

CALL TO ORDER

Mayor Alvin D. Osterback called the Aleutians East Borough Regular Assembly Meeting to order by videoconference in each community on December 12, 2024, at 2:00 p.m.

ROLL CALL

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

Advisory Members:
Samantha McNeley, Nelson Lagoon Excused

A quorum was present.

Staff Present:

Anne Bailey, Administrator
Talia Jean-Louis, Assistant Administrator
Glennora Dushkin, Administrative Clerk
Ernie Weiss, Natural Resources Director
Charlotte Levy, Fishery Analyst
Jacki Brandell, Finance Director
Seward Brandell, Accounting Clerk

ADOPTION OF THE AGENDA

JOSY makes a motion to adopt the Agenda, seconded by TOM

PAUL said in Assembly Comments he's going to make a comment on having an executive session at our next meeting.

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.

MINUTES

November 14, 2024, Regular Assembly Meeting Minutes

JIM makes a motion to approve, seconded by JOSY

Hearing no correction, Minutes will stand as written.

resources processes or exported from Alaska and the State allocates a share of State Fish Tax collected outside of the municipal boundaries with the communities affected by the fishery activities based on the year prior. Fisheries Management Area (FMA) agreed to an alternative method since the inception of the program. For FMA2 the Borough should receive \$74,000 and for FMA3 the Borough should receive \$983.

PAUL asked if there was any discussion about updating the formula for the distribution, Administrator Bailey said that there has been no discussion that she is aware of.

TOM said the City of False Pass has grown in population due to the processing plant and asked if that would make a difference. Administrator Bailey said she does believe it makes a difference on what we receive, but this is less than what we received last year. Administrator Bailey said she does think that makes a difference to what we receive, but this year is less than what we received last year. She believes they take into effect all the population in the area.

ROLL CALL

Yeas: JOSY, CHRIS, JIM, TOM, BRENDA, PAUL

Nays: None

MOTION CARRIED

PUBLIC HEARINGS

None

ORDINANCES

None

RESOLUTIONS

None

OLD BUSINESS

None

NEW BUSINESS

Strategic Planning Quarter 3 Updates

Administrator Bailey said the staff has made quite a bit of progress in this.

JOSY asked if the January Strategic Planning session would be available virtually. Administrator Bailey said we will not be for the Strategic Planning but will for the following day for the Financial Work Session and Assembly Meeting.

CHRIS asked how he would be able to attend the Assembly meeting if all the King Cove Borough staff are in Anchorage and Administrator Bailey said we will work that out.

Advisory Appointment

Brenda makes a motion to approve the Advisory Appointment and second by Chris

Administrative Clerk Dushkin said every year we advertise for and Advisory seat for each community without an Assembly member. This year we do not have Assembly representation in both Nelson Lagoon and Cold Bay. We received a letter of interest from Samantha McNeley for the Advisory seat in Nelson Lagoon and no interest for Cold Bay.

ROLL CALL:

JIM asked if everything went perfectly, how soon could the road be built then asked if it would be a long process and Administrator Bailey said yes.

PUBLIC COMMENTS

NEXT MEETING DATE:


January 8, 2025, for the Strategic at APIA form 9-4
January 9, 2025, for Financial Work Session from 10-12
January 9, 2025, regular Assembly Meeting at 2:00

ADJOURNMENT

JOSY moved to adjourn and second by JIM



Mayor Alvin D. Osterback



Glenora Dushkin, Administrative Clerk

Date: 12/13/2024

FINANCIAL REPORT

Finance Director Report – Informational Only

Finance Director Brandell said in our last report we had some capital assets we were looking for in our audit. There were some questions on both the Akutan and False Pass Harbors regarding when they are looked at in the schedule. We met with the Army Corps and BDO to talk about the timing and final cost of the harbors and to determine new information about ownership. The Borough only owns the basin that the breakwater creates, and the Army Corps retains ownership of the navigational feature, the entrance and the break-ways. After the research we have clear directions on what we are going to capitalize on and what we are going to do with Akutan Harbor. These are the last two items on the Audit, and they should be completed in the next few months. For Financial Policy and Procedures, I have completed the procedures for grant management and am waiting for the session tomorrow to finalize them. The Routine Tasks are going great. Caselle is working well.

October 2024 Financials

JOSY makes a motion to approve, seconded by CHRIS

Administrator Bailey said we are about 33.3% into our fiscal year with these financials. One item to highlight is our Fish Tax. In October our Fish Tax revenue is reflected at \$115,033, and that is approximately 29% of the previous five-year average for October. We typically get around \$390,000. That is about 24% of the ten-year average. The other item to highlight is the interest revenue, as of October, we did exceed our \$500,000 estimate that was projected in May 2024. This means our money is working for us and we are yielding a good amount of interest from that. However, interest rates are continuing to drop slowly, which may continue with the tariff rates and other things happening at the federal level. We are keeping an eye on that, and we do have a few large payments that are due in a few months. One which will be the second payment to the Army Corps to the Akutan Harbor Project which is about \$3.2M.

PAUL said he heard King Cove PPSF still owed money to the City of King Cove though a few months prior everything was paid. Administrator Bailey said that PPSF has paid all fish tax revenue but may still owe on utilities. PAUL then asked if Port Moller PPSF owed anything and Mayor Osterback said the last he heard, Port Moller will be used as a support facility, like the previous year, but not as a processing plant.

ROLL CALL

Yeas: TOM, BRENDA, CHRIS, JOSY, JIM, PAUL.

Nay: None

MOTION CARRIED

INVESTMENT REPORT

APCM October 2024 Investment Report

CONSENT AGENDA

JOSY makes a motion to approve the Consent Agenda, seconded by CHRIS

Resolution 25-31, Adopts an alternative allocation method for the FY25 Shared Fisheries Business Tax Program and certifying that this allocation method fairly represents the distribution of significant effects of the fisheries business activity in FMA2: Aleutians Islands Area.

Resolution 25-32, Adopts an alternative allocation method for the FY25 Shared Fisheries Business Tax Program and certifying that this allocation method fairly represents the distribution of significant effects of fisheries business activity in FMA3: Alaska Peninsula Area.

Administrator Bailey said these are two resolutions that go before the Assembly every year and must be approved so we can fill out the paperwork with the State. The State does levy taxes on fishery

Yeas: PAUL, JIM, JOSY, CHRIS, BRENDA, TOM

Nays: None

MOTION CARRIED

REPORTS AND UPDATES

Administrator's Report is in the packet. Highlight on the King Cove Road below:

Administrator Bailey said she attended the December 9th meeting on the King Cove Road and there were many people that testified in favor of the road and the ones that testified against focused on the impacts of the eel grass and the birds and many of them thought that the marine transportation alternatives were the answer in which she testified against because the Borough has operated a Hover Craft in two locations and it was not sustainable or reliable and a ferry service would do the exact same thing. She testified to support the road only and not a marine alternative.

PAUL asked if there is a schedule out for the Cold Bay Dock. Administrator Bailey said the contractor hasn't gotten that far yet, but they will be doing public outreach when they get everything ready to go.

Assistant Administrator's Report is in the packet.

Natural Resources Director Report is in the packet.

Fishery Analyst Report is in the packet.

ASSEMBLY COMMENTS

PAUL said at our next meeting there are some items concerning PPSF in King Cove and should be added to the agenda via Executive Session.

Mayor Osterback asked Paul to give an update on the Fish and Game meeting for the King Cove Road in Sand Point. PAUL said there were 15 members of the public, 9 people testified and each person had 3 minutes. Four people were contractors, and three were Fish and Wildlife employees. Generally, people felt good about the meeting. Everyone in Sand Point agreed with option 6.

CHRIS said there was a good turn-out in King Cove for the Road meeting and a lot of people testified and everyone is agreed to option 6 as well. The King Cove Mayor is on his way to Bethel now to testify in the meeting this evening. The new travel lift is in King Cove and put together, they are making some final touches, and it should be ready to move boats soon.

BRENDA said the King Cove Road meeting was very informative. She said one of the most powerful presentations was from Dakota Walker as she brought in the actual death certificate of her mother that states if she would have made it to Anchorage just hours prior, she would have survived. The people may work in the area, but they don't know the area and said they were really surprised by the number of hunters that go through Cold Bay. They said they don't have a lot of data besides what comes from what they have from their people that work in Cold Bay. The people of the Bethal and AYK area seem to think that the people of King Cove are the only ones hunting the birds, they never made the connection that we are not the ones hunting all the time. We said we can't, we have a fence that blocks the area. It shows I as a native cannot be controlled and must be stopped from going on the refuge and we asked why there isn't a fence that goes along the Cold Bay area, and they couldn't answer. I think this time they are hearing people because they are documenting it and proving that they are documenting it.

TOM asked what alternative 6 is because he may have missed it. Administrator Bailey said it is a land exchange which would essentially be the road.