

## CALL TO ORDER

Mayor Alvin D. Osterback called the Aleutians East Borough Regular Assembly Meeting to order by videoconference in each community on May 8, 2025, at 2:00 p.m.

## ROLL CALL

Mayor Alvin D. Osterback	Present
Brenda Wilson	Present
Jim Smith	Present
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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A quorum was present.

## Staff Present:

Anne Bailey, Administrator  
Glennora Dushkin, Administrative Clerk  
Ernie Weiss, Natural Resources Director  
Charlotte Levy, Fishery Analyst  
Beverly Ann Rosete, Borough Clerk  
Jacki Brandell, Finance Director  
Seward Brandell, Accounting Clerk

## Others: Carter Uttecht

Marymae Brandell  
Mike Franklin, AEBS  
Amber Jusefowysch, City of King Cove

## ADOPTION OF THE AGENDA

CHRIS moved to Adopt the Agenda, second by WARREN

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 **conflicts of interest to be discussed**. There were no conflicts on agenda items.

## MINUTES

April 10, 2025 Regular Assembly Meeting Minutes



## **MOTION**

CHRIS moved to accept the April 10, 2025, Assembly Meeting Minutes, seconded by BRENDA

## **ROLL CALL**

Yeas: Chris, Jim, Brenda, Paul, Tom, Warren Advisory: Samantha  
Nays: None

## **MOTION CARRIED**

## **FINANCIAL REPORT**

Finance Director's Report – Informational Only

Finance Director Brandell said the response we received from the Corps of Engineers regarding the ownership was unclear, as to who owns it. The auditors decided to with special GASB Accounting rules where we maintain ownership, and that is very clear in the purpose of the agreement, so we've got a good direction on where we are going on that. Hopefully, we should have the Financial Statements soon. In the last month, a lot of time was spent analyzing expenses, compiling data, and reviewing documents for the budget. The proposed budget will be presented at today's meeting. The quarterly reports for payroll have been completed and submitted. I have also begun scanning the grant financial documentation in its entirety to Laserfische, starting with the current open grants. The routine financial tasks are operating smoothly.

PAUL asked when the Financial Statement is expected to be released. Finance Director Brandell responded that once the auditors received the financials, they would run them to their testing team and then have to be reviewed to make sure everything is good based on what we gave them. Hopefully, it will be released soon.

- March 2025 Financials

## **MOTION**

BRENDA made a motion to approve the March 2025 Financials Report, seconded by TOM

Administrator Bailey said two items to point out, first, the Raw Fish Tax, in March 2025, we received about \$280K, which is about 65% of the 5-year average or 59% of the 10-year average. It's a steady decrease from what we usually get. The other item is Interest revenue, which is still coming in really strongly. This is a pre-Akutan Harbor payment that is coming out soon, so interest will start reducing. Expenditures are tracking along well.

PAUL asked what LATCF stands for. Administrator Bailey said the Local Assistance and Tribal Consistency Fund. It is a one-time Federal funding that stems from COVID-19.

CHRIS asked if the administration could provide information on last year's raw fish versus what we are now receiving. Administrator Bailey said yes.

WARREN asked if there was a payment for False Pass Boat Harbor that is due too. Administrator Bailey said she believes that was paid a year ago.

## **ROLL CALL**

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



Nay: None

## **MOTION CARRIED**

### *INVESTMENT REPORT*

APCM March 2025 Investment Report is in the packet.

### *CONSENT AGENDA*

### *PUBLIC HEARINGS*

### *ORDINANCES*

**Ordinance 25-04**, Adopting the Operating and Capital Budget for Fiscal Year 2026

## **MOTION**

BRENDA made a motion to put Ordinance 25-04 on the floor and schedule for public hearing, seconded by CHRIS

Administrator Bailey said the packet includes the agenda statement, CPI table, letter from Superintendent Franklin, Permanent Fund earnings information, the ordinance, and the budget. Administration conducted an in-depth review of the Borough's anticipated revenues and expenditures and is recommending a conservative budget for FY26.

Some of the highlights are below:

House of Representatives Operating Budget:

- Full funding of school and harbor debt reimbursement for FY2026.
- Funding of K-12 education
- Includes \$6.7 million for FY2026 Community Assistance payments, which matches the same funding received in the current fiscal year.
- Full funding of state raw fish taxes
- A reduced permanent fund dividend payment of about \$1,400 per person for 2025.
- Flat funding for Alaska Marine Highway System operations for fiscal years 2026 and 2027.

Senate proposes FY2026 Operating Budget Reductions:

- 25% reduction in school debt reimbursement for FY2026, which will impact us by \$179K. Full funding of harbor debt reimbursement.
- Funding of K-12 education under the current foundation formula.
- Full funding of PCE payments
- Deletes the \$6.7 million for FY2026 Community Assistance payments in FY2026.
- Keeps permanent fund dividend payment of about \$1,400 per person for 2025.
- Moves funding for Alaska Marine Highway System operations back to a calendar year basis. Flat funding for calendar year 2026. Deletes backstop funding of another \$10 million.
- Deletes \$1.2 million House addition for public broadcasting.

On May 7<sup>th</sup>, the Senate passed the operating budget as is. But there may still be some changes.



On our budget, it is proposed to reduce the School Bond Debt by 25% because that is what passed in the Senate.

For FY25, the Administration and the Natural Resources (NR) Department estimated a total fish tax revenue of \$1,600,000. This was based on recent fishery trends, available fishery forecasts, recent prices, quotas, and harvest numbers, environmental uncertainties, and potential fishery management actions. We have decided to propose to keep the Fish Tax Revenue for FY26 at \$1,600,000.

All the Departments have reviewed their budgets and made adjustments to meet the anticipated needs for FY26. Due to budgetary constraints, the Borough must downsize, and the Assistant Administrator position has been removed from the FY26 budget. The FY26 proposed budget reflects a 2.2% Cost of Living Adjustment.

In prior budgets, Fringe Benefits included Medicare, ESC, PERS/DC and medical insurance costs. In the proposed FY2026 budget, items will be broken out into Health Care, Retirement Benefits, and Fringe (Medicare and, if applicable, FICA and Social Security). We still have not received any rate for our health insurance, so we assumed a 20% increase for now.

On March 3, 2025, the Superintendent sent an email requesting the maximum contribution in FY25 Local Contributions from the Borough in the amount of \$1,730,560. The proposed FY2026 budget shows a contribution of \$1,576,289, which is \$154,271 shy of the max contribution.

*The breakdown is as follows:*

- Local Contribution \$1,300,000
- School Scholarships \$35,000
- School Contribution \$20,000
- In Kind Services (Insurance, Maintenance Dept., Office Space, Janitor Services and Housing) \$220,789
- TOTAL \$1,576,289

WARREN asked what the \$1.7 M maximum contribution is based on. Administrator Bailey responded that every year, the State of Alaska provides their minimum and maximum contribution for the fiscal year. This year, the minimum contribution is \$656,009, and the maximum contribution is \$1,730,564. This is established by the State.

PAUL asked what the education budget is. He commented that the legislation session is until the 21<sup>st</sup> and our 2<sup>nd</sup> reading is May 22<sup>nd</sup>. He said perhaps we will have finality on the budget. Administrator Bailey responded that she thinks so.

Superintendent Franklin said Governor Dunleavy spoke with the superintendents, and he indicated very clearly that he would veto the \$700 increase to BSA. He also said that if there is a veto override, he can still choose not to allocate those funds to schools.

Administrator Bailey asked if Governor Dunleavy gave a reason why. Superintendent Franklin said that yes, Gov. Dunleavy wants to see some provisions he would like to see added to support funding to charter schools and school enrollment. Superintendent Association is not opposed to any of those, but there is some opposition to those provisions in the Legislature.

JIM asked how much the School District needed, and have we ever fully funded our school? Administrator Bailey said last year the maximum is a little over \$1.8M, so this year it has decreased at the State level. And no, we have not done the 100% before. JIM continued to ask if the school needs more money, they are cutting



teachers, and they actually have less enrollment. If we fully fund the, do they actually need it? Superintendent Franklin responded that the local contribution is determined by the State, and it has nothing to do with enrollment. It is a 2.65 mill tax levy on the true value of the Borough's property. And that number is capped at 45% of the basic needs of the school district. Currently, they have had to cut a lot of staff and consolidate a lot of positions. It is a hardship on individuals, but as a district, he thinks they are in good shape with the staffing they currently have. Their current budget is in a \$250K deficit for next year. They are hoping to have the \$700 increase to the BSA, which would result in a \$500K increase in revenue, so it will cover the deficit and will have a leftover. If it does not come through, they can still cover the \$250K deficit with special revenue funds, but it will dry up their funds in 2-3 years.

PAUL asked if the Borough's budget process fit into the school's process. Superintendent Franklin said their timeline should not be a factor, they have their budget approved already. They have their staffing set, the only difference is if the State comes through with the money, they won't have a deficit, but if the State does not come through, they will have a deficit that they can cover with special funds.

PAUL asked about the item in Natural Resources, an increase of \$55K. Administrator Bailey said we will go through that towards the end, but that is mainly due to the Board of Fish year.

Fund 21 outlines the Permanent Fund Earning designations that have been approved by the Borough Assembly. In FY26, the Ordinance includes the Designation of the Permanent Fund Balance and shows the unspent appropriated funds for FY17 to FY25 approved expenditures through March 31, 2025 (this value will change between March 31 and June 30, 2025); the appropriated permanent fund earnings for FY26 and the appropriated transfer to the general fund to cover the FY26 budget deficit. A resolution will be presented at the May 22, 2025 Assembly meeting, approving the \$1,816,333 in FY26 permanent fund earnings to cover the FY26 deficit.

FY2026 Expected Revenue is \$4,573,205, expected Expenditures are \$4,781,852 with expected Deficit of \$2,838,625.

PAUL asked for clarification on the FY2026 Surplus(Deficit) line. Administrator Bailey said that we have a deficit, but we will transfer in from the Permanent Fund and Savings to show that the budget is balanced.

TOM asked for clarification on the \$624K. Administrator Bailey said that was money appropriated last year to cover our FY2025 deficit. We don't have a deficit, so what we are planning is to reappropriate those funds for this year's deficit.

A detailed change in the FY2026 budget is included in the packet. Administrator Bailey mentioned that we are lucky that we have these funds to cover the deficit, but it will be harder and harder in the next years.

PAUL asked about the \$39K increase in the administration salary line item. Administrator Bailey said that covers 2 positions, the Administrator and the Administrative Assistant. The increase includes the 2.2% COLA, leave cash out, and additional funds if needed.

CHRIS commented that with the assistant administrator position being cut, that will put a lot more responsibility on the administrator and probably the administrative assistant. Administrator Bailey said most of the work she'll end up doing, but it will be doable.



Administrator Bailey pointed out that the reason for the increase of \$22K in the BOF Meeting line item under the Natural Resources department is that it is a Board of Fish year. The \$17,51K increase in the salary line item includes two positions, and the Natural Resources Director's 15-year merit is included in the salary budget.

PAUL asked where the Engineering line item is under Maintenance in the 2025 budget. Administrator Bailey said that it is under the administration and is \$50K.

CHRIS asked if the maintenance salary is for the maintenance person in Cold Bay. Administrator Bailey said no, it is a separate department.

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The table shows the changes in the budget; green represents an increase, and red represents a decrease. Administrator Bailey discussed the notable changes in detail.

CHRIS commented that he hates to see a cut on KSDP funding because they are an important part of the communities in the Borough. He hates to see KSDP going away because they cannot secure funding. Administrator Bailey said if he wants to make a change, a motion is needed.

PAUL commented that he was looking up at how much money the National Public Radio is giving in its budget. And it looks like they give 10% of the radio station's budget. CHRIS said PAUL is right, but the other radio stations have advertisements that they earn from, KSDP does not have that.

WARREN commented that he is not worried about this at all. He cannot see where any administration can shut off public radio. A lot of rural America has business in public radio. Warren said the radio station gets from different sources. And that we are having a shortfall as well.

Administrator Bailey discussed the few notable changes in Enterprise Terminal (Fund 22), Enterprise Helicopter (Fund 23), Bond Construction (Fund 24), Bond (Fund 30), Permanent (Fund 40), and Maintenance Reserve (Fund 41).

PAUL asked what the \$75K increase in Engineering entails. The administrator said we went out to bid for new project management services, and that is what she is expecting us to spend on the same nature. We already exceeded the \$50K for this year, so adding another \$5K for the FY2026 budget. Administrator Bailey said those random thing that they helped us with is billed monthly. Administrator Bailey explained that for big projects, they are paid out of a separate pot of money.

JOSY asked, with President Trump talking about cutting EAS money, do we know how much further that will put us in the hole? Administrator Bailey said \$1.2M, it will be devastating. Mayor Osterback added that the last time he had seen it come out was 55% cut of the total EAS funding nationwide. Last year, both AML and SWAMC made a resolution to try to protect EAS. The administrator added that the agreement with EAS right now is up to March 2026, so that is 8 months into the FY2026 fiscal year.

**Amendment:** CHRIS made a motion to bring the KSDP budget back to 10K, seconded by WARREN

WARREN commented that we all benefit from all the programming of the radio station, not to mention that fishermen are relying on the weather forecast on the radio. People listen from the radio when there is a ball game that is happening in one of our communities.



CHRIS agreed with WARREN. He mentioned that years ago, KSDP had to put in a donation request. Then we put it in a resolution to give them \$10K yearly, and we have seen them use that money very wisely. Most of the basketball games this year with the exception of the regionals, were free because of KSDP paying that fee back to the sports program. So we've seen the funding being used very well. People are listening to KSDP pretty much in every Borough community now. Most of the meetings are broadcast on KSDP.

JIM commented that KSDP's rent from the city was raised. He said he would like to see the KSDP's budget.

#### **ROLL CALL on Amendment**

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

Nay: None

#### **ROLL CALL**

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

Nay: None

#### **MOTION CARRIED**

#### **RESOLUTIONS**

**Resolution 25-54**, Authorizing the re-appropriation of a portion of the FY2025 Permanent Fund Earnings, funds from the Project Contingency Line-Item to the Financial Software Line-Item, and City of Cold Bay Community Budget Request funds.

#### **MOTION**

BRENDA made a motion to approve Resolution 25-54, seconded by JOSY

Administrator Bailey said On June 14, 2024, the Assembly approved Resolution 24-42 authorizing the Mayor to appropriate the FY2025 Permanent Fund Earnings to designated project. \$624,061 of that was appropriated to cover the projected FY2025 deficit. Now that we are far into the fiscal year, we can now reappropriate these funds to cover a portion of the projected FY2026 deficit. On March 13, 2025, the Assembly approved Resolution 25-45 that authorized the Re-appropriation of \$74,172 from the Financial Software line-item (21-506-8000) to the Sand Point School Grant Match line-item (21-513-8050). Unfortunately, the Administrator read the financials incorrectly and transferred too much money from the Financial Software line-item. Therefore, to correct this issue, Administration recommends re-appropriating \$25,737 from the Project Contingency line-item (21-501-8030) to the Financial Software line item (21-506-8000), which will correct the error. Administration is also proposing to re-appropriate the following City of Cold Bay Budget Requests, \$12,781.01 from the City of Cold Bay Education line-item (21-599-9201) to the City of Cold Bay Municipal Repair line-item (21-599-9202) and \$100,000 from the City of Cold Bay Generator line-item (21-599-9203) to the City of Cold Bay Municipal Repair line-item (21-599-9202). These are the recommended changes.

CHRIS asked for an update on the PFAs situation in Cold Bay. Administrator Bailey said that an update will be given at a later date.

PAUL asked if the Municipal Repair Line item is an existing line item. Administrator Bailey said, Yes. There's already money on it, but we need to move funds to meet the city's current needs. PAUL asked which municipal building. Administrator Bailey said it would be the Cold Bay Municipal Office and community center. In the past, when we did community budget requests, we entered into grant agreements with them for these



projects. So what would happen is that the Cold Bay Education line item and the generator contract would end and then we would amend the existing agreement that we have with the Municipal repairs.

PAUL asked why this is on our agenda and not moved to when we consider all the community requests.

Mayor Osterback said that these are old grant monies that we grant to the communities for projects that they have been working on. Some of these projects end up having another funding source, so that money is sitting in there, so we have to reappropriate it. Administrator Bailey added that we have grant agreements in place that they can spend on general maintenance. In the building. And they have to submit invoices.

#### **ROLL CALL**

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

Nay: None

#### **MOTION CARRIED**

**Resolution 25-55**, Authorizing the Mayor to negotiate and execute a contract with DOWL to provide professional engineering, project management, and construction management services for the Aleutians East Borough in an amount not to exceed \$75,000

#### **MOTION**

WARREN made a motion to approve Resolution 25-55, seconded by CHRIS

Administrator Bailey said in September 2020, the Aleutians East Borough (Borough) entered into a contract with DOWL for professional engineering, project management, and construction management services. The Borough and DOWL have exercised the two-year contract and the additional three-year renewal options; therefore, consistent with Borough Code Section 3.02.140, on March 17, 2025 Administration issued a Request for Proposal (RFP) for a qualified Consultants to provide professional engineering, project management and construction management services on an as needed basis to assist the Borough Administrator and staff in the management and administration of various Borough projects. On April 21, 2025, the Borough received two (2) proposals. On April 24, 2025, a selection committee met to review the proposals, and it was determined that DOWL was the most qualified respondent. The selection committee recommends that the Borough issue a contract with DOWL from July 1, 2025, through June 30, 2027, with an option to renew for an additional three (3) one-year periods, by mutual consent of both parties and with a contract ceiling of \$75,000. Funds are proposed to be in the FY26 budget under the Maintenance Department for this service. In the event that the Borough conducts a specific project, the Borough will request a separate scope and fee proposal for that individual project. The Borough will appropriate funds separately for the work.

PAUL asked who the other bidder was and what their amount was. Administrator Bailey said Meridian. They did not submit a fee proposal, and both of them went out for a \$75K. We do not have to spend all of it, but we can spend up to \$75K if it is needed throughout the fiscal year. PAUL asked if there were other bidders. Administrator Bailey said no. there are only 2 bidders.

#### **ROLL CALL**

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

Nay: None

#### **MOTION CARRIED**



**Resolution 25-56**, Authorizing the Mayor to Negotiate and Execute Change Order No. 2 with Western Marine Construction, Inc. in an amount not to exceed \$58,995 and to allocate \$91,005 of Grant Funds as Contingency Funds for the Project

#### **MOTION**

BRENDA made a motion to approve Resolution 25-56, seconded by JOSY

Administrator Bailey said Western Marine Construction has submitted change order #2 in the amount of \$58,995 to address a series of electrical conflicts within the project plans and specifications. This will provide additional circuit to backflow preventer hot box and revised routing due to incorrect panel location in the electrical design, which will require trenching, backfill, materials, and mounting to approach trestle, totaling \$58,995. The Borough Administration recommends approving Change Order No. 2 in the amount of \$58,995, increasing the contract amount to \$8,688,595. This will be paid for with the PIDP and State of Alaska Harbor Facility Grant Funds, and not cost the Borough any money. The Borough Administration also requests that the Assembly authorize the use of \$91,005 out of the grant funds as Contingency Funds for the project to account for other change orders.

PAUL asked about the drawing included in the packet. Administrator Bailey said was submitted by Western Marine as part of the change order. PAUL asked if all the equipment is here already. Mayor Osterback said no, some will be shipped by Coastal.

#### **ROLL CALL**

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

Nay: None

#### **MOTION CARRIED**

#### **OLD BUSINESS**

#### **NEW BUSINESS**

#### **REPORTS AND UPDATES**

Mayor Osterback congratulated Glennora for getting her Certified Municipal Clerk certification. He thanked for all the hard work over the 3 years on getting the certificate.

#### **Administrator's Report in packet. Highlights below:**

**Cold Bay Clinic:** On April 25, 2025, Cold Bay Clinic Renovations Additive Alternates Change Order No. 1 was executed in the amount of \$18,466 to conduct selective demolition of the existing Cementous lap siding on both exterior pop-outs and vapor barrier. They the installation of lap siding and vapor shield rainscreen material.

**Cold Bay Terminal:** On April 9, 2025, Door Systems of Alaska arrived at the Cold Bay Terminal and repaired the cargo door. Other minor repairs have occurred throughout the building.

**Sand Point Pool Update:** On April 18, 2025, the Borough and Alaska Sewer and Drain signed a short form contract in the amount of \$8,128 to provide closed-circuit recording footage and a written summary/report of the discharge pipes in the pool area at the Sand Point School. On April 29, 2025, the Alaska Sewer and Drain and DOWL arrived in Sand Point to conduct this work. Photos are included at the end of this report. We are doing a 65% reconciliation for the pool on Tuesday.



Sand Point School: UIC Construction is scheduled to arrive in Sand Point on May 12, 2025. They are beginning to demolish the locker rooms, and then they will start mobilizing their equipment to kick off the construction.

**Sand Point Harbor Float:** The barge is on the way. They are going to drop off the majority of the items. There's electrical plumbing that will come via Coastal. They will not begin the project until July.

**Borough/Community Meetings:** On April 15, 2025, Mayor Osterback, Jacki and I met with most of the communities in a group setting to discuss what is occurring in the region and in their communities. Numerous items were discussed, ranging from fisheries, to schools, financials, and other items. One item that was requested was the Borough to look into conducting a Regional Economic Plan, which the Borough will begin researching. On April 15 and 16, 2025, the Borough met with the communities of Cold Bay, Sand Point, False Pass, King Cove and Akutan. We discussed their revenues, expenditures, major projects/needs, reviewed the stabilization fund and other items.

**Professional Engineering, Project Management, and Construction Management Services:** The resolution was just passed for this. This outlines the timeline of the project.

**Information Technology Request for Proposal:** On March 25, 2025, the Aleutians East Borough issued a Request for Proposal for Information Technology Services. One proposal was received by the April 22, 2025 deadline. On April 29, 2025, the selection committee met and determined that the proposal was deficient and decided to reject the proposal. The Borough will reissue the RFP. ICE Services will remain as the Borough's IT provider until a new entity is under contract.

#### **School Projects**

**King Cove School Water Systems Repair Project:** On April 11, 2025, the Borough issued a Request for Proposal for the King Cove School Water Systems Repair Project. The scope of work includes performing domestic water piping repairs which includes work done on the west wing main line; the central wing main line, the east wing main line, and branch lines. We received only one proposal.

Anne congratulated Glennora for her CMC accomplishment.

PAUL asked if the State awarded the bid for doing the piling ramp in Cold Bay, and who is doing that work. Administrator Bailey said she does not know.

Mayor Osterback commented that DC Lobbyist report is included in the packet.

#### **Natural Resources Director Report in packet. Highlights below:**

**Salmon:** As mentioned in previous reports, ADFG is paying special attention to King salmon conservation in the Gulf of Alaska this season. Links to the management plan are included in the packet, and an update from the department on Chinook conservation. We'll be dealing in June with Chum conservation, and July is Chinook Conservation, especially with seiners. The June calendar is included in the packet. We plan to publish an AEB Fish News this week offering best practices for safely releasing live salmon. Note: All salmon must be retained in the South Peninsula June fishery - 5 AAC 09.365(e). King salmon of at least 28 inches long should be safely released beginning in July.

**Alaska Board of Fisheries:** The 2024/2025 Board of Fisheries cycle is complete, proposals for the 2025/2026 cycle have been submitted, and proposal books will be published sometime in September. We expect local Advisory Committees will meet starting in October.

**North Pacific Fishery Management Council:** The April 2025 NPFMC Newsletter summarizes the recent meeting highlights. The June meeting will be in Newport, OR. During the AFA program review for Bering Sea pollock I plan to submit comments suggesting Eligible Pollock Processing Community status, including for the AEB and our communities. The only community protection in the AFA is that the processor cannot move quota out of a community mid-year. The Crab Rationalization program at least included the 'Three-Pie' program that established a right of first refusal for communities on crab processing quota. AEB revenue from pollock has



averaged 35-40% of the total fish tax.

**Alaska Legislature Fisheries bills of interest:** The legislative session will end on May 21<sup>st</sup> and any bills that have not passed will still be available to pass in the 2<sup>nd</sup> session next year. House Bill 31 and HB116 both passed.

**Alaska Peninsula Areawide 2025 Oil & Gas Lease Sales:** The Alaska DNR Alaska Peninsula Areawide 2025 Oil & Gas Lease Sale includes approximately 5 million acres of state-owned onshore and offshore land in 1,004 tracts, ranging in size from 1,280 to 5,760 acres. Bids will be accepted May 19th through June 5th. Bidding results will be posted on June 11th. The last lease sale with any reported bids was in 2014.

The Fish Tax chart is included in the packet. A list of meetings is also included in the report.

PAUL commented that he thought he read in a newsletter that the confirmation hearing on legislation on Board of Fish nominees is on the 17<sup>th</sup>, and asked if he is correct. The Natural Resources Director said what he heard was the 14<sup>th</sup>.

**Fishery Analyst Report in packet. Highlights below:**

**Electronic Monitoring - GOA5/EFP:** Still in the process of finalizing the financials and closing out the grant by the June 30th deadline, and preparing to submit the final reimbursement request. The grant will close approximately \$78,600 under budget due to some unexpected operational changes with processors that reduced the observer costs. The Fisheries Monitoring and Advisory Committee meeting is scheduled next week. I was approached by NIMFS about interest from the fleet and transitioning to using EM for bottom trawl.

**AFSC Cod Tagging Project:** With field work complete, the project team has fully shifted into tag processing and analysis. Currently, Kim Rand is finishing pre-processing all the tags through 2024 and will transition to preparing NOAA Technical Memos for tags with completed model outputs. Julie Nielsen and I will continue to run the model for preprocessed tags in 2023/2024. We anticipate submitting the tech memos for publication for all fish through 2024 by July. While not the final publication for peer-review, the tech memos will allow our data to be referenced in stock assessment and for other uses. PSMFC has announced 2020 cod disaster applications for harvesters, and we anticipate the research RFP will be published shortly after. The project team is discussing how we should move forward which will depend on whether the NPRB proposal is funded.

**Unimak Acoustic Telemetry Project:** As of 2 days ago, we were notified by NPRB that we received funding for our proposal. That project is about \$235K, and \$135K of that is going to be awarded to the Borough.

**Salmon Tagging Pilot:** I am currently preparing contracts for Julie Nielsen and Kim Rand to assist with tag processing and analysis. The ADFG genetics conservation lab is reviewing the draft study design and I am awaiting feedback of genetic analysis to inform sample size and field logistics. I have secured 3 additional scientists to assist me in the field, so the study plan will be updated to have two tagging teams which will reduce the sets from 6/day to 3/day. With support from ADFG I have secured the following staff to assist with field work:

- Sabrina Garcia, Fishery Biologist, Salmon Ocean Ecology Program. Sabrina has extensive experience tagging salmon and will be my co-lead in the field.
- Annie Brewer, Assistant Area Management Biologist, South Peninsula. Annie will join on behalf of Area M management and will be an opportunity for her to get on the ground experience working with the fleet and learning more about the June fishery.
- Ana Vinson, Groundfish Biologist, Juneau. Ana has been supporting the cod tagging project for two years and is very familiar with our tagging process and sampling.

**Board of Fisheries:** My primary focus will be publishing the cod tagging tech memos by 7/31 to ensure published data is available for reference during the October BOF cod meeting.



**Miscellaneous:** I attended the NPRB AP meeting April 22-24. During the meeting, we reviewed the final core proposals, and now the program will be paused until 2026 as funding will be primarily focused on the Northern Bering Sea IERP program. We also reviewed graduate student and outreach proposals. I was on Annual Leave from April 4<sup>th</sup>-15<sup>th</sup>.

Senate Bill 161, ended up being scheduled at Senate Resources. Originally, they had intended to take public testimony, but switched to invited testimony. I was invited to provide a perspective of the Western Gulf however, there were technical difficulties. I have submitted my testimony and did get a response.

Tom asked if the tagging study is looking favorable for us. Fishery Analyst Levy said, Yes.

Mayor Osterback thanked Anne, Jacki and Seward for their hard work on the FY2026 budget.

#### ASSEMBLY COMMENTS

PAUL asked how the community meetings go. Administrator Bailey said we met with On April 15, 2025, Mayor Osterback, Jacki and I met with most of the communities in a group setting to discuss what is occurring in the region and in their communities. Numerous items were discussed, ranging from fisheries, to schools, financials, and other items. One item that was requested was for the Borough to look into conducting a Regional Economic Plan, which the Borough will begin researching. On April 15 and 16, 2025, the Borough met with the communities of Cold Bay, Sand Point, False Pass, King Cove, and Akutan. We discussed their revenues, expenditures, major projects/needs, and reviewed the stabilization fund and other items.

TOM asked to have the False Pass Airport on the agenda next meeting. He commented that with the next administration, there is a lot of money out there, and right now is the best time to look for new avenues to start talking about that airport.

Mayor Osterback asked Tom if they could draft something for the agenda.

#### PUBLIC COMMENTS

WARREN commented that Pacific Seafoods was out looking at the King Cove plant, and also Norman of Dillingham, who came out for the Aleut Foundation to do a survey of the plant. The person who came out with the superintendent at the Kodiak Plant with his number 1 engineer. They were very impressed with the plant, and they are moving forward with some talks on acquiring the facility. He said he wanted to let everyone know what is happening at the King Cove Plant.

Mayor Osterback said it is good information, and he hopes something good will come up.

NEXT MEETING DATE: May 22, 2025 2:00 PM

#### ADJOURNMENT

JOSY moved to adjourn the meeting. Hearing no more, the meeting adjourned at 4:12 PM



Mayor Alvin D. Osterback



Beverly Ann Rosete, Borough Clerk

Date: 7/1/2025