

#### CALL TO ORDER

Mayor Alvin D. Osterback called the Aleutians East Borough Assembly meeting to order by teleconference in each community on May 18, 2023 at 3:00 p.m.

#### ROLL CALL

Mayor Alvin D. Osterback	Present
Brenda Wilson	Present
Jim Smith	Present
Chris Babcock	Present
Dailey Schaack	Present
Josephine Shangin	Present
Paul Gronholdt	Present
Warren Wilson	Present

#### Advisory Members:

Samantha McNeley, Nelson Lagoon	Excused
Tom Hoblet, False Pass	Absent

Quorum was present.

#### Staff Present:

Anne Bailey, Administrator  
Talia Jean-Louis, Assistant Administrator  
Laura Tanis, Communications Director  
Ernie Weiss, Natural Resources Director  
Charlotte Levy, Natural Resources Assist. Director  
Glennora Dushkin, Administrative Clerk  
Beverly Ann Rosete, Borough Clerk  
Seward Brandell, Accounting Clerk

#### *ADOPTION OF THE AGENDA*

JIM move to Adopt the Agenda, seconded by DAILEY  
Hearing no objections, the Agenda will stand as Presented.

#### *COMMUNITY ROLL CALL AND PUBLIC COMMENTS ON AGENDA ITEMS*

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

#### *CONFLICT OF INTEREST*

Mayor Osterback asked for any potential **Conflict of Interests** to discuss. There were no conflicts on agenda items.

#### *PRESENTATION:*

**FY22 BDO Audit Presentation**, Bikky Shrestha and George Barker

Bikky Shrestha said this year was probably the smoothest year to-date. This year the biggest change was the implementation of GASB 87 relating to the leases which had a material impact on our financial statements

making the statements look different which add hours of putting documents together on both AEBs end and BDOs end. We have substantially completed the audit and once we get everything finalized, we will get the financial statements printed. Since the Borough does get funding from both State and Federal sources, we are subject to an audit in financial government standards and in uniform guidance. This year the Borough did have a State audit unlike in past years. The object of an audit is not to go through everything that goes through the financial statements but to look at all the risky areas that we deem to be risky. We also focus on fixed assets, property equipment and leases. We expect to issue an unmodified opinion on the financial statements. For this year and going forward, any long-term leases will be included on your balance sheet. The accounting estimates we focused on were allowance for uncollectable accounts and net pension/OPEB liabilities. These are mostly obtained at the state audit at the retirement level. Before jumping into the financial statements when starting an audit, we get an understanding of the financial reporting process based on inquiries with management. If there are any issues, we find that we deem to be significant deficiency or material weaknesses, has to be reported to you and will be recorded as findings. Most of your assets were in your capital assets. The other big assets were cash and investments. A large chunk of your net is invested in your capital assets, not liquid.

#### *MINUTES*

##### **April 13, 2023 Regular Assembly Meeting Minutes**

#### **MOTION**

CHRIS moved to accept the April 13, 2023 Assembly Meeting Minutes, seconded by BRENDA  
Hearing no correction, Minutes will stand as presented.

##### **May 3, 2023 Special Assembly Meeting Minutes**

#### **MOTION**

BRENDA moved to accept the May 3, 2023 Special Assembly Meeting Minutes, seconded by JOSY  
Hearing no correction, Minutes will stand as presented.

#### *FINANCIAL REPORT*

None.

#### *INVESTMENT REPORT*

None.

#### *CONSENT AGENDA*

None.

#### *PUBLIC HEARINGS*

**Public Hearing Ordinance 23-04**, Authorizing the Mayor to negotiate and execute a Lease of Lot 2, Port Moller Cannery Subdivision

#### **MOTION**

BRENDA made a motion to bring Ordinance 23-04 to the floor for Public Hearing and seconded by WARREN  
Natural Resources Director Weiss said at the last meeting we passed a resolution and the first reading was done on May 3<sup>rd</sup> to lease a lot on Port Moller. Connor Murphy, J.W. Smith and Robert Murphy, partners, have maintained a building/structure on Lot 2 of the Plat of the Port Moller Cannery Subdivision, since before the Borough took title to the land. The owners of the building on Lot 2 have expressed an interest in continuing to use the property while holding to Borough principles and regulations. We have 1260 acres of land in Port Moller and lot 1 is one acre. The terms and conditions are listed in the ordinance. The term and

rental rate will be finalized during negotiations. The lease rents, fees and charges will not be less than market value.

PAUL said that some of the individuals involved were former Fish and Game employees.

**ROLL CALL**

Yeas: Brenda, Chris, Dailey, Jim, Josy, Paul, Warren Advisory: Tom

Nay: None

**MOTION CARRIED**

**Public Hearing Ordinance 23-05**, Amending Title 1, Chapter 1.20, Section 1.20.030(B)(3) and 1.20.100; Title 2, Sections 2.08.010(B), 2.12.030(A) and (B), 2.20.040, and 2.20.050 of the Aleutians East Borough Code of Ordinances

**MOTION**

BRENDA made a motion to bring Ordinance 23-05 to the floor for Public Hearing and seconded by CHRIS

Deputy Clerk Dushkin said the ordinance would amend both Title 1 and 2 of the AEB code of ordinances. The Borough's Code were adopted in 1987 when the Borough was first formed but there are few inconsistencies throughout the code, some grammar and typo errors that we would like to get fixed. The Administration, Clerk Department and Levesque Law office worked together to get the code updated. A table that summarizes all the changes is included in the agenda statement. Some of the suggested additions are adding the Borough Administrator to the packet distribution list, reserving the right to charge a fee for copies of the Code, Special Meetings may be called in a shorter timeframe, giving notice for all meetings, including work sessions and Special Meetings, and materials for an emergency meeting to be delivered to the Borough Clerk as soon as possible. Deputy Clerk Dushkin pointed out that we are removing the statement that we need to do five public hearings because that is not something we practice.

PAUL said he appreciates the work and trying to make it more consistent. Suggested to look into how we handle workshops and think that there is a better way of doing agendas and suggested if we should put the zoom meetings in the code.

Mayor Osterback said since everyone is getting fast internet now, we are looking into doing teams or zoom meetings in the future.

**ROLL CALL**

Yeas: Chris, Warren, Dailey, Jim, Josy, Brenda, Paul Advisory: Tom

Nay: None

**MOTION CARRIED**

**Public Hearing Ordinance 23-06**, Adopting the operating and capital budget for the Aleutians East Borough Fiscal Year 2024

**MOTION**

DAILEY made a motion to put Ordinance 23-06 to the floor for Public Hearing and seconded by BRENDA

Administrator Bailey reviewed the proposed budget in detail. Important notes are as follows:

- The packet includes the Consumer Price Index Information, suggested Permanent Fund Earning Allocation. It also includes Community Budget request Ordinance and excel spreadsheet outlining the budget change from FY23. At the state level budget, the house and the Senate could not agree on the Operating Capital budget and other important pieces of legislation. As of right now the budget has not passed and there is a lot of uncertainties but as soon as we know more, we are going to update everyone.

- Fishery Considerations, as of April 2023 Fish Tax Revenue is approximately \$4.36M which exceeds what we anticipated for FY2023 budget. The April 2023 Fish Tax was \$152K which is about 53.9% of the 5-year average but the year to date is above the 5-year average.
- Department Budgets, all the Departments have reviewed their budgets and made adjustments accordingly. Salaries include a 5% Cost of Living Adjustment. The Consumer Price Index (CPI) for Urban Alaska for the preceding fiscal year is 8.1%. The Administration is recommending 5% but if the Assembly would like to change the COLA rate an amendment would need to be made. On Fringe Benefits, the original draft has 12% increase, but we received FY24 renewal information, and the medical insurance had a 3% increase and the dental insurance rates remained the same. This was significantly less than the 11-12% we were originally anticipating. We would like an amendment made to Fringe benefits approximately \$27K worth of savings.
- Education Support, the School District has passed their budget with \$800k contribution from the Borough which we have budgeted. It also includes \$35,000 in school scholarships and \$20,000 in student travel totaling \$855,000.
- Fund 20 is related to all grants from outside entities, capital projects funded from non-grant and Borough sources, and the Borough Permanent Fund Earning appropriated projects. Those are outlined in the ordinance. The Ordinance appropriates \$1,788,334.18 for FY24 designated projects.
- FY24 Budget Summary, Revenue \$7.52M, Expenditures \$4.441M, Expected Surplus is \$72.67K

CHRIS made an amendment to a motion to amend the proposed department totals by the decrease in fringe costs from the following:

Mayor	\$ 294,118.00
Assembly	\$ 295,500.00
Administration	\$ 448,567.00
Assistant Administrator	\$ 155,303.00
Clerk/Planning	\$ 146,595.00
Finance	\$ 434,500.00
Natural Resources	\$ 390,662.00
Communications Manager	\$ 189,908.00

To:

Mayor	\$ 291,966.00
Assembly	\$ 285,000.00
Administration	\$ 446,067.00
Assistant Administrator	\$ 152,803.00
Clerk/Planning	\$ 146,095.00
Finance	\$ 430,500.00
Natural Resources	\$ 388,147.00
Communications Manager	\$ 189,133.00

which decreases the total general fund expenditures by \$27,395 from:

\$ 4,203,895.00 to \$4,176,500.00

further changing the total AEB surplus from

\$ 72,670.00 to \$100,065.00

#### **ROLL CALL on Amendment**

Yeas: Josy, Warren, Paul, Dailey, Jim, Brenda, Chris, Advisory: Tom

Nay: None

**MOTION CARRIED**

**ROLL CALL on Main Motion**

Yeas: Chris, Brenda, Jim, Dailey, Warren, Josy Advisory: Tom

Nay: Paul

**MOTION CARRIED**

**ORDINANCES**

None.

**RESOLUTIONS**

**Resolution 23-55**, Authorizing the Mayor to appropriate the FY24 Permanent Fund Earnings to Designated Projects

**MOTION**

DAILEY made a motion to approve Resolution 23-55 and second by JOSY

Administrator Bailey said The Borough is authorized to appropriate funds from the Permanent Fund Account to the General Fund. The Assembly in its discretion and consistent with Chapter 6.04.041, may in any fiscal year, appropriate an amount not to exceed four percent (4%) of the five-year average fund market value, to be computed using the five (5) prior calendar years market value. This was done to attempt to smooth the effects of market volatility and preserve the purchasing power of the fund. Currently, the Borough has been appropriating the earnings from the Permanent Fund and then appropriating the earnings to projects and community budget requests. These projects and community budget requests and their corresponding appropriations are entered into Fund 20. Contingent upon the approval of Ordinance 23-06, which just passed, adopts the operating and capital budget for the Aleutians East Borough ("Borough") Fiscal Year 2024, \$1,788,334.18 in Permanent Fund Earnings will be approved for FY24. Borough Administration recommends the Permanent Fund Earnings appropriations to cover projects outlined in the Borough's Strategic Plan, cover Borough Maintenance Needs and Community Budget Request Items. List of appropriations and the amounts were listed in the packet.

**ROLL CALL**

Yeas: Paul, Jim, Warren, Chris, Brenda, Josy, Dailey Advisory: Tom

Nay: None

**MOTION CARRIED**

**Resolution 23-56**, Supporting Southeast Alaska Salmon Troll Fishermen

**MOTION**

BRENDA motion to approve Resolution 23-56 and second by CHRIS

Natural Resources Director Weiss said in 2005, the Southern Resident Killer whales, or Orcas, that live mostly in the Puget Sound area of Washington state were listed as endangered. In 2019, the National Marine Fisheries Service (NMFS) approved a 10-year plan, including a biological opinion (Bi-Op), to continue the Southeast Alaska commercial Chinook salmon (king salmon) troll fishery, with harvest limits to be negotiated between the U.S. and Canada. The Wild Fish Conservancy filed suit against NMFS March 18, 2020. The lawsuit alleged the NMFS authorization of the Southeast Alaska Chinook troll fishery contributes to the extinction of the endangered population of killer whales found in Puget Sound. In 2021, Magistrate Judge Michelle Petersen of the US District Court of Western Washington sided with Wild Fish Conservancy and made recommendations to close the Southeast Alaska Chinook salmon troll fishery, based on her finding that the mitigation and restoration measures provided by NMFS were hypothetical and uncertain. On August 8, 2022, US District Judge Richard A. Jones accepted Judge Petersen's recommendation and asked Petersen to provide a report to outline an "appropriate remedy" for the apparent Endangered Species Act (ESA) and

National Environmental Policy Act (NEPA) violations. May 2nd, 2023, Judge Jones remanded the 2019 Bi-Op to NMFS to remedy the ESA and NEPA violations. Judge Jones also vacated portions of the Bi-Op that authorize commercial harvest or incidental take of Chinook salmon in the summer and winter troll fishery seasons. On May 3rd, 2023, the State of Alaska and the Alaska Trollers Association filed a notice of appeal to the Ninth District Court of Appeals. Resolution 23-56 asserts the Aleutians East Borough Assembly support for the appeal and for Southeast Alaska troll fishermen. The resolution also urges NMFS to expedite issuance of an updated Southeast Alaska Biological Opinion that would include Chinook salmon commercial harvest by the Southeast Alaska troll fleet.

PAUL said it is a good idea to support troll fisheries.

**ROLL CALL**

Yeas: Jim, Josy, Dailey, Chris, Brenda, Paul, Warren Advisory: Tom

Nay: None

**MOTION CARRIED**

**Resolution 23-57**, Relating to the disposal of surplus, obsolete or unneeded supplies

**MOTION**

WARREN motion to approve Resolution 23-57 and second by DAILEY

Assistant Administrator Jean-Louis said the Aleutians East Borough has acquired certain personal property for the purpose of carrying out services in the public interest. Some of these items have become worn out, obsolete, or are no longer needed by the Borough. The Borough has deemed it unnecessary to maintain ownership of surplus personal property of the Borough. Section 3.02.031(b) of the Borough code reads, "Supplies which are deemed by the Purchasing Officer to be sold as surplus, obsolete, or unneeded, may be sold or otherwise disposed of by the Purchasing Officer upon approval by the Assembly by resolution." A list of the items the Borough desires to dispose is in the packet.

**ROLL CALL**

Yeas: Chris, Warren, Dailey, Paul, Josy, Brenda, Jim Advisory: Tom

Nay: None

**MOTION CARRIED**

**Resolution 23-58**, Authorizing the Mayor to engage Espelin & Associates, LLC for Accounting Assistance Support in an amount not to exceed \$75,000

**MOTION**

DAILEY motion to approve Resolution 23-58 and second by JIM

Administrator Bailey said the Borough (Borough) and Espelin & Associates, LLC have been working together on the FY22 Audit prep, the financial software request for proposal, addressing prior audit findings and establishing financial policies and procedures. They provided an updated Engagement Letter, which outlines the engagement objectives and scope of work for FY24 which includes providing accounting assistance and support for FY23 financial statement audit preparation, providing accounting assistance and support for the accounting software transition to Caselle, and providing ongoing accounting assistance and support to the Borough as requested/directed by the Borough Administrator and/or the Finance Director. It also outlines the CPA firm responsibilities, the Borough's responsibilities, and the professional service fees. The Agreement will be in an amount not to exceed \$75,000.

**ROLL CALL**

Yeas: Paul, Josy, Brenda, Chris, Jim, Warren, Dailey Advisory: Tom

Nay: None

**MOTION CARRIED**

**Resolution 23-59**, Accepting the financial statements, required supplementary information, supplementary information, and single audit reports for year ending June 30, 2022

**MOTION**

CHRIS motion to approve Resolution 23-59 and second by JOSY

Administrator Bailey said BDO just presented, essentially the audit requires a few journal entries adjustments and no restatements. There was 1 material weakness and 2 significant deficiencies in the financial statement finding and for the FY22 Federal Award finding, there are 2 significant cost deficiencies and FY22 Single audit, there is one significant deficiency. Many of these items have been addressed.

PAUL asked how long is the BDO with us? Administrator Bailey said we have them for the next five years

**ROLL CALL**

Yeas: Brenda, Dailey, Josy, Paul, Chris, Warren, Jim Advisory: Tom

Nay: None

**MOTION CARRIED**

**Resolution 23-60**, Accepting the Assignment and Assumption of the Borough's Tidelands Lease with Silver Bay Seafoods and Authorizing the Mayor to Negotiate and Executed the Agreement

**MOTION**

JIM motion to approve Resolution 23-60 and second by DAILEY

Administrator Bailey said on February 12, 2019, the Borough entered into a Tidelands Lease with Silver Bay Seafoods. The Lease term is for 35 years with one 35-year renewal (for a total of 70 years). Silver Bay is now assigning the lease to a bank as collateral for a \$390,000,000.00 loan. Such assignments are allowed in the underlying Lease when "approved in writing by the Lessor." The documents the Borough is being requested to enter into consist of the following, Assignment and Assumption of Lease, Consent to Assignment of Lease, and Lessor Estoppel and Agreement. The Borough Attorney stated that the easiest way to explain these documents is to think of refinancing your home or vehicle. When you refinance the bank will require several documents to be signed by you as the borrower. In this case, the Borough is consenting to a mortgage on Silver Bay's interest under the Lease to the bank. What the bank demands is not only the assignment of the Lease but to assume the Lease. The bank also requires the Borough to consent to the assignment in writing. The final document is the Lessor Estoppel and Agreement, this document makes the bank, as Lender, the new tenant under the Lease. The Estoppel is made up of several covenants (promises) by the Borough that it will not interfere with the Bank even if the Bank takes possession and removes the Silver Bay improvements located on the Leasehold.

**ROLL CALL**

Yeas: Jim, Paul, Josy, Brenda, Warren, Dailey, Chris Advisory: Tom

Nay: None

**MOTION CARRIED**

**Resolution 23-61**, Authorizing the Mayor to begin negotiations with Term Contractors for future Borough construction projects

**MOTION**

CHRIS motion to approve Resolution 23-61 and second by BRENDA

Administrator Bailey said On April 20, 2023, the Aleutians East Borough issued a Request for Qualifications, for qualifications and fee information from General Contractors and specialty contractors for multiple construction term contracts in the Borough for construction, renovation, and maintenance of Borough-owned facilities, including schools, airport facilities, housing and offices. The Borough expects the term contractors to be able to provide any or all of the following services, as defined by Alaska Department of Labor and Workforce Developments 2023 Minimum Rates of Pay for Laborers and Mechanics: Electrical,

Mechanical, Carpenter, Plumbing, Excavation, Roofer & Waterproofed, Painters and Laborers. The Borough received 6 proposals by the May 11, 2023 deadline. On May 12, 2023, representatives from DOWL and the Borough reviewed the proposals. Scoring criteria was based on qualifications; capacity; honesty and integrity and price information. Price information was based off hourly labor rates, overhead, profit and mark-up rates on a percentage basis; profit percent on the cost of the work, subcontractor mark-up and change order mark-up. The review committee determined that all six contractors qualified, and it is recommended to select all the contractors for contractor term contracts. If the Assembly approves these selected contractors, the Borough will execute a main agreement with each entity.

PAUL asked how do you pick one out of the six if they all qualify for a project? Administrator Bailey replied, it will be based on their scope of work and cost. PAUL asked how many are local contractors, Administrator Bailey replied one.

Mayor Osterback commented that a lot of staff has been involved in maintenance for quite some time now. Kudos to the staff that put their foot forward in to help with all the issues.

**ROLL CALL**

Yeas: Dailey, Paul, Chris, Warren, Jim, Brenda, Josy Advisory: Tom

Nay: None

**MOTION CARRIED**

**Resolution 23-62**, Authorizing the Mayor to negotiate and execute a contract with DOWL to conduct a site visit and complete a condition assessment of the Sand Point School in an amount not to exceed \$53,150

**MOTION**

BRENDA motion to approve Resolution 23-62 and second by DAILEY

Administrator Bailey said on February 21, 2023, the Aleutians East Borough signed a grant from the State of Alaska Department of Education & Early Development to conduct major maintenance at the Sand Point School. The project provides for renovations at the Sand Point K-12 School and pool, including improving the HVAC, improving the security, replacing the fire alarm system, replacing the intercom system, and renovating the pool. The next step of this project is to complete a site visit/condition assessment; complete the design, go out to bid for a Construction Manager-General Contractor and construction. We requested and received a proposal from DOWL on the amount of \$53,150 to conduct a site visit and complete a condition assessment for the Sand Point School. Their primary focus, although we are looking at the whole building will be on the DEED grant requirement so we can get a better cost estimate of the actual construction. To pay for DOWL's services, funds in account E 20-420-000-850 Local Assistance and Tribal Consistency Fund (LATCF) will be applied.

PAUL asked if we approve this, when are they coming to Sand Point. Administrator Bailey replied, in June when the school is out of session.

WARREN commented he is excited to have the Sand Point School fixed up.

**ROLL CALL**

Yeas: Warren, Josy, Chris, Dailey, Jim, Brenda, Paul Advisory: Tom

Nay: None

**MOTION CARRIED**

**OLD BUSINESS**

**Cold Bay Water Discussion**

Administrator Bailey gave a detailed update on PFAS on Cold Bay Water



PAUL said there are several old wells in town and thinks it may help the State to test those.

**NEW BUSINESS**

**Donation Requests**

Administrator Bailey said the Borough has an established a Donation Policy that allows entities within the Borough communities to request charitable donations. The policy currently states the Borough will not make donations to benefit individuals or small groups but will consider requests that will benefit non-profits and civic organizations as long as they meet the criteria of the policies.

**MOTION**

DAILEY motion to approve Donation Requests and second by BRENDA

**ROLL CALL**

Yeas: Chris, Dailey, Jim, Brenda, Paul, Warren, Josy Advisory: Tom

Nay: None

**MOTION CARRIED**

**FY24 Health Care Insurance**

Administrator Bailey said Premera Blue Cross has provided the renewal information for FY24. Medical coverage is only a 3% increase rather than the estimated 10-12%. The renewal for dental remains the same with a 0% change.

**MOTION**

PAUL motion to approve Health Care Insurance and second by DAILEY

**ROLL CALL**

Yeas: Chris, Dailey, Jim, Brenda, Paul, Warren, Josy Advisory: Tom

Nay: None

**MOTION CARRIED**

**REPORTS AND UPDATES**

**Administrator's Report in packet. Highlights below:**

King Cove Road Update: DOI and SOI have filed a motion to dismiss the existing litigation pending before the 9<sup>th</sup> Circuit as a moot.

Other Items: The King Cove Group has remained in constant contact with the Alaska Congressional Delegation.

School Updates: The Sand Point DEED – AEB signed a DEED grant on February 21, 2023 and Administration has been working with the State to determine next steps. Sand Point Pool – new pool doors were installed. Evolution Pools and Living Waters are still in the process of addressing additional item. The School District has a sump pump circulating the water.

Cold Bay Clinic: Administration is still waiting for HRSA's approval for the updated schematic design.

Other Items: Entered into a contract with Aleutian Airways on April 18, 2023. DOWL and AEB advertised an RFQ from contractors for a Construction Contractor Term Contract. On April 21, 2023, testified before the Senate Finance for support for fully capitalizing Community Assistance. Entered into contracts with Kurt Uttecht for the Cold Bay Terminal Manager position and Ricki Ruta for the Cold Bay Terminal Janitorial position.

**Assistant Administrator's Report in packet. Highlights below:**

Healthy & Equitable Communities Grant: Alaska DOH announced \$9M in funding to local governments in support of creating healthy and equitable communities around the state. The Borough is partnering with EATs to implement the purchase and installation of a two-body morgue for two communities. We have been awarded a grant for this purchase.

Energy Efficiency and Conservation Block Grant: The Borough applies for the grant to implement energy retrofits for the SDP School.

Sand Point School Update: The Borough is looking for a qualified pool inspector to inspect and maintain the pool operation.

Maintenance Connection: Continue to utilize Maintenance Connection created by SERRC so the Borough can perform tasks.

False Pass School leak Issue: On May 9, 2023, we entered into a contract with Gould Construction for the repairs of the leak issues within the school.

**Communications Director Report in packet. Highlights below:**

White Paper – New Sand Point Harbor: Having the history of what has developed over time will be helpful moving forward for the Borough.

PowerPoint Presentation: Created a presentation for Mayor Osterback to present to the Senate Transpiration Committee that focused on the economic and strategic importance of our Borough's harbors and docks.

In the Loop: featuring King Cove teacher Joy Smith, she has been a teacher in King Cove for nearly 10 years and is well-known for her creative teaching and inspiring her students.

Social Media – Photography: Finish resizing the photos for Sand Point and will post some to FaceBook. These are important for grant purposes, presentation, newsletters, social media and other promotional purposes.

**Natural Resources Director Report in packet. Highlights below:**

Alaska Department of Fish & Game: Area M will see ADFG staffing changes for 2023 salmon season.

Legislature: SB128 and HB180" Close Area M commercial salmon fisheries June 10 - June 30, 2023. The second session of the 33<sup>rd</sup> Alaska Legislature begins January 2024. The last two years defending Alaska Peninsula salmon fisheries at the BOF should have been enough.

Alaska Board of Fisheries: On May 9, 2023, the Legislature confirmed the Governors appointees to the BOF. The Board meets in Work Session October 12-13 at the Egan Center.

North Pacific Fishery Management Council: the Ecosystem Committee met May 8, 2023 to receive public input and make recommendations to the Council on the Programmatic Supplemental Environmental Impact Statement for June Council meeting.

Nelson Lagoon: the NLG power system upgrade project is moving forward with construction of the module ongoing here in Anchorage.

**Assistant Natural Resources Director Report in packet. Highlights below:**

Electronic Monitoring – WGOA3/EFP: Coordinating with NMFS AKRO on next steps for bridge gap funding for 2024.

Fixed-Gear EM Project: completed the data collection portion receiving video from three black cod pot vessels. Requested the committee to add a recommendation for FMA to figure out how to transition these boats into the Alaska Fixed-Gear program.

Mariculture: No updates.

Board of Fisheries/Salmon: assisting the Area M Seiners to develop and refine the adaptive fleet management program. Coordinating with processors and the department to integrate the ADFG daily reports. Testified at the Senate Judiciary committee on April 21.

AFSC Cod Tagging Project: working on the final cruise report and developing an outreach website. Finalizing the first PSMFC progress report and submitted the first grant invoice.

Juneau Trip: attended the Western Groundfish Conference in Juneau in April. Met with Marine Exchange to discuss options for using PACTRACS system to help us enforce fish tax collection. Met with Seiners lobbyist Frances Leach to discuss the data portal. Briefly talked with Jim Ianelli about restarting the WGOA winter pollock survey project.

Other Activities: I was appointed to the Fisheries Monitoring Advisory Committee and had my first meeting on May 10-11. I was also appointed to the North Pacific Research Board Advisory Panel, Gulf of Alaska seat.

**Finance Director Report in packet. Highlights below:**

Audit: working with the auditors to answer questions they have.

Budget: continue to assist in reviewing and discussing the FY24 Budget.

Caselle: Caselle will be completing the load tables and sending back for approval which will bring us into the set-up phase.

Financial Policies and Procedures: Rough drafts have been written for the groups in this year's project. Currently focusing on investment account reconciliation.

Investments: the workbook needs a lot of updating each month in formulas. The investment statements themselves are complex so I want the workbook to be simplified as much as possible.

Routine Tasks: record the financial data daily.

**ASSEMBLY COMMENTS**

JIM thanked administration and staff and thank the Borough on behalf of the City of Sand Point on their contribution to their solid waste vehicle.

TOM thanked the Assembly for their contribution to the False Pass fuel. I support all of the projects the Borough has going on and would like to see them fulfilled but we have been talking about an airport in False Pass for some time now and hope we don't lose site and would like the Borough to take a look at this.

DAILEY thanked the Administrator, Mayor and staff for their amount of great work. Thank you to Weiss for his work on the NLG power plant project.

CHRIS thanked Administration for putting together a good budget for this coming fiscal year and it is awesome to see a surplus. Thanked the Assembly for the donation for the King Cove fire department picnic. Mayor Osterback said he was out at AML directors meeting and brought up the issue of legislatures trying to override boards and commissions that were appointed by the governor and approved by the legislature and the board was behind me 100% and said this is not something they want to see happen.

**PUBLIC COMMENTS**

**NEXT MEETING DATE**

Regular Assembly Meeting July 13, 2023

**ADJOURNMENT**

JOSY moved to adjourn seconded by BRENDA. Hearing no more, the meeting adjourned at 5:38 p.m.



Mayor Alvin D. Osterback



Glenora Dushkin, Deputy Clerk

Date: 07/13/2023

