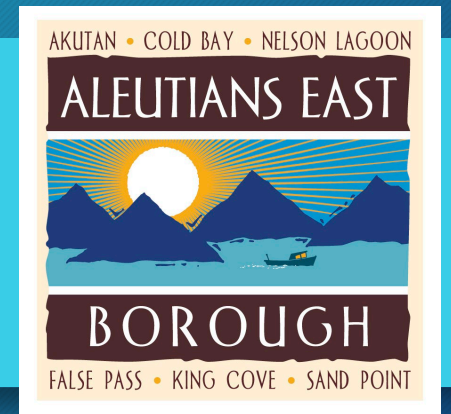


Aleutians East Borough

State of the Borough
January 10, 2024



Borough Overview

The Aleutians East Borough's Mission is to: Provide governmental services to the communities of Akutan, Cold Bay, False Pass, King Cove, Nelson Lagoon and Sand Point that include: education, fisheries support, planning, project management, capital projects, and tax collection.

The Borough has done and continues to do numerous projects that support this mission.

The Borough is comprised of the Mayor, the Assembly, eight (8) full-time, one (1) part-time and two (2) contract employees, located in Sand Point, King Cove, Anchorage, Cold Bay and Akutan.

2022 - 2023 Borough Projects and Accomplishments

In 2022-2023, we have completed or are in the process of working on projects including but not limited to:

Continuance of the Strategic Plan

Fisheries Advocacy

Fisheries Research

Cold Bay Dock Feasibility Study

Sand Point Harbor Float A Project

Akun Dock & Breakwater Feasibility Study

2022-2023 Borough Projects and Accomplishments Continued...



Sand Point School



Maintenance



False Pass Airport



Policy and Procedures (Administrative, Maintenance and Financial)



Retention Schedule



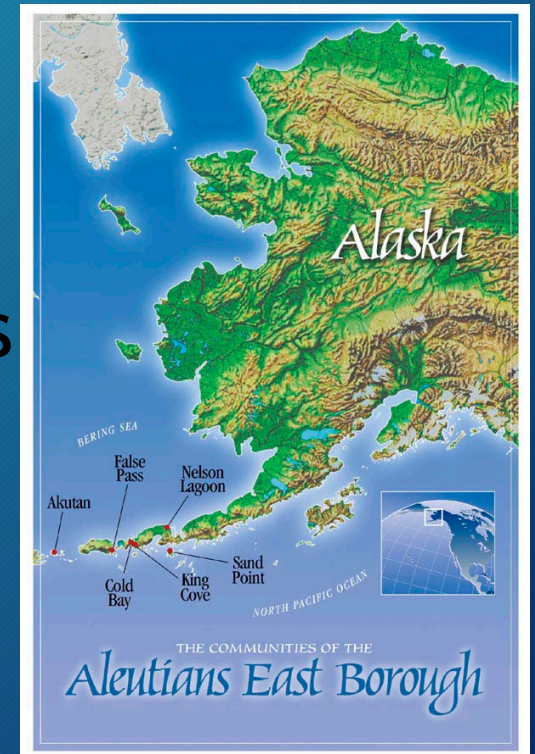
King Cove to Cold Bay Road



Financial Overview - Held a Financial Work Session; conducted a Liquidity Analysis and formulated a Cash Flow Management Plan

Goals

- Continue to review the Borough finances
- Prioritize projects
- Continue and improve communication with the communities, EAT, the School District and others
- Continue to Advocate on State and Federal Issues
- Complete Unfinished Projects
- Address Deferred Maintenance



- Fisheries
- Finances
- State of Alaska Impacts
- Federal Government Issues



Concerns

Community Information



1. What are the community's top goals and/or vision?

- Akutan
 - Having an operational Boat Harbor with utilities, completing the road to the Head of the Bay, a Tsunami Shelter/Community Center, and year-round functional marine link from Akun Airport to the village of Akutan.
 - Akutan's vision is to create a healthy and economically viable community with new jobs and opportunities for our children. Preserve our old cultural traditions while embracing modern values and create a safe community where family and friendship flourish, children enjoy growing up and want to stay.
- Cold Bay
 - Having a filtration system installed in the City's water plant to filter out the PFAS.
- False Pass
 - Continue to strive for a self-sustaining community, less or non reliant on diesel fuel; engaging in subsistence and traditional education; encouraging increased fish processing; exploring mariculture and tourism to support a stable economy, while keeping our school open and continuing to support our entire community with an emphasis on our children, young adults and elders.

What are your top goals and/or vision continued...

- King Cove

- Successfully complete the Izembek Land Exchange and obtain the authority to move forward with the State to complete this project after the last 30+ years.
- To continue monitoring and being proactive as the community, and overall fishing industry, rebounds to a reasonable and long-term level of community sustainability for our local fishermen and tax revenue base.
- To maintain King Cove's community cohesiveness and attitude as a very livable, vibrant, productive and caring community.
- To keep moving forward on community and capital projects. Particularly, KC remains focused on trying to amend/correct the unfairness of the PCE program per KC's willingness and ability to take on significant debt for renewable energy.

- Nelson Lagoon

- Strengthen our economy.
- Continue with climate change adaption efforts.
- Maintain our values, which includes our community member's wellbeing, our fishing way of life and our unity.

- Sand Point

- Values hard work, independence, and the protection of fishing opportunities.
- Resident's value a safe environment where their children flourish and build a future.
- The community's healthy natural environment and clean appearance are components that residents wish to maintain.
- Residents are willing to accept the challenges of change they are now facing and use community resources and manpower to help the community transition and diversify into a new phase of growth and development.

2. How is/was the community impacted by the fishing season, and the State budget?

- Akutan
 - Our community is highly dependent on fish tax and a sizeable amount of our operating budget comes from state funding. Hence, a disastrous fishing season and any decrease in the state budget puts us at risk for decrease in public services that the City subsidizes for its residents.
- Cold Bay
 - The local businesses were impacted financially.
- False Pass
 - Significant changes in our net income due to poor salmon season.
 - No notable impacts from State budget.
- King Cove
 - The current changes (turmoil) going on in the fishing industry with markets/prices, possible plant ownership changes and no king/snow crab are concerns.
 - The possible implications of a State sales tax and how that may impact the City's 6% sales tax is a concern. The City would also like to see local capital funding opportunities be part of the State budget process.
- Nelson Lagoon
 - Negatively impacted by our depleting fishing seasons over the last 6 years. This is causing us to look at other forms of income to strengthen the economy.
- Sand Point
 - The City collects a fish tax to provide essential services to the residents. When fishing has challenges, so do our local fisherman, their families, our government and local businesses.

3. What are the most critical issues or challenges that you face in the immediate future (2024-2027)?

- Akutan
 - The most critical challenge we foresee is significant cut in fish tax and any reduction in population leading to decreased funding from the state that depends on population count.
 - The Essential Air Service is also critical to meet transportation needs between Dutch Harbor and Akutan.
- Cold Bay
 - Navigating the PFAS issue in the City wells.
 - Dock structural issues
 - Not having a public school, which limits the interest of families moving to Cold Bay.
 - Shortage of housing.
- False Pass
 - The unfit condition of the Airport
 - Trident selling/closing
 - Silver Bay possibly reducing output from False Pass Plant if they acquire other assets.



What are the most critical issues or challenges that you face in the immediate future (2024-2027) continued...

- King Cove
 - The Alaskan/global seafood industry and how it translates to the financial future of the King Cove plant, the Borough and other Borough communities.
 - To work cooperatively with EATS and other well-being organizations to improve the health, wellness, and safety of all KC residents.
- Nelson Lagoon
 - Erosion and access to safe drinking water
 - State of our fishery in our river
- Sand Point
 - Budget cuts will lessen essential services to the residents, the ability to maintain our transportation system, which will further deteriorate culvert and bridge closures, new equipment for grading roads and maintenance of the landfill, and new housing.

4. What projects/community needs are you hoping to accomplish in 2023-2024?

- Akutan
 - GCI Fiberoptic
 - Akun Warehouse
 - Tsunami Shelter
 - Harbor Access Road
 - Transload Dock
 - Harbor Float System.
- Cold Bay
 - Installing a new generator and housing at the water plant.
 - New roof on our Water Plant and Community Center
 - Foundation repairs at the Municipal Building and Community Center
 - Replacing the City vehicles
- False Pass
 - Harbor House Construction
 - Secure funding for renewable energy projects
 - Keeping the school open
 - Completion of utility upgrade projects



What projects/community needs are you hoping to accomplish in 2024-2025 continued...

- King Cove
 - Be in the position to finally move forward on finalizing the Izembek land exchange, complete the final design/engineering/permitting on the project and progressively pursue State funding to construct the project starting in 2026/2027.
 - Complete the City's new Solid Waste Facility.
 - Make substational progress in expanding and upgrading the Delta Creek and Ram Creek water systems for cost effective community and industrial demand.
 - To work/advocate with DOT/PF to identify, engineer, and fund the best possible and timely upgrades to the King Cove Airport.
 - To seek funding for the harbor and road upgrades.
- Nelson Lagoon
 - Getting another water holding tank in town to secure our access to safe drinking water during the winter.
 - Getting a new powerhouse that will be installed in 2025.
- Sand Point
 - Boat harbor bridge planning installed.
 - Airport elevation, fencing and other maintenance completed
 - Sewer system repair
 - Boat harbor camera installation
 - City IT system networked and in operation





Please contact Anne Bailey, Borough Administrator, at (907) 274-7580 or Talia Jean-Louis, Assistant Borough Administrator, at (907) 274-7559 with any comments, questions, or concerns!

Thank you!

