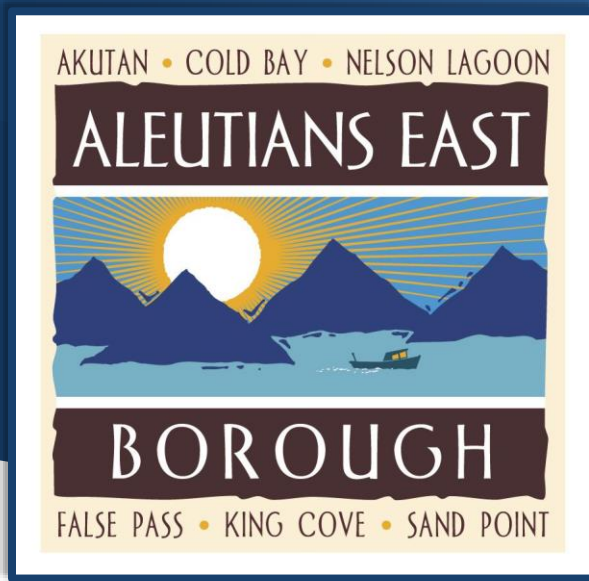


# WORK SESSION

1. Akun Dock Breakwater
2. False Pass Airport
3. King Cove Access Project
4. Maintenance



## Akun Dock and Breakwater Project – White Paper

*Prepared for the Aleutians East Borough Mayor and Assembly*



## Summary:

The Aleutians East Borough (AEB or Borough) has been operating a marine transportation link between the Akutan Airport, located on Akun Island, and the City of Akutan, since the fall of 2012. Traversing the seven-mile distance between these two locations across turbulent waters where the Bering Sea meets the North Pacific Ocean presents unique challenges. For more than a year, a hovercraft served as the marine link. However, about 33% of the time, the craft was unable to operate due to harsh weather and challenging sea conditions. In addition, the cost of the operation became too expensive and was unsustainable to the tune of more than \$3 million per year. The Borough substituted the hovercraft with a helicopter service in February 2014. Even though the helicopter service costs nearly \$1 million less annually to operate than the hovercraft did, it is still a very high expense for the AEB to take on, totaling more than \$2 million, despite the Essential Air Service (EAS) contract from the federal government. The EAS has provided approximately between \$846,798 per year (beginning in 2019) increasing to \$914,240 (through March 31, 2023). Although this has been enormously helpful to the Borough, this funding is unsustainable.

The Borough administration is researching the feasibility of building a dock and breakwater near the airport, so a conventional vessel could operate as the marine link between Akun and the community of Akutan. This would involve the construction of a small wave barrier to provide safe harbor on Akun Island and a dock to be used to transfer passengers and cargo to a low-cost marine ferry.

On July 19, 2021, the Borough, the Akutan Tribe and the Army Corps of Engineers signed the Tribal Partnership Project Agreement to conduct an Akutan Harbor Navigational Improvements Study. This agreement will go a long way funding a study to determine the feasibility of building a small dock and breakwater on Akun Island to serve as a marine link between the airport and the community of Akutan. Discussions regarding a low-cost solution for the Akun Dock and Breakwater Project are ongoing.

## History:

**October 2008:** Coast & Harbor Engineering (CHE), commissioned by The Glostén Associates (Glostén) and the Borough, performed a site visit at the Surf Bay Pier (on Akun Island) and City Dock project sites with AEB representatives. The goal was to start the process for exploring feasibility and low cost estimates for a new ferry terminal on Akun Island and terminal improvements at Akutan. CHE collected all relevant existing data and reviewed the site. CHE documented conditions (including tide, sea swells, wind and wave conditions) with photographs. A Site Visit Memorandum was prepared, reviewed, and approved by the project team.

**Dec. 18, 2008:** CHE summarized the project design criteria in a Basis of Design letter report. Design criteria were developed and coordinated with Glostén and AEB in order to establish the baseline criteria for feasibility-level engineering design. Design criteria including waves, currents, winds, and water levels for determination of loads on piles and pier deck elevation. Two different vessel types are being evaluated for use at the Akun Island Ferry Terminal; SWATH (Small Waterplane Area Twin Hull) and Monohull vessel types. The vessel size of the SWATH includes the following design criteria: length at the waterline = 80 ft.; beam = 42 ft.; draft = 9.5 ft.; freeboard (water level to boarding deck level) = 10ft. The vessel size of the monohull includes the following design criteria: length = 80 ft.; beam = 19 ft.; draft = 6.5 ft.; freeboard = 10 ft.

**Feb. 19, 2009:** CHE provided preliminary design recommendations after performing a sensitivity analysis to provide insight as to possible upper and lower bounds for pile capacities/lengths required for the anticipated soil or rock conditions. CHE also provided general design recommendations for rock sockets and rock anchors. Based

on data review, they concluded that the proposed ferry terminal site is located along a rocky shoreline that terminates against a relatively steep slope that is likely underlain by rock at shallow depth. CHE recommended that a site-specific subsurface exploration program be performed to better characterize site conditions as part of the final design.

**Feb. 24, 2009:** A study by Glosten was prepared for the City of Akutan regarding the feasibility and cost associated with a conventional vessel service from Akutan to a potential new pier at the north end of Surf Bay on Akun Island. The marine mode access considered would be with lower operating costs compared to the hovercraft service. It considered various classes of conventional vessels and studies the monthly and annual weather operability of conventional monohull and SWATH vessels. It determined that a monohull between 65 and 78 feet in length, operating with a service speed of 16 knots, could satisfy these requirements with 90% operability in the worst month. However, a monohull may be subject to additional limits on operations at the City Dock in Akutan due to the unprotected wave environment. Without additional expensive wave attenuation measures, the motions of a monohull may, on occasion, be too large for passenger operations or even safe mooring. The report concluded that a SWATH between 65 and 78 feet in length will offer approximately 99% operability in the worst month, and a more comfortable ride for the passengers in all conditions. The monohull is slightly less expensive than the SWATH in terms of acquisition, operating, and life-cycle costs. The cost of a new monohull vessel on average was estimated to be \$5,320,000 (without Indirect Cost Allocation (ICAP) rates,\* project engineering or construction administration). The annual operating costs (without depreciation) was estimated to be \$750,000. The cost of a new SWATH on average was estimated by Glosten and CHE to be \$7,800,000 (without ICAP rates, project engineering or construction administration). The annual operating costs (without depreciation) was estimated to be \$860,000. (\*Per AKDOT&PF Harbor Facility Grants Program policy and procedures, all capital project expenditures, including grants, are subject to ICAP charges. The Department's current ICAP rate for harbor capital improvement projects, including harbor facility grants, is 6.87%).

**March 12, 2009:** An engineering and design report was prepared by Coast & Harbor Engineering (CHE) for The Glosten Associates, Inc. (Glosten) and the Borough. CHE's coastal engineering analysis concluded that by installing a wave barrier at Surf Bay Pier (Akun Island), both a SWATH and a monohull can safely moor and unload/load passengers and operate 90% of the time. However, the monohull would have less than 90% ability to unload/load passengers at the City Dock (on Akutan Island). (Past Alaska Department of Transportation inspections have identified a number of needed repairs to the City Dock). City Dock improvements needed include a new passenger loading gangway and two hoist dolphins, new steel pile to support modified walkways, four new pneumatic fenders and support panels and a cargo loading jib crane. These improvements were estimated to cost approximately \$790,000 for either alternative with either vessel. Surf Bay Pier and breakwater construction were estimated to cost approximately \$8.2M and \$7.7M for the SWATH and monohull options, respectively.

**January 2010:** The Aleutians East Borough entered into a Co-Sponsorship Agreement between the City of Akutan, the Borough and the State of Alaska Department of Transportation and Public Facilities (ADOT&PF) for the Akutan Airport in January 2010 providing assurances to the FAA for federal construction funds and agreeing to operate the airport for at least 20 years. The Borough agreed to provide reasonable public access between the community of Akutan and the airport. According to the agreement, the Borough would operate a hovercraft (originally used to provide transportation between King Cove and Cold Bay) to transport passengers from Akun island to Akutan.

**Jan. 19, 2012:** Crescere Marine Engineering, Inc. conducted a preliminary monohull ferry seakeeping study. The objective was to quantify the expected performance parameters of a notional monohull passenger ferry between Akutan and Akun. Based on the projected seaway conditions determined by hindcasting and bathymetric modeling, the realistic service speeds were computed based on the effects of wave impacts on passenger comfort. The report determined that reasonable speeds would be attainable. The logistical problems associated with onload

and offload from launching ramps with very little shoreside improvement were investigated. With careful design, a properly configured 59' X 16' landing craft/passenger vessel could function in this area successfully at approximate speeds of 26 knots. A round trip for fuel would cost approximately \$120 to \$140, depending on sea states.

**2012 – 2014:** The hovercraft operated between the airport on Akun Island and Akutan from September 2012 to February 2014. During that period, the Borough suffered operating losses of approximately \$5 million. (Approximately \$2.5 million per year – net cost.)

**Nov. 22, 2013:** The Borough and Maritime entered into a Helicopter Services Agreement (dated November 22, 2013) to provide transportation between the village of Akutan on Akutan Island and the Akutan Airport located on Akun Island. The Agreement was for a one-year term with options to renew for two additional one-year terms.

**2014:** The Borough discontinued the hovercraft operation in 2014 and initiated the use of a helicopter service instead to provide the transportation link from the airport on Akun to Akutan. As a result, the Borough was able to reduce the operating loss to roughly \$1.2 million per year (as of this date).

**Dec. 10, 2015:** The Aleutians East Borough commissioned Alton Bay Design, LLC (ABD) to prepare a Conceptual Vessel Study for Akun Airport Transportation. That study was completed on Dec. 10, 2015. The study suggests that the depicted aluminum monohull ferry is capable of providing reliable year-round transportation for up to 48 passengers and light freight between the City of Akutan and the airport on Akun Islands. The estimated vessel construction costs at that time \$1.5 million - \$2 million. The following vessel technical requirements were established by the AEB to form the basis of the report and include: Operate as a USCG-certified subchapter T (less than 100 gross tons) passenger vessel, ferry 30+passengers in an enclosed seated environment, ferry up to two large ATVs, capable of attaining 16 knots, transporting 500 – 1,000 gallons of fuel for airport use, and operating in only 6 feet of water during docking. The vessel dimensions would be 55' long on the main deck; 22' maximum molded beam and 3 ½' maximum navigational draft in response to the limiting 6' of available water at the Akun landing.

**Sept. 2016:** The AEB Administrator's report stated that based on 2 ½ years of operations, the annual operating costs for the helicopter service was approximately \$1.8 million with estimated revenues of \$520,000 and a net operating loss of approximately \$1,280,000.

**June 11, 2018:** USDOT issued Order 2018-6-8 requesting proposals from air carriers interested in providing EAS at Akutan for a new period beginning October 1, 2018. In the order, the Department stated that it was "willing to entertain a variety of proposals for EAS, including proposals that would contemplate service from Dutch Harbor to Akutan, without a stop at 7AK (The Akutan Airport located on Akun Island), and proposals that would contemplate service between Dutch Harbor and 7AK but also provide connecting service between 7AK and Akutan."

**July 2, 2018:** In response to Order 2018-6-8, Grant and Maritime submitted a combined proposal on July 2, 2018, to provide fixed-wing and helicopter service between Dutch Harbor, Akun and the City of Akutan. The original proposal requested a total annual subsidy of \$2,491,364 for the first year of service, of which \$1,532,804 was requested for the helicopter portion of the service.

**Nov. 11, 2018:** Grant and Maritime submitted a revised combined proposal to provide fixed-wing and helicopter service between Dutch Harbor and the City of Akutan on Nov. 11, 2018. The revised proposal included an updated and reduced expense for the cost of the helicopter portion of the service. This reduced expense lowered the requested annual subsidy for the entire proposal. It is USDOT's (Department's) understanding that the Borough will continue to contribute funding (the remaining 50 percent of the cost) to Maritime towards the helicopter

service. The revised proposal contained a reduced annual subsidy for Year One of \$1,771,057, of which \$846,798 was requested from the Department for 50 percent of the helicopter service. For Year Two, the reduced annual subsidy is \$1,826,002, of which \$874,832 was requested from USDOT for 50 percent of the helicopter service.

**Nov. 19, 2018:** USDOT subsequently entered into discussions with Grant, Maritime, and the Borough about the financial burden of the helicopter service between 7AK and the City of Akutan, including cost share options. During those discussions, the Department issued Order 2018-11-10 (on November 19, 2018 to extend existing service provided by Grant through December 31, 2018, to allow additional time for a final decision to be made.

**Dec. 13, 2018:** The AEB Assembly approved Resolution 19-30, authorizing the Borough mayor to negotiate and execute a two-year helicopter services agreement with Maritime Helicopters, Inc. to provide helicopter services between the Akutan Airport on Akun Island and the community of Akutan. Additionally, the Borough committed to pay Maritime an amount not to exceed \$900,000 per year for these services. This agreement falls under the Co-Sponsorship Agreement with the City of Akutan and the Alaska Transportation and Public Facilities for the Akutan Airport.

The Borough has subsidized the helicopter operation at approximately \$1,500,000 per year, which is unsustainable. The United States of America Department of Transportation (USDOT) has agreed to cover 50% of the helicopter expenditures between Akutan and Akun. As of this date, Maritime and USDOT are in the process of entering into an agreement to provide essential air service between Akutan and Akun Island. The Borough would be responsible for paying the remaining 50% of the EAS costs, reducing the Borough subsidy significantly. As of this date, the Borough is anticipating paying \$846,797.50 to Maritime for Year 1 and \$874,831.50 to Maritime for Year 2.

**Jan. 29, 2019:** Maritime Helicopters, Inc. entered into an agreement with the U.S. Department of Transportation to provide Essential Air Service (EAS) between a ramp, located on Akutan, to the Akutan Airport, located on Akun Island. USDOT established an annual subsidy rate of \$846,798 for the service provided by Maritime for the period from January 1, 2019 through December 31, 2019 (Year One); and \$847,832 from January 1, 2020 through December 31, 2020 (Year Two). The AEB agreed to pay 50% of the EAS costs for the services provided by Maritime, as set forth in the US DOT Agreement, and any additional services as agreed to pursuant to the fee schedule. The Borough also agreed to provide support services to Maritime for operations in accordance with the terms of the Agreement.

USDOT selected Grant and Maritime for EAS with the understanding that the Borough is working with the U.S. Army Corps of Engineers (ACE or Corps) to investigate the feasibility of building a breakwater or wave barrier on Akun under the Section 107 Small Navigations Project Continuing Authorities Program. The underlying objective is to provide a safe harbor for a marine ferry to act as the transportation link between the Akun Airport and the City of Akutan. Should the feasibility study result in a recommendation to go forward with a breakwater project, the Borough plans to discontinue the helicopter service in favor of a passenger ferry once a breakwater or wave barrier is constructed. The Borough believes that a passenger ferry will be both cost effective and logistically superior to a helicopter. The Borough estimates that the Corps' investigation will be completed in 2020. The Section 107 Program provides for expedited consideration and funding for small navigation projects. The Borough believes the project, once evaluated, will be eligible for Section 107.

**Feb. 1, 2019:** Maritime and USDOT entered into an agreement to provide essential air service between Akutan and Akun Island between Feb. 1, 2019 through March 31, 2021. In turn, the Borough entered into a Helicopter Services Agreement, agreeing to pay for the remaining 50% of the EAS costs, reducing the Borough's subsidy of the operation significantly.

**2019:** Initially, the Akun Breakwater and Dock Project fell under the U.S. Army Corps of Engineers Continuing

Authority Program. However, following the Corps' initial feasibility study, ACE determined the total cost would range from \$29 million to \$52 million.

**August 2019:** The Corps' Alaska District informed the Borough that the cost of the project would greatly exceed the funding cap under the Section 107 Program, which has a limit of \$10 million. The Section 107 study was officially closed. The Borough stated that the AEB would like to pursue a General Investigation Study for the Akun Dock & Breakwater Project. At that point, the Borough began looking into a tribal partnership program (TPP) to help move this project forward.

**November 2019:** Congressman Don Young's staff located the 1995 Aleutians East Borough Study Resolution. Bruce Sexauer with ACE reviewed the study resolution and confirmed that no additional authorization is needed for the study, and what is in place is sufficient. He stated that funding is the only item needed.

**December 2019:** The Borough sent a termination letter, which ended the Akun Small Navigation Section 107 Project.

**March 2, 2020:** The Akutan Tribe sent a letter and resolution to the Corps, authorizing the Tribe to participate as the sponsor of the Akutan Navigation project in partnership with the Corps and to cooperatively investigate the development of a breakwater and dock at Akun under the TPP.

**In 2020,** USDOT advertised the Akutan EAS. Maritime and USDOT will be entering into an agreement to provide essential air service between Akutan and Akun Island between April 1, 2021 and March 31, 2023. As of this date, the Borough is anticipating paying approximately \$905,429 to Maritime for Year 1 and approximately \$915,240 to Maritime for Year 2. The Borough is responsible for providing services to Maritime throughout the life of the operation, which include skiff charter services, a hangar fee and helicopter fuel charges. The Borough's overall subsidy for Year 1 will be approximately \$531,305. For year 2, it will be approximately \$540,116; plus some additional costs necessary to complete the helicopter operation.

**July 21, 2020:** The Borough and the Tribe were informed that the U.S. Army Corps of Engineers had an opening to start a new study under the TPP if the Tribe and Borough were willing to enter into a cost-share agreement prior to October 1, 2020. The Borough and the Tribe have agreed and sent the necessary paperwork to the Corps. The Borough and the Tribe had hoped to have an agreement in place for the study either before or shortly after October 1, 2020. The Corps is verifying that all necessary funds are available for the project. The Borough, the Tribe, and the Corps believe that the agreement will be finalized soon. This study will be under the TPP, and the estimated cost of the study is \$2,516,000. The Borough has committed to provide the matching local non-federal cost-share in the amount of \$1,016,000.

**Aug. 25, 2020:** As the end of the most recent contract term approached, USDOT issued Order 2020-8-8, requesting proposals from air carriers interested in providing EAS at Akutan for a new contract period beginning January 1, 2021, with or without subsidy. Subsequently, Grant Aviation and Maritime submitted proposals. USDOT later entered into a new EAS agreement with Grant Aviation and Maritime, extending the contract through March 31, 2021.

**Aug. 13, 2020:** The Aleutians East Borough Assembly approved Resolution 21-09, authorizing the mayor to negotiate and execute a MOA between the Borough and the Akutan Traditional Council for the Akun Boat Harbor Study and appropriate \$1,016,000 from the Borough's existing funds for the project.

**Sept. 10, 2020:** The Aleutians East Borough Assembly approved Resolution 21-13, authorizing the mayor to negotiate and execute the TPP Cost Share Agreement, which committed the Borough to providing the share study costs. The Borough had approximately \$5,380,330 in Non-Federal matching funds available for the Project. These

funds include \$1,006,940 in Borough Bond Funds; \$903,000 in FY2009 State GF AEB Bond Funds Match; \$313,000 FY2007 State GF Appropriation; \$657,390 Trident Seafoods Contribution and \$2,500,000 from the hovercraft sale.

**September 2020:** the State of Alaska DOT P&F, the Borough and the City of Akutan executed Amendment #4 to the Akutan Airport Co-Sponsorship Agreement, which authorized the following: Approval of using \$1,016,000 to investigate an airport access alternative. ACE authorized the Akutan Traditional Council (Tribe) to participate as a sponsor of the Akutan Navigational Project. The Borough and the Tribe will act as project co-sponsors. The local match or cost share requirement is projected to be \$1,016,000. According to Section 5 of Amendment #1 to the CSA, the parties agreed to use remaining project funds to pay the required match. The parties further authorized use of not more than \$200,000 for additional match or other related costs to support this effort.

**Sept. 22, 2020:** The Borough notified USDOT that the feasibility study pursuant to the Section 107 Program had been terminated. After discussions with the Corps, however, the community learned that the Corps' Tribal Partnership (TPP) would be another program to pursue to initiate and complete the feasibility study.

**Sept. 29, 2020:** USDOT requested comments from the Borough, Akutan, and the State of Alaska regarding this EAS air carrier selection case. The Borough submitted a letter on September 30, 2020, supporting the service proposed by Grant and Maritime between Akutan-Akun-Unalaska routing, with a preference for a five-year period, and also stated: "The Borough hereby submits that it is willing and able to pay 50 percent of the compensation for the cost of the helicopter service between Akun and Akutan Island, subject to authorization and appropriation by the Borough Assembly."

**Dec. 31, 2020:** According to Order 2020-12-29, issued by USDOT on Dec. 31, 2020, the U.S. Department of Transportation extended the EAS contract with Grant Aviation, Inc. and Maritime Helicopters, Inc. at Akutan, Alaska through March 31, 2021 to further evaluate the air carriers' proposals and the status of the long-term marine link project.

**Jan. 14, 2021:** The Aleutians East Borough Assembly approved Resolution 21-28, authorizing the mayor to amend the term of the Helicopter Services Agreement with Maritime Helicopters, Inc. to March 31, 2021.

**Jan. 15, 2021:** The Aleutians East Borough and Maritime Helicopters, Inc. entered into the Helicopter Services Amendment No. 1, effective on Jan. 15, 2021. This amendment extends the existing Helicopter Services Agreement to March 31, 2021. As per the agreement, the AEB agreed to pay for 50% of the costs of the helicopter operation. As of Jan. 4, 2021, the Borough subsidized the helicopter operation at approximately \$1,500,00 per year during the time frame of Nov. 22, 2013 through Jan. 31, 2019.

**March 11, 2021:** The Aleutians East Borough Assembly approved Resolution 21-40, authorizing the mayor to negotiate and execute a two-year helicopter services agreement with Maritime Helicopters, Inc. The agreement would provide helicopter transportation between Akutan Airport on Akun Island and the community of Akutan, committing the Borough to pay Maritime an amount not to exceed \$920,000 for these services.

**April 1, 2021:** The Helicopters Services Agreement was retroactively entered into between the AEB and Maritime. The term of this agreement started April 1, 2021 and ends March 31, 2023. As part of this agreement, and at Maritime's discretion, the helicopters will be available to operate for other missions (i.e. medevacs). In addition, at Maritime's discretion, the helicopters will also conduct mail transport services between the Akutan Airport and the City of Akutan. Coordination with Grant Aviation and the U.S. Postal Service is required.

**June 29, 2021:** According to Order 2021-6-26, USDOT selected Grant and Maritime to provide EAS between Dutch Harbor, Akun Island and Akutan, Alaska for the two-year term from April 1, 2021 through March 31, 2023.



USDOT noted in the order that the community prefers a five-year term. However, USDOT expects the community to make progress with the dock and breakwater project in the coming years, and therefore has selected a two-year term. As part of this EAS agreement, USDOT is also subsidizing Maritime to provide 24 weekly nonstop round trips between the Akutan Seaplane Base (KQA, located on Akutan Island) and Akun Island, in order to link Akutan Island to the service from Akun Island to Unalaska. USDOT established an annual subsidy rate of \$905,439 for the period from April 1, 2021 through March 31, 2022, and \$914,240 from April 1, 2022 through March 31, 2023.

**July 19, 2021:** The Aleutians East Borough, the Akutan Tribe and the Army Corps of Engineers signed the Tribal Partnership Project Agreement. The Borough has been working with the Akutan Tribe and the U.S. Army Corps of Engineers to determine the feasibility of building a small dock and breakwater on Akun Island to serve as a marine link between the airport and the community of Akutan. The Borough agreed to be the local sponsor for the project, along with the Akutan Traditional Council. According to the agreement, the Borough agreed to share study costs with the Corps. The shared study costs are projected to be \$1,978,000. The Corps' share of the costs is projected to be \$989,000. The Non-federal Sponsors' share of the costs is estimated to be \$989,000. The parties further authorized use of not more than \$200,000 for additional match or other related costs to support this effort. Additionally, the parties agreed to extend the deadline provided in Section 5(a) of CSA Amendment #1, as amended by CSA Amendment #2, to December 31, 2022.

**October 27, 2021:** The Army Corps, Borough, Akutan Tribe and Trident met to discuss the Akun Dock & Breakwater project as well as Trident's concerns and needs.

**Nov. 15, 2021:** The Army Corps of Engineers traveled to Akutan to conduct a site visit and community meetings. The Corps also met with Trident.

**Nov. 19, 2021:** A request for Proposal for a Survey Vessel Charter was issued.

**Dec. 15, 2021:** One proposal was received by the deadline. The Corps and the Borough reviewed the RFP and selected Mac Enterprises for the charter.

**Dec. 27, 2021:** A fully executed time charter agreement was executed.

**Jan. 13, 2022:** The Borough Assembly voted in favor of Resolution 22-26, the Borough's list of legislative priorities (Capital Projects for the Health, Safety and Welfare of its Residents), which included the Akun Dock and Breakwater project. The Borough asks for the State of Alaska's support for this project.

**Feb. 1, 2022:** Aleutians East Borough Mayor Alvin Osterback and Administration met with the Army Corps to discuss the project. The tentative schedule for the Corps was set as follows: Alternatives Milestone – February 2022; Tentatively Selected Plan Milestone – April 2023; Agency Decision Milestone – August 2023; MSC Transmittal of Final Report – February 2024 and Final Report – July 2024.

The Federal funding for FY22 has been received by the Corps for the subject study, in the amount of \$350,000. The Corps will be requesting the cost-share funding in the amount of \$350,000 from the Borough to allow them to use the Federal funds soon. Funds have already been appropriated to cover this match via the Borough's Co-Sponsorship Agreement with the City of Akutan and the State of Alaska.

**March 15, 2022:** The Borough Mayor and Administration attended the Army Corps Alternative Milestones Meeting. The Corps has determined that the alternatives have been met and milestones have been received. The Corps will continue moving forward with the study.

**Sept. 2022:** The Army Corps submitted an informal request for an additional \$255,000 from the Borough to cover

items that have overrun the budgets in the contract costs for specific data requirements on this study. The Corps' project manager stated he would submit the formal request for these funds in October 2022.

**Oct. 4, 2022:** USDOT issued a request for EAS proposals at Akutan. Proposals are due Oct. 31, 2022 and is for a new two-year contract beginning April 1, 2023. This includes fixed wing service between Unalaska and Akun, and helicopter service between Akun and Akutan.

**Oct. 13, 2022:** The Aleutians East Borough Assembly approved Resolution 23-17, appropriating an additional \$255,000 to the Akun Boat Harbor Study. At this point, the Borough has a balance of approximately \$229,000 for the funds already committed. To date, the Borough has expended \$759,702, which includes:

- \$279,702 (Paid in March 2022.) Funding source: FY2007 State GF Appropriation.
- \$100,000 (Paid in June 2022.) Funding source: FY 2007 State GF Appropriation (\$33,298); FY2009 State GF Matching Funds (\$33,351) and Borough Bond Funds (\$33,351).
- \$380,000 (Paid in Sept. 2022) Funding source: FY2009 State GF Matching Funds (\$109,000) and Borough Bond Funds (\$190,000).

**Oct. 31, 2022:** In response to USDOT's (the Department's) request for proposals for Essential Air Service at Akutan, Alaska, Maritime and Grant submitted a joint proposal to the Department. Grant Aviation proposed to continue EAS to Akutan Airport, located on Akun Island, at the historical level, 624 round trip flights annually (an average of 12 weekly, weather permitting), utilizing either a Beechcraft King Air B-200 or a Piper PA31-350 Navajo Chieftain. Maritime Helicopters proposed to provide connecting service, as is required, between Akun Island and the village of Akutan utilizing a Bell 206 Long Ranger 4 Helicopter. The proposal provides for passenger transport, as well as interim storage of mail and freight transported between Akutan and Dutch Harbor. The proposal is for the 2-year term requested by USDOT. Maritime and Grant also provided an additional three-year option period, should the Department prefer a longer arrangement.

Maritime's projected total cost for Year One is estimated to be \$2,290,225, with an anticipated revenue of \$210,000. The required subsidy would total \$2,080,225. With the EAS at 50%, the amount would total \$1,040,113. Maritime's Year Two Cost Projections estimate the total cost to be 2,406,155, with an anticipated revenue amount of \$210,000. The required subsidy for Year Two would come to \$2,196,155. With the EAS at 50%, the amount would total \$1,098,078.

In response to USDOT's (the Department's) request for proposals for Essential Air Service at Akutan, RAVN Connect (RAVN) submitted a proposal for Essential Air Service at Akutan, Alaska. RAVN proposed providing Akutan with 12 weekly frequencies. (2 daily round-trips Monday through Friday and 1 round-trip on Saturday and Sunday) to Unalaska Airport (DUT). RAVN intends to use a 9-seat Beech 1900 aircraft. RAVN stated in the proposal that the airline will work co-operatively with any rotorcraft or other operator supported by the DOT and the City of Akutan to connect Akutan with Akun Island. During Year One, RAVN anticipates the total cost would be \$2,036,564, with a \$101,828 profit element. The total subsidy requirement would be \$1,829,392. During Year Two, RAVN anticipates the total cost would be \$2,087,478, with a profit element of \$104,374. The total subsidy requirement would be \$1,875,127.

**Nov. 16, 2022:** After reviewing the EAS proposals, the Borough Administration submitted written comments to USDOT supporting the Grant Aviation and Maritime Helicopters co-proposal for the route between Dutch Harbor, Akun and Akutan. The new EAS contract will begin on April 1, 2023, with or without subsidy, and will terminate on March 31, 2025. If the joint Grant-Maritime proposal is accepted, then the Borough will need to enter into a new Helicopter Agreement with Maritime for April 1, 2023 – March 31, 2025. If RAVN Connect is selected, the Borough will need to revise the processes for the link between Akutan and Akun.

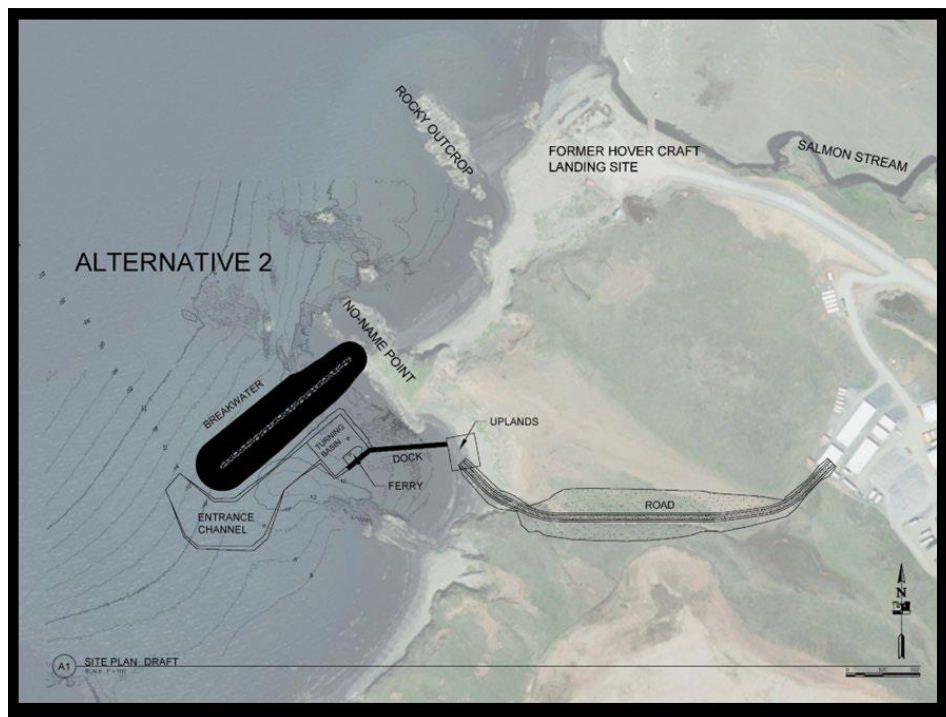
**March 16, 2023:** According to Order 2023-3-18, issued on March 16, 2023, USDOT extended the EAS contract with Grant Aviation, Inc. and Maritime Helicopters, Inc. at Akutan, Alaska for the three-year-term from April 1, 2023 through March 31, 2026. Grant’s service at Akutan will consist of 12 weekly nonstop round trips between Akutan Airport, located on Akun Island, and Unalaska. For the EAS provided by Grant between Unalaska and the Akutan Airport, USDOT is establishing an annual subsidy rate of \$1,550,110 for the period from April 1, 2023 through March 31, 2024; \$1,706,657 from April 1, 2024, through March 31, 2025; and \$1,860,691 from April 1, 2025 through March 31, 2026.

The Department is also subsidizing Maritime to provide 24 weekly nonstop round trips between the Akutan Seaplane Base, located on Akutan Island, and the Akutan Airport, located on Akun, to the service from Akun Island to Unalaska. For EAS provided by Maritime, the Department is establishing an annual subsidy rate of \$1,040,113 for the period from April 1, 2023 through March 31, 2024; \$1,098,078 from April 1, 2024 through March 31, 2025; and \$1,152,195 from April 1, 2025 through March 31, 2026.

**March 28, 2023:** On this date, the Borough and Maritime Helicopters, Inc., entered into a Helicopter Services Agreement, which begins April 1, 2023 and ends March 31, 2026. Maritime will provide Essential Air Services between a ramp, located on Akutan, to the Akutan Airport, located on Akun Island. As set forth in the US DOT Agreement, the AEB will pay 50% of the EAS costs for the services provided by Maritime. In addition, the Borough will provide support services to Maritime for operations in accordance with the terms of this Agreement, as well as any additional services, pursuant to the fee schedule.

**April 13, 2023:** At the April 13, 2023 Assembly Meeting, the Corps provided an Akutan Harbor Navigational Improvements Study. The Corps requested that the Borough endorse the Tentatively Selected Plan and to verify the path forward and/or approval to release the draft report for concurrent review. The Borough Assembly made a motion to accept Alternative 2, the alternative tentatively identified during the study. The motion was unanimously passed.

**June 2023:** In June 2023, a draft Feasibility Study was released. Alternative 2 was selected as the Tentatively Selected Plan. Alternative 2 consists of a harbor sized to accommodate a design vessel with a length of 58 feet and a draft of 8 feet; it has a project price tag of \$57,025,600 in 2023 dollars (\$44,075,600 federal share and \$12,950,000 local share); has an anticipated annual cost of \$2.2 million to operate and construction would not begin until 2032.



**July 2023:** At the July 13, 2023 Assembly Meeting, the Corps provided an Akutan Harbor Navigational Improvements Study presentation. The purpose of the presentation was for the Corps to provide background information on the Akutan Harbor Navigational Improvements Study and to clarify concerns and answer questions regarding the study.

**September 18, 2023:** Borough Administration attended an Akutan Harbor (Akun Island) Programmatic Agreement Kick-Off Meeting. The goal of the meeting was for the Corps and the Non-Federal Sponsors, the Borough and Native Tribe of Akutan, to begin discussions regarding what mitigation would be appropriate to resolve the adverse effect the harbor and its associated features will have on historic properties. Specifically, the Surf Bay Archaeological District (UNI-00103) and the Sanağan site (UNI-00125). The mitigation will be identified in a Programmatic Agreement in accordance with Section 106 of the National Historic Preservation Act.

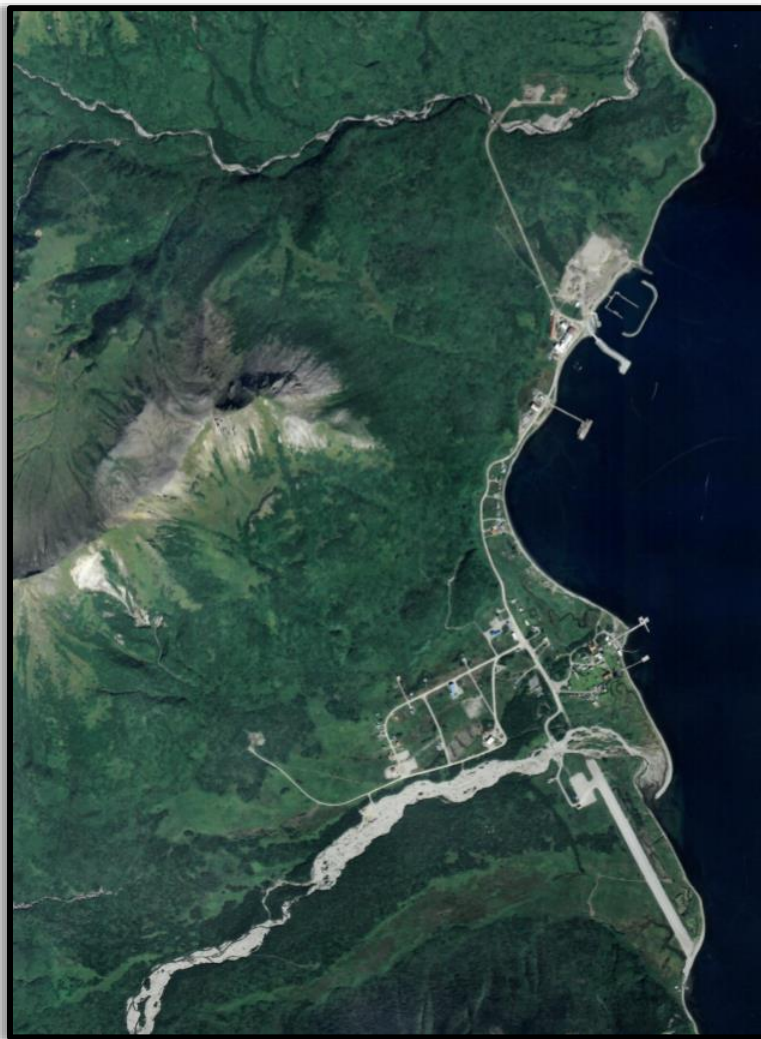
**Funding:** As of October 11, 2023, the Borough had approximately \$4,639,818.98 in Non-Federal matching funds available for the Project. These funds include \$713,089.00 in Borough Bond Funds; \$609,149.00 in FY2009 State GF AEB Bond Funds Match; \$690,742.82 Trident Seafoods Contribution and \$2,626,838.16 from the hovercraft sale.

**Sources include:**

*The Aleutians East Borough, the U.S. Army Corps of Engineers, Grant Aviation, Maritime Helicopters, Inc., Glostén Associates, Alton Bay Design, LLC, Crescere Marine Engineering, Inc. and Coast & Harbor Engineering.*

# FALSE PASS AIRPORT

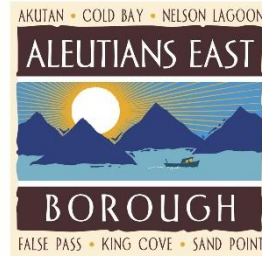
White Paper



The following white paper on the False Pass Airport was prepared for the Aleutians East Borough Mayor and Assembly, Alaska Governor Mike Dunleavy, the Alaska State Legislature, Alaska DOT&PF Commissioner John MacKinnon, U.S. Senators Lisa Murkowski, Dan Sullivan and Congressman Don Young, and the F.A.A.. It describes the need for a reconstructed airport with a longer runway to accommodate air ambulances and other planes. It also includes a history of the community's airport.



# False Pass Airport – White Paper



## Summary:

The City of False Pass has a population of 40 year-round residents. However, during the two seafood plants' peak commercial fishing and processing times (Silver Bay Seafoods – False Pass, LLC and False Pass Seafoods), the population of the community balloons to about 800 people. The processing plants operate nearly year-round.

One of the community's greatest needs is to have a reconstructed airport with a longer runway. The city has a substandard gravel runway measuring 2,150 feet long by 60 feet wide, with a runway safety area of 2,630' by 120.' However, only 2000' feet of the runway are usable because Roundtop Valley Creek is running through it. The rest of the runway is used as a road. Unless there are near-perfect conditions (a 15-knot headwind and a dry runway), Grant Aviation typically limits weights coming out of False Pass to no more than 1,250 pounds. The Navajos are capable of handling the full 1,650 pounds out of the community; however, it gets uncomfortably close to buildings and terrain, and could present safety issues.



The runway is located at the mouth of a narrow valley, with terrain tight against the approach path on both ends. During spring break-up, melting ice/snow and heavy rains cause the runway to become soft, which reduces aircraft performance as well as safety. The runway only has stationary approach lights on each end of the runway and does not have an adequate lighting system. Navigational aids are substandard and in disrepair. A portion of the apron is located too close to the runway, reducing safety standards. The airport does not meet FAA or Alaska Aviation System Plan standards, both of which require a minimum runway length of 3,300 feet. Rebuilding the False Pass Airport with a longer runway would substantially increase safety for pilots and passengers.

## False Pass Airport – White Paper

The city's substandard runway creates major problems when patients need to be transported to a hospital due to medical emergencies. As a result, the community lacks access to a dependable level of higher care. Air ambulance companies, such as Guardian Flight and LifeMed Alaska (both operate King Air 200s), are unable to serve False Pass because the companies require a minimum runway length of 3,000 feet in order to land in a community. The city has a small health clinic, however, during medical emergencies, patients needing a higher level of care must travel to hospitals in Anchorage, 646 miles away, via Cold Bay, the hub airport in the Aleutians and the south Alaska Peninsula.

During medical evacuations and when harsh weather prevents scheduled travel, the U.S. Coast Guard (USCG) is called. The USCG has responded to nine medical emergencies in False Pass during FY2016 – 2020. According to the Coast Guard, air ambulance planes are far better equipped than a Coast Guard aircraft, and the crews are medically trained to a much higher degree. Rebuilding the community's airport would provide reliable access to a higher level of care during medical emergency evacuations.

The commercial airline serving False Pass (Grant Aviation) provides scheduled flights five times weekly, with a connection in Cold Bay, via Alaska Airlines, which provides twice weekly service. The majority of the time, Grant Aviation operates Piper PA-350 Navajos into and out of False Pass. On occasion, the airline operates Cessna Caravans. Rebuilding the airport would provide a significant contribution to improved health and quality of life.

The False Pass Airport Improvement Plan Environmental assessment, conducted in 2008, presented the preferred alternative of extending the existing gravel runway to 3,180' x 120' (with a runway safety area of 3,500 feet) to bring the airport closer to State Aviation System Plan standards. The project would have extended the runway on its existing alignment south into the marine environment. Other improvements would have included the installation of medium-runway lights, a beacon, a lighted windsock and improvements to the airport access road. Project funding was abandoned by DOT&PF in 2008 after not scoring well based on per capita costs. Since then, the population has grown substantially, with the expansion of one seafood processor over the past two decades and the addition of another that located in False Pass in 2018.

The False Pass Airport is an essential transportation facility in False Pass. The community has no road access and very limited ferry service. Correcting the airport's deficiencies would result in one that meets FAA and Alaska DOT&PF standards. Further, it would accommodate anticipated aircraft operations for the next 20 years, and would provide dependable transportation of goods and people in and out of the community. The City of False Pass and the Aleutians East Borough have expressed strong support for a reconstructed airport with a longer runway.

### **History:**

- **1920:** Sockeye Salmon Co. moved their cannery from Morzhovoi Bay to False Pass and leased it to Peter Pan Seafoods (at the time, known as P.E. Harris & Co.). Peter Pan

## False Pass Airport – White Paper

canned 51,659 cases of salmon during their first season and eventually purchased the cannery from Sockeye Salmon Co.

- **1959:** Salmon traps were outlawed when Alaska became a state. Peter Pan started purchasing more salmon from independent salmon seiners and gillnetters.
- **1962:** The False Pass runway was surfaced with gravel (originally a narrow grass strip) and extended north over Roundtop Creek to a length of approximately 4,300 feet.
- **1963:** Inadequate culverts caused a portion of the runway to wash out, reducing it to half its length. No repairs were made.
- The south half of the runway continued to be used as a runway, and the north portion was used primarily as a street.
- 1968: A project to upgrade the runway, apron and access road was funded.
- **1973:** The Salmon Limited Entry system became law and salmon permits were issued for seining, drift gillnetting and set-netting. Peter Pan Seafoods sells its company boats to salmon permit holders, ending ownership of fishing vessels by the company.
- **1974 -1976:** Peter Pan’s cannery in False Pass temporarily closed down due to low salmon runs.
- **1979:** Alaska DOT&PF resurfaced 2,600 feet of the runway south of Roundtop Creek with new gravel.
- DOT&PF built a bridge across Roundtop Creek.
- The bridge was repaired several times.
- **1981:** Peter Pan’s cannery buildings in False Pass burned down. Shoreside support facilities remained intact.
- **1981 – 2004:** Peter Pan maintained the store, mess hall, fuel farm and bunkhouses as a “fish camp” to help support the fishing fleet.
- **1982:** Erosion destroyed the bridge across Roundtop Creek as well as approximately 150 feet of the north end of the runway from erosion.
- Residents accessed the airport by driving across Roundtop Creek or by using makeshift bridges that the community had built.
- **1984:** Residents requested that a new bridge be built because the temporary culvert crossings installed after the 1982 flood were in such poor condition.
- **1990:** A project upgrade included expansion of the runway to 60’ x 2,150 feet, expansion of the runway safety area to 120 x 2,630, as well as the following additions: visual runway markers, two unlighted windsocks, one segmented circle, 200 x 400-foot apron with six sets of tie-downs, a 14 x 1,650-foot road with a 14 x 120-foot bridge, a 24 x 46-foot maintenance building, a 1900 Champion Grader for snow removal and runway maintenance, and an aviation and hazard easement of a ½ acre north of the airport.
- **1990:** False Pass became incorporated as a second-class city.
- **1993:** APICDA provided funding for the City of False Pass’s dock improvements.
- **1999:** APICDA started to rebuild the processing capacity in False Pass by purchasing and operating a processing barge called The Dipper.
- **2000:** APICDA Joint Ventures started building up infrastructure in False Pass to support a shoreside plant, including a bunkhouse, dock, sewer improvements and storage yard.



## False Pass Airport – White Paper

- **Nov. 4, 2003:** A public scoping meeting was held by Alaska DOT&PF for the False Pass Airport Master Plan Environmental Assessment (False Pass AMP EA).
- **April 6, 2004:** A second meeting was held as a follow up to the 2003 event. The False Pass community strongly voiced support for the project at this meeting as well as at the previous one in November.
- **2005:** Alaska DOT&PF, in cooperation with the FAA, began preparing the draft False Pass Airport Master Plan and Environmental Assessment. DOWL Engineers was contracted for the project.
- **Jan. 28, 2005:** Agency coordination included scoping letters sent via email.
- **Feb. 8, 2005:** DOWL Engineers scheduled an agency scoping meeting at their Anchorage office. Representatives from the following agencies/organizations participated: The City of False Pass, the Isanotski Corporation, the Aleutians East Borough, Alaska DOT&PF, the FAA, the U.S. Fish & Wildlife Service, the U.S. Army Corps of Engineers, the Office of History & Archeology and DOWL Engineers. The meeting initiated the NEPA scoping process to solicit agency comments.
- **Feb. 28, 2005:** The deadline to submit comments for the agency scoping phase was Feb. 28, 2005. An agency scoping meeting was held.
- **March 15, 2005:** Another agency scoping hearing was held.
- **August 2005:** ASCG Incorporated performed an environmental site assessment report for DOT&PF as a subcontractor to DOWL.
- The purpose was to estimate the potential for hazardous substances present on the property at levels likely to warrant mitigation under the State of Alaska's environmental laws and regulations.
- 2006: Construction began on the False Pass Boat Harbor.
- **January 2006:** ASCG Incorporated released its environmental site assessment report. The findings stated there were no suspected or confirmed release of hazardous substances that had been documented on the subject property in the federal, state or local environmental reviews.
- **Oct. 16, 2006:** A finding of No Historic Properties letter was sent to the False Pass Tribal Council, the Isanotski Corporation, the Aleut Corporation and to State Historic Preservation Office (SHPO).
- **Nov. 11, 2006:** SHPO concurred with the finding.
- **Nov. 28, 2006:** The second agency scoping meeting was held. Agency representatives in attendance included the City of False Pass, the Aleutians East Borough, the Alaska Department of Community, Commerce and Economic Development, the U.S. Army Corps of Engineers, the FAA, NMFS, Alaska DNR, Pentec Environmental/Hart Crowser, Inc., and DOWL.
- **Jan. 22, 2007:** Another agency scoping hearing was held to inform agency representatives what mitigation options were being proposed on the False Pass AMP EA and to get feedback. Representatives from the following agencies attended: Alaska DOT&PF, Alaska DNR, NMFS, FAA, USACE, Pentec Environmental/Hart Crowser, Inc. and Dowl Engineers.

## False Pass Airport – White Paper

- **2007:** The project was evaluated by the Aviation Project Evaluation board.
- **2008:** The shoreside Bering Pacific Seafoods (BPS) plant opened in June. Approximately 500,000 pounds of salmon is processed in the first season.
- **2008 – 2017:** APICDA invests a significant amount of funding to build the plant up to process a meaningful amount of Area M salmon, while increasing service and support for harvesters, job opportunities and city tax revenue.
- **Feb. 26, 2008:** Alaska DOT, in cooperation with the FAA, provided public notice that the False Pass AMP Draft EA was available for public review and comment. Comments were due within 30 days. (Project no. 56514).
- The Draft EA stated that the proposed project would include extending the existing runway to a total length of 3,100 feet with a runway safety area of 3,580 feet. The runway would be extended on its existing alignment south into the marine environment.
- Other improvements would include erosion protection, access bridge upgrades, airport lighting upgrades, demolition of 0.2 acre of existing apron, vegetation clearing along the sides of the existing runway and a portion of the existing apron, construction of a new snow removal equipment building, and purchase of a 1.6-acre aviation easement.
- A number of additional build alternatives were considered during early project planning but were dismissed due to conflicts with terrain restraints, environmental impacts, higher costs, and/or failing to meet the purpose and need of the project.
- The EA was also posted to DOWL Engineer's website.
- **Feb. 29, 2008:** A notice of the opportunity for a public hearing and the availability of the EA was published in the Anchorage Daily News.
- **March 21, 2008:** Aleutian East Borough Administrator Bob Juettner wrote a letter to Alaska DOT, stating that the Borough agreed with the findings and recommendations of the EA. He said although it wasn't the ideal alternative, it is the affordable choice and should be pursued. Juettner requested that DOT move forward with the construction of airport improvements.
- **March 26, 2008:** A notice was published in the Dutch Harbor Newspaper (Alaska Newspapers, Inc.) advertising the public distribution of the draft EA. A notice of the opportunity for a public hearing and the availability of the EA was Also published in the Anchorage Daily News.
- **March 31, 2008:** Agencies and other interested parties were reminded by email about the comment period closing.
- **June 2008:** The False Pass Airport Master Plan EA final version was completed and published by Alaska DOT, in cooperation with the FAA.
- The proposed action and the no-build alternative were evaluated in the EA. A number of additional build alternatives were considered during early project planning but were dismissed due to conflicts with terrain restraints, environmental impacts, higher costs, and/or failing to meet the purpose and need of the project.
- Based on the EA analysis, the proposed project would not have any significant adverse impact on any environmental impact category.

## False Pass Airport – White Paper

- Proposed mitigation measures included: the footprint of rock fill in Isanotski Strait that would have been minimized by maximizing the steepness of side slopes; approximately 0.4 acre of new essential fish habitat would have been created by constructing a 10-foot-wide bench along the east side and south end of the runway extension; and one year of post-construction monitoring of the runway bench would have been conducted, consisting of four sampling events in one year, one in each season of the year.
- The State Historic Preservation Office concurred with the Finding of No Historic Properties Affected on November 11, 2006.
- **2008:** Based on the last cost estimate made, the False Pass Airport reconstruction project would cost approximately \$23 million, a figure taken from the 2008 False Pass Airport Master Plan and EA.
- At that time, the project was considered very expensive, based on the community's small population and on a per capita basis, according to Alaska DOT&PF.
- The project was deactivated after the EA was developed and more realistic cost estimates were available.
- **2009:** Construction on the 5.2-acre False Pass Boat Harbor was completed. It accommodates more than 80 vessels between 32 to 120 feet in length. The Aleutians East Borough owns the harbor. The City of False Pass maintains it.
- **2012:**
- Potable water, firefighting equipment, electrical services and lighting were installed at the False Pass Boat Harbor.
- **2014:** APICDA opens a fuel facility, False Pass Fuels, after Peter Pan closed its fuel farm.
- **2016:** A containerization system was successfully launched in False Pass. Each container can hold 48,000 pounds of frozen product which significantly streamlined shipping.
- The collaborative project with BPS, the City of False Pass, American President Lines and Samson Tug & Barge resulted in significant operational improvements.
- **2017:** BPS purchased and processed 7.5 million pounds of salmon – a 288% increase from the previous year.
- **2018:** The success of BPS attracted commercial interest.
- **Winter 2018:** APICDA entered into a partnership to transfer a majority ownership of Bering Pacific Seafoods (now False Pass Seafoods) to Trident Seafoods.
- Under Trident's new leadership, the plant more than tripled its capacity, increasing its daily production of 250,000 pounds per day to almost one million pounds daily of salmon, Pacific cod, black cod, halibut and other species in False Pass.
- **May 2018:** Silver Bay Seafoods – False Pass, LLC began construction of a new state-of-the-art seafood processing plant in False Pass.
- **June 2019:** Silver Bay Seafoods – False Pass, LLC's seafood plant became fully operational. The company buys and processes salmon, cod and pollock. The nearly year-round facility has a substantial daily processing capacity.
- The company also has housing facilities, cold storage and a 166-foot-long dock with a pedestal crane.

## False Pass Airport – White Paper

- **2022:** The Borough identified the False Pass Airport as a need and included the False Pass Airport project in the Borough’s Strategic Plan.
- In February 2022, the Borough and City sent a joint letter to the State of Alaska Department of Transportation & Public Facilities requesting them to develop an acceptable project scope to provide an improved facility addressing the identified problem areas and agree to its inclusion in the latest Airport Improvement Program Spending Plan.
- In July 2022, the Borough received a written response and the City and Borough spoke to DOT to discuss the proposed scope of work.
- In October 2022, the False Pass Airport Project went before the APEB Board and funding in the amount of \$35,231,819 was approved. The scope of work for the project is: Resurface runway 14/32, taxiway, and apron. Add and replace the unlit airport signage in accordance with AC 150/5340-18, add retro-reflective markers to the movement area and apron edges, replace the primary and supplemental wind cone units, replace the segmented circle, and create erosion control for Round Top Valley Creek. The design will need to focus on significant hydrologic/hydraulic issues prevalent at the site, i.e., flooding and its effect on the airfield, so as to produce a design for a landing area that is not susceptible to these effects. **The total estimated cost of this project is \$35,231,819 with a completion date of the Federal Fiscal Year 2028.**
- **2023:** In May 2023, the State of Alaska issued a Request for Proposal for the False Pass AP Rehab and King Cove Runway Resurfacing – Design Services.
- The State has reviewed the proposals and selected DOWL for the work and will begin price negotiations. The State has tentatively scheduled DOWL to conduct a site visit to False Pass and King Cove on November 7 and 8, 2023.
- The Aleutians East Borough continues to ask the State to look at engineering options to lengthen the runway; and if a feasible option is identified the Borough and City of False Pass would like DOT/PF to consider incorporating that solution into the project scope of work.

### **Sources include:**

The June 2008 False Pass Airport Master Plan Environmental Assessment, Alaska DOT&PF, the FAA, False Pass Mayor Nikki Hoblet, APICDA, Trident, Silver Bay Seafoods – False Pass LLC, Mark Hickey of Hickey & Associates, Grant Aviation, Guardian Flight, LifeMed Alaska and the U.S. Coast Guard.





## King Cove Access Project – White Paper

*Prepared for the Aleutians East Borough Mayor and Assembly*



## Summary:

The communities of King Cove and Cold Bay were separated in 1980 when President Carter – without consulting local residents – created the Izembek National Wildlife Refuge. King Cove’s roughly 900 residents have been trying to reestablish access ever since.

The remote community of King Cove, located near the western end of the Alaska Peninsula and the beginning of the Aleutian Chain, is frequently



plagued by hurricane-force winds, stormy weather and dense fog, which grounds or delays small plane travel to its gravel airstrip at least 30 percent of the time. The isolated community is accessible only by small plane or boat. In the ensuing years, 18 deaths have been associated with the lack of land access, either due to plane crashes or an inability to reach timely medical treatment.



King Cove does not have a hospital or a full-time doctor. The community’s clinic cannot treat life-threatening heart conditions, respiratory illnesses or traumatic injuries. In medical emergencies, the clinic must call for an air ambulance or the Coast Guard, which then transports patients to Anchorage hospitals, approximately 650 miles away. King Cove residents believe this environmental justice issue needs to be corrected. They are hopeful a land exchange will be approved in the courts to help alleviate the situation so they can access the nearby community of Cold Bay, which has an all-weather 10,000-foot-long paved runway.



## History:

- The Cold Bay Airport was constructed during World War II.
- In 1949, King Cove became an incorporated city in the Territory of Alaska.
- In 1958, Congress passed the *Alaska Statehood Act* accepting Alaska as the 49<sup>th</sup> state on January 3, 1959.
- In 1970, the State of Alaska built a 3,500’ gravel runway in King Cove.
- In 1976, the City of King Cove passed its first formal resolution in support of a road connection to the Cold Bay Airport.
- In 1980, President Carter signed the *Alaska National Lands Interest Conservation Act* (ANILCA). This act officially designated as “wilderness” about 300,000 acres of what would be renamed the Izembek National Wildlife Refuge.
- In 1982, Cold Bay incorporated as a second-class city.
- In October 1987, the Aleutians East Borough (Borough) incorporated as a second-class Borough.
- In 1995, Governor Knowles announced his support for a road from King Cove to the Cold Bay Airport. Months later, Knowles withdrew his support upon learning that the road would traverse the Izembek “wilderness”).

- In the late 1990's a land exchange was proposed – an offer to transfer 650 acres of King Cove Corporation (KCC) land to the federal government in exchange for a 206 acres road right-of-way through the Izembek Refuge. The land which KCC were offering to exchange were adjacent to the mouth of Kinzarof Lagoon, and commonly referred to as the 'bookends.' With unanimous support from the Alaska Delegation, King Cove took their case to the 105<sup>th</sup> Congress. The result was the introduction of a land exchange bill entitled the *King Cove Health and Safety Act of 1998*. The bill passed the Senate by a 59-38 vote.
- With the help of then-Alaska Senator Ted Stevens, and White House Chief of State Leon Panetta, a compromise was reached to provide \$37.5 million for a combination road and marine link to connect the communities, or to relocate the King Cove airstrip to a better location, plus a \$2.5 million upgrade to the King Cove clinic.
- The Borough Mayor Dick Jacobson accepted the compromise.
- In 2004, the final King Cove Access Project Environmental Impact Statement selected a road and marine link to include hovercraft service from the northeast corner to a terminal in Cold Bay.
- On December 4, 2004, the Borough entered into an agreement with Hoverwork Limited for the design, construction and deliver of one hovercraft. Per the agreement, the Borough shall pay Hoverwork \$8,163,000 for their services.
- In January 2005, the Borough and the US Fish and Wildlife Service (FWS) entered into a grant agreement allowing the Borough to complete the marine/road link authorized under section 353(a) of the FY1999 Omnibus Appropriations Act and described in the December 2003 King Cove Access Project Final Environmental Impact Statement and the US Army Corps of Engineers Record of Decision and associated permit, Cold Bay 12 POA-2-2000-0300 issued on January 15, 2004. FWS agreed to provided \$15 million in federal funds and the Borough agreed to use the funds to complete the marine/road link. The \$15 million in the original legislation was for a potential airport relocation and with DOT/PF concurrence the Borough requested to reappropriate that \$15 mil to the marine/road link was approved.
- In October 2005, the Borough and Hoverwork signed the 1<sup>st</sup> Amendment to the Borough/Hoverwork Agreement, adding language about Trade Agreements.
- In 2005/2006, Governor Murkowski pursued a land exchange with the Federal government. The total land offer of 61,000 acres, i.e., 43,000 acres of State land and 18,000 acres of KCC land was offered in the exchange.
- The road was constructed in two phases. The first phase included the construction of the first 10 miles under the direction/guidance of the Borough.
- On June 20, 2007, the Izembek & Alaska Peninsula Refuge & Wilderness Enhancement Act was introduced to the House. The bills entitled "To provide for the inclusion of certain non-Federal land in the Izembek and Alaska Peninsula Wildlife Refuges and Wilderness in the State of Alaska and for the granting of a right-of-way for safe and reliable access for the Native Village of King Cove, Alaska, and for other purposes."
- On August 8, 2007, the Borough began operating the Hovercraft.
- In March 2009, the Borough entered into a Memorandum of Agreement with the State of Alaska for the King Cove Access Road Completion. \$2,000,000 in State general funds have been appropriated to DOT&PF for design of the road. It was agreed that the project would construct the King Cove Access Road from the end of the existing access road to the Northeast Cold Bay hovercraft terminal approximately 7.2 miles northwest. The project also included site work at the NeCB and Lenard Harbor terminals; having improvements meet DOT&PF standards; have the Borough obtain all required permits, required right-of-way, and design the project and the Borough agreed to own and maintain the road.
- On March 19, 2009, the *Omnibus Public Land Management Act of 2009*, which included *Subtitle W – Izembek National Wildlife Refuge Land Exchange*, passed the US Senate on a 77-20 vote. A week later, the bill passed the US House of Representatives on a 285-140 vote. President Obama signed it into law on March 30, 2009.

- On August 19, 2010, Governor Parnell signed the *Izembek State Game Refuge Land Exchange* bill into law authorizing the State to approve the land exchange offer of 42,000 acres of state land for the 206-acre road corridor.
- In 2010, the Borough and State of Alaska entered into a Maintenance Agreement regarding the King Cove Access Road Completion. Per the agreement, the Borough agreed to provide the necessary care to maintain and operate the road for a minimum for twenty years, the life of the facility, subject to conditions.
- On December 10, 2010, Borough Mayor Mack wrote a letter to the residents of King Cove and Cold Bay stating that the hovercraft service would be discontinued due to the excessive operating costs and weather/ocean constraints.
- Between 2007 and 2011, the Borough expended \$4,047,784 to operate the hovercraft.
- On February 5, 2013, FWS issued the notice of the final EIS was published with a “No action” alternative and the US Environmental Protection Agency accepted the EIS on February 1, 2013. An in-person appeal occurred where nine King Cove residents/advisors convinced then-DOI Secretary Salazar to allow for another opportunity to have the road alternative selected, which prompted outgoing DOI Secretary Salazar to approve an extension of the draft EIS for the incoming Sec. Jewell administration to review and potentially modify.
- The second/final phase of the existing road was completed in 2011-2013 under the leadership of Alaska DOT/PF using \$14+ million in ARRA funding from the Obama Administration. DOT/PF also ended up paying an additional \$4-5 million claim by the contractor, AIC, for a series of changed conditions in completing the last 7-8 miles of the project and finalizing both the temporary hovercraft site in Lenard Harbor and the “ultimate” hovercraft site at the NE corner.
- In August 2013, Secretary of Interior Jewell and Senator Murkowski visited King Cove. During the visit Secretary Jewell commented that she was also visiting King Cove to “hear what the Izembek animals had to say about a possible land exchange.” She also visited Cold Bay and had a private meeting with a few of the Cold Bay dissidents who were working to stop the land exchange/road.
- On December 23, 2013, Secretary Jewell issued her Record of Decision, which was no road and no land exchange.
- On June 4, 2014, the Agdaagux Tribe, the Native Village of Belkofski, the State of Alaska, City of King Cove, Borough, and King Cove Corporation, collectively called the King Cove Group, sued the Secretary of Interior, the Assistant Secretary of Indian Affairs, the Director of the U.S. Fish and Wildlife Service and others in the DOI.
- On December 19, 2014, Federal District Court Judge Holland ruled against a number of the lawsuit claims. However, the primary and remaining claim that Secretary Jewell used biased scientific information to make her denial to the approval of the Izembek land exchange and the Cold Bay Airport still needed to be determined.
- On February 2, 2015, the King Cove Group attorney filed a Summary Judgement Motion.
- On June 16, 2015, Senator Murkowski introduced an appropriations bill that would direct an equal-value land exchange for the short, single-lane, non-commercial road between King Cove and Cold Bay. The bill was approved by the Senate Appropriations Subcommittee on Interior, Environment and Related Agencies and the full committee.
- On November 4, 2015, the King Cove Group and the State of Alaska filed an appeal of Judge Holland’s decision in the lawsuit with the DOI. This was done to reserve appeal rights.
- In December 2015, it was determined that Senator Murkowski’s bill did not make it into the final FY2016 Federal budget bill.
- In July 2015, Senators Murkowski and Sullivan and Congressman Young introduced identical bills (S.3204 and H.R. 5777) in both chambers of Congress which includes an equal value land transfer in exchange for a short, single-lane, non-commercial road linking King Cove and Cold Bay.
- On April 14, 2016, Senator Murkowski held a hearing on the need for the road in front of the Senate Committee on Energy and Natural Resources. Congress did not pass the bills.



- In July 2016, the Borough entered into a Memorandum of Agreement with the City of King Cove to maintain the road for FY17.
- In July 2016, the Borough entered into a Memorandum of Agreement with the City of King Cove regarding the reimbursement of expenses associated with the King Cove Access Project. This agreement included reimbursements for the period between FY2007 through FY2015, for FY2016 and for FY2017. The Borough reimbursed the City as follows: FY2007 – FY2015 \$825,000; FY2016 \$100,000 and FY2017 \$86,787.86.
- On August 3, 2016, Governor Walker visited King Cove, Cold Bay and the Izembek Refuge.
- In January 2017, Senators Murkowski, Sullivan and Congressman Don Young introduced bills in both houses of the 115<sup>th</sup> Congress which includes an equal value land transfer in exchange for construction of a short, single-lane, non-commercial road linking remote King Cove to the Cold Bay airport.
- In addition, Speaker of the Alaska State House, Bryce Edgmon introduced HJR 6 supporting the Federal legislation for the King Cove to Cold Bay Airport Road, which was unanimously approved by the House on Wednesday, February 1<sup>st</sup>. A hearing on the bill was scheduled for the State Senate Resource Committee on Monday, February 6<sup>th</sup>.
- Governor Walker requested an FY18 capital reappropriation of \$10.0 million for the Izembek road project.
- In July 2017, the Borough entered into a Memorandum of Agreement with the City of King Cove to maintain the road for FY18.
- In July 2017, the Borough entered into a Memorandum of Agreement with the City of King Cove regarding the reimbursement of expenses associated with the King Cove Access Project for FY18. The Borough reimbursed the City \$100,000.
- On January 22, 2018, the KCC and U.S. Interior Secretary Zinke signed a land exchange that will allow the community to establish reliable overland access to Cold Bay.
- On January 30, 2018, Plaintiffs file lawsuit complaint against and to void the King Cove Land Exchange signed on January 22, 2018 between the DOI and King Cove Corporation.
- On January 31, 2018, Plaintiffs send a 60-day notice letter under the Endangered Species Act (ESA) to set up a claim under that act later in the lawsuit.
- On March 16, 2018, the Borough signed an Engagement Letter with Robertson, Monagle & Eastaugh in an amount not to exceed \$61,875, for the case of Friends of Alaska Wildlife Refuges, et. al. v. Ryan Zinke, DOI, et. al. Case No 3:18-cv 00029-TMB.
- On April 2, 2018, Federal Defendants filed an Answer to Plaintiffs Complaint.
- On April 11, 2018, the King Cove/Cold Bay Group (KC/CB Group) Attorney's file a Motion to Intervene in the Case with Proposed Answer, 7 declarations, and supporting documents on behalf of the King Cove Corporation, Borough, Agdaagux Tribe, Native Village of Belkofski, City of King Cove, and City of Cold Bay.
- On April 19, 2018, Plaintiffs filed an Amended Complaint adding a count on the ESA.
- On April 24, 2018, Federal Defendants did not object to KC/CB Group intervention, which is the standard position taken by the federal government in cases such as these.
- On May 3, 2018, Federal Defendants filed a 2nd Answer to the Amended Complaint.
- On May 4, 2018, Judge Burgess granted KC/CB Group Motion to Intervene and the KC/CB Group Attorneys filed the Answer to the Amended Complaint and supporting documents per Federal Judge Burgess' Order. The KC/CB Group are officially Defendant-Intervenors.
- On June 1, 2018, Federal Defendants DOY filed the Administrative Record.
- On June 15, 2018, the Borough signed an Engagement Letter with Robertson, Monagle & Eastaugh in an amount not to exceed \$44,600, for the case of Friends of Alaska Wildlife Refuges, et. al. v. Ryan Zinke, DOI, et. al. Case No 3:18-cv 00029-TMB.
- On June 21, 2018, The Federal Defendants requested a 9-day extension on its brief due date. The Plaintiffs agreed but asked for a 9-day extension also on their brief due date.

- On June 25, 2018, the KC/CB Group agreed to the extension for both parties.
- In July 2018, the Borough entered into a Memorandum of Agreement with the City of King Cove to maintain the road for FY19.
- In July 2018, the Borough entered into a Memorandum of Agreement with the City of King Cove regarding the reimbursement of expenses associated with the King Cove Access Project for FY19. The Borough reimbursed the City \$72,000.
- On July 11, 2018, Plaintiffs filed their Motion for Summary Judgement request on the Court to invalidate the Land Exchange Agreement.
- On August 22, 2018, the Department of Justice (DOJ) filed a Federal Defendants' Brief in Opposition to Plaintiffs' Motion for Summary Judgement
- On August 24, 2018, the KC/CB Group filed its Brief in Opposition to Plaintiffs' Motion for Summary Judgement.
- On August 29, 2018, the State of Alaska filed a Proposed State of Alaska Amicus Brief in opposition to Plaintiffs' Motion for Summary Judgment.
- On September 7, 2018, Plaintiffs filed their Reply Brief.
- On September 20, 2018, the Defendant/DOJ filed a Brief in Opposition to Plaintiffs' Motion to Strike.
- On October 4, 2018, Judge Burgess recused himself from the case because his wife is a senior, supervisory attorney in the Alaska Department of Law and the State of Alaska recently filed an amicus brief in support of the King Cove Land Exchange Agreement. Judge Holland was appointed to take his place; however, he has recused himself. Since his recusal, Judge Gleason has now been assigned to the case.
- On March 18, 2019, the Department of Interior (DOI) finalized the survey of the lands which are identified to be included in the proposed exchange. This set the stage to begin a value appraisal of the surveyed lands.
- On March 29, 2019, the Alaska Federal Court rendered a judgement holding the Land Exchange in violation of a process requirement of the Federal Administrative Procedure Act. Since that decision, the KC/CB Group has been consulting with the DOI on the best course for continuing the goals and implementation of the Agreement.
- In July 2019, the Borough entered into a Memorandum of Agreement with the City of King Cove to maintain the road for FY20.
- In July 2019, the Borough entered into a Memorandum of Agreement with the City of King Cove regarding the reimbursement of expenses associated with the King Cove Access Project for FY20. The Borough reimbursed the City \$72,000.
- On July 22, 2019, the United States Court of Appeals for the Ninth Circuit dismissed the appeal of the prior case (Friends of Alaska National Wildlife Refuges; etc al., v David Bernhardt, in his capacity as Secretary or the United States Department of the Interior. Also, the KCC and DOI have signed a new land exchange agreement that is very similar to the land exchange signed by the two entities on January 22, 2018.
- On September 16, 2019, the Borough signed an Engagement Letter with Robertson, Monagle & Eastaugh in an amount not to exceed \$92,750, for the case of Friends of Alaska Wildlife Refuges, et. al. v. David Bernhardt, DOI, et. al. Case No 3:19-cv 000216-JWS.
- On August 7, 2019, Plaintiffs filed their Complaint against DOI/Secretary Bernhardt to "invalidate, vacate, and set aside" the Agreement, which was signed on July 12, 2019 between DOI and KCC. Plaintiffs also sent a 60-day notice letter under the Endangered Species Act (ESA) to set up a claim under ESA later in the lawsuit. Following 60 days, on/about October 6, 2019, Plaintiffs are expected to file an additional ESA count to add to the Complaint.
- At the September 12, 2019 Assembly Meeting, the Assembly approved Resolution 20-17 authorizing the Mayor to negotiation and execute an Agreement with Robertson, Monagle and Eastaugh to provide Legal Services to participate in the litigation filed on August 7, 2019 by the Trustees for Alaska against the DOI in an amount not to exceed \$92,750.

- On October 30, 2019, Robertson Monagle and Eastaugh filed the paperwork for the litigation.
- By March 23, 2020, all pleadings required by the Court for this case were completed. This includes three Opposition briefs to the environmental groups' Motion for Summary Judgment seeking to invalidate the land exchange agreement between King Cove Corporation and Secretary of Interior Bernhardt. These Opposition briefs were filed on March 3, 2020 by the DOJ representing the Secretary, and on March 9, 2020 two Opposition briefs by the State of Alaska and King Cove Corporation and the two tribes. On March 23, 2020 the Plaintiffs, our environmental group opposition, filed their Reply Brief which completed the Court ordered briefing schedule with one exception. After consultation with our State of Alaska partners and after consultation with and permission from Borough Administrator Bailey, City Manager Hennigh, and KCC, we jointly filed a request for Oral Argument on March 26, 2020. Granting this request is strictly up to Judge Sedwick, but the issues in this case are complicated. So, we felt that asking for Oral Argument was logical. If the request is granted, the Court will schedule a hearing to hear arguments from both sides.
- On June 1, 2020, Alaska Federal District Court Judge John Sedwick ruled that the current King Cove Land Exchange Agreement is not valid. His reasoning was that the Secretary of Interior did not present adequate reasons to change policy justifying the Agreement. The Secretary disagrees with this decision as does the State of Alaska and the KCC, the tribes, and the City of King Cove and Borough.
- In July 2020, the Borough entered into a Memorandum of Agreement with the City of King Cove to maintain the road for FY21.
- In July 2020, the Borough entered into a Memorandum of Agreement with the City of King Cove regarding the reimbursement of expenses associated with the King Cove Access Project for FY21. The Borough reimbursed the City \$88,710.
- On August 14, 2020, the DOJ filed a Federal Defendants Notice of Appeal.
- On August 17, 2020, Robertson, Monagle and Eastaugh submitted an appeal on behalf of the Agdaagux Tribe, the KCC, the Native Village of Belkofski, the City of King Cove and the Borough. The State of Alaska also submitted their appeal on August 17, 2020.
- On September 18, 2020, the Borough signed an Engagement Letter with Robertson, Monagle & Eastaugh in an amount not to exceed \$107,750, for the case of Friends of Alaska Wildlife Refuges, et. al. v. David Bernhard, DOI, et. al. v. State of Alaska, and King Cove Corporation et. al. U.S. 9<sup>th</sup> Circuit 20-35727,35721, and 35728.
- The King Cove Group has appealed the District Court Decision. The State of Alaska has also appealed this case and is working closely with us on this appeal. The Opening Brief was filed on November 23, 2020. The opponents filed their Answering Brief on January 15, 2021, and the Court has just sent an order extending the filing deadlines for the DOJ, State of Alaska, and our group until March 8, 2021.
- On March 4, 2021, the King Cove Group submitted their Reply Brief.
- On March 16, 2021, Deb Haaland was sworn in as the Secretary of Interior.
- In early May 2021, the State of Alaska issued a Request for Proposal for Izembek environmental, permitting and design work. This proposal submittal deadline is May 25, 2021.
- In July 2021, the Borough entered into a Memorandum of Agreement with the City of King Cove to maintain the road for FY22.
- In July 2021, the Borough entered into a Memorandum of Agreement with the City of King Cove regarding the reimbursement of expenses associated with the King Cove Access Project for FY22. The Borough reimbursed the City \$87,151.88.
- Oral argument on our Land Exchange case occurred virtually on August 4, 2021. The Federal, State and King Cove Group attorneys presented their approach for the 20 minutes allotted for the argument. The case has now been submitted to the three-judge panel, but a decision is not expected for a number of months.
- The State successfully performed some land survey work to help with the bridge site selection/design on the King Cove owned land within the refuge.

- On August 16, 2021, the King Cove Group attended a virtual meeting with Secretary Haaland.
- On October 4, 2021, the State DOT/PF filed an administrative appeal before the US Fish and Wildlife Service regarding the Special Use Permit. The State did not ask for or need any member of the King Cove Group to cosign the appeal letter. A copy of this appeal is not yet available, but State Attorneys describe the appeal document as comprehensive and covering a wide range of issues. The State filed the appeal because it was dissatisfied with the permit negotiation with the USFWS. It is unlikely that any further field work will be accomplished in 2021.
- On October 15, 2021, the Borough signed an Engagement Letter with Robertson, Monagle & Eastaugh in an amount not to exceed \$76,375 for ongoing litigation services.
- On March 16, 2022, the Ninth Circuit, in its ruling, affirmed then-Interior Secretary David Bernhardt's decision and legal authority to approve the proposed land exchange. Soon after the ruling by the Court, appellants (conservation groups) filed a petition for an *en banc* reconsideration. This has delayed the Appeals Court in issuing its mandate, which would make the 2 to 1 majority opinion final.
- On April 20, 2022, U.S. Secretary of the Interior Deb Haaland traveled to King Cove, accompanied by Senator Lisa Murkowski, to see the community first-hand. Governor Mike Dunleavy flew to King Cove from Juneau to attend the event.
- In July 2022, the Borough entered into a Memorandum of Agreement with the City of King Cove to maintain the road for FY23.
- In July 2022, the Borough entered into a Memorandum of Agreement with the City of King Cove regarding the reimbursement of expenses associated with the King Cove Access Project for FY23. The Borough reimbursed the City \$94,466.65.
- On July 18, 2022, the Borough signed an Engagement Letter with Robertson, Monagle & Eastaugh in an amount not to exceed \$86,125 for ongoing litigation.
- On August 5, 2022, the final briefs ordered by the 9<sup>th</sup> Circuit Court were filed. These included 3 individual briefs filed by the DOJ as attorney for the Secretary of Interior Deb Haaland and the DOI/US Fish and Wildlife Service, the State of Alaska, and the King Cove Group including the KCC, Agdaagux Tribe, the Native Village of Belkofski, the Borough and the City of King Cove. Additionally, an *amicus brief* supporting the King Cove Group and opposing the petition for rehearing is expected to be filed next week by the NANA Regional Corporation.
- On Aug. 12, 2022, the NANA Regional Corporation filed an amicus brief supporting King Cove's position that the *en banc* rehearing should be denied. The NANA Corporation added that the land exchange with King Cove is consistent with the Alaska National Interest Lands Conservation Act's purpose.
- On Dec. 13, 2022, an 11-panel of judges on the Ninth Circuit Court of Appeals heard oral arguments in Pasadena, California during an *en banc* (rehearing) to determine whether the previous decision, approving the land exchange, should be reaffirmed.
- On December 31, 2022, the Borough signed an Engagement Letter with Silver Legal Services in an amount not to exceed \$86,125 plus \$7,500 travel contingency for continuing litigation in the 9<sup>th</sup> Circuit Court of Appeals.
- On March 17, 2023, the Borough, City of King Cove and the KCC participated in a virtual call with Secretary Haaland and her staff to discuss the Land Exchange and the road to Cold Bay. At this meeting Secretary Haaland withdrew her support and participation in the 2019 Land Exchange that was signed by Secretary Bernhardt. She added that the DOJ would file a Motion to Dismiss the pending *en banc* case as moot. The motion was filed along with a memorandum from Secretary Haaland within thirty minutes of the discussion.
- On March 27, 2023, the Deputy Secretary of Interior Beaudreau and others travelled to King Cove. They met with leadership, had a briefing at the clinic, drove to the Northeast Corner to view the existing road and had a community meeting. The following day they flew to Cold Bay to refuel and were able to view a small portion of the Refuge area on which the proposed road would be located.

- On March 29, 2023, Senator Murkowski questioned Secretary Haaland about her position on the road and made the point that to accomplish this decision in the next few months would require Congressional approval. The Secretary responded that she is “committed” to a viable solution for King Cove.
- In May 2023, the King Cove Group lawyers filed multiple pleadings opposing the Motion to Dismiss and Purported withdrawal from the 2019 Land Exchange Agreement. These pleadings have been filed in coordination with the support of the State of Alaska which agrees that the Secretary lack the legal authority to unilaterally withdraw from the 2019 agreement without KCC agreement and particularly with no tribal consultation and government to government consultation as required by DOI procedure and rules.
- In April/May, DOI followed up the March trip to King Cove with a proposed study of the issue by developing a supplemental Environmental Impact Study under NEPA to be completed by mid-year 2024. This process is supposed to begin with a Notice of Intent by DOI to be published in the Federal Register.
- On April 14, 2023, the Borough signed an Engagement Letter with Silver Legal Services in an amount not to exceed \$62,750 to respond to the pending 9<sup>th</sup> Circuit Court Appeal of DOI’s Motion to Dismiss the Izembek Land Exchange Case.
- In June 2023, the KC Group filed strong comments advocating DOI support for the 2019 Land Exchange.
- In July 2023, the Borough entered into a Memorandum of Agreement with the City of King Cove to maintain the road for FY24.
- In July 2023, the Borough entered into a Memorandum of Agreement with the City of King Cove regarding the reimbursement of expenses associated with the King Cove Access Project for FY24 in an amount not to exceed \$100,000.
- On September 28, 2023, a virtual Government to Government meeting was held.
- On October 27, 2023, a second Government to Government meeting was held.

### **KCAP Funding and Expenses:**

The Borough and City of King Cove have expended funds on the KCAP Road.

#### City of King Cove

Since the early 2000’s the City of King Cove has spent over \$2,000,000 in City General Fund dollars to keep advocating and pushing for this project. These funds are in addition to what the Borough has reimbursed the City for.

#### Aleutians East Borough

The Borough has funds available for the King Cove Road in the following accounts:

#### **Line-Item E 20-867-210-972 – KCAP Hovercraft Proceeds - ~\$139,000**

As of September 2023, there is \$239,153.56 available in line-item E 20-867-210-972. \$100,000 of these funds have been committed to reimburse the City of King Cove for FY24 King Cove Road expenses. Therefore, in FY2025, \$139,000 in KCAP – Hovercraft Sales Proceed Funds will remain.

#### **Sub-Department 168 – DCCED Grant - ~\$919,030 in KCAP DCCED Grant Funds**

As of September 2023, there is \$919,030 in KCAP DCCED Grant funds available in line-items E 20-867-168 Engineering and E 20-867-168-850 Capital Construction. These funds can be used for:

- Permitting, environmental assessments, and environmental impact surveys;
- Engineering, design and surveys;
- Construction costs, installation of drainage and water erosion systems, and protective barriers;

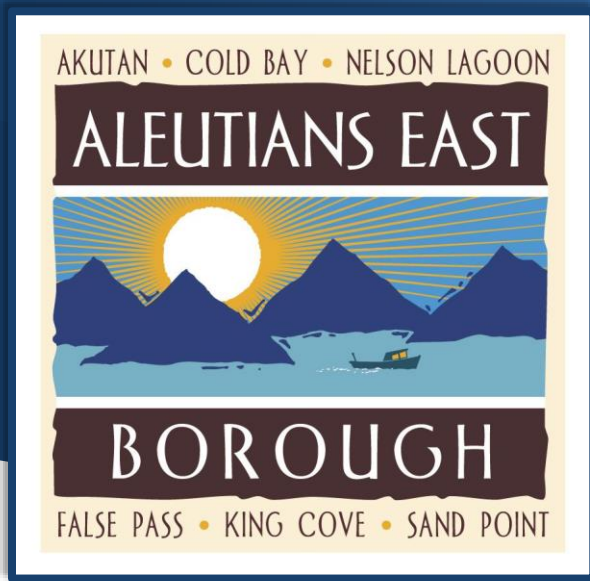
- Litigation, research, and attorney fees; and
- Project management.

The Borough has expended \$2,567,163.26 for expenses associated with Reimbursements to the City of King Cove, litigation and road maintenance. A summary can be found below:

<b>Reimbursements to the City of King Cove for Expenses Associated with the King Cove Access Project</b>	
FY2007-FY2015	\$825,000.00
FY2016	\$100,000.00
FY2017	\$86,787.86
FY2018	\$100,000.00
FY2019	\$72,000.00
FY2020	\$72,000.00
FY2021	\$88,710.00
FY2022	\$87,151.88
FY2023	\$94,466.65
<b>TOTAL</b>	<b>\$1,437,406.39</b>

<b>KCAP Litigation</b>	
2018	\$102,029.00
2019	\$70,740.00
2020	\$107,750.00
2021	\$76,429.00
2022	\$84,468.00
2023	\$67,341.00
<b>TOTAL</b>	<b>\$508,757.00</b>

<b>KCAP Road Maintenance</b>	
FY2017	\$99,000.00
FY2018	\$104,491.86
FY2019	\$99,000.00
FY2020	\$99,000.00
FY2021	\$115,845.51
FY2022	\$103,662.50
<b>TOTAL</b>	<b>\$620,999.87</b>



## **Borough Maintenance – White Paper**

*Prepared for the Aleutians East Borough Mayor and Assembly*



## Summary:

The Aleutians East Borough owns the following facilities:

Akutan Hangar	Akutan Hangar Office	Akutan School
Cold Bay Dock	Cold Bay Terminal Building	False Pass School
King Cove Office	King Cove School	Nelson Lagoon Dock
Nelson Lagoon Duplex	Sand Point 4-Plex	Sand Point Bus Barn
Sand Point Hatchery	Sand Point Office	Sand Point School

Maintenance is required to maintain these facilities in a functional manner.

In August 2022, the Borough entered into an agreement with the School District that provides guidance for the efficient maintenance of school facilities and to reduce any potential conflicts which may arise from a division of responsibilities. The Borough also has Dock and Harbor Agreements with the Cities of Akutan, Cold Bay, Nelson Lagoon and Sand Point for the docks and harbors. These agreements outline the roles and responsibilities for each entity and further define minor maintenance, major maintenance, and preventative maintenance.

Over the years, the Borough has assessed the school facilities and conducted numerous maintenance projects within the communities. Below is a list of some of the projects that were recently completed by the Borough:

- Cold Bay Terminal Expansion in the amount of ~\$1.48 million.
- King Cove School Piping Project in the amount of ~\$89,000.
- Nelson Lagoon Dock Project in the amount of ~\$1.2 million.

The Borough has also entered into contracts with Term Contractors to help expedite projects when needed.

It has become apparent that conducting maintenance including preventative maintenance and completing maintenance inspections/reports is key to maintaining the schools and other Borough facilities within the region. It is also important to having funding available to conduct the work.

Currently, Borough Administration is working on the following maintenance projects:

**Akutan School:** A work order is being drafted that will be provided to the Borough's Term Contractors. This work includes but is not limited to replacing the back stairwell leading to the mechanical room, conducting repairs to the entryway and back entry to the building and window repairs/replacement.

**Cold Bay Terminal:** The Borough issued a work order to the Borough's Term Contractors to conduct the following work at the at the Cold Bay Terminal:

1. Replace two-unit heaters in Cargo Garage: owner furnished-contractor installed.
2. Adjust misaligned interior door for Custodial Closet 114 so door fully closes and latch hardware appropriately sits within striker plate opening.
3. Adjust misaligned interior door for Men's Bathroom adjacent to Cold Bay Airport so door fully closes.
4. Repair impact damage to interior wall located adjacent to Unisex Bathroom in Terminal addition area.
5. Repair interior wall finish damage below the windows in Airport Manager Room 116.
6. Repair interior wall finish damage below the window in Office Suite 202.
7. Repair interior wall finish damage adjacent to the window in Tech Operations Office.



8. Repair interior wall finish damage below the window in the Operations Room.
9. Repair squeaky floor below the underlayment in the Operations Room.
10. Repair interior wall finish damage below the windows in Storage 203.
11. Repair or replace the non-functional window in Office Suite 201.
12. Repair interior wall finish damage below the window in Office Suite 201.
13. Repair leaky sink faucet in Office Suite 201.
14. Repair damaged tile flooring in Office Suite 201.
15. Repaint interior wall and replace water-stained acoustic ceiling tiles in Stair 2 stairwell.

This work also includes replacing the antenna tower floodlight at the Cold Bay Clinic.

Gould Construction has responded to the work order and the Borough is in the process of working with Gould Construction on finetuning the work and the cost for the project.

The Borough has also contracted Door Systems of Alaska in an amount not to exceed \$7,436.00 to complete repairs to the cargo door.

**False Pass School Electrical Work:** The Borough issued a work order to the Borough Term Contractors to conduct electrical repairs at the False Pass School. On August 25, 2023, the Borough engaged Wired AK to conduct the work in the amount of \$73,033.40. The work includes work on the fire alarm system, replacing expired self-luminous tritium exit signs, providing exterior emergency lighting and replacing a non-GFCI receptacle in the crawl space with a GFCI receptacle. The contractor has ordered the parts and is waiting for them to arrive.

**Sand Point DEED Project:** The Borough has entered into a grant agreement with the State of Alaska for maintenance at the Sand Point School. The project budget is \$2,968,577 and scope of work included renovation at the Sand Point School and pool including:

- Improve HVAC: replace ventilation equipment, provide exhaust ventilation system, replace kitchen ventilation equipment.
- Improve security: replace door hardware to provide access control and lockdown function.
- Replace fire alarm.
- Replace intercom system.
- Renovate pool facility addition: upgrade restrooms and locker rooms; replace metal roof and repair structure as required; reconstruct or repair exterior walls; replace supply ventilation, ductwork, and controls; and improve drainage. Foundation work may occur if supported within the budget and after value analysis.

It has been determined that the \$2.9 million is not enough to complete the project. The updated cost estimate completed in August 2023 came in at \$6,811,429. On September 1, 2023, SERCC/School District submitted a Supplemental Funding Request requesting an additional \$3,842,852 for the project. On November 3, 2023, the State of Alaska DEED published their initial FY25 Priority Lists for Major Maintenance. The Borough has placed 10<sup>th</sup> on the list. The Borough will not know if the money has been funded until the FY25 State Budget is finalized.

On September 22, 2023, the Borough provided DOWL approval for Phase 1 – 35% for the DEED project in the amount of \$113,266.00. The remaining phases will be approved if the State of Alaska funds the Supplemental Funding Request or the Borough provides the additional funding to complete the project.

**Sand Point Pool:** In 2022, the Borough began repairs at the Sand Point Pool. Work has been done on the liner, gutters, the heat exchanger/plumbing, doors, flooring, mold remediation, the recirculation line, surge tank and the drain boxes. In October 2023, the pool was filled, and water loss has been identified.

The Borough, School District and DOWL met to discuss the pool. The following scope of work will be completed:

1. Continue measuring the water loss until it passes the surge tank
2. Expedite the drainage of the pool until it hovers over the drain box and measure the water loss
3. Replace the hydrostatic relief valves and possibly the grates.
4. Pressure test the line with the square hole.
5. Conduct gutters repairs, with RenoSys, the type of repairs will be determined.
6. Conduct additional liner repairs, with RenoSys.
7. Block the drain boxes and systematically fill the pool up and check for leaks.

Councilman Hunsaker has been engaged to research the pool replacement.

The Borough will continue to work on the pool so it can be used.

**Future Planning:** In February 2024, the Borough will work with DOWL and the School District to determine future maintenance needs and provide a rough cost estimate. This maintenance needs may include residing/painting the False Pass School and continuing piping work at the King Cove School. The group will also meet in July/early August to draft the 6-year CIP list that will be submitted to the State of Alaska Department of Education.