

CALL TO ORDER

Mayor Alvin D. Osterback called the Aleutians East Borough Special Assembly Meeting to order by videoconference in each community on August 8, 2024 at 2:00 p.m.

ROLL CALL

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

Advisory Members:

Samantha McNeley, Nelson Lagoon	Present
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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: Mike Franklin
George Barker

ADOPTION OF THE AGENDA

Chris moved to Adopt the Agenda, second by Josy

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.

CONFLICT OF INTEREST

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

PRESENTATION

FY2024 Audit Discussion by BDO George Barker

George Barker introduced the BDO team consisting of himself, Bikky Shrestha and Michelle Kiese. He continued to outline the responsibilities of BDO as the AEB's auditor. Their role is to perform an audit on the Borough's financial statements and determine whether the information that the management has prepared and presented, and all materials has been prepared in conformity with accounting principles of GAAP. As a municipal government, the AEB's audit was performed in compliance with government audit standards and requirements that are unique with respect to the government. The audit strategy is also outlined in the report provided. There are no new accounting standards that must be implemented. Barker said they always consider things like internal control, policies and procedures. They also look at the broader regulatory environment and outside economic factors that could affect the Borough. A big focus of their audit is understanding the Borough's internal control, though they do not test internal control for the financial statement audit purposes, it influences the design of their audit procedures. There are 3 risk areas identified in the risk assessment, Management Override of Controls, Revenue Recognition, and IT Superuser Access Rights/Segregation of Duties. Other risks were outlined in the report. Their audit strategy involves extensive partner involvement in all aspects of the planning and execution of the audit. Their goals include focusing resources on high-risk areas and other areas of concern for management and the Borough Assembly. BDO will plan and perform the audit in accordance with the Government Auditing Standards. They will consider the Borough's internal control over financial reporting. They will perform tests of compliance with laws and provisions as it relates to financial statements. The timeline for this audit will be August 2024 to December 2024. Field work is scheduled between September and October. The goal to release the reports on Financial Statements will be by the end of December 2024. It is important to know that BDO is independent from the Borough. Information about cyber risks is also included in the report.

This year there are no major new accounting standards, there is maybe 1 or 2 that will take effect next year but nothing that will alter the Borough's accounting policy. BDO will also include a footnote to the financial statements that has a brief summary of each accounting standard.

Paul asked with the Borough's new accounting software implementation, is the BDO going to incorporate any information regarding this and how will it fit into the audit. George Barker responded, no, but they will have conversation with the Finance department and Administrator Bailey to understand how things are going and to have an idea. Their audit is for the fiscal year ending June 30, 2024. They will not be reporting about it this time but that will be expected next year. With the accounting conversion like this, they have specific procedure that they perform to make sure that all the date has converted from one year to the next and the balances has rolled forward properly and capture completely in the new accounting system.

MINUTES

July 17, 2024 Regular Assembly Meeting Minutes

MOTION

Brenda moved to accept the July 17, 2024 Assembly Meeting Minutes, second by Tom

Hearing no corrections, Minutes will stand as written.

FINANCIAL REPORT

Unaudited June 2024 Financials

MOTION

Josy made a motion to approve the unaudited June 2024 Financials Report and second by Warren

Administrator Bailey said this is the end of fiscal year 2024. A few things to highlight are Interest Revenue, which far exceeded our expectations that we set in May of 2023. We received about \$959K more than we expected meaning we are investing our money wisely. On the other hand, the Raw Fish Tax came in significantly lower than what we anticipated. We budgeted for \$4M but only received about \$2.7M. In June 2024, we only received about \$241K which is only 40% of the 5-year average. For the Shared Fish Tax, we received higher than what we anticipated, we budgeted for \$1.9M but received about \$2.64M. FMA1, FMA2 and PLO-95 Payment in Lieu of Taxes came in a little higher as well. So even though the Fish Tax was low, with everything else that came in the Revenue side in general fund we still came in higher than anticipated. As far as expenditures go, we came in high with some items.

The grant program has been reconciled and the numbers should be accurate and all the permanent fund earnings have been accounted for and appropriated. Fund 22 is the Helicopter and Terminal building, the helicopter operation cost us about \$857K to operate this year.

Paul commented that Peter Pan canned goods has approved its sale to Silver Bay, is that taxable. Follow up question, Is the sale of cannery taxable under the Borough Code? Administrator Bailey said no. In response to the first question, those fish product has already been taxed when the fish was received. For the 2nd question, no, in our code there is nothing about sales of cannery or anything in that nature.

ROLL CALL

Yea: Brenda, Chris, Paul, Warren, Tom, Josy Advisory: Samantha

Nay: None

MOTION CARRIED

INVESTMENT REPORT

APCM June 2024 Investment Report

CONSENT AGENDA

PUBLIC HEARINGS

ORDINANCES

RESOLUTIONS

Resolution 25-06, Authorizing the Mayor to Negotiate and Execute a Contract with UIC Nappairit, LLC to Provide Construction Services for the Cold Bay Clinic Renovations Project in an Amount Not to Exceed \$2,150,000

Chris made a motion to approved Resolution 25-06, second by Brenda

Administrator Bailey said the Aleutians East Borough received \$2,000,000 from the Health Resources and Services Administration for the renovation of the existing Cold Bay Health Clinic. The Borough has hired

DOWL to conduct the 35% Design; the 65% Design; Final Design and Permitting; Bidding and Construction Contract Execution and Construction Administration and Close-out.

On October 24, 2023, DOWL released the RFP for the Cold Bay Clinic. The Borough solicited qualifications and pricing information from General Contractors (GC) for renovations to the clinic in Cold Bay. The GC will serve in a Construction Manager/General Contractor role acting as a partner in the Borough and their project team. On November 3, 2023, a Pre-Proposal Meeting for the Clinic was held. Three proposals were received, and the Selection committee reviewed the proposals. UIC Nappairit, LLC scored the highest and a resolution to contract with them was executed via resolution 24-20. Phase 1 of UIC's work included Pre-Construction Services where they will consult with the design team during the remainder of the architectural and engineering design phase. During this phase they are helping to develop a final cost estimate to construct the project; provided a constructability review; prepared a detailed schedule and provided subcontractor pricing. At the April 11, 2024 Assembly Meeting, the Assembly approved Resolution 24-37 authorizing UIC to proceed with early release work for the Cold Bay Clinic Project. Phase 2 includes construction services. UIC has provided their construction cost estimate in the amount of \$1,889,197 for the base bid work, which includes the \$42,000 in early release work resulting in \$1,847,197 need in funding. UIC also provided a \$192,029 cost estimate for add-alternate items. The \$1,847,197 in base bid work will be paid for out of the HRSA Grant Line-Item E 20-429- 000-871 and the Cold Bay Clinic Line-Item E 20-220-620-850. The add-alternate items in the amount of \$192,029 will be paid by Eastern Aleutian Tribes or the Borough through the Cold Bay Clinic Line-Item E 20-220-620-850. A small contingency request has been included, which the Borough also has funds for if needed.

Chris asked if the clinic is going to stay operational during the construction. Administrator Bailey responded yes, they will be working with Eastern Aleutian Tribes and City of Cold Bay in construction segments. Chris continued to ask if the structure will stay the same but just revamping the inside, and the exterior is something that we must find funding? Administrator Bailey responded, yes and no, some of the exterior work is already included in the add alternate. The only thing we are not doing is disrupting the soil because of all the contaminants. Chris asked if there will be a drawing of what it will look like inside. Administrator Bailey responded there will be schematic design for it. There will be some walls that will be removed but nothing too significant. Chris asked if that could be shared with the Assembly. Administrator Bailey said yes.

Warren asked when the roof was built. Administrator Bailey responded that about a year or 2 years ago EATS did work on the roof and replaced it.

Paul asked where the bulk is of this \$2M coming from. Administrator Bailey said the HRSA grant that we received through Murkowski earmark for the clinic. Paul asked when we received that grant. Administrator Bailey said probably August 2022. Paul asked when the estimated date of completion is. Administrator Bailey said sometime in 2025 but can't remember it and will give a more accurate date after that meeting.

ROLL CALL

Yea: Warren, Tom, Josy, Chris, Paul, Brenda Advisory: Samantha

Nay: None

MOTION CARRIED

Resolution 25-07, Authorizing the Mayor to negotiate and execute a contract agreement between the Aleutians East Borough and Professional Growth Systems for strategic planning services in an amount not to exceed \$30,000

MOTION

Chris made a motion to approved Resolution 25-07, second by Josy

Administrator Bailey said the Aleutians East Borough hired Professional Growth Systems (PGS) to provide strategic planning services for the Borough since 2017 and would like to continue their services from March 1, 2025, to February 28, 2026.

Paul commented that he will not support it.

ROLL CALL

Yea: Josy, Brenda, Tom, Warren, Chris Advisory: Samantha

Nay: Paul

MOTION CARRIED

OLD BUSINESS

- Sand Point Pool Discussion – Superintendent Mike Franklin Superintendent

Mike Franklin said that the last time the pool was assessed, it is still leaking over 2,000 gallons of water a day. At that rate both the city pump and releasing chemicals in the ground, his assessment is that the pool can't run that way. Until there is a better solution and until we find a grant to build a new pool, the Superintendent elected not to open the pool.

Administrator Bailey added that we have done numerous items to the pool. DOWL has determined that it can be opened for business however as Superintendent stated that the cost to run it does not make any sense. In the meantime, Administrator Bailey directed the staff to dig into find grants that may help rebuild or build a new pool. So far, we have not find anything. We can keep looking and maybe able to piece certain grants together. The Borough is still proceeding with the DEED Grant which includes repairs to the locker room and portions to the pool area that surrounds the pool.

Paul commented that the pool is a very important part of the infrastructure for the kids, city and the Borough and he'd thrown possible ideas and suggestion but never seems to go very far and nobody wants to follow up on this low cost preliminary option that will not commit us to spending money. Paul suggested the contractor that is in town that is currently doing construction work for the local tribe. Perhaps this contractor will have a fresh eye on the pool. Fellow Assembly members have talked to the community members, and this is an important thing in the community. We have to look for money to fix the pool and he thinks that we are missing a few steps in attempting to do something about this pool.

Chris said he disagreed with Paul. The administration is doing far more than what they really have to do. We have an engineering firm, DOWL, that we are paying money for to look over out sites and we are taking that information and trying to do things to the pool. Yes, there is a contractor in Sand Point but maybe they are not a contractor for swimming pools. We must realize that things within schools have to go through licensed engineers and not something we can just hire off the streets. He thinks the Assembly and Administration has been doing a tremendous job but a little disappointed that we just keep putting bandages on the pool and the school. He thinks it is time to see what is out there grant wise for pool and possibly a new school. And he agrees with Superintendent Franklin, why open a pool if we are going to lose 2,000 gallons a day.

Warren commented that if we find some grant funding for a new pool, maybe we can put it in King Cove and heat it with the excess heat by the powerhouse up at the school. We are here as a Borough to take care of the education and the schools, that is an obligation we have to fill. He can't believe that DOWL cannot find a diagnosis of where the water was leaking. He commends Anne for working on this problem. It is for the needs of our students and school districts. Learning to swim is a must in our area. He has no problem pursuing to find where the leak is.

Brenda commented that all the work on the pool has been tremendous and really proud that we pursue to fix some of the issues. She thinks that we have to research how to rectify the situation. It is very important for the people on our region to know how to swim especially for young people as they grow. All of our school were able to go here, it also benefited the community and the elderly. And when people from other community's travel to Sand Point, they were able to utilize that pool. She doesn't want to give up on this pool. And thinks that we still have to pursue and find funding for the pool to have it fixed.

Chris asked what the life expectancy of the Sand Point pool was. Administrator Bailey responded that we far exceeded the life expectancy of that pool. She can't remember when it was built but the pool liner has been replaced and now it is up for another replacement. It has far exceeded its useful life. Chris commented about the pool in Dutch Harbor going through a similar issue. He agrees that the pool is very important and needs to be operational.

Mayor Osterback commented that he is in Dutch Harbor when they replaced the pool, and he thinks the pool here was put in about the same time as Dutch. Chris thinks that having a concrete pool is easier to fix than aluminum.

Josy commented that the Sand Point Pool construction was completed in 1982. Akutan as well as other schools in the region have benefited on this pool and we must find grants to keep this pool open. Akutan has not gone to Sand Point recently since Unalaska is closer and easier to get to. Josy agrees with everyone, the pool needs to get repaired.

Mayor Osterback commented that this project has been driving us crazy for a long time now, for some reason this pool has been stumping everyone even the engineers. We have to keep trying to figure it out and find some grants to help fix the pool.

Paul made a motion to explore all the options to reopen the swimming pool second by Josy

Chris asked for clarification as to what exactly Paul wants. He commented that the administration already has a directive to try to do whatever they can to get that pool up and running.

Paul responded that it is a motion to put in writing that the Borough is working on to get the pool open. That way it is on record that we are supporting in opening the pool.

Mayor Osterback asked if this is voting on nonconfidence that the administration is not doing what they are supposed to be doing? Paul responded no.

Brenda commented that this motion is counteractive to what we are doing because it will supersede anything else we are doing in the Borough and we will just forward it to be the most important thing that we are working on. She thinks the Assembly has already given the administration directive to work on it. This is

only for a discussion point. Brenda continues to state that if some of the Assembly voted no, that doesn't mean they are not supporting Sand Point Pool.

Tom agrees. He thinks the Borough has a directive already to move forward about the Sand Point Pool. He is in support of fixing the pool.

ROLL CALL

Yea: Josy, Paul

Nay: Chris, Warren, Tom, Brenda Advisory: Samantha

Motion Failed

Brenda commented that she's been in full support to have that pool reopened and we have made that priority in our discussions and meetings. Even though it is not on the agenda, we discussed it almost every single meeting. Brenda thinks the staff has a directive enough from the Assembly every month.

Chris commented that even though he voted no, he is in full support of the pool and this motion that we try to pass tries to show our Administration that they don't really care about the pool in Sand Point. We are kind of blindsided by this motion. The Borough Assembly and Administration was trying to do the best we can to get the pool up and running but with the conditions that Superintendent Franklin said 2000 gallons a day it's not going to be operable. He fully supports the pool, but we need something that is operational.

Warren commented that after the big earthquakes a few years back, King Cove had a few water leaks on their water system, and it was tough to find it. So, he understands the situation with the pool. He said we have done a lot of repairs to the pool but still losing 2000 gallons a day and unfortunately the school year is approaching, and we still have issues with the pool. He said we will eventually fix it, nothing happens overnight especially in rural Alaska.

Mayor Osterback commented that we have been trying our best to have this pool fixed. It is very important for the Administration to get it up and running. Mayor Osterback said he knows how important it is to have a pool, but we are going to make sure this is done right.

- 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 scheduled a trip to King Cove on June 18th and Ashwater Burns went 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. The Borough selected Ashwater Burns to do the work and will send AMLJIA a Direct Pay

Authorization for AMLJIA to pay Ashwater Burns directly. DOWL and Ashwater have had discussions regarding materials and other items. Ashwater plans on being out in King Cove in the next two weeks to conduct the repairs, which are anticipated to take approximately 3 weeks to complete.

Chris asked what the Borough will have to pay in regard to King Cove School Fire. Administrator Bailey responded that all the work related to the King Cove School Fire will only cost the Borough \$50,000, which is our deductible. Everything else will be sent directly to AMLJIA. At this time, the Administrator does not have the final estimate, but they are saying it is less than \$500K.

Warren commented that he stopped by at the shop to check the work being done, the plumbing is done, and the electrician was there and 2 other guys that will start scrubbing everything down. The sheet rock was back on the wall and the place was repainted. Things are moving along good and hopefully it will be done before the school year starts.

NEW BUSINESS

REPORTS AND UPDATES

Administrator's Report in packet. Highlights below:

Akun Dock & Breakwater - On July 16, 2024, Lieutenant General Spellmon signed the Akutan Chiefs Report, approving and forwarding the Corps recommendation for Navigational Improvements to Congress for authorization within the Water Resources Development Act. Once authorization is received, the Corps will proceed into the Preconstruction Engineering Design phase of the project. The Water Bill has been approved. On July 19, 2024, the Army Corps of Engineers forwarded the fully executed Programmatic Agreement to the Borough.

Cold Bay Dock - The Aleut Corporation has confirmed that the Frosty Fuels' pipelines on the Cold Bay Dock have been repaired. They used a company to come out and repaired had been finished with a certified welding inspector and they are now delivering fuel through the pipeline delivery.

For the Dock replacement in Cold Bay, the State has issued their RFP for environmental and design services. We expect that those proposals are due back on August 26 and with that project, construction will be completed. We will start June 2027 with a completion date of 2030.

School Maintenance Items - There is a lot of maintenance going on in the schools.

Akutan School Work: Kuchar Construction has put their supplies on the August barge and is scheduled to arrive tomorrow and their crew will start coming in Saturday. We are expecting that back stairway to be fixed in the next 3 weeks. The work includes replacing the back stairs to the mechanical room; repairing the back stairway on the northside of the building; repairing the exterior stairway on the west side of the building; conducting a window inventory and assessment and conducting a few other maintenance items while onsite.

Sand Point Harbor Float - On July 11, 2024, M&N submitted the revised NEPA Environmental Assessment to MARAD for their legal review. MARAD had some questions and the updated NEPA was sent to MARAD on July 29, 2024. As soon as the Finding of Not Significant Impact is issued, the project can go to bid.

Sand Point School DEED Grant - We have signed the pre-construction services with UIC Construction, that means they will help with the 95% design for that project and hopefully we will get a construction quote and be able to finish that project by June 2025. An agreement with EHS was also signed for the hazmat survey which is a requirement prior to any construction.

Mayor Osterback asked if we get everything signed off on the Sand Point Float project, will this project be completed by the end of 2025 calendar year. Administrator Bailey said she will have to check the dates.

Paul asked if there is an opportunity to schedule with whoever is designing the Cold Bay Dock at the same time as Assembly meeting so that Assembly can comment and get an update. Administrator Bailey responded that the company that is hired, they are tasked with public outreach. So, they are going out and talk to everybody regarding the projects and get comments.

Mayor Osterback commented that the Borough will have a say on the dock design.

Assistant Administrator's Report in packet. Highlights below:

Healthy & Equitable Communities (HEC) Grant: On July 26, 2024, with the assistance of APICDA, Paul Mueller traveled to Nelson Lagoon to uncrate and set up the morgue. The originally planned location for the False Pass morgue at the clinic is no longer available because the VPSO needs that space for fire equipment. With the help of the VPSO, the contractor, and Paul Mueller, they have found a suitable alternative location. However, this will require demolishing a wall and reinforcing the floor to support it. The work is expected to be completed this month. In terms of the morgues for Cold Bay, it arrived in Cold Bay clinic, and they are also doing renovation. The State of Alaska extended the Borough's deadline to submit the final pay application for the Cold Bay generator until 9/30/2024.

ICE Services: Microsoft Teams Phone Transition: The Borough has transitioned from ACS phones to Microsoft Teams phones as a cost-saving method. ICE Services has procured the Teams phones licenses, configured the users, Extensions, and Phone Tree, received the physical handsets, and prepared them for deployment. If this transition runs successfully, the Borough will consider transitioning the Sand Point and King Cove offices. Ice is also planning to make a trip out to King Cove to set up the data back up and the SonicWall.

ISO Tank Purchase: I contacted Jimmy Doyle, the president of Weaver Brothers INC., to discuss purchasing and delivering a new ISO tank to Akutan. The Borough is working to coordinate with Coastal Transportation's sailing schedule and Weaver Brothers INC. on delivering the tank to Akutan.

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.

Paul commented that tanks rust from the inside when water gets at the bottom of the tank.

Natural Resources Director Report in packet. Highlights below:

North Pacific Fishery Management Council: A report by Nat Herz is linked in my report, Anne Vanderhoven keeps her seat on the NPFMC, and NMFS then formally announced July 31st additionally that Alaska nominees Brian Ritchie and John Moller will fill the seats previously held by Andy Mezirow and John Jensen. At this time there are only 10 voting seats on the council. The NPFMC meets at the Egan Center September 30 – October 9 (SSC 9/30-10-2, AP 10/1-10/4, Council 10/3-10/9). The September meeting agenda includes proposed groundfish specifications, final BSAI crab specs, review of the Observer program annual deployment plan and initial review of the pelagic trawl definition analysis. The Council reviews several rationalized programs this cycle: Amendment 80 in December and the AFA and the CGOA Rockfish programs in April.

Alaska Boards of Fisheries and Game: The proposal books for either are not out yet. Board of Fish Agenda Change Requests are due August 30th. On-time public comments on ACRs are due October 15. The Board Work Session is October 29 & 30th at the Egan Center in Anchorage. Proposals for the 2025/2026 meeting cycle, including the February 2026 Area M/Chignik finfish meeting, are due April 10th, 2025. The full Board meeting schedule for the 2024/2025 cycle can be found in the link provided in my report. The Board of Game will consider Central and Southwest Alaska game proposals (including Game Management Units 9 & 10) this cycle at a meeting in Wasilla, January 10-17. We are looking to see if there will be agenda change request for the Board of fish for the work session in October. There won't be any public testimony but we will have a chance to submit written comments.

Salmon This season Nelson River has achieved the largest total Sockeye escapement (numbers of fish) on record; a cumulative total of 729,766 Sockeye before the weir was pulled July 22. The Nelson River escapement goal is 97k to 219k; the 10-year average escapement for 2013-2022 is 216,516. Nelson Lagoon Sockeye salmon harvest exceeded 200,000 fish by the end of July – equaling over one million pounds Nelson Lagoon Sockeye harvest. The 10-year season average Nelson Lagoon Sockeye harvest for 2013-2022 is 188,507.

Natural Resources Tasks: Charlotte and I finished the report that was mandated in Resolution 25-05 and that was sent to the administration. We will now be working on a comment letter on the petition and to list GOA Chinook under the ESA. I am also working with the AEB Attorney to finalize a new BSAI crab Right of First Refusal agreement with Aleutia/APICDA for Port Moller crab, and to solve an issue with the KC ROFR.

We are looking at the AEB-owned airstrips in Port Moller and Sandy River maintenance issues and solutions. Reports say the Port Moller strip is being well-maintained, the Sandy River Lodge airstrip is in need of major maintenance. The Sandy River 'Big Strip' is reportedly completely overgrown.

A fish tax by species chart is included in my report.

Chris asked who is taking care of the maintenance of these airstrips and how much it costs a year. Natural Resources Director Weiss said we have not been doing any maintenance in airstrips. We got a call from APICDA and they were worried about the one on the Lodge. Before APICDA took over the Sandy River Lodge, they gave us maintenance on it. On Port Moller, we had an understanding with Peter Pan that they will maintain it. Port Moller is in good shape. APICDA is worried about the one with the lodge, and the big strip has completely grown over. We have not done any maintenance on it and it is kind of use at your own risk.

Paul asked if that airstrip is listed in official State document as a certified airport or who determines if it is actually an airstrip or not. The Natural Resources Director responded that he does not think it is certified by anybody. It is not long enough. We owned the land, I do not think it is certified and is use at your own risk.

Warren commented that he thinks that runway was built for another lodge before Sandy River. Same situation with Port Moller when the runways were built just for the cannery. He can't see us taking a runway project for a lodge when we can't even get our runway upgrade for 900 people in our community. Warren said he has reservations what they are culminating when they are only there 3 months out of a year when there are people on King Cove that live there year-round. They have to come up with good plans to fix this runway or buy the land.

Mayor Osterback directed Natural Resources Director Weiss to write a whitepaper regarding this and what we should do and can do or should not be doing and if there is cost involved.

Fishery Analyst Report in packet. Highlights below:

Electronic Monitoring - GOA5/EFP: After 5+ years of work on this project, the Trawl EM Final Rule has been published in the Federal Register! I am doing some review and beginning 2025 we will be done with this project and it will be fully regulated. I completed EOY reconciliation for this grant and submitted the first reimbursement request. This project is tracking as expected, however due to some shifts in processing for B season there will likely be changes to the observer budget. We also got two outstanding payments from the NFWF grant. I am also meeting with the fleet and processors to make sure they are fully ready for the B season pollock especially this is our last season in the EFP and then they are on their own.

Salmon: I met with Chordata to discuss automating reporting metrics and integrating historical data from ADFG and other sources to use for analytics.

AFSC Cod Tagging Project: Age and Growth Lab: we met with AG and stock assessment authors to discuss how to prioritize the otolith samples from the last 4 years. Due to the overwhelming workload this year, we will prioritize a subsample from the last two years which should be available by early 2025. Additionally, otoliths

with corresponding histology samples will be prioritized to update the GOA maturity ogive used in stock assessment. We met with SA authors Pete Hulson (GOA), Steve Barbeaux (BS) and Ingrid Spies (AI) to prioritize specific immediate v. long-term deliverables that can be used in stock assessment. These included: quantifying proportional movement between stat areas, timing of spawning relative to place/fishery and stock composition, updated maturity ogives.

PSMFC finally responded regarding the outstanding invoices, and I received confirmation on 8/2 that the 4 previous invoices have been processed and a check was mailed. I also did the quarterly reconciliation and submitted a reimbursement that will be processed after we submit the quarterly programmatic report on 8/15. The grant administrator notified us that there is a possibility for additional funds and a period extension, which may be necessary.

Wildlife Computer tag issues: We have had a batch of our satellite tags with battery issue, there was just a bad batch. We are figuring out what's happening with these critical malfunctions on the tags. The tags have been warrantied however the cost of fieldwork, travel and charter are not warrantied. We are still figuring out the scope of this issue and how much it will affect our work. More than likely, we are going to have to release more tags next winter to account for the ones that did not work this year.

Finance Director Report in packet. Highlights below:

Audit – I have been compiling the needed documents and uploading them to the BDO portal. All of the documents for the employee compensation-related liabilities, the payroll contributions, the planning controls, the prepaid items, the revenue summary, the receivable summary, and the component units have been completed and uploaded. All of the required confirmations for the cash and investments, the standard and long-term debts, the grant agencies and the attorneys have been prepared and uploaded as well. I have uploaded the documents for the cash and investments and sent the required data to the bookkeepers to compile the summary of investments, pricing inputs and the credit ratings. The grant analysis has been completed and I am awaiting the review from the bookkeeper to upload along with the status of prior audit findings and the grant and single audit needs will be complete. The general file needs are uploaded with just the general ledger detail, trial balance and financial statement remaining.

Caselle – The homework assigned by Caselle after the pre-live training has been completed and submitted to Caselle. It will definitely take some time to get used to the system but based upon the training and the time doing the homework, I can say it will be more efficient than what we currently have once we adjust to the differences. We have confirmation of the live data pull and will be conducting live training next week.

Routine tasks- An unaudited version of the June financials has been completed and presented at this meeting. The remaining items to post to the June financials include capital asset additions and depreciations, lease receivables and liabilities, and the SWG investment adjustment. All of the quarterly reports for the grants have been completed and reconciled to the year-to-date data for the audit. Day-to-day routine tasks are keeping us busy as the year end requires us to work within several time periods completing necessary tasks. Much of the need for the July data is in the first stages of completion.

Mayor Osterback commented he appreciates the amount of work that is being done on this new finance software, that's been taking years to put it together. And he appreciates Jacki, Seward and Anne going on training.

ASSEMBLY COMMENTS

Paul asked if the King Cove Assembly members heard about Wells Fargo and McKinley Capital will visit King Cove. And if we as a Borough can help them. Warren responded that the people who are coming are Field Co, they are another firm that is handling the Alaska end of the receivership. They are supposed to be here this week but moved it to next week now. They are bringing in people who are interested in either the plant or

parts of the plant as far as helping them out, I don't know if that is really possible now. But we are interested in any party that wants to look at King Cove cannery.

Warren commented if we can have an agenda format change.

PUBLIC COMMENTS

Warren commented that he will be attending AML Summer Conference.

NEXT MEETING DATE: September 12, 2024, 2:00 PM

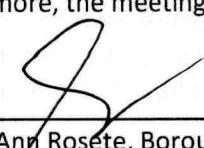
ADJOURNMENT

Josy moved to adjourn the meeting, second by Paul. Hearing no more, the meeting adjourned 3:54 PM



Mayor Alvin D. Osterback

Date: 9/12/2024



Beverly Ann Rosete, Borough Clerk