

CALL TO ORDER

Mayor Alvin D. Osterback called the Aleutians East Borough Regular Assembly Meeting to order by videoconference in each community on June 14, 2024 at 1:00 p.m.

ROLL CALL

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

Advisory Members:

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

Quorum was present.

Staff Present:

Anne Bailey, Administrator
Talia Jean-Louis, Assistant Administrator
Glennora Dushkin, Administrative Assistant
Ernie Weiss, Natural Resources Director
Charlotte Levy, Fishery Analyst
Beverly Ann Rosete, Borough Clerk
Jacki Brandell, Finance Director
Seward Brandell, Accounting Clerk
Others in Attendance:
Jennifer Eubank

MOTION CARRIED

ADOPTION OF THE AGENDA

Chris moved to Adopt the Agenda, second by JIm

Hearing no objections, the Agenda will stand as presented.

COMMUNITY ROLL CALL AND PUBLIC COMMENTS ON AGENDA ITEMS

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

Jennifer Eubank encouraged the Assembly to fix the pool. Said she attended a life guarding class in Kodiak and came back ready to lifeguard and get kids swimming and teach kids lifesaving strokes. The pool has been down

for 2 years that I have been teaching here. She thinks that it is really important for the Borough to take a look at our pool and have it fixed.

Mayor Alvin responded that we have been working on the pool.

CONFLICT OF INTEREST

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

APPOINTMENT OF ASSEMBLY SEAT G

Borough Clerk said that the Assembly Seat G was declared vacant following the resignation of Assembly Member Dailey Schaack. A public notice was posted throughout the communities encouraging eligible residents to submit a letter of interest. Two letters of interest were received, one from Tom Hoblet of False Pass and Dennis McGlashan Jr. from Sand Point. The Borough Clerk informed the Assembly Members they are going to do a vote by text.

The meeting was recessed for 5 minutes while waiting for the texts to come in.

The meeting came out of recess on 1:16 pm. The Borough Clerk announced that Tom Hoblet received all the votes.

MOTION

Brenda made a motion to accept TOM HOBLET for Assembly Seat G, Chris second.

SWEARING IN – Assembly Seat G

Tom Hoblet read the Swear In Statement.

MINUTES

MAY 9, 2024 Regular Assembly Meeting Minutes

MOTION

Warren moved to accept the May 9, 2024 Assembly Meeting Minutes, second by Jim

Hearing no correction, Minutes will stand as written.

FINANCIAL REPORT

April 2024 Financials

MOTION

Brenda made a motion to approve the April 2024 Financials Report and second by Jim.

Administrator Bailey pointed out a few items. One is Interest Revenue, we are still collecting a good return on our money. The AMLIP is at 5.535%, we have exceeded our \$500K estimate by \$780K. The other item to point out is the Raw Fish Tax, in April 2024, we received \$133K, this is only 49.87% of the 5-year average. This is the lowest tax revenue we received in April since 2009.

We received FMA-2 and FMA-3 in April and is higher than what we anticipated in June of 2023. We are still doing well on the revenue although our Fish Tax Revenue is lower than anticipated. We still received about 95.5% of what we estimated in June. Expenses are still on track.

PAUL asked if Peter Pan owes us any money. Administrator Bailey said we have received all the Fish Tax to date, and they have not been late on any payment. So, for everything they have processed, we received the fish tax.

TOM asked what comprises the deficit. Administrator Bailey requested if that can be discussed during the Budget hearing. Tom agreed.

ROLL CALL

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

Nay: None

MOTION CARRIED

INVESTMENT REPORT

APCM April 2024 Investment Report

CONSENT AGENDA

PUBLIC HEARINGS

Ordinance 24-05, Adopting the Operating and Capital Budget for the Aleutians East Borough Fiscal Year 2025

MOTION

Brenda made a motion to accept Ordinance 24-05, second by Chris

Administrator Bailey said there are 5 documents included in the Ordinance. Paul asked if there were any changes between the 1st reading and now. The administrator responded that there are no changes in the budget but there are some changes in the agenda statement because of the State level.

Administrator Bailey said the budget was introduced at the May 9, 2024 Assembly meeting and proceeded to review the Statement Agenda, noting that there are no changes expect for the State Budget. House Bill No. 268 now heads to the Governor for his review and approval. It contains another one-time increase of nearly \$175 million in one-time funds for K-12 public education similar to the enacted FY 2024 budget, a 2024 permanent fund dividend/energy relief payment of about \$1,650 per person, and a balanced budget without drawing from the constitutional budget reserve. On June 5, 2024, the State Budget was transferred to Governor Dunleavy. He has until June 28, 2024 to make a decision. Based off the information outlined above, Administration suggests including 100% of the school bond debt reimbursement, 100% of the harbor bond debt reimbursement and \$316,184 for community assistance.

To address Tom Hoblet's question, Administrator Bailey said it is due to an anticipated decrease in Fish Tax Revenue in FY2025. After reviewing fishery trends and based of what we are collecting and seeing what is happening in the future we anticipate the Fish Tax to be around \$1.6M in FY25, which is significantly lower than what we anticipated in the past. That is the biggest reason for the deficit.

Administrator continued to review the statement agenda. Every department budget was reviewed, we included a 1.5% Cola for the department budget. The administrator proposed a 10% increase in fringe. One biggest change in the departments was that the rent expenses for each department are now going to show in Other for easier tracking.

The School District is requesting \$1.3M in FY25 local contributions.

PAUL asked if the Governor vetoes the funding, how is it going to affect the school district's budget. Superintendent Franklin responded that if the Governor's chooses to veto the \$175M increase in the State funding, an increase of \$680 increase RPSA that we will not get. Which would equal roughly \$500K for the district. If the Borough will be able to fund the district at \$1.3M and if that \$175M dollar increase is approved by the Governor, we will be very close to a balanced budget. If the \$175M gets vetoed, we will have a \$500K deficit, which we will currently cover with the School Districts special revenue funds.

Fund 20 outlines grants from outside entities, capital projects funded by non-grant and Borough sources and the Borough Permanent Fund Earning appropriated projects.

The proposed FY2025 budget has Expected Revenue of \$6.51M, Expected Expenditures of \$4.7M with a net Revenue of \$1.72M. Our deficit will be \$2.17 but we will use the LATFC funds. We will be applying \$1.550M, which is a one-time federal funding to help offset the budget.

Paul commented that last year after we adopted the budget, we amended the budget early in the year, proceeded to ask the Administrator when is she anticipating to amend the current budget. Administrator Bailey responded she hopes she doesn't have to amend it right away. And the reason for that is we did not anticipate getting the 100% of the school and harbor bond debt but the Governor passed the budget, and it was included so we amended the budget immediately to reflect that.

ROLL CALL

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

Nay: None

MOTION CARRIED

ORDINANCES

Introduction Ordinance 24-06, Amending Title 2, Chapter 2.08, Section 2.08.010 (A) of the Aleutians East Borough Code of Ordinances

MOTION

Brenda made a motion to accept Introduction Ordinance 24-06 and set for a public hearing, second by Chris

Administrator Bailey said there was a discussion about changing the meeting times so what was proposed is to change Title 2, Chapter 2.08, Section 2.08.010 (A) to read "All regular meetings of the Assembly shall be held on the second Thursday of each month at 2:00 p.m. The proposed change will only change the time from 3:00pm to 2:00pm. This is a request from the Assembly to change the time of the meeting.

ROLL CALL

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

Nay: None

MOTION CARRIED

Introduction Ordinance 24-07, Authorizing the Mayor to negotiate and execute the assignment, assumption and consent of Tidelands Lease for Ikatan Bay Investments, LLC to assume the Tidelands Lease between False Pass Seafoods, LLC and Aleutians East Borough

MOTION

Warren made a motion to accept Introduction ordinance 24-07 and set for a public hearing, second by Chris

Administrator Bailey said this in regard to both Ordinance 24-07 and 24-08. Last week the Borough was approached that Trident are going to sell their assets to Ikatan Bay Investments LLC which is a subsidiary of Silver Bay Seafoods False Pass and to do this sale, we also need to transfer the assignment assumption and the consent of the Tideland Leases for the Chief File Dock and a separate agreement for the Outfall line. We currently have agreements for both for False Pass Seafoods for both of those facilities and now we have to do the assignment assumption and consent of the tideland lease to Ikatan Bay. Ordinance 24-07 is in regards to the dock and Ordinance 24-08 is in regards to Outfall line.

Paul asked who owns the container dock just south of the harbor in False Pass. Administrator Bailey said she believes it was owned by the city. Tom confirmed that the city owns it.

ROLL CALL

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

Nay: None

MOTION CARRIED

Introduction Ordinance 24-08, Authorizing the Mayor to negotiate and execute the assignment, assumption and consent of Outfall Tidelands Lease for Ikatan Bay Investments, LLC to assume the Tidelands Lease between False Pass Seafoods, LLC and Aleutians East Borough

MOTION

Brenda made a motion to accept Introduction ordinance 24-08 and set for a public hearing, second by Chris

ROLL CALL

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

Nay: None

MOTION CARRIED

Jennifer Eubank said the class of 2031 sent a donation letter request to the Assembly for funding a food security trip. Although they received a decline letter, she said it is important to hear the kids and what they are looking to do for their community better. Cyrus, Kaelynn and Millie proceeded to read their statement

before the Assembly. Jennifer Eubank added that University of Fairbanks has a botanical garden which is the center of education and research about geothermic energy that they can use to grow vegetables year-round.

Paul commented that he appreciates the future of the Borough and thanked the kids for coming.

RESOLUTIONS

Resolution 24-43, Authorizing the Mayor to appropriate the FY25 Permanent Fund Earnings to Designated Projects

MOTION

Jim made a motion to approved Resolution 24-43, second by Chris

Administrator Bailey said The Borough is authorized to appropriate funds from the Permanent Fund Account to the

General Fund. The Assembly in its discretion and consistent with Chapter 6.04.041, may in any fiscal year, appropriate an amount not to exceed four percent (4%) of the five-year average fund market value, to be computed using the five (5) prior calendar years market value. This was done to attempt to smooth the effects of market volatility and preserve the purchasing power of the fund. Currently, the Borough has been appropriating the earnings from the Permanent Fund and then appropriating the earnings to projects and community budget requests. These projects and community budget requests and their corresponding appropriations are entered into Fund 20. Contingent upon the approval of Ordinance 24-05, which adopts the operating and capital budget for the Aleutians East Borough ("Borough") Fiscal Year 2025, \$1,816,916 in Permanent Fund Earnings will be approved for FY25. The recommended appropriations would be: Aleutians East Borough FY25 Budget Deficit \$624,061, \$900,000 Addition to Fund 20 for Deferred Maintenance and \$292,855 Addition to Fund 20 for Project Contingency.

ROLL CALL

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

Nay: None

MOTION CARRIED

OLD BUSINESS

NEW BUSINESS

- Donation Requests

Administrator Bailey reviewed the donation policy of the Borough and recommended the following donations:

FY2024:

Pink Rain Champagne -	\$2,000
King Cove Fire & Rescue – Annual Firemen's Picnic	\$3,500

FY2025:

SP Silver Salmon Derby	\$750.00
Agdaagux Culture Camp	\$6,000.00
Pauloff Tribe – 4th of July	\$500.00
Sand Point Teen Center	\$2,000.00
QTT Culture Camp	\$6,000.00

Unfortunately, the class of 2031 and the King Cove gym request does not meet criteria so it was not presented before the Assembly.

Chris disclosed that he is the one the put in the request for the King Cove Fire Department Picnic, but the donation will not go to him directly. He also asked if there is any way that the Borough can allocate some money for the Class of 2031.

Administrator Bailey responded that she does not currently have a mechanism to do that. We have a donation request policy with a criteria outlined and that is what we are following.

Mayor Osterback added that if the Assembly feel like our policy is not adequate anymore, we should at one point look into it.

Chris responded that he understands but the kids in our region is limited in what they can really do based on where they're at and lose a lot of advantages in other school and if there is money somewhere or if we could figure out some way. We support our sports program as much as we can but some of these extracurricular activities especially this can benefit the community within the Borough. We are all facing the price of food going sky high. I just wat to see if there is opportunities for our kids that they will able to go out and do this kind of things maybe in the future we can look into setting up something that when the school has certain projects that meet out criteria we should try to support it.

MOTION

Brenda made a motion to approve the Donation Requests, second by Warren

ROLL CALL

Yeas: Jim, Chris, Paul, Brenda, Tom, Warren

Nay: None

- **King Cove School Fire Discussion**

Administrator Bailey said On March 28, 2024, a fire occurred at the King Cove School. A claim was filed with AMLJIA. On April 22, 2024, Administration signed a contract with DOWL to conduct the following: Phase 1 – Site Visit and Assessment Report (\$13,007 Lump Sum) and Phase 2 – Construction Restoration Administration (\$21,120 Time & Materials). On May 3, 2024, Administration entered into a short form contract with Roy Briley Contracting in the amount of \$6,644 to assess the fire damage at the shop. On May 7, 2024, DOWL and Roy Briley Contracting evaluated the shop located in the King Cove School. Numerous damages were observed due to the fire and smoke. The proposal for the school came in at around \$800,000. The proposal was then sent to AMLJIA for review and since the estimate is over \$500,000 AMLJIA had to send the information to their reinsurance and now the reinsurers are involved. The reinsurers have scheduled a trip to King Cove on June 18th and would like a contractor to go out with them to assess the building and have them also conduct the work to remediate the situation. The reinsurers have called this an Emergency Mitigation project. Based off this, the Administrator has determined this to be an emergency and will be authorizing a contractor to go out, which is permitted per our code.

Chris asked if there is a way we can ask for a breakdown of what the total proposal of \$800K comprises of. Administrator Bailey agrees with Chris. She was shocked by the price as well and that is why the reinsurers, and the contractor are going out again to see if that could possibly come down. The

administrator added that everything must be cleaned, they have to take out every piece of equipment and parts wipe it down and put it back together and this is due to the smoke damage. If we cannot clean it, might as well replace it because it will be cheaper than stripping it out and having it clean. More information will be provided after their visit.

Warren commented that the sprinkler was on for a long time and there was water damage on the walls of the shop classroom. Black mold can occur later so that whole shop must be rebuilt. We must let these engineers do their thing and we have to think seriously on getting that shop fixed up. We have a facility up there that is fairly new, and it is unfortunate that the fire happened.

Chris asked if this also includes bringing someone to look at the Sprinkler system and the fire alarm system.

- **Strategic Plan Quarter 1 Update**

Administrator Bailey said the Aleutians East Borough (Borough) conducted a Planning Work Session on January 10 and 11, 2024 to discuss projects and initiatives that would be included on the Borough's Strategic Plan. Assembly members and staff were in attendance and actively engaged in conversations about the Borough's role in community projects. Mayor Osterback, staff, and PGS consultants defined which projects would be part of the Borough's strategic plan for one year beginning March 1, 2024 and ending February 28, 2025 based on the information shared to the Assembly during the work session. Many of the projects identified on the plan are currently being pursued or actively being completed. An overview of the work accomplished during the first quarter of the strategic plan is shown on the packet.

REPORTS AND UPDATES

Administrator's Report in packet. Highlights below:

King Cove Access Project On May 15, 2024, the King Cove Corporation sent a revised land exchange proposal to USFWS. On June 4, 2024, the USFWS responded. Overall, the response seems positive; however, concerns have been raised on the type of road usage that will be permitted on the road.

School Maintenance Items:

False Pass School Electrical Work: Additional work still needs to be completed. ACS should be conducting a line locate at the School to find the plain old telephone line.

False Pass School Water Heater and Air Handling Unit Work: Additional work needs to be conducted on the AHU. This will be tied into the annual visit for the boiler and HVAC system.

False Pass School Siding: The False Pass Tribe has offered to repair the siding at the False Pass School. The Borough, DOWL and the Tribe are discussing the repairs.

Akutan School Work: is in the docket to happen out in early July, Kuchar Construction should be our site to work on the back staircase.

Sand Point Sewer Lines: The sewer lines in the school need to be repaired this summer. The School District has provided photos, measurements of the pipe and a count of the elbows and bends. DOWL is now in the process of drafting a work order for this project .

Annual Boiler and HVAC Maintenance: The Boiler and HVAC Annual Maintenance Proposal is being revised and will be reissued soon.

Sand Point School DEED Grant: The State of Alaska has reviewed and provided comments on the 35% design. DOWL/ECI are in the process of working on the 65% and the Construction Manager – General Contractor Solicitation. On May 22, 2024, Administration sent a request to the State of Alaska seeking authorization from DEED for the Aleutians East Borough to use a Construction Manager/General Contractor Qualifications Based Selection (CM/GC QBS) alternative delivery for the Sand Point School Major Maintenance Project. DOWL has

drafted a CM/GC Request for Proposal solicitation that has been sent to the State for review. The Borough intends to begin advertising the RFP on June 7, 2024. The Borough is still awaiting a decision by the State for the Supplemental Funding Request in the amount of \$3,942,852 and the Climate Pollution Reduction Grant (CPRG).

Cold Bay Terminal: On May 15, 2024, the Borough entered into a contract with Gould Construction in an amount not to exceed \$10,000 to provide repairs to correct thawing-event damages localized to the near vicinity of the Cold Bay Airport Terminal arctic entryway.

Sand Point Harbor Floats: On May 29, 2024, Moffatt & Nichol sent the draft NEPA Environmental Assessment to MARAD for review. On June 6, 2024, the Borough received a copy of the U.S Army Corps of Engineers (USACE) Sand Point permit, which has been signed and returned for the Corps for signature.

On May 21-23, 2024, Mayor Osterback went to DC to meet with the Alaska Delegation and the Secretary of Commerce to discuss fishery related items. Trident, Silver Bay, APICA, Unalaska, United Fisherman of Alaska, the Bristol Bay Economic Development Corporation and Mayor Osterback met with the Secretary of Commerce.

On May 13, 2024, the Borough sent a letter to the Alaska Delegation updating them on the dire situation of the fishing industry and what the Borough communities are facing. The letter also urged them to examine new options at the Federal level, including as part of the Farm Bill, to help bring economic stability to our region.

On June 4, 2024, the Mayor sent a letter to DOT Commissioner Anderson explaining the high cost to run the link between Akutan and Akun and requested the State's support to help determine a solution to the transportation link, whether it is monetary or administrative.

Health insurance for FY25 has been selected. The Borough will remain with the Grandfathered Alaska Political Subdivisions plan for medical and dental. Please note that the Borough has received notice that Premiera will sunset this plan on June 30, 2025. It is believed the intent is to have municipalities merge into the Municipal Health Trust.

On June 13, 2024, The Cold Bay Dock Kick Off meeting with DOT and the City of Cold Bay happened. They are almost done with the RFP for soliciting an Engineering firm that will help with engineering as well as the environmental and permitting. They are thinking of starting the construction on 2027 with the completion on 2030.

Chris asked if the Borough has to put money into this Cold Bay Dock Project. Administrator Bailey responded that per her understanding this project is fully funded by MARAD funding through the PIDP grant which is about \$43M and then the state will put in the matching funds for about \$10M. We will be entering into a MOA with the State because we will be ultimately the owners so there will be an agreement attached to that but no financial.

Chris asked if they are trying to incorporate the existing dock or are they looking to construct a whole new dock. Administrator Bailey said the dock will be built adjacent to the existing structure.

Warren asked how much longer are we going to let that damaged pipeline on that dock, seems like it's been a year and it has not been fixed. Administrator Bailey said that Mayor Osterback met with Aleut Corporation and made it very clear that they needed to fix the pipeline and she agrees that they must fix it.

Mayor Osterback confirmed that he talked to the parties that damaged the pipeline and said they have a company that will be coming out and they are going to fix it.

Warren commented that when State of Alaska incorporated those funds for that dock in Cold Bay, this was mentioned for transportation purposes for Tustumena. The only reason the ferry comes out here because they can land in Cold Bay. Continued to asked if that Cold Bay dock is just for the ferry. Mayor Osterback responded that the Borough was looking for funding through MARAD replace the Cold Bay Dock and the State step up. The Borough will be the owner once the dock is finished. As far as where the ferry stops and for how long, they are putting a committee for Alaska Marine Highway System and are looking for people to be on it, you sound like a good candidate maybe you can put your name in.

Warren commented that King Cove residents need the ferry more than ever with the seafoods company being closed, ferry is a cheaper option to get in and out of King Cove.

Paul asked Anne if what she meant when she said right side of the dock, she meant south side. Administrator Bailey said, yes. Paul requested to have the design forwarded to everyone so they can comment. Administrator Bailey said that they will be out for public comments once they have something tangible to show.

Paul requested to have the pool discussion in the agenda for next meeting. There is a request by the Borough but the response date is June 28 deadline and why is the Assembly not involved. Administrator Bailey responded that because that is a State project, they list RFPs. So basically, the State announces that they will going to be soliciting RFP and that is not for the pool itself but the building around the pool, it is part of the DEED Project. Paul asked if the Assembly could get a copy. Administrator Bailey said the Borough is not aware that the state will put it out, we made aware probably at the same time you saw it.

Tom asked if there will be any discussion this year about the False Pass school siding and the windows on the south side of the building. Administrator Bailey said we are in the initial conversation with the tribe so we are hoping this year.

Assistant Administrator's Report in packet. Highlights below:

Healthy & Equitable Communities (HEC) Grant: This grant is for 2-Body Morgue for the City of False Pass and the Village of Nelson Lagoon. We are also getting a generator for the Cold Bay clinic. The newest development is On June 3, 2024, the Borough with the assistance of our attorney submitted a letter to Affordable Funeral Supply requesting relocation of the morgue delivered to the wrong location. The morgue for Nelson Lagoon was delivered to Chignik Lagoon, and the story was that the roads were not passable until spring. There are no roads, and it is now summer. On June 10th, Paul said he was able to send that morgue to Port Moller, he is tentatively scheduling to have that move to Nelson Lagoon between June 17 and 21st. In terms of the generator for Cold Bay, the State of Alaska gave an extension to submit the final pay application for the generator. We have until September 30th to get that submitted.

Energy Efficiency and Conservation Block Grant Program (EECBG): This grant is for the King Cove School to replace the lighting to LED. This program has been extended to October 30th. The 1st part of the grant has been submitted however they are also requesting the NEPA portion.

The Borough will be switching from ACS to Teams phone. This is more efficient and more flexible.

Maintenance Connection:

Administration continues to utilize Maintenance Connection from SERCC, where the Borough can perform tasks such as processing maintenance requests, creating work orders, setting up preventive schedules, creating purchase orders, and reordering inventory.

Natural Resources Director Report in packet. Highlights below:

Peterpan Receivership: This was not on the report, we got a notice in the office earlier this week about the Peterpan Receivership, a claims form was posted on the fish blog and Borough's Facebook Page and Natural Resources Facebook page. Claims are due on June 23rd.

The Clerk sent a memo from me including a sign on letter that the administration would like to sign on. It is a letter to Representative Peltola requesting that she withdraw her legislation that would severely limit bottom trawl areas, and we just want it put out there in front of the Assembly.

Region Travel: It was my pleasure to travel to Sand Point last week to attend the ADFG South Peninsula salmon pre-season meeting and see folks around town and at the harbor. The North Peninsula 2024 salmon management plan and the South Peninsula plan are now both posted. Thanks to ADFG Matt Keyse, Geoff Spalinger and Annie Brewster for a good meeting. I also really enjoyed going out on the F/V Decision to see first hand Charlotte and the crew catch, tag and release Pacific cod, with help from Anne Bailey. Very impressive. Thanks to Kiley and F/V Decision crew. Good luck to all fishermen this season. I also had the opportunity to travel out to Cold Bay and King Cove earlier in May.

North Pacific Fishery Management Council: The NPFMC is currently meeting in Kodiak as of this writing. An 11-page report of the Unobserved Fishing Mortality Working Group (link) garnered the most (28) comments on the agenda. The terms that came up that I was not expecting to hear was side boards. There was a request that AP put it in front as far as the crab review report. A request to relax some of the sideboards on the crab program. Sideboards are important to our guys who are not part of the rationalization program. There is a proposed rationalization program for the over 60 Bering Sea Pcod Pot Fleet and the AP put a quiet and extensive program and it included historical sideboards for any participants on that. The ED Report notes the recent passing of member Kenny Down and former member Larry Cotter, and that 4 Council staff are leaving before the October meeting. The next 4 meetings will be held in Anchorage.

Alaska Peninsula Oil & Gas Lease Sales: Bidding began May 20, 2024 on tracts for the Alaska Peninsula Areawide 2024 Competitive Oil and Gas Lease Sales, bidding closed June 6. Bidding results will be available 9AM June 12th. There are no bids.

Alaska Board of Fisheries: Agenda Change Requests are due August 30th and ontime public comments on ACRs are due October 15. The Board Work session to elect officers, consider ACRs and other business and will be October 29 & 30th at the Egan Center in Anchorage. The full Board meeting schedule for the 2024/2025 cycle is linked in the packet. The governor appointed a new CFEC member.

NOAA Fisheries Proposed Actions in the Gulf of Alaska: I will be talking from the governmental accounting office, they are looking into at request of Senator Sullivan, the fishery disaster assistance by NOAA in July. There are also some changes in the Farm Bill. The National Marine Fisheries Service (NOAA Fisheries) is considering major changes in the Gulf of Alaska under the Endangered Species act. In September 2023 NOAA Fisheries began a 12-month determination period to consider a proposed revision to North Pacific Right Whale critical habitat. The proposed rule is expected to be published this September and at that time this office will encourage public comment from fishery stakeholders in our region. In May 2024 NOAA Fisheries announced a 12-month timeline to determine if Gulf of Alaska Chinook salmon shall be listed as threatened or endangered under the ESA. There is an initial public comment period ending July 23rd, to solicit relevant information on GOA Chinook. We'll be following these proposed NMFS actions closely, as both could have serious ramifications for our fisheries.

Paul commented that some links are not working. Natural resources Director said sometimes the link work on other platforms.

Fishery Analyst Report in packet. Highlights below:

Electronic Monitoring - WGOA4/EFP: We have executed the final grant agreement with NFWF for \$576,896.25 for the final year of the EFP that was submitted as a joint proposal between the AEB/WGOA and AGDB/CGOA (GOA5). I am in the process of finalizing the subrecipient contracts for AGDB and PFC. I am also working closely with SBS and NMFS AKRO to prepare the False Pass plant for the possibility of processing pollock in B Season, and development of a CMCP. There is no news to this effect, however if it were to occur, we want to ensure the plant is prepared and fishermen can continue to participate in EM.

Salmon: I have met several times with the Seiners board and Chordata to make amendments to the management strategy and corresponding changes in the portal. This includes reanalyzing historical harvest data for discussion and display in the portal. We have officially received agreements from all participants for 100% participation again and have sent out pre-season login/portal info to all participants. I am extremely proud of what the fishermen have accomplished in such challenging condition and I just think they got above and beyond to really figure out how to deal with this. We have a beta portal ready for the CAMF drifters, and have so far received roughly 50 volunteer vessels. I had a chance to meet with some drifters to discuss the drift data and what might be useful for them inseason. So far, it seems unlikely we'll be able to achieve the level of spatial resolution that is actually necessary (via eLandings) but we will pilot an approach that may still provide data useful for chum avoidance.

AFSC Cod Tagging Project: While in Sand Point, I was able to release stationary tags and 10 summer satellite tags at 2 sites in the Shumagins. Anne and Ernie came along to help, and it was fun to pretend to be the boss for a day! I am planning a trip to King Cove to release the final 10 tags if I am able to secure a qualified charter, as the vessel I contracted last summer is unavailable. I will go out to bid for a day charter ideally between the June/July season. An RFP was posted last Monday. We are also working with the stock assessment author to have our otolith samples processed for ageing, then analyze our maturity data using maturity-at-age to provide an updated maturity ogive for the stock assessment this fall. Maturity is really important component to stock assessment and it is a critical piece to understanding the spawning biomass that is available. We recently heard back from PSMFC regarding their outstanding invoices. Since, we have finalized the budget amendment and the invoices have been processed and should be paid before year-end. Our NOAA processed report was finally approved and has been published by NOAA and the link is in the packet.

Mayor Osterback commented that what Charlotte is doing helps the fleet and us when the time comes that we have to be in front of the Board of Fish. He thinks it is a really project for our area and really appreciates the works that Charlotte has been doing.

Finance Director Report in packet. Highlights below:

Audit – We are in the last month of the fiscal year and in preparation, I have gone through all of the grant programs extensively for the entire year to verify accuracy of reconciliations and ensure we have all of the required documentation. This way, closing the grants for the fiscal year simplified and there is little to do for audit prep.

Caselle – We recently had the initial kick-off meeting to get to know the conversion team and schedule the weekly update calls that removes us from the queue into the pre-live phase for the conversion. The pre-live phase consists of: pre-live data pull, data conversion and balancing, pre-live training, customer review and process approval. The time frame for this phase is 60-90 days. I anticipate this phase to move rather quickly, with the data pull being more time orientated.

Financial Policies and Procedures – I have completed my first quarter projects on the strategic plan for the policies and procedures. Revenue recognition and cash receipt policies are pretty straight forward and require the strongest internal controls. Research for the remaining tasks is still on going.

Routine tasks—May financials are near complete, as we await the last receivable data due the 15th and routine tasks are operating smoothly.

Mayor Osterback commented that he attended the Seafoods Summit in Washington DC. Talking with seafood processors and seeing what is available and ask that they have more seafoods put into the school programs. And they agreed. We explained that where we live is all fisheries. Every business in the community is dependent on fishery. Part of the discussion about G7 is trying to stop Russian-Chinese seafood in market because of their low cost. It was a good meeting and well worth attending it.

The meeting moved into executive session.

- Borough Clerk Performance Evaluation

The meeting came out of executive session at 3:18pm. No action was taken.

ASSEMBLY COMMENTS

Chris thanked the administration for working on the budget and trying to figure out something that will work with what is going on with fisheries. He thanked the administration.

Brenda thanked the administration. She commented that there was a statement that came out in the Fish and Wildlife talking about the Chignik saying you cannot take out the kings out of the water, so kings caught up in the net has to be released in the water, they are not supposed to leave the water and it goes into effect June 14th. Why are we not allowed to do that with chum? If they are still alive, why are we not allowed to remove them and throw them back in the water.

Administrator Bailey said we can relay that to the Natural Resources Director.

Warren commented that we are back to square 1 again with this chum issue which already played out with the State, Board of Fish and Fish and Game. Now with Chignik new federal subsistence board trying to regulate kings so then it feels like the Area M again target by every agency. It starting to hurt trying to run a fishing business. Peterpan unfortunately take a big hit and will not be operating this year. There are lot of things happening in the receivership. We are watching it closely. Everybody is preparing for our next fish board meeting. And even on the cod side , we are doing our own studies now and everything is coming down to science. There are a lot of mixed views and mixed results. Hopefully we can pan out some salmon this year and make money for the Borough. As far as Area M goes, we are getting hit and we're getting it hard. In order for us to survive m we have to fight hard.

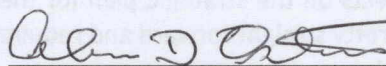
PUBLIC COMMENTS

NEXT MEETING DATE June 19, 2024 1:00 pm. Borough Clerk announced that Administrator Bailey will be acting clerk for the June 19, 2024 Special Meeting.

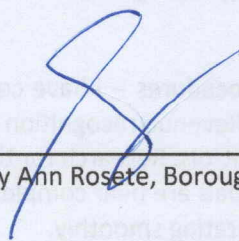
ADJOURNMENT

Chris moved to adjourn the meeting, second by Brenda. Hearing no more, the meeting adjourned 3:23p.m.

Aleutians East Borough Assembly Meeting Minutes
Date: June 14, 2024



Mayor Alvin D. Osterback



Beverly Ann Rosete, Borough Clerk

Date: 7/18/2024