional fees if they would be "double dipping?"

Brenda said it would be nice to know businesses are coming so the locals can get properly trained for jobs.

In regards to public involvement the public could be contacted via the radio or public postings.

The group though that locals should be given a break if it is a business that is wanted.

The following suggestions were made in regards to penalties: cleanup and fine; in regards to oil they should be required to clean it up and receive restitution and the fees/penalties should be based on what you are doing.

Money game not played because we were out of time. Everyone was encouraged to do the survey and pass along the website. The attendees were asked about volunteering for the planning commission.

False Pass - Land Use Permitting Meeting

January 16, 2013

10:30 a.m. – 12:00 p.m.

Present: Ruth Hoblet, Chris Emrich, Monte Chitty, Kenneth Parker, Nikki Hoblet, William Shellikoff Jr., Tammy Shellikoff, William Shellikoff, Sr.,

The meeting followed the format previously described.

Sharon provided an overview of the project and explained the resource development area stating that the City of False Pass boundaries are included since the Borough still has planning authority for the City. She asked if the City wanted the Borough Assembly to revisit the resource development area and have it include all Borough boundaries and if the City of False Pass wanted to take over their planning authority. Residents indicated they thought that was a good idea.

She further explained a few resource development ideas that the Borough may want to permit. These included:

1. Oil/Gas
2. Mining
3. Small Scale Gravel Extraction
4. Large Scale Gravel Extraction (i.e. gravel, sand & rock)
5. Eco-Tourism (hunting/fishing guides)
6. Exploration
7. Studies

The group did an activity where they determined what type of permitting they wanted for the development listed above. They had to decide whether they wanted no activity, an application only, an application with stipulations or a full blown permitting system. Results are:

FALSE PASS	No Permitting Process		Applications Only		Stips and Mit Measures		Full Blown System
Oil and Gas							xxxxxxx (8)
Mining							xxxxxxx (8)
Small Scale Gravel	x (1)		xxx (3)		xxx (3)		
Larger Gravel, Rock					xxx (3)		xxxx (4)
Eco-tourism			xxx (3)		xx (2)		xxx (3)
Exploration							group discussion
Studies					group discussion		

Some of the discussion points included:

- Oil/Gas/Mining have higher risk and could have a negative effect on fish, crab, the environment and the water table (drinking water).
- Need to define risk and differentiate between small and large operations. May be able to differentiate large and small scale gravel operations by cubic yards removed.
- Do not want to put too many hoops in place because that would result in less money for the community.
- The local gravel operation brings down the cost of local projects.
- Someone thought that local projects should get a break.
- Certain streams need to be protected for commercial fishing.
- Exploration should require full blown permitting.
- Studies should have a stipulation that they receive the final report.
- Stipulations should protect the fish and the environment.
- Public Involvement should include quarterly reports and post cards.
- Could possibly subsidize part of the project (i.e. give someone ½ off on the moorage fees).

Nelson Lagoon - Land Use Permitting Meeting

January 16, 2013

2:00 p.m. – 2:30 p.m.

Present: Justine Gunderson, Mark McNeely and Ellen Laurie McNeely

The meeting did not follow the format and was more of an informal discussion than a public meeting.

Sharon provided a quick overview of the project and explained the resource development area stating that the Nelson Lagoon boundaries are included since the Borough has planning authority for the City. Sharon briefly described the resource development opportunities. Nelson Lagoon seems to be interested in the eco-tourism aspect of this project. Annie provided the website address and encouraged Justine, Mark and Ellen Laurie to complete the survey and get other Nelson Lagoon residents to do the same.

Sand Point - Land Use Permitting Meeting

January 22, 2013

6:30 p.m. – 8:00 p.m.

Present: PJ Brown, Edee Jacobsen, Dick Jacobsen, Carol Foster, Amy Foster, Martin Gundersen, Denise Godbehere, Lisa Jackson, Cathy Adams, Jim Brown, Bill Cumberlidge, Stanley Mack, Tina Anderson.

The meeting followed the format as described previously.

Sharon did the slide show presentation as in the other meetings explaining the CIAP grant and the history of the project. She conducted the “What should be permitted and how much permitting” activity as in other meetings. Mayor Gundersen suggested that energy projects like wind turbines (later

added Hydro projects) to the list of development opportunities. Results are attached. Risk seemed to be the consideration when choosing how much of a permitting system should be put into place for each type of development. Results are:

SAND POINT	No Permitting Process		Applications Only		Stips and Mit Measures		Full Blown System
Oil and Gas					x (1)		xxxxxxxxxxxxx (12)
Mining					xxx (3)		xxxxxxxxxxxxx (11)
Small Scale Gravel	x (1)		xxxxx (5)	x (1)	xxxxx (5)	x (1)	x (1)
Larger Gravel, Rock					xxxx (4)		xxxxxxxx (8)
Eco-tourism			xxx (3)	xxxx 4	xxxx (4)		x (1)
Energy (ie wind)			xxxx (4)		xxxxxxxxxx (9)		xx (2)
Exploration							group discussion
Studies					group discussion		

There was considerable discussion about applying this system to privately owned land and at least one resident was against permitting smaller development. It was also mentioned that the Corps of Engineers was not a typical developer nor are local residents. The concern seemed to be that the Borough was adding an extra burden on small developers that was not necessary or productive.

Residents felt it was most important for the Borough to communicate with residents about oil and gas development and mining and less about smaller development.

Sharon asked several other questions like how should the Borough communicate about permitting with residents (the postcard idea?) and how should the Borough pay for administering the permitting system. The conversation went back to other issues including the severance tax (on natural resources that leave the Borough without paying sales tax).

Overall Questions:

How do we educate the public, guides, corporations etc... about this?

Can we encourage small business but be more restrictive as the business expands?

How does the Borough have the authority to dictate what the corporations can and cannot do?

The Corporation already charges fees. So if the Borough charges additional fees is this considered "double dipping?"

How do we prepare communities for projects (i.e. schools, clinics, housing, etc...)?

Is water considered resource development? What would happen if someone wanted to bottle and sell water in the region?

Follow-Up Items:

Gather information from other Borough's regarding fees and penalties.

Check on the effects projects have on water.

Discuss this issue with the corporations and tribal councils.

Data tracking is really important. Do not want to miss deadlines.

Other Notes:

Tina and Sharon explained briefly the project and meeting purpose to Arlene at the Pauloff Tribe, also a Shumagin Corp member. Also talked with Denise at the City, Tiffany at the QTribe, Sharon talked with Susie Osterback and another resident at the airport.

Sharon asked Stanley and Tina what they thought of expanding the permitting project to include all lands (with the exceptions) in the Borough boundaries. Both said they had no problem with that.

ALEUTIANS EAST BOROUGH
RESOURCE DEVELOPMENT PERMITTING
SURVEY

1. Please check one.

- ☐ Please check one. I am an Aleutians East Borough resident
- ☐ I am not a Borough resident but represent a governmental entity
- ☐ I am not a Borough resident but represent an industry or business
- ☐ I am not a Borough resident but represent other

2. Do you support natural resource development in the Borough? Please check the type or types of resource development you support.

- ☐ Do you support natural resource development in the Borough? Please check the type or types of resource development you support. Oil and Gas
- ☐ Mining
- ☐ Large Scale Sand, Gravel and/or Rock Extraction
- ☐ Small Scale Sand, Gravel and/or Rock Extraction
- ☐ Large Scale Commercial Recreation (like ecotourism, guided hunting and fishing)
- ☐ Small Scale Commercial Recreation (like ecotourism, guided hunting and fishing)

3. The Borough plans to develop a permit application system for oil and gas and mining resource development. Should commercial recreational businesses (e.g. eco-tourism, hunting guides, outfitters, fishing guides, sightseeing) be required to obtain a permit to operate within the Borough?

- ☒ The Borough plans to develop a permit application system for oil and gas and mining resource development. Should commercial recreational businesses (e.g. eco-tourism, hunting guides, outfitters, fishing guides, sightseeing) be required to obtain a permit to operate within the Borough? Yes
- ☐ No

4. Should universities and non-profit organizations be required to obtain a Borough permit to conduct a study (e.g. wildlife, air quality, eco-system, water quality) related to a resource development project?

☐ Should universities and non-profit organizations be required to obtain a Borough permit to conduct a study (e.g. wildlife, air quality, eco-system, water quality) related to a resource development project? Yes

☐ No

5. The Borough will be developing permit terms that will be part of the conditions of permit approval. Should permits be issued for the life of the project or facility, or issued for specific lengths of time?

☐ The Borough will be developing permit terms that will be part of the conditions of permit approval. Should permits be issued for the life of the project or facility, or issued for specific lengths of time? Permits should be issued for the life of the project or facility

☐ Permits should be issued for specific lengths of time subject to renewal

6. Should the Borough issue a public notice and conduct a public comment period for resource development permits?

☐ Should the Borough issue a public notice and conduct a public comment period for resource development permits? Issue public notice and hold public comment period for only larger resource development projects

☐ Issue public notice and hold public comment period for all resource development projects including small operations like guided hunting or gravel excavation

7. The Borough will need to charge fees to process permit applications. How should the Borough charge fees?

☐ The Borough will need to charge fees to process permit applications. How should the Borough charge fees? The applicant should pay fees that will cover all costs of processing the permit application

☐ The Borough should subsidize some of the costs in anticipation of recouping some of the costs later through tax revenues

8. Do you think some applicants for permits should pay higher fees than others, based on criteria (like risk factors) to be developed?

☐ Do you think some applicants for permits should pay higher fees than others, based on criteria (like risk factors) to be developed? Yes

☐ No

9. Should local residents and/or certain types of businesses receive a reduced application fee to encourage local entrepreneurs?

- ☐ Should local residents and/or certain types of businesses receive a reduced application fee to encourage local entrepreneurs? Yes
- ☐ No

10. The Borough will need to charge fees for inspections, audits, and other monitoring of permit compliance. How should the Borough charge these fees?

- ☐ The Borough will need to charge fees for inspections, audits, and other monitoring of permit compliance. How should the Borough charge these fees? The permit holder should be required to pay an annual fee to the borough to fund inspections, audits and monitoring of permit compliance
- ☐ The permit holder should be required to reimburse the Borough for all costs incurred by the Borough
- ☐ The Borough should subsidize some of the costs in anticipation of recouping some cost later through tax revenues

11. Should self-reported compliance violations have lower penalties than violations found by the Borough?

- ☐ Should self-reported compliance violations have lower penalties than violations found by the Borough? Yes
- ☐ No

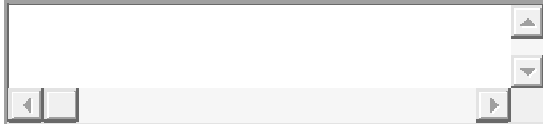
12. Should the Borough charge penalties per gallon of oil or chemicals spilled?

- ☐ Should the Borough charge penalties per gallon of oil or chemicals spilled? Yes
- ☐ No


13. Should the permit holder be required to reimburse the Borough for actual costs for processing a compliance violation or should some costs be covered by tax revenues?

- ☐ Should the permit holder be required to reimburse the Borough for actual costs for processing a compliance violation or should some costs be covered by tax revenues? The permit holder should be required to reimburse the Borough for actual costs
- ☐ The Borough should subsidize some costs from tax revenue

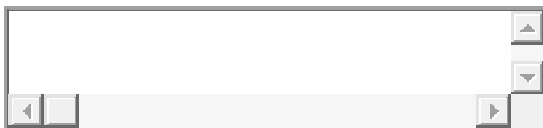
14. The Borough plans to develop a permit system for oil and gas, mining, and gravel and sand extraction projects, and perhaps recreation businesses. Are there other resource development opportunities in the Borough that should be required to obtain a permit to operate?



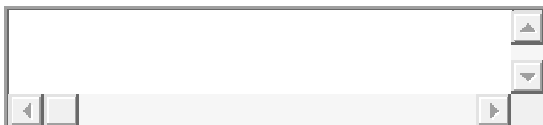
15. The Borough will be developing stipulations that will become part of the permit, if approved. Do you have any specific recommendations on permit conditions that the Borough should require?



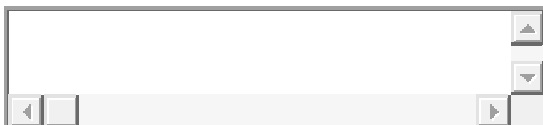
16. Do you have any recommendations for the Borough on how best to address local concerns that come up through the public comments on permit applications?



17. Do you have any recommendations for the Borough that may relate to collecting fees or levying penalties?



18. Do you have any other recommendations in general on the planned resource development permitting system?



Do you have any other recommendations in general on the planned resource development permitting system?

Done

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To: The Honorable Mayor Mack, Aleutians East Borough Assembly
From: Ernie Weiss, Natural Resources Director
Subj: Report to the Assembly
Date: May 17, 2013

Managing Our Nation's Fisheries

I attended the MONF3 conference May 6-9 in Washington DC courtesy of the NPFMC. The theme of the conference was Advancing Sustainability, and big topics of discussion were the upcoming reauthorization of the [Magnuson-Stevens Fishery Conservation and Management Act](#), (MSA) set to expire this year, and building catch share plans. The well-respected North Pacific Council had great representation at the conference; 2/3rds of our AP was in DC for the conference as well as Council staff, members of the SSC, and most of the Council. Featured speakers included Senator Mark Begich, Congressman Doc Hastings, Sam Rauch and Eric Schwaab of NMFS, and Keith Coburn from the Deadliest Catch. The three session tracks were 1) Improving Fishery Management Essentials, 2) Advancing Ecosystem-Based Decision Making, and 3) Providing for Fishing Community Stability. The sessions were well organized and each topic within a session included presentations, a moderated panel and audience participation. All of the [findings](#) were presented to the conference on the last day, followed by reactions from a final panel. The final results & recommendations from the conference are still being prepared as of this writing, but here are a few of the recurring themes I picked up from the conference sessions:

- Flexibility is important – especially when building future catch share programs. The seemingly contradictory mandates of flexibility vs. stability actually go hand in hand.
- Stewardship at the local level – consider more collaborative ventures with local fishermen and communities, for stock assessment and fishery management.
- Climate Change – has to be a consideration moving forward. Does the Endangered Species Act need revamping, and will the [National Ocean Policy](#) be effective?

There were many differing opinions on all topics, but there is some agreement that MSA is working well, and needs only minor changes for reauthorization.

North Pacific Fishery Management Council

The June NPFMC meeting will be held in Juneau this year, June 3-11. Two [Agenda](#) items are scheduled for *Final Action* at this meeting: Revising the Freezer Longline GOA Pacific Cod Sideboards, and, GOA Chinook Bycatch in Non-Pollock Trawl Fisheries. In the Chinook bycatch action there are options for a PSC hard cap of 5000, 7500, 10,000 and 12,500 gulf-wide. There are also sub-options to subdivide the limit between Central and Western, CV and CP, and other options. The average Chinook PSC in GOA non-pollock trawl was 6,176 from 2002 to 2011. The BSAI and GOA Pollock fisheries already have Chinook bycatch hard caps in place.

A separate agenda item, GOA Trawl Bycatch Management, formally known as GOA Trawl Catch Shares, will include 3 major items, a Discussion Paper on GOA Trawl Bycatch management, including a roadmap discussion, an Initial Review on a GOA Trawl Data Collection, and the Tendering Report. Another agenda item of interest is the Observer Program Report including an EM strategic plan. Governor Parnell nominated Duncan Fields and David Long, plus alternates John Moller and Stephanie Moreland, for the Council seats currently held by Sam Cotten and Duncan Fields. The Secretary of Commerce is expected make a decision soon, and the new appointments to the Council should be announced just after the June meeting.

State issues

Redistricting- The Alaska Supreme Court affirmed in April that the Alaska Redistricting Board must start over and redraw the state's 40 legislative districts in a way that conforms to the state constitution. Board chairman John Torgerson has said that the board would not resume work until after the U.S. Supreme Court decides a challenge by an Alabama county to the U.S. Voting Rights Act. That ruling is expected in June. This week both the Riley Plaintiffs and the Petersburg Plaintiffs requested the Superior Court establish a schedule for public meetings and a deadline for the Redistricting Board to complete a new redistricting plan in time for the 2014 elections. Borough Attorney Joe Levesque has been instrumental in keeping this office updated on the redistricting issue.

Alaska Department of Natural Resources Oil & Gas lease sales - For the 6th year in a row, there were no bids submitted for the Alaska Peninsula Oil/Gas Lease Sales. However, DNR's 5 year schedule shows lease sales for the area will continue to be held annually in the month of May for at least the next 3 years.

Meetings report

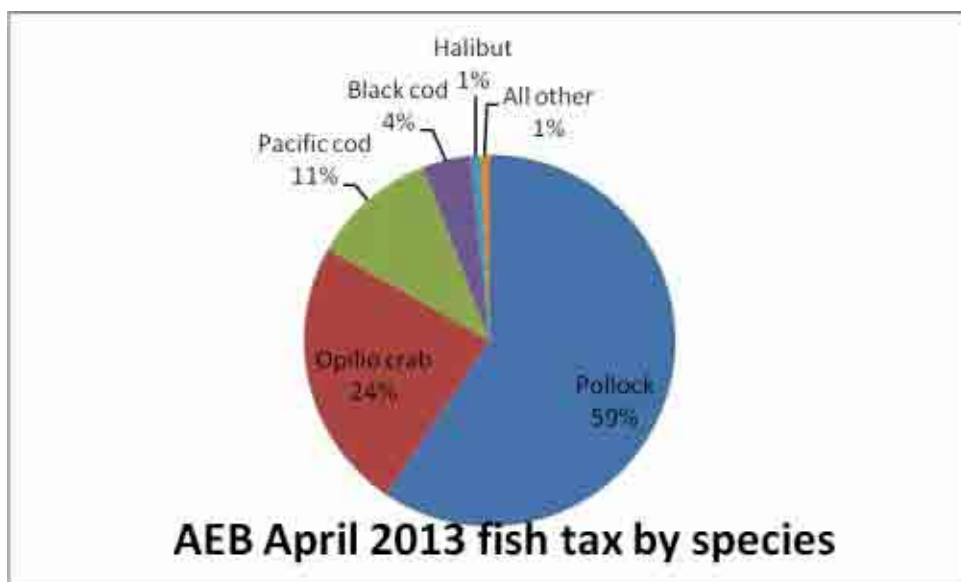
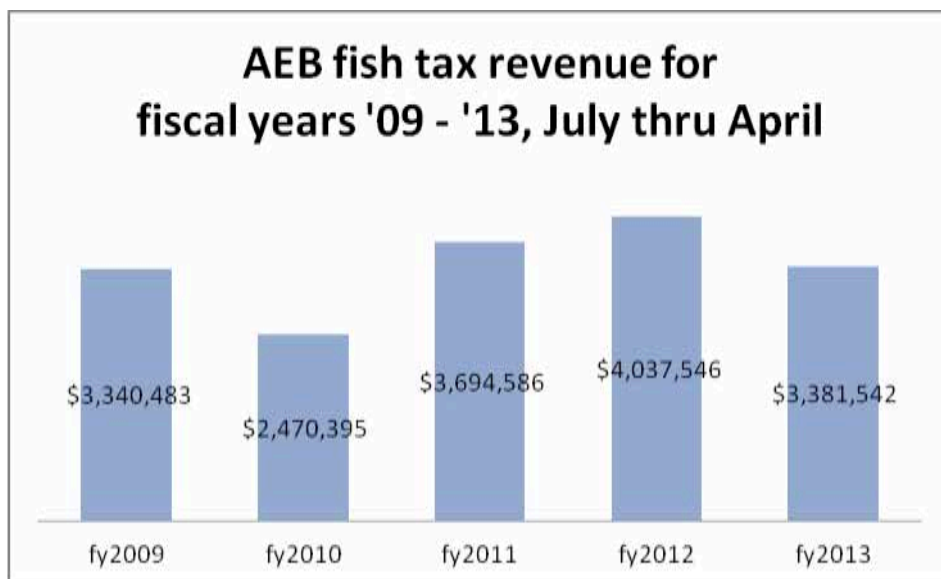
- I attended 2 scientific committee meetings of the NPFMC this month; the Crab Plan Team in Anchorage April 30 – May 3, and a ½ day Pacific Cod Modeling Workshop on May 13th by teleconference/WebEx from King Cove.
- In my capacity as project manager of our small site wind energy feasibility projects, through AEA Renewable Energy Round IV grants, I attended an hour-long meeting of the Alaska wind working group April 30th in conjunction with the REAP conference.
- On May 15th Sam and I attended a meeting with the King Cove City & AEB Administrations and Aleutia regarding the Aleutia crab quota that is custom processed in King Cove; also on the 15th, I attended the bi-monthly Alaska Marine Policy teleconference call, regularly attended by federal and state fisheries policy advisors.
- I traveled to King Cove to visit with fishermen around the harbor and to attend high school commencement and a memorial service. Sam and I will travel to Sand Point for a fishermen's meeting at 10AM on May 22.
- I attended the GOAC3 Board of Directors for Mayor Mack on May 17th.
- I attended a Fishing Community Sustainability Town Hall meeting, sponsored by NFWF and NMFS, one evening during the MONF3 conference in Washington DC.
- I continue to participate in teleconference meetings with the Crab Emergency Relief Workgroup to represent AEB interests in the draft Framework Agreement discussions.

Miscellaneous

Wayne Donaldson with ADF&G has expressed an interest to immediately begin the process to form an MOU if the Assembly approves the new budget item for a Unimak Bight Crab Survey.

WASSIP concerns – Kenai River Sportfishing Association has requested ADF&G take a detailed look at the so-called East of WASSIP stock composition. The WASSIP AP had outlined guidelines for the future use of the WASSIP samples and we hope the Department will continue to follow those guidelines. The department has also received a request for information regarding a possible new genetic study around the restructured Outer Port Heiden fishery. Sam and I met with ADF&G Senior Scientist Eric Volk on May 3rd. We will continue to monitor these developments with ADF&G.

Acoustic Trawl survey – Vidar Weststad & Martin Dorn penned an article for the April 26th newsletter [Fish News](#). We have distributed printed copies of this digital newsletter in hopes of gaining support for the continuation of the project operationally, in line with some of the recommendations from MONF3 to collaborate with local fishermen and communities regarding stock assessments.



Please call or email me anytime with your comments, questions or concerns.

To: Honorable Mayor Mack and Aleutians East Borough Assembly

From: Laura Tanis, AEB Communications Manager

Through: Rick Gifford

Subject: Communications Manager's Report to the Assembly

Date: May 21, 2012

Since the last Assembly meeting, I contacted and corresponded with numerous media outlets, drafted and distributed 2 *Fish News* editions (April 26th and May 20th), one *In the Loop* newsletter (May 24th), drafted an opinion piece for the Washington Post and completed multiple website and Facebook updates. The following lists some of the projects I've worked on:

Headlines from recent *In the Loop* and *Fish News* editions included:

- Ash from Mt. Pavlof Falls on AEB Communities, Cancels Flights
- Cold Bay Residents Clean up their Town
- New Video Describes Challenges of Building Rural Airports
- AEB Land Use Permitting Project Makes Headway
- Nelson Lagoon Students Travel to Hawaii to Deliver Presentation
- False Pass Students Head to Akutan for School Project
- King Cove Students Take Life-Saving Swim/Boating Safety Class in Sand Point
- AEBSD Hires Four New Teachers
- School District Hires New Business Manager
- Sunburned Arctic Seals
- Best Photos from around the Region to be Featured in Aleut Corp's Calendar
- Managing Our Fisheries Conference Draws Alaskans to Washington, D.C.
- AEB Fishermen's Meeting to be Held in Sand Point on May 22nd.
- AEB – NMFS Cooperative Research Project: Shumagin Islands Pollock Resource Assessment Survey

AEB Facebook Page updates: ["Likes" (those wishing to get updates) increased from 180 to 256]

- Posted Wall Street Journal opinion piece about gun control, which mentioned the proposed King Cove road and land exchange. "The Road to Wig Out Pier – A small Alaska Town, a gravel road and a hostile Washington" - 4/26/13.
- Posted Huffington Post opinion piece about gun control, which also mentioned the King Cove road issue. "Gun Reform Failures Prompt Questions on Obama's Persuasive Power But Answers Aren't Easy" – 4/23/13.
- Posted New York Times opinion piece about gun control, which mentioned the King Cove road issue. "In Gun Bill Defeat, a President's Distaste for Twisting Arms" – 4/22/13.

- Posted a press release from the Alaska Marine Highway System. “Tustumena June 2013 Sailings Canceled” – 4/26/13.
- Posted a link to Fish News. – 4/26/13.
- Posted a link to an NBC.com article about where people live who are most likely to cheat on their taxes (the South and West), and where those who are least likely to cheat, live (the Aleutian Islands). 4/30/13.
- Posted a link to a KTUU story titled, “Fire Destroys Most of Abandoned Village” – 4/30/13.
- Posted a link to the NPFMC draft June agenda for its June meeting. – 5/2/13.
- Posted Bruce Babbitt’s anti-King Cove road op ed: “We don’t need a Road Through the Izembek” – 5/9/13.
- Posted King Cove’s response to Bruce Babbitt’s op ed: “King Cove Needs Life-Saving Road” – 5/9/13.
- Posted KTUU story, “Alert Level Raised for Volcano near Cold Bay” – 5/13/13.
- Posted Anchorage Daily News Story, “Minor Lava Flows on Two Alaska Volcanos” – 5/13/13.
- Posted APRN story, “Scientists Detect Eruption at Peninsula Volcano” – 5/14/13.
- Posted NOAA news release: “NOAA Releases Steller Sea Lion Protection Measures for Public Comment” – 5/14/13.
- Posted photo of Mt. Pavlof from PenAir pilot Brandon Wilson. It shows a lava flow on its north flank. – 5/14/13.
- Posted 3 photos from Theo Chesley of Mt. Pavlof, showing steam coming from the mountain. 5/14/13.
- Posted APRN story, “Activity Increases at Alaska Volcano” – 5/14/13.
- Posted Alaska Dispatch story: “Pavlof Volcano Activity Strengthens” – 5/15/13.
- Posted Anchorage Daily News story: “Ash Plume from Pavlof Volcano Reaches 20,000 Feet” – 5/16/13
- Posted KTUU story: “Ash Plume Rises from Pavlof Volcano” – 5/16/13.
- Posted photo from Rachel Kremer from the AK Volcano Observatory showing fountain of lava flow on Pavlof – 5/16/13.
- Posted photo from Theo Chesley of an ash cloud on Mt. Pavlof on 5/16/13.
- Posted Fairbanks Daily News Miner story, “Alaska Volcano Continues to Erupt, with Ash, Lava” on 5/16/13.
- Posted 3 photos from Theo Chesley of eruption on Mt. Pavlof on 5/17 and 5/18th.
- Posted Anchorage Daily News Story: “Alaska Volcano Shoots Ash 15,000 feet into the Air” – 5/17/13
- Posted Alaska Dispatch story: “Alaska’s Pavlof Volcano Puts on Show” – 5/17/13.
- Posted Anchorage Daily News story: “While Locals Watch Volcano’s Lava Fountain, Scientists Monitor from Afar” – 5/18/13.
- Posted ABC News story: “Alaska Volcano Shoots Lava up Hundreds of Feet” – 5/19/13.
- Posted Anchorage Daily News story: “Trace Volcano Ash Reaches Small Alaska City” – 5/20/13

- Posted KTUU story: “Pavlof Volcano Eruption Ongoing, Ash Up to 22,000 Feet”- 5/20/13.
- Posted link to latest Fish News on 5/20/13.
- Posted link to story: “Pavlof Volcano Continues to Erupt, Disrupts Air Travel” – Reuters/Yahoo – 5/21/13
- Posted link to story: “Pavlof Volcano Continues to Erupt, Some Flights Canceled” – Anchorage Daily News – 5/21/13
- Posted link to story: “Regional Flights Canceled Due to Volcanic Eruptions” – AK Public Media – 5/21/13.
- Posted notice that AEB fishermen’s meeting in Sand Point scheduled for May 22nd has been cancelled due to flight cancellations. – 5/21/13

Web Postings/Updates:

- Posted Fish News to the website – 4/26/13.
- Posted Fish News to the website – 5/20/13
- Posted In the Loop to the website – 5/24/13.
- Posted May Assembly meeting dates, times, locations in “Public Notices” section. 5/17/13.

Projects:

- Reviewed RFP letter and description for the Nelson Lagoon Coastal Erosion Study Project.
- Reviewed Addendums # 1 – 3 for the Nelson Lagoon Coastal Erosion Study, which addressed contractor questions.
- Reviewed proposal submitted by HDR for the Nelson Lagoon Coastal Erosion Study Project.
- Drafted an opinion piece for the Washington Post in response to an anti-King Cove road opinion piece by Bruce Babbitt.
- Submitted opinion piece supporting King Cove Road to the Washington Post, Alaska Dispatch and Fairbanks Daily News-Miner.
- Contacted the Washington Post op-ed editor, Alaska Dispatch editor and Fairbanks Daily News-Miner about running King Cove’s rebuttal piece (to Babbitt/Clark’s op ed).
- Contacted Cold Bay, Nelson Lagoon and Sand Point residents for Mt. Pavlof story. Wrote story for newsletter.
- Contacted Mark McNeley about Nelson Lagoon students going to Hawaii for presentation. Wrote story for newsletter.
- Contacted Kendrick Hoblet about False Pass students going to Akutan for school project. Wrote story for newsletter.
- Contacted Paul Barker and Jason Bjornstad about King Cove students participating in swim/boating safety class in Sand Point. Wrote story for newsletter.
- Contacted Chris Lace about Aleut Corporation photo calendar story.

AEB in the News:

- *“Alaska Volcano Shoots Ash 15,000 feet into the Air”* – Anchorage Daily News - 5/17/13
- *“Alaska’s Pavlof Volcano Puts on Show”* – Alaska Dispatch - 5/17/13.
- *“While Locals Watch Volcano’s Lava Fountain, Scientists Monitor from Afar”* – Anchorage Daily News - 5/18/13.
- *“Alaska Volcano Shoots Lava up Hundreds of Feet”* – ABC News - 5/19/13.
- *“Trace Volcano Ash Reaches Small Alaska City”* – Anchorage Daily News - 5/20/13
- *“Pavlof Volcano Eruption Ongoing, Ash Up to 22,000 Feet”* - KTUU - 5/20/13.
- *“Pavlof Volcano Continues to Erupt, Disrupts Air Travel”* – Reuters/Yahoo – 5/21/13
- *“Pavlof Volcano Continues to Erupt, Some Flights Canceled”* – Anchorage Daily News – 5/21/13
- *“Regional Flights Canceled Due to Volcanic Eruptions”* – AK Public Media – 5/21/13.
- *“Alaska Volcano Continues to Erupt, with Ash, Lava”* Fairbanks Daily News-Miner - 5/16/13.
- *“Ash Plume from Pavlof Volcano Reaches 20,000 Feet”* – Anchorage Daily News - 5/16/13
- *“Ash Plume Rises from Pavlof Volcano”* – KTUU - 5/16/13.
- *“Pavlof Volcano Activity Strengthens”* – Alaska Dispatch - 5/15/13.
- *“Scientists Detect Eruption at Peninsula Volcano”* – APRN - 5/14/13.
- *“Activity Increases at Alaska Volcano”* – APRN - 5/14/13.
- *“Alert Level Raised for Volcano near Cold Bay”* – KTUU - 5/13/13.
- *“Minor Lava Flows on Two Alaska Volcanos”* – Anchorage Daily News - 5/13/13.
- *“King Cove Needs Life-Saving Road”* – Alaska Dispatch – 5/8/13
- *“Life-saving Road: Ex-Interior Officials Show Hypocrisy and Insensitivity to King Cove”* – Fairbanks Daily News-Miner – 5/10/13
- *“False Pass Tidal Power Study Promising”* - Dutch Harbor Fisherman – 5/3/13
- *“Wind, Water, Air Fill Construction Budget”* – Dutch Harbor Fisherman – 5/3/13
- *“Fire Destroys Most of Abandoned Village”* – KTUU - 4/30/13.
- *“The Road to Wig Out Pier – A small Alaska Town, a gravel road and a hostile Washington”* – Wall Street Journal - 4/26/13
- *“Gun Reform Failures Prompt Questions on Obama’s Persuasive Power But Answers Aren’t Easy”* – Huffington Post – 4/23/13
- *“Gun Reform Failures Prompt Questions on Obama’s Persuasive Power But Answers Aren’t Easy”* – New York Times - 4/23/13.

As always, I’m happy to help get the word out about an event or issue in your community. Please call any time. My direct phone number is (907) 274-7579, and my email is ltanis@aeboro.org.

Date & Location of Next Meeting

Adjournment