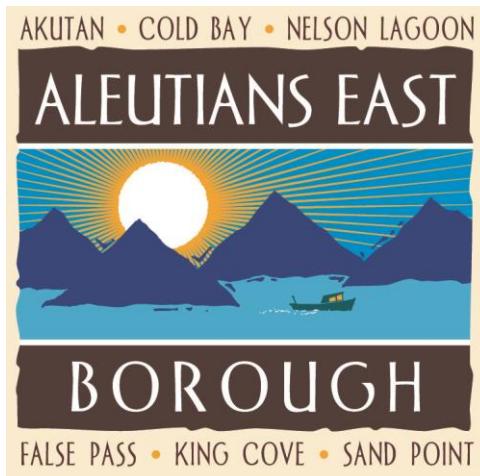


# **Aleutians East Borough Assembly Meeting**

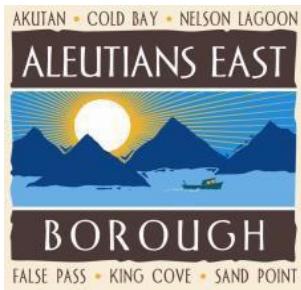


**Workshop: NO WORKSHOP**

**Meeting: Thursday, February 12, 2026– 2:00 p.m.**

# ROLL CALL & ESTABLISHMENT OF QUORUM

# ADOPTION OF AGENDA



## Agenda

### Assembly Meeting

(packet available on website [www.aleutianseast.org](http://www.aleutianseast.org))

Date: Thursday, February 12, 2026

Time: No Workshop MEETING: 2:00 P.M.

Location: By videoconference in each designated community location below:

King Cove AEB Office	Sand Point AEB Office
Cold Bay City Office	Akutan City Office
Nelson Lagoon Corp.	Anchorage AEB Office, 3380 C
Street False Pass City Office	

All communities will be provided with conference calling information for the designated location in your community. Public comments on agenda items will take place after the adoption of the agenda. The meeting will also be broadcast on KSDP Public Radio.

### ASSEMBLY MEETING AGENDA

1. Roll Call & Establishment of Quorum
2. Adoption of the Agenda
3. Public Comments on Agenda Items
4. Conflict of Interest
5. Minutes
  - January 8, 2026 Assembly Regular Meeting Minutes
6. Financials
  - Finance Director's Report
  - December 2025 Financials
7. Investment Report
  - APCM November 2025 Investment Report
  - APCM December 2025 Investment Report
8. Consent Agenda
9. Public Hearings
10. Ordinances

11. Resolutions

- **Resolution 26-29**, Relating to the disposal of surplus, obsolete, or unneeded supplies
- **Resolution 26-30**, Authorizing the Mayor to amend the term of Helicopter Services Agreement with Maritime Helicopters, Inc. to June 30, 2026
- **Resolution 26-31**, Selecting and Promoting FY27 Capital Projects for the Health, Safety, and Welfare of Its Residents
- **Resolution 26-32**, Requesting Congressionally Directed Spending/Community Project Funding for Construction of the King Cove Road
- **Resolution 26-33**, Authorizing the Mayor to Convey and Quitclaim to the United States through U.S. Fish and Wildlife Service Division of Realty Land Situated in the Aleutian Islands Recording District S
- **Resolution 26-34**, Authorizing the appropriation of \$150,000 in the Deferred Maintenance Line Item (21-502-8025) for the Sand Point School Project
- **Resolution 26-35**, Authorizing the Mayor to negotiate and execute Contract Amendment No. 1 with DOWL to provide additional services for the Sand Point School DEED Grant Project in an amount not to exceed \$194,147
- **Resolution 26-36**, Authorizing the Mayor to Negotiate and Execute Change Order No. 4 with Western Marine Construction, Inc in an amount not to exceed \$174,453 for Sand Point New Harbor A-Float Project
- **Resolution 26-37**, In Support of Full Funding for 2026 and Future Years AMHS Operations and the Tustumena Replacement Project
- **Resolution 26-38**, Supporting the full funding (\$18,186,535) for the State of Alaska Harbor Facility Grant Program in the FY 2027 State Capitol Budget

12. Old Business

- Sand Point Swimming Pool Update ( Informational Only)

13. New Business

- Response to Assembly Member Babcock's Letter (Informational Only)

14. Reports and Updates

15. Assembly/Mayor Comments

16. Public Comments

17. Next Meeting Date

- March 11, 2026 – Strategic Planning Meeting will be held from 9:00 a.m. to 4:00 p.m. in Anchorage at the APIA building.
- March 12, 2026 – AEB Regular Assembly Meeting

18. Adjournment

**\*All materials pertaining to this meeting are available on the Aleutians East Borough website.**

# COMMUNITY ROLL CALL & PUBLIC COMMENT ON AGENDA ITEMS

# CONFLICT OF INTEREST

# MINUTES

Aleutians East Borough  
Regular Assembly Meeting Minutes

Assembly Call to Order

Mayor Alvin D. Osterback called the Aleutians East Borough Regular Assembly Meeting to order by videoconference in each community on January 08, 2026, at 2:00 PM.

**Roll Call for Elected Officials**

Mayor Alvin D. Osterback	Present
Brenda Wilson	Present
Chris Babcock	Present
Glen Gardner Jr.	Present
Jim Smith Sr.	Present
Josephine Shangin	Present
Paul Gronholdt	Present
Warren Wilson	Present

**Advisory**

Samantha McNeley	Present
Tom Hoblet	Present

A quorum was present.

**Staff Present**

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

**Others Present**

Lorie Pierce
Kurt Uttecht
Mayor Robert Walker
Carter Uttecht

**Adoption of the Agenda**

MOTION     Chris made a motion to adopt the Agenda  
SECOND     Brenda seconded the motion.

Hearing no objections, the agenda will stand as presented.

**Community Roll Call and Public Comments on Agenda Items**

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

**Conflict of Interest**

Mayor Osterback asked for any potential conflict of interest to be discussed. There were no conflicts on this agenda.

**Minutes**

• December 11, 2025, Regular Assembly Minutes

MOTION     Brenda made a motion to accept the December 11, 2025, Regular Assembly Meeting Minutes.  
SECOND     Glen seconded the motion.

Hearing no objections, the minutes will stand as written.

Aleutians East Borough  
Regular Assembly Meeting Minutes

**Financials**

- Finance Director's Report.  
Finance Director Brandell reviewed her report.
- November 2025 Financials

MOTION Brenda made a motion to approve the November 2025 Financials.

SECOND Chris seconded the motion.

**DISCUSSION**

Administrator Bailey said there were two items to point out. First, the Raw Fish Tax, we received zero in November 2025. This is the first time we had zero in financials since 1999. The second one is the Interest Revenue, which is still doing well. As far as expenditures go, we are tracking on schedule; we are about 41.66% through the fiscal year.

Chris asked what the usual November fish tax is. Administrator Bailey said the average 5-year we get is about \$64,000, and the 10-year average is about \$89,000 for November. This is the first time we got nothing for the fish tax for November.

Paul commented that the Cod quota may increase after the BOF February meeting.

**ROLL CALL** Yeas: Paul, Brenda, Glen, Warren, Jim, Chris, Josy  
**MOTION CARRIED** Advisory: Samantha, Tom  
Nays: None.

**Investment Report**

No report

**Consent Agenda**

**Public Hearings**

**Ordinances**

**Resolutions**

- **Resolution 26-27**, Supporting Geothermal Development in Akutan, AK

MOTION Chris made a motion to approve Resolution 26-27.

SECOND Brenda seconded the motion.

**DISCUSSION**

Executive Assistant Dushkin reviewed the resolution.

Paul commented that in Dutch Harbor Geothermal, one of the issues they encountered was the lease. Paul proceeded to ask who owns the lease in Akutan geothermal, if there is one. Executive Assistant Dushkin said she can find out.

Jim asked if there is grant funding for this project. Executive Assistant Dushkin responded that she believes they are looking for funding from the State and ANCSA.

## Aleutians East Borough Regular Assembly Meeting Minutes

Josy commented that they have a meeting with a grant writer to pursue funding, and they have not heard back anything about tribal support. She said as of now, they are just looking for letters of support.

Mayor Osterback asked if Akutan is looking for a range of megawatts that they are looking to produce. Josy responded yes, but she can't remember the exact number. She said there are a number of different spots that were discussed with the City, and when they pursued this years ago. With the litigation of Makushin Geothermal, a lot of focus has been shifted to Akutan.

Chris asked Joay who owns the land where the geothermal will be. Josy responded that, for the majority part, the Akutan Corporation owns the land and the Aleut Corporation.

ROLL CALL  
MOTION CARRIED      Yeas: Josy, Jim, Warren, Glen, Paul, Brenda, Chris Advisory: Tom, Samantha  
Nays: None.

Mayor Osterback congratulated Glennora on her new position.

- **Resolution 26-28**, Authorizing the Mayor to Negotiate and Execute a Memorandum of Understanding between the United States Fish and Wildlife Service, Alaska Region, the United States Army Corps of Engineers, Alaska District Regulatory Division, the King Cove Corporation, State of Alaska, City of King Cove, the Aleutians East Borough, the Agdaagux Tribe, and the Native Village of Belkofski Concerning Coordination and Implementation of Projects and Efforts in the Izembek National Wildlife Refuge

MOTION Brenda made a motion to approve Resolution 26-28.

SECOND Josy seconded the motion.

## DISCUSSION

Administrator Bailey reviewed the resolution.

Paul asked for confirmation that there is nothing new or unexpected in the memorandum of understanding. Administrator Bailey said no, it is just outlining the actions that are currently occurring.

ROLL CALL  
MOTION CARRIED Yeas: Chris, Paul, Warren, Jim, Brenda, Josy, Glen Advisory: Samantha, Tom  
Nays: None.

## Old Business

## New Business

- **Oil and Gas**  
Natural Resources Director discussed the Oil and Gas Lease

Paul commented that technically, we have no requirements to submit a comment at this time and that this process moves very slowly. Natural Resources Director agreed, he said people can make individual comments if the Assembly is not interested.

Mayor Osterback commented that back in 1992, the Shumagin was brought up as interest areas on oil industry. They were looking for some areas to build a facility, and that was one of the reasons why the

Aleutians East Borough  
Regular Assembly Meeting Minutes

Aleutians East Borough was formed. Back in the days, the Borough supported the oil and gas industry, and Mayor Osterback stated his support for this.

- **Sand Point Pool Project Bonding Requirement Discussion**

Administrator Bailey discussed the Sand Point Pool Project Bonding Requirement

Paul asked whether there were any suggestions to get this project moving forward. Mayor Osterback responded that there are a couple of things that can be done, and is working on it. Paulo is talking to 6 different bonding companies, and the Borough is willing to speak with them if it will help. Mayor Osterback said the administration is looking for different ways to figure this out. He added he wanted this project pushed through, and when the Assembly passed the resolution providing the money to do this, it was with the understanding that the Assembly trusted the people that will work on this project.

Administrator Bailey added that she talked to our insurance, and they are trying to get her some answers. She also talked to a construction attorney, and there may be a way that the Borough could bond, but she'll do more research.

Glen asked if it would be possible to just hire Paulo as an employee to repair the pool. Mayor Osterback said we can look into that.

Paul commented that we really need to figure it out by the next meeting, and if there's any way around that, in order to get the job done this year. I think there are several ways to solve it, and he has confidence that the administration has figured it out and will bring it to us by February, and we can make a final decision to get the pool.

Mayor Osterback commented that anybody who has ideas is welcome to share.

Paul commented that one idea is for the Borough to buy the materials to reduce the total cost of the contract. Paul added that we are going to decide the waiver requirement. It is our project; we say this qualifies for a waiver, and we will just pass that. Mayor Osterback said that this idea is one of the things they talked about. Administration is waiting to hear back from Paulo regarding talking to bonding companies. He added that if any Assembly Members have any other ideas, feel free to contact him because he wants this project done, but we have to make sure we get a good legal opinion so we don't get shut down in the middle of this project.

Paul commented that whenever there is a question of legality, there are always two sides, one opposing and one in favor. We expect our attorney to support the decisions we make.

Brenda commented that we have to think about a way we are going to be able to keep our insurance. She added what if we finish this project and find out that we cannot ensure it. She thinks it is really important to follow the rules. Mayor Osterback said we have to have insurance so we are protected for personal injury.

Chris commented that the laws are put in effect, not only to protect us as a Borough but also to protect the citizens who will be using the facility. Chris added that he disagrees with Paul; our attorney cannot bend the rules just because we are paying him a salary. The reason we hired a lawyer is that he can go

Aleutians East Borough  
Regular Assembly Meeting Minutes

over all this stuff, and he thinks our attorney did a great job explaining this to us. Chris added that we need to research this more.

Mayor Osterback said the attorney that we have is here to protect the Borough, and he is doing a great job. He said it was over the holidays when Paulo first emailed to let the Borough know they ran into a problem finding a bonding company.

Chris asked whether this project could be done in phases to help break down the cost. He added that we want this pool done, but we should not try to do something overnight. This needs more research.

Mayor Osterback responded that this is the main thing the administration is doing right now, working with them, trying to figure this out, and looking at different avenues.

Chris added that he does not want the administration to feel rushed to come up with another contract at the next meeting. He said he wants something that the Assembly could pass and know that it will go on, and they are not going to come back and re-look at it. Mayor Osterback agreed and said the administration will give updates and will have something final when it's ready.

Paul commented that the Borough has AMLJIA, so we are kind of self-insured. He said AMLJIA board makes the rules of what's insured and what isn't. So he doesn't see insurance as a problem. Paul added that being a partner in the bonding requirement is a good idea, too.

Mayor Osterback said that the administration wanted the Assembly to know where we were at. And everything is on the table right now. But we are going to get this project done.

## Reports and Updates

- **Administrator's Report**

**Cold Bay Dock:** The State held a virtual public hearing for the Cold Bay AMHS Ferry Terminal Reconstruction Project on December 16, 2025 at 6:30 p.m. Prior to the meeting, Borough Administration submitted a public comment stating "at the December 11, 2025 Assembly Meeting, the Assembly approved a motion to support the option of a wave barrier in the preferred alternative design. DOT, NPD, and others that are present have considered the comments.

**Sand Point Harbor Float:** This is still moving forward. The substations have arrived in Sand Point. The electricians are now waiting for the weather window for flights to install those. Early spring, Western Marine Construction is scheduled to finish all the things that need to be completed. We are also looking into purchasing a portable fire pump.

**Sand Point School DEED Grant:** Right before the holidays, we found out that the paper barrier that was on the roof was blown off, and it was raining inside the building. They have been addressing the issue and have been fixing the damage. A change order was made for \$165,275, which still falls under the authorized amount. They are behind schedule. Currently, they are saying they will be done by the end of March.

**School Items: False Pass Roof Repairs:** Bering Sea Services has provided an updated quote to complete roof repairs at the False Pass School. The cost for the repairs is \$59,000. DOWL is in the process of drafting a contract for this work. The repairs will be charged to the Deferred Maintenance Line- Item. **Sand Point Boiler Inspections:** On October 9, 2025, a contract with Cool Air Mechanical in the amount of \$64,922.50 was executed. This includes additional repairs to the Sand Point School,

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Regular Assembly Meeting Minutes

Office and 4-plex. In early December, Cool Air Mechanical went to Sand Point and ended up getting stuck due to weather and lack of flights, which will increase the overall cost of the project.

**Cold Bay Terminal:** Chinook arrived in Cold Bay on December 18, 2025, and conducted the annual fire alarm, extinguisher, and sprinkler inspections, and completed deficiency work for the Cold Bay Terminal

**King Cove Road:** The litigation is moving forward smoothly and quickly, the 3 plaintiff groups and the rest of the involved parties have worked out a proposed case management agreement for the court to consider. The agreement will relieve our side of the obligations to submit answers to the plaintiff's very lengthy complaints. The plaintiff's briefs will be due on February 20<sup>th</sup>. The opposition's briefs will be due March 23<sup>rd</sup>. And the plaintiff's chance to reply will be due on April 6<sup>th</sup>. The Corps of Engineers is circulating the road construction permit request for public comments.

The Strategic Planning Meeting will be held on March 11, 2025, from 9:00 a.m. to 4:00 p.m. in Anchorage at the APIA building. March 12, 2025, Regular Assembly Meeting.

Paul asked if the comments that were provided for the Cold Bay Dock were written or verbal. Administrator Bailey said it was written comments via the portal. Paul asked for a copy of the comment. He proceeded to ask how many people attended the virtual meeting.

Paul asked Anne how firm the March School project completion is. Administrator Bailey said she does not think that is firm at all; she thinks the completion will be the end of the school year.

Jim asked if the extra money from the Sand Point Harbor Float project could be used for the wall and surface the gravel area, or the waterline. Administrator Bailey said we won't have enough money to do all that, but what we are looking to use the money for is ladders and potable fire pump to comply with the fire marshal.

Tom asked if the folks were coming in by the end of March. Administrator Bailey said yes, Being Sea will get that done by the end of March. As far as the boiler goes, she is hoping to get there next week, but it seems like there is no flight. They are shipping the materials first.

Lorie commented that she was there with some of the public works staff, and it was a bigger issue. There was a big leak under the boilers.

- **Executive Assistant's Report**

**APRA Training and Inspections:** The Borough participates in a Loss Control Incentive Program through APRA, our insurance provider. By meeting the program requirements, we can earn a percentage back on our annual contribution. One component of the program is APRA's online safety training through Target Solutions. Each employee must complete eight hours of training for the Borough to qualify for the discount. Another way is by attending monthly meetings, where staff can earn half an hour towards training time. Another program requirement is completing a self-inspection for each Borough-owned building or infrastructure that is valued over a certain dollar amount.

**Akutan Helicopter Operations:** In November 2025, I coordinated with Trident, Coastal, Matson, and Delta Western to transport the Borough's ISO Tank from Akutan to Unalaska for Jet A Fuel. This was a learning process as several folks I worked with had not previously been involved with this. The tank arrived back in Akutan around December 13, 2025.

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**Deeptree, Inc – IT Provider:** The Borough fully transitioned from ICE Services to Deeptree, Inc. in November and we received our final invoice from ICE Services in December. ICE Services is still covering several software subscriptions for the Borough. As these subscriptions expire, Deeptree will assume responsibility for them. Beginning this year, I will be scheduling quarterly meetings with Deeptree to review IT maintenance needs and identify potential tech improvements for the Borough. The Borough also transitioned from Barracuda to Sophos Email Gateway, which is an email security system.

**Other Items:** An In the Loop article was published in December, highlighting all of the projects Nelson Lagoon completed recently. Also working with Chris with SERRC to learn the Maintenance Connection.

- **Borough Clerk's Report**

The Borough Clerk said In May 2018, the Assembly passed a resolution regarding Records Retention. In the resolution, it says, “Records that are not considered permanent shall be disposed of in accordance with the approved general retention schedule. Records of a confidential nature shall be disposed of by shredding or burning. All other records shall be disposed of in an appropriate manner. The records manager shall maintain a permanent log of all destroyed records. The Borough Clerk shall report a detailed description of the records destroyed to the Assembly annually.” Attached to the report is a detailed description of all obsolete and destroyed records in the Anchorage, King Cove, and Sand Point Offices.

- **Natural Resources Department Director's Report**

**North Pacific Fishery Management Council:** During the February 2-11, 2026 NPFMC meeting at the Egan Center, the Council will take final action on the Bering Sea Pollock Fishery Chum Salmon Bycatch. The Draft EIS for the Chum salmon action on this agenda item is over 700 pages and has garnered over 400 public comments on the Rulemaking docket as of this writing. I plan to testify in support of our AEB communities that are highly dependent on onshore pollock deliveries. At the February meeting the SSC and Council will set harvest specs for federally managed salmon in the Cook Inlet EEZ. They are also reviewing specs for PCod and hopefully setting new ones.

**Alaska Board of Fisheries:** Bristol Bay finfish proposals will be considered at the Egan Center on Jan. 13-18. I will be giving the Anchorage Advisory Committee report for the Bristol Bay meeting. I also plan to give personal testimony at the BB meeting in support of Proposal 188 that would increase the Dutch Harbor food and bait herring quota. Proposal 188 will be heard at the BB meeting and deliberated in February. The Alaska Peninsula/Aleutian Islands/Chignik Finfish meeting February 18-24 is going to be critical for the future of AEB salmon fisheries. I encourage the communities of the Borough to come out and give testimonies.

The Statewide finfish meeting, March 17-21, also at the Egan, also includes additional impactful decisions, including on Proposals 11, 163, 164 & 165 that would restrict trawling within state waters

**North Region Opilio Crab:** In December, the Assembly adopted Resolution 26-25 to allow an agreement to process North region-designated Opilio crab in Akutan in 2026, and collect tax on that crab on behalf of the City of Saint Paul. As of this writing, the Administration is still negotiating that one-year agreement with Saint Paul. If that arrangement had not been worked out, Akutan and the AEB would lose out on other crab processing shares, and potential tax revenue. Also, potential future emergency agreements that might be needed for the South region crab shares processing could have been jeopardized.

Aleutians East Borough  
Regular Assembly Meeting Minutes

I made an assumption that there will be no fish tax in December, but that was wrong. We received some December fish tax.

The list of meetings is included in the report.

Paul asked what the Borough is doing to maximize participation in the Board of Fish meetings. Mayor Osterback said the Borough will help with the usual costs, like airfare and lodging.

Paul commented that several articles were written about the Fish Act being introduced. He proceeded to ask Ernie if he had any insight on this. The Natural Resources Director said this was co-sponsored by Lisa Murkowski, and it was introduced by Senator Sullivan. It is almost a title of a bill, but they don't have the language of the bill published yet; it is reducing bycatch mostly in Alaska fisheries.

Mayor Osterback commented that he read that the president is suggesting making cuts to NOAA's budget, and he asked how that is going to affect us as far as research. The Natural Resources Director said there have been cuts to NOAA, but he does not know any new ones that are coming but he can look into it.

- **Fishery Analyst's Report**

**AFSC Cod Tagging Project:** The project team is finalizing the tech memos for each year with conclusion sections, which will then be sent for review and publication at NOAA. I am working on the regular quarterly report, which will be available at the next meeting. I have been having a lot of conversations with NOAA with council staff, and fishermen on how to move this forward on the policy trend. The best approach to bringing this up is to testify at the February meeting under the cod stock assessment agenda item.

**Salmon Tagging Pilot:** I am still finalizing the draft case report and hope to have it submitted to Animal Biotelemetry soon. This paper will characterize the movement and behavior of tagged fish. I am concurrently working on the outline for the subsequent, comprehensive manuscript that will address policy-relevant questions regarding nonretention survival and mortality.

I am working on the final report to ADFG for the Aquatic Resource Permit used for this project.

**Board of Fish:** I am currently working on several documents, which include: A human interest article about a local fishermen and how fisheries are interwoven in AEB communities. A summary of the recently published full ADFG chum genetics study that occurred from 2022 to 2024. This is intended to be a more approachable document that highlights key points in the document and changes from WASSIP and the 2022 single report. A comment letter that collates the Adaptive Management Program reports since the program started. I assist with writing these at the end of each June, and will write a comprehensive review of the program performance relative to the metrics outlined in the RC104. One of the most time-consuming tasks in each BOF cycle is organizing information and making it accessible to stakeholders. Information such as fishery and genetics data, historical BOF actions, past BOF RC's and proposals are typically scattered and can be difficult to track down. I am in the process of collecting those data into a clearinghouse format that can be easily accessed by stakeholders for their own use.

**Other:** I am slowly uploading my remaining inactive grant files to Laserfische. Glennora has assigned the ARPA Insurance trainings, so I am trying to take at least 2 per week.

Aleutians East Borough  
Regular Assembly Meeting Minutes

**Assembly/ Mayor's Comments**

Josy thanked the Mayor and the Assembly for signing on to the joint statement in support of Geothermal. Josy congratulated Glennora.

Glen congratulated Glennora and said lets push hard on getting the pool repaired.

Chris commented that he sent a letter to the Mayor and Administrator Bailey through the clerk, regarding some of the concerns that he's been hearing from some people in the Borough with Trident processing the crab in St. Paul. He said maybe we could put something out that could explain this a little bit for transparency.

Administrator Bailey responded that she is in receipt of that letter as well as Carter's letter, and she is working on a response letter soon.

Jim congratulated Glennora on her new position.

Paul commented that he appreciates what the staff is doing in preparation for the board of fish meeting in February. It will be a tough meeting, and he encourages everyone to use all their resources to ensure maximum participation.

Mayor Osterback commented that we are working on putting together a plan to go forward on the problem that we have, needing essential air service. So, this is in the works, and hopefully we'll be successful in getting the price of tickets down.

Mayor Osterback commented that almost everyone who works in the Borough started from being an administrative clerk position, like Anne and Charlotte, and now Glennora is moving on to her new position. This shows that people stay, and there is longevity, and we have really good employees. He thanked all the Borough employees for all the work they do.

**Public Comments**

Carter Uttecht commented that he sent a letter to the Assembly and asked when they were going to receive that. Borough Clerk responded that when the letter was received, it was past the deadline to put the letter in the meeting packet as requested by the sender.

**Next Meeting Date**

- February 12, 2026

**Adjournment**

Meeting Adjourned at 3:47 PM.

ATTEST

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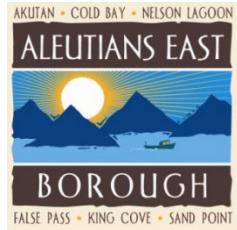
Alvin D. Osterback, Mayor

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Beverly Rosete, Clerk

# FINANCIAL REPORT

**To:** Honorable Mayor Osterback and Borough Assembly  
**From:** Jacki Brandell, Finance Director  
**Re:** Report to the Assembly  
**Date:** February 12, 2026



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**Audit** – I have received and reviewed a draft of the annual financials. Everything looked good a name change that needed to be changed with the implementation of new accounts in Caselle. The auditors were hoping to have the audit presented at this meeting, however it still needed to go through a second review.

**End of 2025** – All of the end of the calendar year payroll reports have been completed. Paper 1099's and W-2's were mailed, and the electronic submissions to the IRS and Social Security Department have been uploaded.

**Routine tasks**- All of the grants were reconciled for the quarter ending December 31, and the quarterly entries were posted. Prior to compiling the W-2 data, the quarterly payroll reports were completed and submitted. The routine tasks to record January's financial data went well, and we await the last bit of receivable data to close the month.

Please let me know if you have any questions.

**ALEUTIANS EAST BOROUGH**  
**REVENUES WITH COMPARISON TO BUDGET**  
**FOR THE 6 MONTHS ENDING DECEMBER 31, 2025**

**GENERAL FUND**

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
<b>REVENUES</b>					
10-000-4000 AEB RAW FISH TAX	48,873.84	1,447,676.55	1,600,000.00	152,323.45	90.5
10-000-4010 STATE SHARED RAW FISH TAX	.00	1,317,915.04	1,450,000.00	132,084.96	90.9
10-000-4020 STATE SHARED FISHFMA2	.00	.00	70,000.00	70,000.00	.0
10-000-4030 STATE SHARED FISHFMA3	.00	.00	1,000.00	1,000.00	.0
10-000-4100 INTEREST REVENUE	83,931.21	695,000.65	500,000.00	( 195,000.65)	139.0
10-000-4150 UNREALIZED GAINS/LOSS	8,278.87	( 26,526.36)	.00	26,526.36	.0
10-000-4200 ANC OFFICE LEASE	6,104.15	36,505.22	.00	( 36,505.22)	.0
10-000-4350 STATE REVENUE OTHER	.00	330,277.91	314,445.00	( 15,832.91)	105.0
10-000-4400 USFWS LANDS	.00	.00	15,000.00	15,000.00	.0
10-000-4450 PLO-95 PAYMNT IN LIEU OF TAXES	.00	.00	615,000.00	615,000.00	.0
10-000-4900 OTHER REVENUE	189,990.55	190,527.13	68,110.00	( 122,417.13)	279.7
<b>TOTAL REVENUES</b>	<b>337,178.62</b>	<b>3,991,376.14</b>	<b>4,633,555.00</b>	<b>642,178.86</b>	<b>86.1</b>
<b>TOTAL FUND REVENUE</b>	<b>337,178.62</b>	<b>3,991,376.14</b>	<b>4,633,555.00</b>	<b>642,178.86</b>	<b>86.1</b>

ALEUTIANS EAST BOROUGH  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 6 MONTHS ENDING DECEMBER 31, 2025

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<b>MAYORS OFFICE</b>					
10-100-6000 SALARIES	7,350.20	45,618.70	95,553.00	49,934.30	47.7
10-100-6010 FRINGE BENEFITS	106.58	692.77	3,000.00	2,307.23	23.1
10-100-6011 HEALTH INSURANCE	2,092.50	12,555.00	27,580.00	15,025.00	45.5
10-100-6012 RETIREMENT	1,617.04	10,510.76	20,570.00	10,059.24	51.1
10-100-6025 AK LOBBIST	3,500.00	21,000.00	45,000.00	24,000.00	46.7
10-100-6030 FEDERAL LOBBIST	6,300.00	37,800.00	75,600.00	37,800.00	50.0
10-100-6035 DUES AND FEES	.00	770.00	3,000.00	2,230.00	25.7
10-100-6040 TRAVEL AND PERDIEM	2,811.79	15,973.20	33,000.00	17,026.80	48.4
10-100-6045 SUPPLIES	45.93	162.00	600.00	438.00	27.0
10-100-6060 TELEPHONE	82.49	459.62	300.00	( 159.62)	153.2
<b>TOTAL MAYORS OFFICE</b>	<b>23,906.53</b>	<b>145,542.05</b>	<b>304,203.00</b>	<b>158,660.95</b>	<b>47.8</b>
<b>ASSEMBLY</b>					
10-125-6000 SALARIES	2,400.00	11,700.00	43,200.00	31,500.00	27.1
10-125-6010 FRINGE BENEFITS	127.80	653.25	3,000.00	2,346.75	21.8
10-125-6011 HEALTH INSURANCE	16,740.00	89,977.50	193,060.00	103,082.50	46.6
10-125-6012 RETIREMENT	198.00	858.00	5,000.00	4,142.00	17.2
10-125-6035 DUES AND FEES	.00	2,105.00	2,800.00	695.00	75.2
10-125-6040 TRAVEL AND PERDIEM	1,172.00	6,706.00	50,000.00	43,294.00	13.4
10-125-6045 SUPPLIES	.00	373.99	750.00	376.01	49.9
<b>TOTAL ASSEMBLY</b>	<b>20,637.80</b>	<b>112,373.74</b>	<b>297,810.00</b>	<b>185,436.26</b>	<b>37.7</b>

ALEUTIANS EAST BOROUGH  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 6 MONTHS ENDING DECEMBER 31, 2025

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<b>CLERKS DEPARMENT</b>					
10-150-6000 SALARIES	6,026.74	37,311.02	78,348.00	41,036.98	47.6
10-150-6010 FRINGE BENEFITS	87.38	1,778.56	3,000.00	1,221.44	59.3
10-150-6011 HEALTH INSURANCE	2,092.50	11,508.75	27,580.00	16,071.25	41.7
10-150-6012 RETIREMENT	1,499.56	9,747.14	17,237.00	7,489.86	56.6
10-150-6035 DUES AND FEES	32.99	510.91	2,500.00	1,989.09	20.4
10-150-6040 TRAVEL AND PERDIEM	.00	1,398.00	9,500.00	8,102.00	14.7
10-150-6045 SUPPLIES	113.01	1,039.99	2,000.00	960.01	52.0
10-150-6050 POSTAGE	.00	41.98	800.00	758.02	5.3
10-150-6060 TELEPHONE	868.83	4,879.62	12,000.00	7,120.38	40.7
10-150-6085 ELECTION	.00	4,837.06	8,500.00	3,662.94	56.9
10-150-7005 MANAGEMENT FEES	.00	.00	8,550.00	8,550.00	.0
<b>TOTAL CLERKS DEPARMENT</b>	<b>10,721.01</b>	<b>73,053.03</b>	<b>170,015.00</b>	<b>96,961.97</b>	<b>43.0</b>
<b>ADMINISTRATION</b>					
10-200-6000 SALARIES	15,273.71	126,146.89	255,864.00	129,717.11	49.3
10-200-6001 SALARIES OVERTIME	.00	.00	2,500.00	2,500.00	.0
10-200-6010 FRINGE BENEFITS	262.10	2,232.49	7,500.00	5,267.51	29.8
10-200-6011 HEALTH INSURANCE	4,185.00	25,110.00	55,160.00	30,050.00	45.5
10-200-6012 RETIREMENT	4,150.46	26,976.99	48,184.00	21,207.01	56.0
10-200-6015 CONTRACT LABOR	.00	12,000.00	40,000.00	28,000.00	30.0
10-200-6035 DUES AND FEES	27.48	7,875.14	11,000.00	3,124.86	71.6
10-200-6040 TRAVEL AND PERDIEM	65.25	2,721.08	15,000.00	12,278.92	18.1
10-200-6045 SUPPLIES	140.73	1,082.43	2,500.00	1,417.57	43.3
10-200-6050 POSTAGE	.00	34.80	500.00	465.20	7.0
10-200-6060 TELEPHONE	114.86	757.54	5,000.00	4,242.46	15.2
10-200-8090 ANCHORAGE OFFICE	6,212.50	34,720.99	.00	( 34,720.99)	.0
<b>TOTAL ADMINISTRATION</b>	<b>30,432.09</b>	<b>239,658.35</b>	<b>443,208.00</b>	<b>203,549.65</b>	<b>54.1</b>

ALEUTIANS EAST BOROUGH  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 6 MONTHS ENDING DECEMBER 31, 2025

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<b>FINANCE DEPARTMENT</b>					
10-250-6000 SALARIES	7,924.19	64,438.00	139,449.00	75,011.00	46.2
10-250-6001 SALARIES OVERTIME	.00	.00	3,250.00	3,250.00	.0
10-250-6010 FRINGE BENEFITS	172.75	1,432.50	4,000.00	2,567.50	35.8
10-250-6011 HEALTH INSURANCE	4,185.00	25,110.00	55,160.00	30,050.00	45.5
10-250-6012 RETIREMENT	2,707.24	17,597.06	30,700.00	13,102.94	57.3
10-250-6015 CONTRACT LABOR	6,290.00	25,800.00	45,000.00	19,200.00	57.3
10-250-6035 DUES AND FEES	.00	745.00	1,000.00	255.00	74.5
10-250-6040 TRAVEL AND PERDIEM	1,800.85	3,674.49	12,000.00	8,325.51	30.6
10-250-6045 SUPPLIES	238.55	1,789.54	4,500.00	2,710.46	39.8
10-250-6050 POSTAGE	.00	39.35	500.00	460.65	7.9
10-250-6055 RENTAL/LEASE	.00	3,750.00	9,000.00	5,250.00	41.7
10-250-6060 TELEPHONE	613.17	3,497.45	7,500.00	4,002.55	46.6
10-250-6095 AUDIT	19,194.50	113,840.20	100,500.00	( 13,340.20)	113.3
10-250-7005 MANAGEMENT FEES	756.00	4,536.00	10,000.00	5,464.00	45.4
<b>TOTAL FINANCE DEPARTMENT</b>	<b>43,882.25</b>	<b>266,249.59</b>	<b>422,559.00</b>	<b>156,309.41</b>	<b>63.0</b>
<b>NATURAL RESOURCE</b>					
10-275-6000 SALARIES	14,556.61	94,767.68	229,518.00	134,750.32	41.3
10-275-6010 FRINGE BENEFITS	( 587.96)	232.96	6,000.00	5,767.04	3.9
10-275-6011 HEALTH INSURANCE	4,185.00	23,017.50	55,160.00	32,142.50	41.7
10-275-6012 RETIREMENT	3,937.33	25,393.82	48,458.00	23,064.18	52.4
10-275-6015 CONTRACT LABOR	.00	.00	20,000.00	20,000.00	.0
10-275-6035 DUES AND FEES	48.45	470.42	2,000.00	1,529.58	23.5
10-275-6040 TRAVEL AND PERDIEM	1,811.30	2,601.75	12,500.00	9,898.25	20.8
10-275-6045 SUPPLIES	113.17	171.82	1,750.00	1,578.18	9.8
10-275-6060 TELEPHONE	72.49	434.94	2,000.00	1,565.06	21.8
10-275-7030 BOF MEETINGS	.00	646.88	30,000.00	29,353.12	2.2
10-275-7035 NPFMC MEETINGS	.00	.00	7,000.00	7,000.00	.0
<b>TOTAL NATURAL RESOURCE</b>	<b>24,136.39</b>	<b>147,737.77</b>	<b>414,386.00</b>	<b>266,648.23</b>	<b>35.7</b>

ALEUTIANS EAST BOROUGH  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 6 MONTHS ENDING DECEMBER 31, 2025

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<b>PUBLIC WORKS DEPARTMENT</b>					
10-300-6000 SALARIES	319.10	6,764.07	15,000.00	8,235.93	45.1
10-300-6010 FRINGE BENEFITS	27.60	630.49	5,000.00	4,369.51	12.6
10-300-6045 SUPPLIES	.00	1,110.04	5,000.00	3,889.96	22.2
10-300-8010 ENGINEERING	11,015.25	41,805.25	75,000.00	33,194.75	55.7
<b>TOTAL PUBLIC WORKS DEPARTMENT</b>	<b>11,361.95</b>	<b>50,309.85</b>	<b>100,000.00</b>	<b>49,690.15</b>	<b>50.3</b>
<b>KCAP</b>					
10-325-6045 SUPPLIES	.00	.00	1,000.00	1,000.00	.0
10-325-8020 MAINTENANCE	.00	1,435.00	110,000.00	108,565.00	1.3
<b>TOTAL KCAP</b>	<b>.00</b>	<b>1,435.00</b>	<b>111,000.00</b>	<b>109,565.00</b>	<b>1.3</b>
<b>EDUCATION</b>					
10-350-7065 LOCAL SCHOOL CONTRIBUTION	325,000.00	650,000.00	1,300,000.00	650,000.00	50.0
10-350-7070 SCHOOL SCHOLARSHIPS	.00	.00	35,000.00	35,000.00	.0
10-350-7075 STUDENT TRAVEL	.00	.00	20,000.00	20,000.00	.0
<b>TOTAL EDUCATION</b>	<b>325,000.00</b>	<b>650,000.00</b>	<b>1,355,000.00</b>	<b>705,000.00</b>	<b>48.0</b>

ALEUTIANS EAST BOROUGH  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 6 MONTHS ENDING DECEMBER 31, 2025

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<b>GENERAL GOVERNMENT</b>					
10-900-6020	LEGAL	3,882.50	20,098.00	70,000.00	49,902.00 28.7
10-900-6025	ADVERTISING	192.73	2,239.89	6,000.00	3,760.11 37.3
10-900-6055	RENTAL/LEASE	5,233.43	31,297.96	64,071.00	32,773.04 48.9
10-900-6065	UTILITIES	1,763.18	8,826.74	26,000.00	17,173.26 34.0
10-900-6070	FUEL	4,871.56	23,961.97	45,000.00	21,038.03 53.3
10-900-6075	AEB VEHICLES	71.43	1,371.74	2,500.00	1,128.26 54.9
10-900-6080	WEB SERVICE	9,927.52	33,187.08	67,439.00	34,251.92 49.2
10-900-6090	PERS EXPENSE	.00	.00	50,000.00	50,000.00 .0
10-900-7005	MANAGEMENT FEES	.00	9,720.59	23,216.00	13,495.41 41.9
10-900-7015	BANK FEES	.00	39.17	3,000.00	2,960.83 1.3
10-900-7020	INSURANCE	.00	342,389.93	346,493.00	4,103.07 98.8
10-900-7040	REVENUE SHARING NELSON LAGOON	.00	15,789.00	15,789.00	.00 100.0
10-900-7045	MISC EXPENSE	5,138.13	52,163.27	18,000.00 (	34,163.27) 289.8
10-900-7050	DONATIONS	.00	16,000.00	20,000.00	4,000.00 80.0
10-900-7055	CONTRIBUTION TO KSDP	.00	.00	10,000.00	10,000.00 .0
10-900-7060	CONTRIBUTION TO EATS	37,500.00	75,000.00	150,000.00	75,000.00 50.0
10-900-8000	EQUIPMENT	.00	4,083.38	20,000.00	15,916.62 20.4
<b>TOTAL GENERAL GOVERNMENT</b>		<b>68,580.48</b>	<b>636,168.72</b>	<b>937,508.00</b>	<b>301,339.28 67.9</b>
<b>TOTAL FUND EXPENDITURES</b>		<b>558,658.50</b>	<b>2,322,528.10</b>	<b>4,555,689.00</b>	<b>2,233,160.90 51.0</b>
<b>NET REVENUE OVER EXPENDITURES</b>		<b>( 221,479.88)</b>	<b>1,668,848.04</b>	<b>77,866.00 ( 1,590,982.04)</b>	<b>2143.2</b>

ALEUTIANS EAST BOROUGH  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 6 MONTHS ENDING DECEMBER 31, 2025

GRANT PROGRAMS

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<b>REVENUES</b>					
20-000-4100 INTEREST REVENUE	9,592.32	61,750.12	.00	( 61,750.12)	.0
20-000-4600 PRIVATE FUNDED PROJECTS/GRANT	.00	.00	1,500,000.00	1,500,000.00	.0
20-000-4700 STATE FUNDED GRANT REV	202,323.95	1,489,729.30	2,660,398.79	1,170,669.49	56.0
20-000-4800 FEDERALLY FUNDED GRANT REV	332,686.63	2,046,330.83	2,599,771.96	553,441.13	78.7
20-000-4900 OTHER REVENUE	1,957,495.04	3,516,126.00	4,661,839.40	1,145,713.40	75.4
<b>TOTAL REVENUES</b>	<b>2,502,097.94</b>	<b>7,113,936.25</b>	<b>11,422,010.15</b>	<b>4,308,073.90</b>	<b>62.3</b>
<b>TOTAL FUND REVENUE</b>	<b>2,502,097.94</b>	<b>7,113,936.25</b>	<b>11,422,010.15</b>	<b>4,308,073.90</b>	<b>62.3</b>

ALEUTIANS EAST BOROUGH  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 6 MONTHS ENDING DECEMBER 31, 2025

GRANT PROGRAMS

		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<b>TRIDENT CONTRIBUTION AKU AIRPO</b>						
20-601-8050	CAPITAL CONSTRUCTION	.00	.00	313,738.96	313,738.96	.0
	TOTAL TRIDENT CONTRIBUTION AKU	.00	.00	313,738.96	313,738.96	.0
<b>AKUTAN CITY CONTRIBUTION HARB</b>						
20-602-8050	CAPITAL CONSTRUCTION	.00	.00	259,743.66	259,743.66	.0
	TOTAL AKUTAN CITY CONTRIBUTION	.00	.00	259,743.66	259,743.66	.0
<b>HOVERCRAFT PROCEEDS AKUTAN</b>						
20-603-8085	TRANSPORTATION	.00	.00	2,500,000.00	2,500,000.00	.0
	TOTAL HOVERCRAFT PROCEEDS AK	.00	.00	2,500,000.00	2,500,000.00	.0
<b>HOVERCRAFT PROCEEDS KING COV</b>						
20-604-8085	TRANSPORTATION	.00	.00	140,281.00	140,281.00	.0
	TOTAL HOVERCRAFT PROCEEDS KIN	.00	.00	140,281.00	140,281.00	.0
<b>SAND POINT POOL</b>						
20-605-8050	SAND POINT POOL	.00	.00	1,500,000.00	1,500,000.00	.0
	TOTAL SAND POINT POOL	.00	.00	1,500,000.00	1,500,000.00	.0

ALEUTIANS EAST BOROUGH  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 6 MONTHS ENDING DECEMBER 31, 2025

GRANT PROGRAMS

		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<b>DCCED KCAP</b>						
20-701-8010	ENGINEERING	.00	.00	75,591.00	75,591.00	.0
20-701-8050	CAPITAL CONSTRUCTION	.00	37,500.00	843,439.12	805,939.12	4.5
	<b>TOTAL DCCED KCAP</b>	<b>.00</b>	<b>37,500.00</b>	<b>919,030.12</b>	<b>881,530.12</b>	<b>4.1</b>
<b>DCCED AKUTAN HARBOR</b>						
20-702-8050	CAPITAL CONSTRUCTION	.00	.00	76,772.01	76,772.01	.0
	<b>TOTAL DCCED AKUTAN HARBOR</b>	<b>.00</b>	<b>.00</b>	<b>76,772.01</b>	<b>76,772.01</b>	<b>.0</b>
<b>DEED SDP SCHOOL</b>						
20-703-8030	PROJECT CONTINGENCY	16,248.08	161,275.22	392,080.00	230,804.78	41.1
20-703-8045	CONSTRUCTION MANAGEMENT	.00	9,130.40	9,130.40	.00	100.0
20-703-8050	CONSTRUCTION	1,023,922.00	3,345,720.38	3,794,520.00	448,799.62	88.2
20-703-8070	ADMINISTRATIVE	.00	.00	466,109.00	466,109.00	.0
	<b>TOTAL DEED SDP SCHOOL</b>	<b>1,040,170.08</b>	<b>3,516,126.00</b>	<b>4,661,839.40</b>	<b>1,145,713.40</b>	<b>75.4</b>
<b>SAND POINT HARBOR FLOATS</b>						
20-704-8045	CONSTRUCTION MANAGEMENT	76,043.60	134,036.28	197,411.54	63,375.26	67.9
20-704-8050	CONSTRUCTION	.00	1,318,192.97	1,467,185.12	148,992.15	89.9
	<b>TOTAL SAND POINT HARBOR FLOATS</b>	<b>76,043.60</b>	<b>1,452,229.25</b>	<b>1,664,596.66</b>	<b>212,367.41</b>	<b>87.2</b>

ALEUTIANS EAST BOROUGH  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 6 MONTHS ENDING DECEMBER 31, 2025

GRANT PROGRAMS

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<b>PSMFC COD TAGGING</b>					
20-802-6000 SALARIES	2,550.91	10,553.79	34,693.05	24,139.26	30.4
20-802-6010 FRINGE BENEFITS	836.03	3,458.85	11,261.92	7,803.07	30.7
20-802-6015 CONTRACT LABOR	.00	40,060.60	67,762.33	27,701.73	59.1
20-802-6040 TRAVEL AND PERDIEM	.00	.00	1,660.55	1,660.55	.0
20-802-6045 SUPPLIES	.00	23,229.68	100,071.66	76,841.98	23.2
20-802-8070 INDIRECT/ADMINISTRATION	338.69	3,724.22	9,469.77	5,745.55	39.3
<b>TOTAL PSMFC COD TAGGING</b>	<b>3,725.63</b>	<b>81,027.14</b>	<b>224,919.28</b>	<b>143,892.14</b>	<b>36.0</b>
<b>SAND POINT HARBOR FLOATS MARA</b>					
20-806-8045 CONSTRUCTION MANAGEMENT	98,889.91	174,305.77	256,760.41	82,454.64	67.9
20-806-8050 CONSTRUCTION	.00	1,714,227.03	1,908,639.88	194,412.85	89.8
<b>TOTAL SAND POINT HARBOR FLOATS</b>	<b>98,889.91</b>	<b>1,888,532.80</b>	<b>2,165,400.29</b>	<b>276,867.49</b>	<b>87.2</b>
<b>DEPARTMENT 807</b>					
20-807-8000 EECBG KVC SCHOOL LIGHTING	.00	.00	74,152.39	74,152.39	.0
<b>TOTAL DEPARTMENT 807</b>	<b>.00</b>	<b>.00</b>	<b>74,152.39</b>	<b>74,152.39</b>	<b>.0</b>

ALEUTIANS EAST BOROUGH  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 6 MONTHS ENDING DECEMBER 31, 2025

GRANT PROGRAMS

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<b>NPRB PROJECT 2503</b>					
20-808-6000 SALARIES	.00	.00	8,000.00	8,000.00	.0
20-808-6015 CONTRACT	52,298.50	58,183.50	95,000.00	36,816.50	61.3
20-808-6040 TRAVEL	.00	5,306.90	7,000.00	1,693.10	75.8
20-808-6045 SUPPLIES	.00	360.51	3,000.00	2,639.49	12.0
20-808-7045 OTHER EXPENSES	.00	5,940.81	10,000.00	4,059.19	59.4
20-808-8070 INDIRECT/ADMINISTRATION	5,266.49	6,979.17	12,300.00	5,320.83	56.7
<b>TOTAL NPRB PROJECT 2503</b>	<b>57,564.99</b>	<b>76,770.89</b>	<b>135,300.00</b>	<b>58,529.11</b>	<b>56.7</b>
<b>TOTAL FUND EXPENDITURES</b>	<b>1,276,394.21</b>	<b>7,052,186.08</b>	<b>14,635,773.77</b>	<b>7,583,587.69</b>	<b>48.2</b>
<b>NET REVENUE OVER EXPENDITURES</b>	<b>1,225,703.73</b>	<b>61,750.17</b>	<b>( 3,213,763.62)</b>	<b>( 3,275,513.79)</b>	<b>1.9</b>

ALEUTIANS EAST BOROUGH  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 6 MONTHS ENDING DECEMBER 31, 2025

PERM FUND APPROPRIATIONS

		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<b>PROJECT CONTINGENCY</b>						
21-501-8030	PROJECT CONTINGENCY	71,362.50	354,084.81	1,849,048.77	1,494,963.96	19.2
	TOTAL PROJECT CONTINGENCY	71,362.50	354,084.81	1,849,048.77	1,494,963.96	19.2
<b>DEFERRED MAINTENANCE</b>						
21-502-8025	DEFERRED MAINTENANCE	11,040.15	613,473.12	2,020,143.85	1,406,670.73	30.4
	TOTAL DEFERRED MAINTENANCE	11,040.15	613,473.12	2,020,143.85	1,406,670.73	30.4
<b>FISHERIES RESEARCH</b>						
21-503-8040	RESEARCH	1,757.50	3,827.00	238,814.11	234,987.11	1.6
	TOTAL FISHERIES RESEARCH	1,757.50	3,827.00	238,814.11	234,987.11	1.6
<b>MARICULTURE</b>						
21-504-8065	PROJECTS	.00	.00	40,293.89	40,293.89	.0
	TOTAL MARICULTURE	.00	.00	40,293.89	40,293.89	.0
<b>SDP/AKU FLOATS</b>						
21-505-8050	CAPITAL CONSTRUCTION	.00	.00	1,359,656.80	1,359,656.80	.0
	TOTAL SDP/AKU FLOATS	.00	.00	1,359,656.80	1,359,656.80	.0

ALEUTIANS EAST BOROUGH  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 6 MONTHS ENDING DECEMBER 31, 2025

PERM FUND APPROPRIATIONS

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<b>COMMUNITY TRAVEL</b>					
21-507-6040 TRAVEL AND PERDIEM	.00	.00	32,601.61	32,601.61	.0
TOTAL COMMUNITY TRAVEL	.00	.00	32,601.61	32,601.61	.0
<b>AKUTAN HARBOR</b>					
21-508-8050 CAPITAL CONSTRUCTION	.00	.00	46,998.99	46,998.99	.0
TOTAL AKUTAN HARBOR	.00	.00	46,998.99	46,998.99	.0
<b>COLD BAY CLINIC</b>					
21-509-8045 CONSTRUCTION MANAGEMENT	18,527.00	18,527.00	252,251.08	233,724.08	7.3
TOTAL COLD BAY CLINIC	18,527.00	18,527.00	252,251.08	233,724.08	7.3
<b>COLD BAY DOCK</b>					
21-510-8050 CAPITAL CONSTRUCTION	.00	.00	682,781.73	682,781.73	.0
TOTAL COLD BAY DOCK	.00	.00	682,781.73	682,781.73	.0
<b>SDP SCHOOL GRANT MATCH</b>					
21-513-8050 CAPITAL CONSTRUCTION	.00	.00	2,668,889.82	2,668,889.82	.0
TOTAL SDP SCHOOL GRANT MATCH	.00	.00	2,668,889.82	2,668,889.82	.0

ALEUTIANS EAST BOROUGH  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 6 MONTHS ENDING DECEMBER 31, 2025

PERM FUND APPROPRIATIONS

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<b>COMMUNITY BUDGET REQUESTS</b>					
21-599-9202 CITY OF COLD BAY-MUNICIPAL REP	.00	.00	120,750.70	120,750.70	.0
21-599-9401 VILLAGE NELSON LAGOON-NLG MUN	.00	.00	35,000.00	35,000.00	.0
<b>TOTAL COMMUNITY BUDGET REQUESTS</b>	<b>.00</b>	<b>.00</b>	<b>155,750.70</b>	<b>155,750.70</b>	<b>.0</b>
<b>TOTAL FUND EXPENDITURES</b>	<b>102,687.15</b>	<b>989,911.93</b>	<b>9,347,231.35</b>	<b>8,357,319.42</b>	<b>10.6</b>
<b>NET REVENUE OVER EXPENDITURES</b>	<b>( 102,687.15)</b>	<b>( 989,911.93)</b>	<b>( 9,347,231.35)</b>	<b>( 8,357,319.42)</b>	<b>( 10.6)</b>

ALEUTIANS EAST BOROUGH  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 6 MONTHS ENDING DECEMBER 31, 2025

ENTERPRISE TERMINAL

		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<b>REVENUES</b>						
22-000-4050	COLD BAY TERMINAL LEASES	17,288.00	113,728.00	278,000.00	164,272.00	40.9
22-000-4060	COLD BAY TERMINAL OTHER	2,622.18	22,138.13	25,000.00	2,861.87	88.6
	<b>TOTAL REVENUES</b>	<b>19,910.18</b>	<b>135,866.13</b>	<b>303,000.00</b>	<b>167,133.87</b>	<b>44.8</b>
	<b>TOTAL FUND REVENUE</b>	<b>19,910.18</b>	<b>135,866.13</b>	<b>303,000.00</b>	<b>167,133.87</b>	<b>44.8</b>

ALEUTIANS EAST BOROUGH  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 6 MONTHS ENDING DECEMBER 31, 2025

ENTERPRISE TERMINAL

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<b>EXPENDITURES</b>					
22-000-6000 SALARIES	4,153.84	25,753.81	55,000.00	29,246.19	46.8
22-000-6010 FRINGE BENEFITS	334.40	2,288.81	5,000.00	2,711.19	45.8
22-000-6015 CONTRACT LABOR	.00	.00	6,000.00	6,000.00	.0
22-000-6045 SUPPLIES	30.82	664.42	6,018.00	5,353.58	11.0
22-000-6060 TELEPHONE	187.50	1,123.54	2,500.00	1,376.46	44.9
22-000-6065 UTILITIES	9,886.88	46,817.81	92,652.00	45,834.19	50.5
22-000-6070 FUEL	3,580.00	16,883.28	34,777.00	17,893.72	48.6
22-000-6075 GAS	.00	.00	400.00	400.00	.0
22-000-8020 MAINTENANCE	.00	10,202.50	50,000.00	39,797.50	20.4
22-000-8080 LAND	.00	.00	7,803.00	7,803.00	.0
<b>TOTAL EXPENDITURES</b>	<b>18,173.44</b>	<b>103,734.17</b>	<b>260,150.00</b>	<b>156,415.83</b>	<b>39.9</b>
<b>TOTAL FUND EXPENDITURES</b>	<b>18,173.44</b>	<b>103,734.17</b>	<b>260,150.00</b>	<b>156,415.83</b>	<b>39.9</b>
<b>NET REVENUE OVER EXPENDITURES</b>	<b>1,736.74</b>	<b>32,131.96</b>	<b>42,850.00</b>	<b>10,718.04</b>	<b>75.0</b>

ALEUTIANS EAST BOROUGH  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 6 MONTHS ENDING DECEMBER 31, 2025

ENTERPRISE HELICOPTER

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<b>REVENUES</b>					
23-000-4040 HELICOPTER REVENUE	28,667.05	173,193.51	389,887.00	216,693.49	44.4
TOTAL REVENUES	28,667.05	173,193.51	389,887.00	216,693.49	44.4
TOTAL FUND REVENUE	28,667.05	173,193.51	389,887.00	216,693.49	44.4

ALEUTIANS EAST BOROUGH  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 6 MONTHS ENDING DECEMBER 31, 2025

ENTERPRISE HELICOPTER

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<b>EXPENDITURES</b>					
23-000-6000 SALARIES	1,144.00	10,472.00	45,000.00	34,528.00	23.3
23-000-6010 FRINGE BENEFITS	98.96	945.81	4,000.00	3,054.19	23.7
23-000-6015 CONTRACT LABOR	96,469.85	576,551.10	1,173,146.00	596,594.90	49.2
23-000-6045 SUPPLIES	.00	20,338.76	30,000.00	9,661.24	67.8
23-000-6060 TELEPHONE	.00	.00	444.00	444.00	.0
23-000-6065 UTILITIES	.00	.00	7,000.00	7,000.00	.0
23-000-6070 FUEL	65,031.78	73,929.78	75,000.00	1,070.22	98.6
23-000-6075 GAS	.00	.00	9,000.00	9,000.00	.0
<b>TOTAL EXPENDITURES</b>	<b>162,744.59</b>	<b>682,237.45</b>	<b>1,343,590.00</b>	<b>661,352.55</b>	<b>50.8</b>
<b>TOTAL FUND EXPENDITURES</b>	<b>162,744.59</b>	<b>682,237.45</b>	<b>1,343,590.00</b>	<b>661,352.55</b>	<b>50.8</b>
<b>NET REVENUE OVER EXPENDITURES</b>	<b>( 134,077.54)</b>	<b>( 509,043.94)</b>	<b>( 953,703.00)</b>	<b>( 444,659.06)</b>	<b>( 53.4)</b>

ALEUTIANS EAST BOROUGH  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 6 MONTHS ENDING DECEMBER 31, 2025

BOND CONSTRUCTION

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<b>REVENUES</b>					
24-000-4100 INTEREST REVENUE	1,971.99	81,071.06	.00	( 81,071.06)	.0
24-000-4150 UNREALIZED GAINS/LOSS	742.62	( 32,740.88)	.00	32,740.88	.0
<b>TOTAL REVENUES</b>	<b>2,714.61</b>	<b>48,330.18</b>	<b>.00</b>	<b>( 48,330.18)</b>	<b>.0</b>
<b>TOTAL FUND REVENUE</b>	<b>2,714.61</b>	<b>48,330.18</b>	<b>.00</b>	<b>( 48,330.18)</b>	<b>.0</b>

ALEUTIANS EAST BOROUGH  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 6 MONTHS ENDING DECEMBER 31, 2025

BOND CONSTRUCTION

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<b>AKUTAN AIRPORT BOND FUNDS</b>					
24-401-8050 CAPITAL CONSTRUCTION	.00	.00	196,326.32	196,326.32	.0
TOTAL AKUTAN AIRPORT BOND FUND	.00	.00	196,326.32	196,326.32	.0
<b>STATE MATCH FUNDS</b>					
24-402-8050 CAPITAL CONSTRUCTION	.00	.00	574,148.90	574,148.90	.0
TOTAL STATE MATCH FUNDS	.00	.00	574,148.90	574,148.90	.0
<b>GENERAL GOVERNMENT</b>					
24-900-7005 MANAGEMENT FEES	.00	1,604.14	6,154.00	4,549.86	26.1
TOTAL GENERAL GOVERNMENT	.00	1,604.14	6,154.00	4,549.86	26.1
TOTAL FUND EXPENDITURES	.00	1,604.14	776,629.22	775,025.08	.2
NET REVENUE OVER EXPENDITURES	2,714.61	46,726.04	( 776,629.22)	( 823,355.26)	6.0

ALEUTIANS EAST BOROUGH  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 6 MONTHS ENDING DECEMBER 31, 2025

BOND FUND

		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<b>REVENUES</b>						
30-000-4300	STATE BOND REBATE SCHOOL	465,989.00	465,989.00	539,000.00	73,011.00	86.5
30-000-4325	STATE BOND REBATE HARBOR	.00	323,033.00	323,033.00	.00	100.0
	<b>TOTAL REVENUES</b>	<b>465,989.00</b>	<b>789,022.00</b>	<b>862,033.00</b>	<b>73,011.00</b>	<b>91.5</b>
	<b>TOTAL FUND REVENUE</b>	<b>465,989.00</b>	<b>789,022.00</b>	<b>862,033.00</b>	<b>73,011.00</b>	<b>91.5</b>

ALEUTIANS EAST BOROUGH  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 6 MONTHS ENDING DECEMBER 31, 2025

BOND FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<b>GENERAL GOVERNMENT</b>					
30-900-6100 BOND INTEREST PAYMENT	.00	215,202.20	381,158.00	165,955.80	56.5
30-900-6200 BOND PRINCIPAL PAYMENT	.00	2,200,000.00	2,200,000.00	.00	100.0
<b>TOTAL GENERAL GOVERNMENT</b>	<b>.00</b>	<b>2,415,202.20</b>	<b>2,581,158.00</b>	<b>165,955.80</b>	<b>93.6</b>
<b>TOTAL FUND EXPENDITURES</b>	<b>.00</b>	<b>2,415,202.20</b>	<b>2,581,158.00</b>	<b>165,955.80</b>	<b>93.6</b>
<b>NET REVENUE OVER EXPENDITURES</b>	<b>465,989.00</b>	<b>( 1,626,180.20)</b>	<b>( 1,719,125.00)</b>	<b>( 92,944.80)</b>	<b>( 94.6)</b>

ALEUTIANS EAST BOROUGH  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 6 MONTHS ENDING DECEMBER 31, 2025

PERMANENT FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<b>REVENUES</b>					
40-000-4100 INTEREST REVENUE	689,839.33	1,268,488.78	.00	( 1,268,488.78)	.0
40-000-4150 UNREALIZED GAINS/LOSS	( 538,249.41)	1,197,826.66	.00	( 1,197,826.66)	.0
<b>TOTAL REVENUES</b>	<b>151,589.92</b>	<b>2,466,315.44</b>	<b>.00</b>	<b>( 2,466,315.44)</b>	<b>.0</b>
<b>TOTAL FUND REVENUE</b>	<b>151,589.92</b>	<b>2,466,315.44</b>	<b>.00</b>	<b>( 2,466,315.44)</b>	<b>.0</b>

ALEUTIANS EAST BOROUGH  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 6 MONTHS ENDING DECEMBER 31, 2025

PERMANENT FUND

		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<b>GENERAL GOVERNMENT</b>						
40-900-7005	MANAGEMENT FEES	.00	27,367.12	77,689.00	50,321.88	35.2
	TOTAL GENERAL GOVERNMENT	.00	27,367.12	77,689.00	50,321.88	35.2
	TOTAL FUND EXPENDITURES	.00	27,367.12	77,689.00	50,321.88	35.2
	NET REVENUE OVER EXPENDITURES	151,589.92	2,438,948.32	( 77,689.00)	( 2,516,637.32)	3139.4

ALEUTIANS EAST BOROUGH  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 6 MONTHS ENDING DECEMBER 31, 2025

MAINTENANCE RESERVE FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<b>REVENUES</b>					
41-000-4100 INTEREST REVENUE	1,059.26	6,205.98	.00	( 6,205.98)	.0
TOTAL REVENUES	1,059.26	6,205.98	.00	( 6,205.98)	.0
TOTAL FUND REVENUE	1,059.26	6,205.98	.00	( 6,205.98)	.0

ALEUTIANS EAST BOROUGH  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 6 MONTHS ENDING DECEMBER 31, 2025

MAINTENANCE RESERVE FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<b>GENERAL GOVERNMENT</b>					
41-900-8020 MAINTENANCE	.00	.00	150,000.00	150,000.00	.0
TOTAL GENERAL GOVERNMENT	.00	.00	150,000.00	150,000.00	.0
TOTAL FUND EXPENDITURES	.00	.00	150,000.00	150,000.00	.0
NET REVENUE OVER EXPENDITURES	<u>1,059.26</u>	<u>6,205.98</u>	( 150,000.00)	( 156,205.98)	4.1

# INVESTMENT REPORT



ALASKA PERMANENT  
CAPITAL MANAGEMENT

Registered Investment Adviser

# AEB 2010 SERIES B BOND/AKUTAN Investment Report

November 2025

# Portfolio Overview

BEGINNING VALUE  
+ ACCRUED

**\$834,442**

TRANSFERS IN/  
OUT

**-\$110**

REALIZED GAINS

**\$0**

CHANGE IN  
MARKET VALUE

**\$702**

INTEREST INCOME

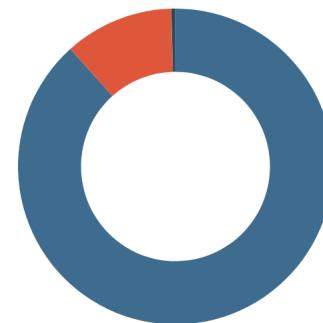
**\$2,726**

ENDING VALUE +  
ACCRUED

**\$837,761**

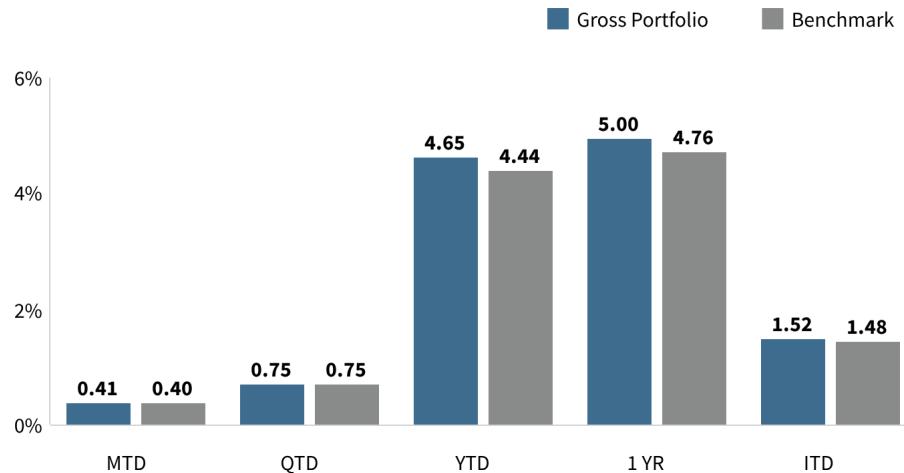


## Portfolio Composition



U.S. Treasuries **88.4%**  
T-Bills **11.2%**  
Cash **0.4%**

## Investment Performance

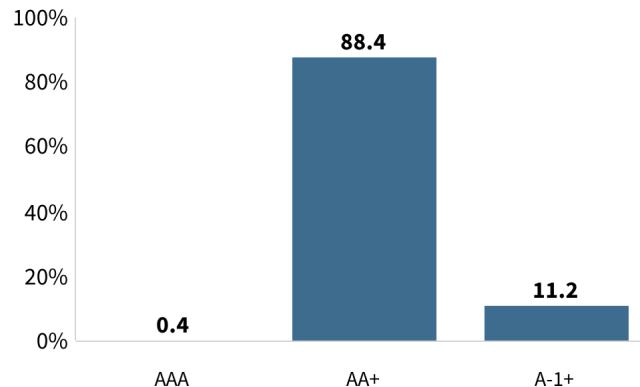


Performance is annualized for periods greater than one year. Inception to date performance begins September 01, 2011.  
Past performance is not indicative of future results.

# Risk Management



## Credit Rating Exposure

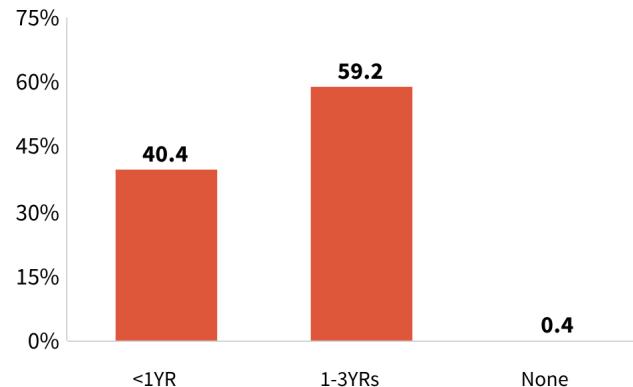


Source: Clearwater Composite Rating

## Sector Exposure

	%MV
U.S. Treasuries	88.38%
T-Bills	11.21%
Cash	0.42%

## Duration Exposure (Years)



MARKET VALUE  
**\$833,733**

BOOK VALUE  
**\$829,877**

UNREALIZED GAIN/LOSS  
**\$3,856**

YIELD TO MATURITY  
**3.68%**

COUPON RATE  
**2.96%**

DURATION  
**1.22**

WAL  
**1.46**

MOODY'S RATING  
**Aa1**

## Top 10 Issuer Concentration

	%MV
United States	99.58%
(3140000V3) Federated Government Obligations Tax-Managed Fund	0.42%

This is a list of the Top 10 Issuer Concentration, but these are not the only issuer concentrations. A full list is available upon request.

# Disclosures



## S&P 500 Total Return Index

The S&P 500® Index is the Standard & Poor's Composite Index and is widely regarded as a single gauge of large cap U.S. equities. It is market cap weighted and includes 500 leading companies, capturing approximately 80% coverage of available market capitalization.

## S&P MidCap 400 Total Return Index

The S&P MidCap 400 Index, more commonly known as the S&P 400, is a stock market index from S&P Dow Jones Indices. The index serves as a barometer for the U.S. mid-cap equities sector and is the most widely followed mid-cap index.

## S&P Small Cap 600 Total Return Index

The S&P SmallCap 600® seeks to measure the small-cap segment of the U.S. equity market. The index is designed to track companies that meet specific inclusion criteria to ensure that they are liquid and financially viable.

## MSCI EAFE Net Total Return USD Index

The MSCI EAFE Index (Europe, Australasia, Far East) is a free float-adjusted market capitalization-weighted index that is designed to measure the equity market performance of developed markets, excluding the United States and Canada. The MSCI EAFE Index consists of the following 21 developed market countries: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland and the United Kingdom.

## MSCI Emerging Net Total Return USD Index

The MSCI Emerging Markets Index is a free float-adjusted market capitalization-weighted index that is designed to measure equity market performance of emerging markets. The MSCI Emerging Markets Index consists of the following 26 emerging market country indices: Argentina, Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Peru, Philippines, Poland, Qatar, Russia, Saudi Arabia, South Africa, Taiwan, Thailand, Turkey and United Arab Emirates.

## STOXX Global Broad Infrastructure Index Net Return USD

The STOXX Global Broad Infrastructure Index is derived from the STOXX Developed and Emerging Markets Total Market Index (TMI) and offers a diversified representation of companies that generate more than 50% of their revenue from selected infrastructure sectors. STOXX partnered with Revere Data, which defines 17 subsectors for the infrastructure industry. These 17 subsectors are rolled into five supersectors - Communications, Energy, Government Outsourcing/Social, Transportation and Utilities.

## S&P USA REIT USD Total Return Index

The S&P United States REIT Index defines and measures the investable universe of publicly traded real estate investment trusts domiciled in the United States.

## Bloomberg Commodity Index Total Return

The Bloomberg Commodity Index provides broad-based exposure to commodities, and no single commodity or commodity sector dominates the index. Rather than being driven by micro-economic events affecting one commodity market or sector, the diversified commodity exposure of the index potentially reduces volatility in comparison with non-diversified commodity investments.

## Wilshire Liquid Alternative Total Return Index

The Wilshire Liquid Alternative Index™ measures the collective performance of the five Wilshire Liquid Alternative strategies that make up the Wilshire Liquid Alternative Universe. Created in 2014, with a set of time series of data beginning on December 31, 1999, the Wilshire Liquid Alternative Index (WLIQA) is designed to provide a broad measure of the liquid alternative market by combining the performance of the Wilshire Liquid Alternative Equity Hedge Index (WLIQAEH), Wilshire Liquid Alternative Global Macro Index (WLIQAGM), Wilshire Liquid Alternative Relative Value Index (WLIQARV), Wilshire Liquid Alternative Multi-Strategy Index (WLIQAMS), and Wilshire Liquid Alternative Event Driven Index (WLIQAED).

## Bloomberg US Agg Total Return Value Unhedged USD

The Bloomberg U.S. Aggregate Index measures the performance of investment grade, U.S. dollar-denominated, fixed-rate taxable bond market, including Treasuries, government-related and corporate securities, MBS (agency fixed-rate and hybrid ARM pass-throughs), ABS, and CMBS. It rolls up into other flagship indices, such as the multi-currency Global Aggregate Index and the U.S. Universal Index, which includes high yield and emerging markets debt.

## Bloomberg VLI: High Yield Total Return Index Value Unhedged USD

The Bloomberg VLI: High Yield Total Return Index is a component of the US Corp High Yield Index that is designed to track a more liquid component of the USD-denominated, high yield, fixed-rate corporate bond market.

## Bloomberg GLA xUSD Float Adj RIC Capped Index TR Index Value Hedged USD

The Bloomberg Barclays Global Aggregate ex-USD Float-Adjusted RIC Capped Index is a customized subset of the Global Aggregate Index that meets the same diversification guidelines that a fund must pass to qualify as a regulated investment company (RIC). This multi-currency benchmark includes fixed-rate treasury, government-related, corporate and securitized bonds from developed and emerging markets issuers while excluding USD denominated debt. The Global Aggregate ex-USD Float Adjusted RIC Capped Index is largely comprised of two major regional aggregate components: the Pan-European Aggregate and the Asian-Pacific Aggregate Index.

## FTSE 3 Month Treas Bill Local Currency

The FTSE 3 Month US T Bill Index Series is intended to track the daily performance of 3 month US Treasury bills. The indices are designed to operate as a reference rate for a series of funds.

# Disclosures



## Bloomberg Muni 1-15 Year Blend (1-17) Total Return Index Value

The Bloomberg Municipal 1-15 Year Index measures the performance of USD-denominated long-term, tax-exempt bond market with maturities of 1-15 years, including state and local general obligation bonds, revenue bonds, insured bonds, and prerefunded bonds.

## Bloomberg Intermediate US Govt/Credit TR Index Value Unhedged

The Bloomberg U.S. Government Intermediate Index measures the performance of the U.S. Treasury and U.S. agency debentures with maturities of 1-10 years. It is a component of the U.S. Government/Credit Index and the U.S. Aggregate Index.

## Bloomberg 1-5 Yr Gov/Credit Total Return Index Value Unhedge

The Bloomberg US 1-5 year Government/Credit Float-Adjusted Bond Index is a float-adjusted version of the US 1-5 year Government/Credit Index, which tracks the market for investment grade, US dollar-denominated, fixed-rate treasuries, government-related and corporate securities.

## FTSE High Dividend Yield Total Return Index

The FTSE High Dividend Yield Index is designed to represent the performance of companies with relatively high forecast dividend yields

## WisdomTree U.S. MidCap Dividend Index Total Return

The WisdomTree U.S. MidCap Dividend Index is a fundamentally weighted index that measures the performance of the mid-capitalization segment of the US dividend-paying market. The Index is comprised of the companies that compose the top 75% of the market capitalization of the WisdomTree U.S. Dividend Index after the 300 largest companies have been removed. The index is dividend weighted annually to reflect the proportionate share of the aggregate cash dividends each component company is projected to pay in the coming year, based on the most recently declared dividend per share.

## WisdomTree U.S. SmallCap Dividend Index Total Return

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## Bloomberg U.S. Long Government/Credit Unhedged USD

The Bloomberg U.S. Government Credit Long Index measures the performance of the non-securitized component of the U.S. Aggregate Index with maturities of 10 years and greater, including Treasuries, government-related issues, and corporates. It is a subset of the U.S. Aggregate Index.

## Bloomberg Intermediate US Govt/Credit TR Index Value Unhedged

The Bloomberg U.S. Government Credit Intermediate Index measures the performance of the non-securitized component of the U.S. Aggregate Index with maturities of 1-10 years, including Treasuries, government-related issues, and corporates. It is a subset of the U.S. Aggregate Index.

## Bloomberg Municipal Bond 5 Year (4-6) Total Return Index Unhedged USD

An index designed to measure the performance of tax-exempt U.S. investment grade municipal bonds with remaining maturities between four and six years. Index returns assume reinvestment of distributions, but do not reflect any applicable sales charges or management fees.

## MSCI ACWI IMI Net Total Return USD Index

The MSCI ACWI Investable Market Index (IMI) captures large, mid and small cap representation across 23 Developed Markets (DM) and 24 Emerging Markets (EM) countries. The MSCI AXWI IMI includes the following 23 developed market countries : Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, United Kingdom, and United States. The MSCI AXWI IMI includes the following 24 emerging market countries: : Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Kuwait, Malaysia, Mexico, Peru, Philippines, Poland, Qatar, Saudi Arabia, South Africa, Taiwan, Thailand, Turkey and United Arab Emirates.

## Bloomberg 1-3 Yr Gov Total Return Index Value Unhedged USD

The Bloomberg U.S. Government/Credit 1-3 Year Index is an unmanaged index considered representative of performance of short-term U.S. corporate bonds and U.S. government bonds with maturities from one to three years.

## Bloomberg 1-5 Yr Gov TR Index

Bloomberg Barclays Municipal 1-5 Yr TR USD includes all medium and larger issues of U.S. government, investment-grade corporate, and investment-grade international dollar-denominated bonds that have maturities of between 1 and 5 years and are publicly issued.

## ICE BofA US 3-Month Treasury Bill Index

The ICE BofA 3 Month U.S. Treasury Index measures the performance of a single issue of outstanding treasury bill which matures closest to, but not beyond, three months from the rebalancing date. The issue is purchased at the beginning of the month and held for a full month; at the end of the month that issue is sold and rolled into a newly selected issue.

## Bloomberg US Treasury TIPS 0-5 Years Total Return Index Unhedged USD

Bloomberg US Treasury Inflation-Protected Securities (TIPS) 0-5 Year Index is a market value-weighted index that measures the performance of inflation-protected securities issued by the US Treasury that have a remaining average life between 0 and 5 years.

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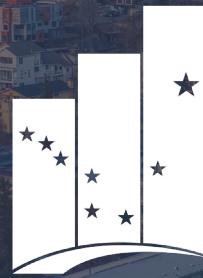


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**Blake Phillips, CFA®**  
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Portfolio Manager  
**Paul Hanson, CFA®**



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ALASKA PERMANENT  
CAPITAL MANAGEMENT

Registered Investment Adviser

# AEB OPERATING RESERVE FUND Investment Report

November 2025

# Portfolio Overview

BEGINNING VALUE  
+ ACCRUED

**\$10,594,550**

TRANSFERS IN/  
OUT

**-\$561**

REALIZED GAINS

**\$47**

CHANGE IN  
MARKET VALUE

**-\$1,610**

INTEREST INCOME

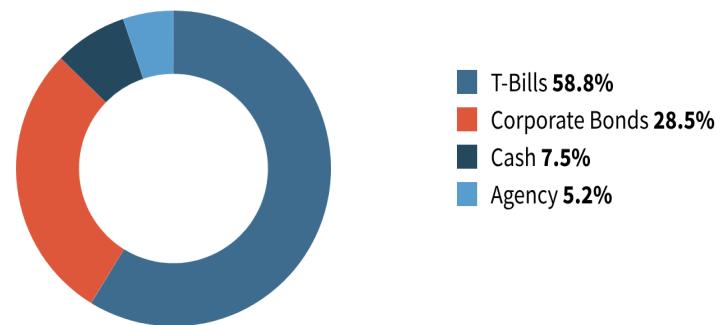
**\$34,316**

ENDING VALUE +  
ACCRUED

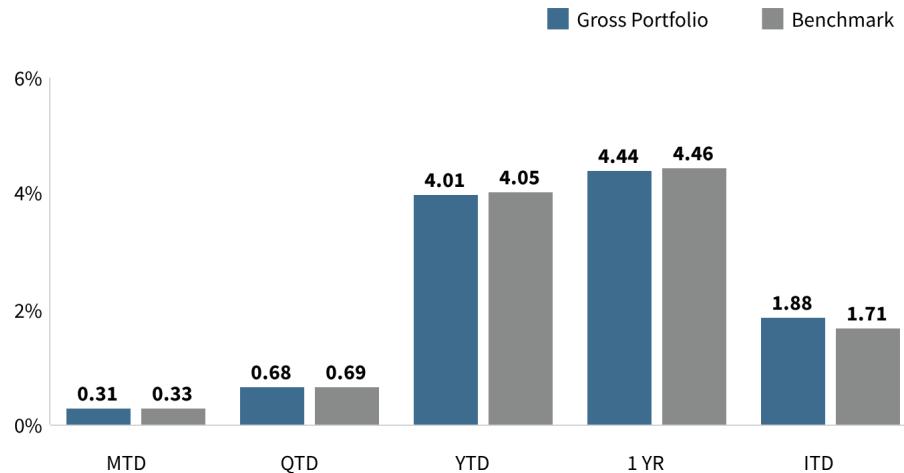
**\$10,626,742**



## Portfolio Composition



## Investment Performance

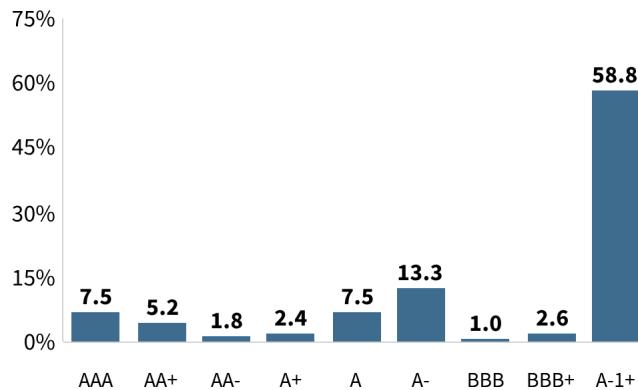


Performance is annualized for periods greater than one year. Inception to date performance begins August 01, 2001.  
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# Risk Management



## Credit Rating Exposure

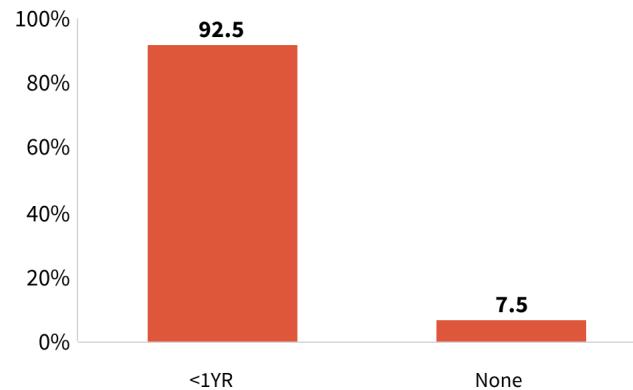


Source: Clearwater Composite Rating

## Sector Exposure

	%MV
T-Bills	58.78%
Corporate Bonds	28.53%
Cash	7.52%
Agency	5.17%

## Duration Exposure (Years)



## Top 10 Issuer Concentration

	%MV
United States	58.78%
(3140000V3) Federated Government Obligations Tax-Managed Fund	7.52%
Federal Home Loan Banks	5.17%
Morgan Stanley	1.43%
Simon Property Group, Inc.	1.43%
Realty Income Corporation	1.43%
TE Connectivity plc	1.42%
Philip Morris International Inc.	1.42%
Canadian National Railway Company	1.42%
Kimco Realty OP, LLC	1.41%

This is a list of the Top 10 Issuer Concentration, but these are not the only issuer concentrations. A full list is available upon request.

MARKET VALUE

**\$10,591,722**

BOOK VALUE

**\$10,591,352**

UNREALIZED GAIN/LOSS

**\$370**

YIELD TO MATURITY

**3.80%**

COUPON RATE

**1.16%**

DURATION

**0.30**

WAL

**0.28**

MOODY'S RATING

**Aa3**

# Disclosures



## S&P 500 Total Return Index

The S&P 500® Index is the Standard & Poor's Composite Index and is widely regarded as a single gauge of large cap U.S. equities. It is market cap weighted and includes 500 leading companies, capturing approximately 80% coverage of available market capitalization.

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The S&P MidCap 400 Index, more commonly known as the S&P 400, is a stock market index from S&P Dow Jones Indices. The index serves as a barometer for the U.S. mid-cap equities sector and is the most widely followed mid-cap index.

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The S&P SmallCap 600® seeks to measure the small-cap segment of the U.S. equity market. The index is designed to track companies that meet specific inclusion criteria to ensure that they are liquid and financially viable.

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Portfolio Manager  
**Paul Hanson, CFA®**



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ALASKA PERMANENT  
CAPITAL MANAGEMENT

Registered Investment Adviser

# ALEUTIANS EAST BOR. PERM FUND Investment Report

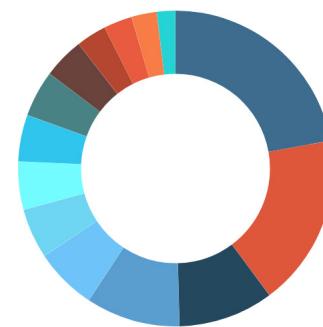
November 2025

# Portfolio Overview

BEGINNING VALUE + ACCRUED	<b>\$50,639,319</b>
TRANSFERS IN/ OUT	<b>-\$1,198</b>
REALIZED GAINS/ LOSSES	<b>-\$27</b>
CHANGE IN MARKET VALUE	<b>\$248,509</b>
INTEREST INCOME	<b>\$40,235</b>
DIVIDEND INCOME	<b>\$8,236</b>
ENDING VALUE + ACCRUED	<b>\$50,935,074</b>

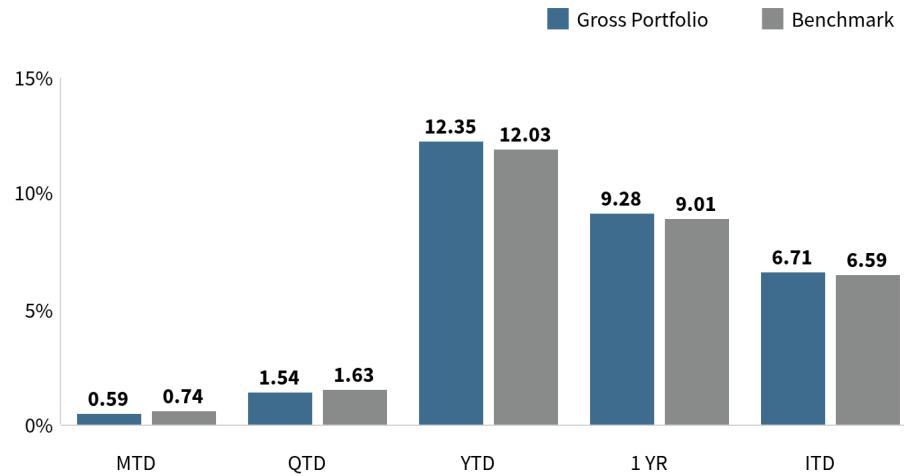


## Portfolio Composition



- U.S. Large Cap Equity **22.2%**
- U.S. Fixed Income **17.6%**
- Alternative Beta **9.8%**
- U.S. Mid Cap Equity **9.7%**
- Developed International Equity **6.4%**
- U.S. Small Cap Equity **5.1%**
- Infrastructure **4.9%**
- International Fixed Income **4.8%**
- U.S. High Yield Fixed Income **4.8%**
- Emerging Market Equity **4.2%**
- Commodities **3.1%**
- REITs **2.9%**
- Cash **2.6%**
- TIPS **1.9%**

## Investment Performance



Performance is annualized for periods greater than one year. Inception to date performance begins August 01, 1993  
Past performance is not indicative of future results.

# Portfolio Summary and Target



	MARKET VALUE (\$)	ASSETS (%)	TARGET (%)	RANGE
<b>RISK CONTROL</b>				
U.S. Fixed Income	8,982,764	17.6%	18%	8% to 28%
TIPS	969,614	1.9%	2%	0% to 10%
International Fixed Income	2,428,985	4.8%	5%	0% to 10%
Cash	1,315,926	2.6%	2%	0% to 10%
<b>Risk Control Total</b>	<b>13,697,289</b>	<b>26.9%</b>		
<b>RISK ASSET</b>				
U.S. High Yield Fixed Income	2,426,162	4.8%	5%	0% to 10%
U.S. Large Cap Equity	11,302,740	22.2%	22%	12% to 32%
U.S. Mid Cap Equity	4,931,731	9.7%	10%	5% to 15%
U.S. Small Cap Equity	2,595,206	5.1%	5%	0% to 10%
Developed International Equity	3,262,495	6.4%	6%	0% to 12%
Emerging Market Equity	2,137,355	4.2%	4%	0% to 8%
<b>Risk Asset Total</b>	<b>26,655,690</b>	<b>52.3%</b>		
<b>ALTERNATIVES</b>				
REITs	1,498,184	2.9%	3%	0% to 6%
Alternative Beta	4,977,403	9.8%	10%	0% to 15%
Infrastructure	2,516,898	4.9%	5%	0% to 10%
Commodities	1,589,610	3.1%	3%	0% to 6%
<b>Alternatives Total</b>	<b>10,582,095</b>	<b>20.8%</b>		
<b>TOTAL PORTFOLIO</b>	<b>50,935,074</b>	<b>100.0%</b>		

We urge you compare the account statement we provide with the account statement you receive from your custodian. We cannot guarantee the accuracy of this information for tax purposes. Please verify all information from trade confirmations.  
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## Bloomberg U.S. Long Government/Credit Unhedged USD

The Bloomberg U.S. Government Credit Long Index measures the performance of the non-securitized component of the U.S. Aggregate Index with maturities of 10 years and greater, including Treasuries, government-related issues, and corporates. It is a subset of the U.S. Aggregate Index.

## Bloomberg Intermediate US Govt/Credit TR Index Value Unhedged

The Bloomberg U.S. Government Credit Intermediate Index measures the performance of the non-securitized component of the U.S. Aggregate Index with maturities of 1-10 years, including Treasuries, government-related issues, and corporates. It is a subset of the U.S. Aggregate Index.

## Bloomberg Municipal Bond 5 Year (4-6) Total Return Index Unhedged USD

An index designed to measure the performance of tax-exempt U.S. investment grade municipal bonds with remaining maturities between four and six years. Index returns assume reinvestment of distributions, but do not reflect any applicable sales charges or management fees.

## MSCI ACWI IMI Net Total Return USD Index

The MSCI ACWI Investable Market Index (IMI) captures large, mid and small cap representation across 23 Developed Markets (DM) and 24 Emerging Markets (EM) countries. The MSCI AXWI IMI includes the following 23 developed market countries : Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, United Kingdom, and United States. The MSCI AXWI IMI includes the following 24 emerging market countries: : Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Kuwait, Malaysia, Mexico, Peru, Philippines, Poland, Qatar, Saudi Arabia, South Africa, Taiwan, Thailand, Turkey and United Arab Emirates.

## Bloomberg 1-3 Yr Gov Total Return Index Value Unhedged USD

The Bloomberg U.S. Government/Credit 1-3 Year Index is an unmanaged index considered representative of performance of short-term U.S. corporate bonds and U.S. government bonds with maturities from one to three years.

## Bloomberg 1-5 Yr Gov TR Index

Bloomberg Barclays Municipal 1-5 Yr TR USD includes all medium and larger issues of U.S. government, investment-grade corporate, and investment-grade international dollar-denominated bonds that have maturities of between 1 and 5 years and are publicly issued.

## ICE BofA US 3-Month Treasury Bill Index

The ICE BofA 3 Month U.S. Treasury Index measures the performance of a single issue of outstanding treasury bill which matures closest to, but not beyond, three months from the rebalancing date. The issue is purchased at the beginning of the month and held for a full month; at the end of the month that issue is sold and rolled into a newly selected issue.

## Bloomberg US Treasury TIPS 0-5 Years Total Return Index Unhedged USD

Bloomberg US Treasury Inflation-Protected Securities (TIPS) 0-5 Year Index is a market value-weighted index that measures the performance of inflation-protected securities issued by the US Treasury that have a remaining average life between 0 and 5 years.

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The Bloomberg U.S. Treasury Bellwethers 1 Yr. Index is an unmanaged index representing the on-the-run (most recently auctioned) U.S. Treasury bond with 1 years' maturity.



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Portfolio Manager  
**Brandy Niclai, CFA®**



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# AEB APPROPRIATIONS FUND Investment Report

November 2025

# Portfolio Overview

BEGINNING VALUE  
+ ACCRUED

**\$7,729,604**

TRANSFERS IN/  
OUT

**\$0**

REALIZED GAINS

**\$19**

CHANGE IN  
MARKET VALUE

**\$5,886**

INTEREST INCOME

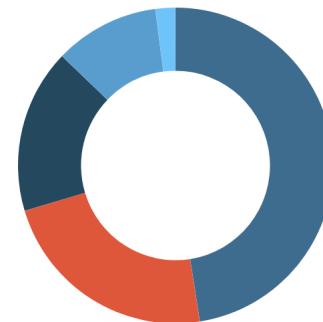
**\$26,263**

ENDING VALUE +  
ACCRUED

**\$7,761,773**

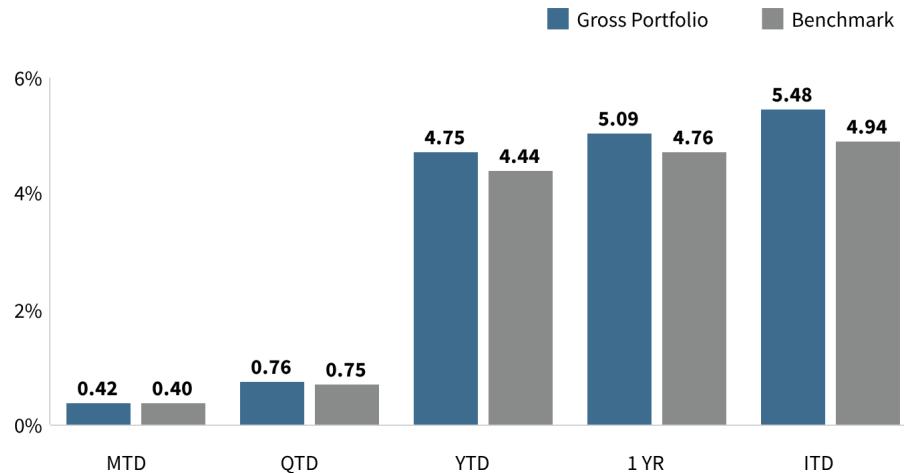


## Portfolio Composition



- U.S. Treasuries **47.5%**
- Corporate Bonds **22.8%**
- T-Bills **16.8%**
- Agency **10.8%**
- Cash **2.0%**

## Investment Performance

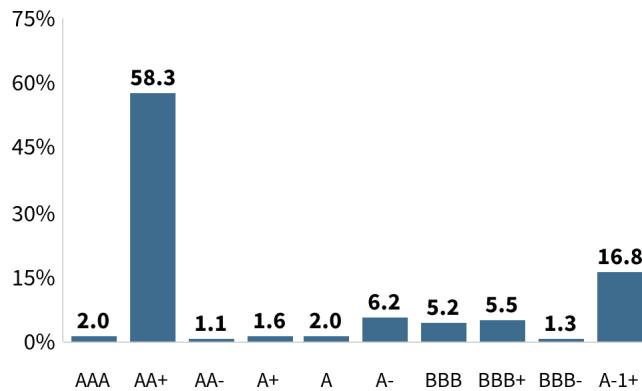


Performance is annualized for periods greater than one year. Inception to date performance begins November 01, 2023.  
Past performance is not indicative of future results.

# Risk Management



## Credit Rating Exposure

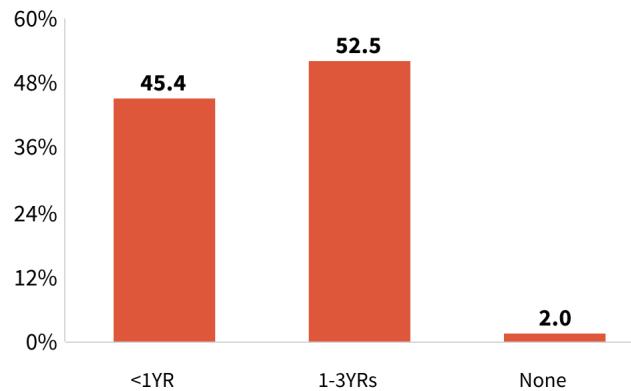


Source: Clearwater Composite Rating

## Sector Exposure

	%MV
U.S. Treasuries	47.54%
Corporate Bonds	22.82%
T-Bills	16.84%
Agency	10.75%
Cash	2.05%

## Duration Exposure (Years)



MARKET VALUE

**\$7,715,295**

BOOK VALUE

**\$7,679,824**

UNREALIZED GAIN/LOSS

**\$35,471**

YIELD TO MATURITY

**3.83%**

COUPON RATE

**2.83%**

DURATION

**1.22**

WAL

**1.34**

MOODY'S RATING

**A1**

## Top 10 Issuer Concentration

	%MV
United States	64.39%
Farm Credit System	5.60%
Federal Home Loan Mortgage Corporation	2.62%
Federal Home Loan Banks	2.11%
(3140000V3) Federated Government Obligations Tax-Managed Fund	2.03%
American Water Works Company, Inc.	1.15%
State Street Corporation	1.11%
Tyson Foods, Inc.	0.98%
Dow Inc.	0.98%
Comcast Corporation	0.96%

This a list of the Top 10 Issuer Concentration, but these are not the only issuer concentrations. A full list is available upon request.

# Disclosures

## S&P 500 Total Return Index

The S&P 500® Index is the Standard & Poor's Composite Index and is widely regarded as a single gauge of large cap U.S. equities. It is market cap weighted and includes 500 leading companies, capturing approximately 80% coverage of available market capitalization.

## S&P MidCap 400 Total Return Index

The S&P MidCap 400 Index, more commonly known as the S&P 400, is a stock market index from S&P Dow Jones Indices. The index serves as a barometer for the U.S. mid-cap equities sector and is the most widely followed mid-cap index.

## S&P Small Cap 600 Total Return Index

The S&P SmallCap 600® seeks to measure the small-cap segment of the U.S. equity market. The index is designed to track companies that meet specific inclusion criteria to ensure that they are liquid and financially viable.

## MSCI EAFE Net Total Return USD Index

The MSCI EAFE Index (Europe, Australasia, Far East) is a free float-adjusted market capitalization-weighted index that is designed to measure the equity market performance of developed markets, excluding the United States and Canada. The MSCI EAFE Index consists of the following 21 developed market countries: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland and the United Kingdom.

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The STOXX Global Broad Infrastructure Index is derived from the STOXX Developed and Emerging Markets Total Market Index (TMI) and offers a diversified representation of companies that generate more than 50% of their revenue from selected infrastructure sectors. STOXX partnered with Revere Data, which defines 17 subsectors for the infrastructure industry. These 17 subsectors are rolled into five supersectors - Communications, Energy, Government Outsourcing/Social, Transportation and Utilities.

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## Bloomberg US Agg Total Return Value Unhedged USD

The Bloomberg U.S. Aggregate Index measures the performance of investment grade, U.S. dollar-denominated, fixed-rate taxable bond market, including Treasuries, government-related and corporate securities, MBS (agency fixed-rate and hybrid ARM pass-throughs), ABS, and CMBS. It rolls up into other flagship indices, such as the multi-currency Global Aggregate Index and the U.S. Universal Index, which includes high yield and emerging markets debt.

## Bloomberg VLI: High Yield Total Return Index Value Unhedged USD

The Bloomberg VLI: High Yield Total Return Index is a component of the US Corp High Yield Index that is designed to track a more liquid component of the USD-denominated, high yield, fixed-rate corporate bond market.

## Bloomberg GLA xUSD Float Adj RIC Capped Index TR Index Value Hedged USD

The Bloomberg Barclays Global Aggregate ex-USD Float-Adjusted RIC Capped Index is a customized subset of the Global Aggregate Index that meets the same diversification guidelines that a fund must pass to qualify as a regulated investment company (RIC). This multi-currency benchmark includes fixed-rate treasury, government-related, corporate and securitized bonds from developed and emerging markets issuers while excluding USD denominated debt. The Global Aggregate ex-USD Float Adjusted RIC Capped Index is largely comprised of two major regional aggregate components: the Pan-European Aggregate and the Asian-Pacific Aggregate Index.

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Portfolio Manager  
**Paul Hanson, CFA®**



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ALASKA PERMANENT  
CAPITAL MANAGEMENT

Registered Investment Adviser

# AEB 2010 SERIES B BOND/AKUTAN Investment Report

December 2025

# Portfolio Overview

BEGINNING VALUE  
+ ACCRUED

**\$837,761**

TRANSFERS IN/  
OUT

**-\$65**

REALIZED GAINS

**\$0**

CHANGE IN  
MARKET VALUE

**\$44**

INTEREST INCOME

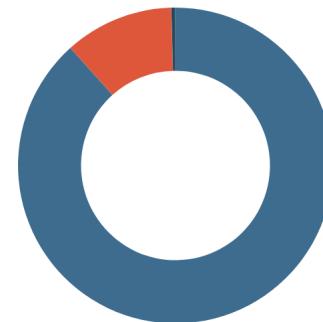
**\$2,844**

ENDING VALUE +  
ACCRUED

**\$840,584**

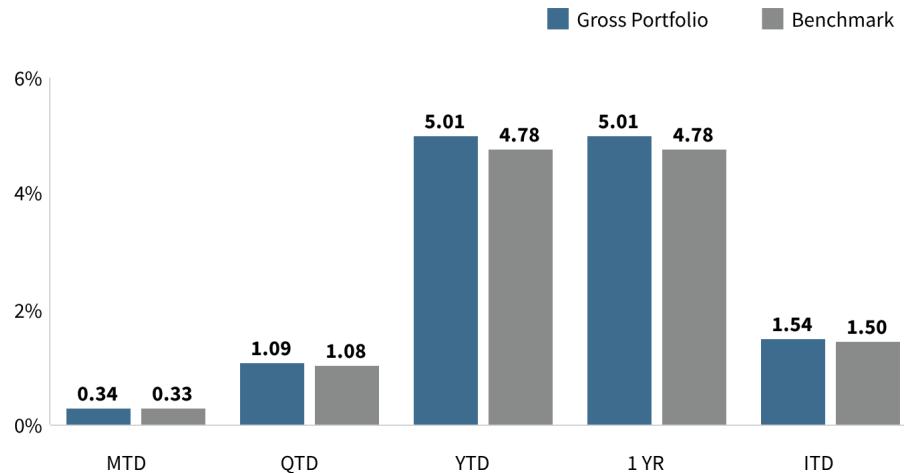


## Portfolio Composition



U.S. Treasuries **88.4%**  
T-Bills **11.2%**  
Cash **0.4%**

## Investment Performance

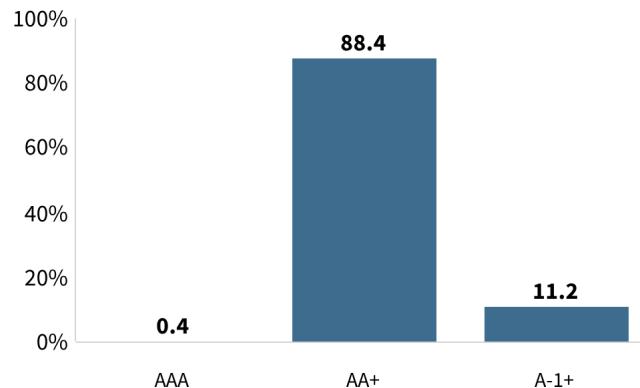


Performance is annualized for periods greater than one year. Inception to date performance begins September 01, 2011.  
Past performance is not indicative of future results.

# Risk Management



## Credit Rating Exposure

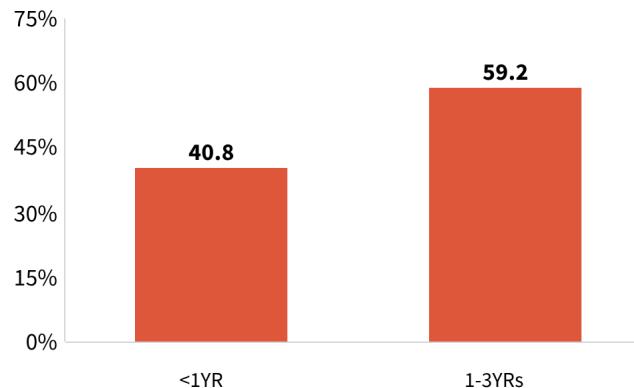


Source: Clearwater Composite Rating

## Sector Exposure

	%MV
U.S. Treasuries	88.37%
T-Bills	11.21%
Cash	0.42%

## Duration Exposure (Years)



MARKET VALUE  
**\$834,477**

BOOK VALUE  
**\$830,577**

UNREALIZED GAIN/LOSS  
**\$3,900**

YIELD TO MATURITY  
**3.58%**

COUPON RATE  
**2.92%**

DURATION  
**1.15**

WAL  
**1.38**

MOODY'S RATING  
**Aa1**

## Top 10 Issuer Concentration

	%MV
United States	99.58%
Federated Hermes, Inc.	0.42%

This is a list of the Top 10 Issuer Concentration, but these are not the only issuer concentrations. A full list is available upon request.

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Bloomberg Barclays Municipal 1-5 Yr TR USD includes all medium and larger issues of U.S. government, investment-grade corporate, and investment-grade international dollar-denominated bonds that have maturities of between 1 and 5 years and are publicly issued.

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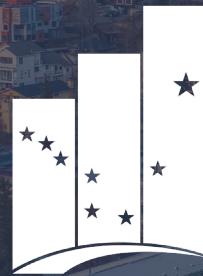
# APCM

Client Relationship Manager  
**Blake Phillips, CFA®**  
[blake@apcm.net](mailto:blake@apcm.net)

Portfolio Manager  
**Paul Hanson, CFA®**



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ALASKA PERMANENT  
CAPITAL MANAGEMENT

Registered Investment Adviser

# AEB OPERATING RESERVE FUND Investment Report

December 2025

# Portfolio Overview

BEGINNING VALUE  
+ ACCRUED

**\$10,626,742**

TRANSFERS IN/  
OUT

**-\$547**

REALIZED GAINS

**\$124**

CHANGE IN  
MARKET VALUE

**\$3,205**

INTEREST INCOME

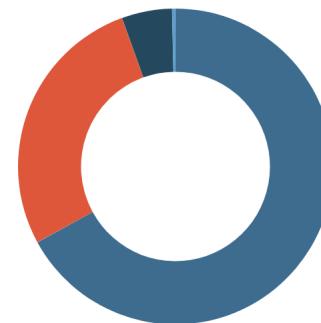
**\$36,878**

ENDING VALUE +  
ACCRUED

**\$10,666,403**

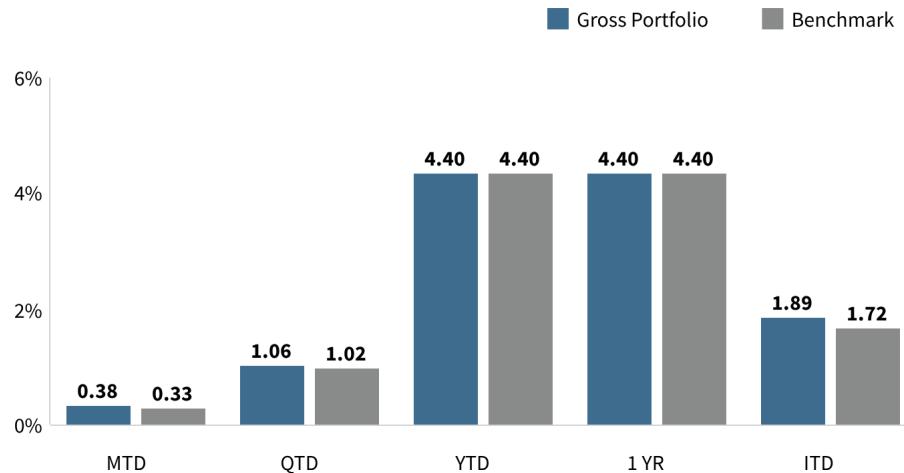


## Portfolio Composition



- T-Bills **67.0%**
- Corporate Bonds **27.4%**
- Agency **5.2%**
- Cash **0.3%**

## Investment Performance

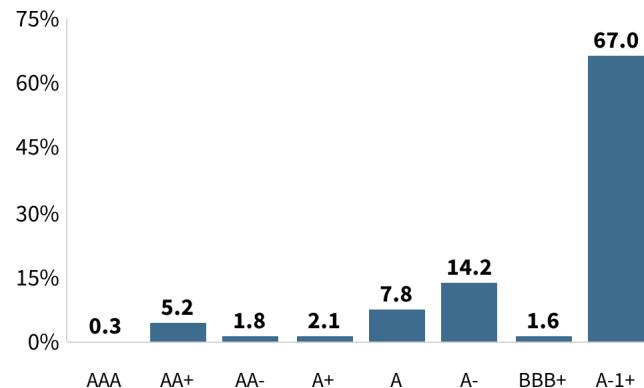


Performance is annualized for periods greater than one year. Inception to date performance begins August 01, 2001  
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# Risk Management



## Credit Rating Exposure

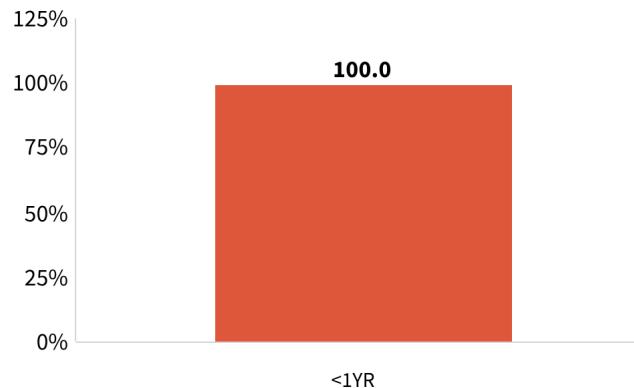


Source: Clearwater Composite Rating

## Sector Exposure

	%MV
T-Bills	67.04%
Corporate Bonds	27.45%
Agency	5.17%
Cash	0.34%

## Duration Exposure (Years)



## Top 10 Issuer Concentration

	%MV
United States	67.04%
Federal Home Loan Banks	5.17%
Morgan Stanley	1.43%
Simon Property Group, Inc.	1.43%
Realty Income Corporation	1.43%
TE Connectivity plc	1.42%
Philip Morris International Inc.	1.42%
Canadian National Railway Company	1.42%
Kimco Realty OP, LLC	1.42%
The PNC Financial Services Group, Inc.	1.41%

This is a list of the Top 10 Issuer Concentration, but these are not the only issuer concentrations. A full list is available upon request.

MARKET VALUE

**\$10,630,668**

BOOK VALUE

**\$10,627,092**

UNREALIZED GAIN/LOSS

**\$3,576**

YIELD TO MATURITY

**3.67%**

COUPON RATE

**1.07%**

DURATION

**0.27**

WAL

**0.28**

MOODY'S RATING

**Aa3**

# Disclosures



## S&P 500 Total Return Index

The S&P 500® Index is the Standard & Poor's Composite Index and is widely regarded as a single gauge of large cap U.S. equities. It is market cap weighted and includes 500 leading companies, capturing approximately 80% coverage of available market capitalization.

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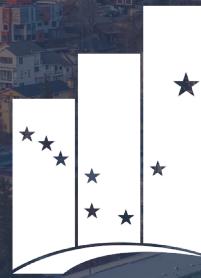


Client Relationship Manager  
**Blake Phillips, CFA®**  
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Portfolio Manager  
**Paul Hanson, CFA®**



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ALASKA PERMANENT  
CAPITAL MANAGEMENT

Registered Investment Adviser

# ALEUTIANS EAST BOR. PERM FUND Investment Report

December 2025

# Portfolio Overview

BEGINNING VALUE  
+ ACCRUED **\$50,935,074**

TRANSFERS IN/  
OUT **-\$1,098**

REALIZED GAINS/  
LOSSES **-\$15,525**

CHANGE IN  
MARKET VALUE **-\$522,768**

INTEREST INCOME **\$90,463**

DIVIDEND INCOME **\$620,763**

ENDING VALUE +  
ACCRUED **\$51,106,909**

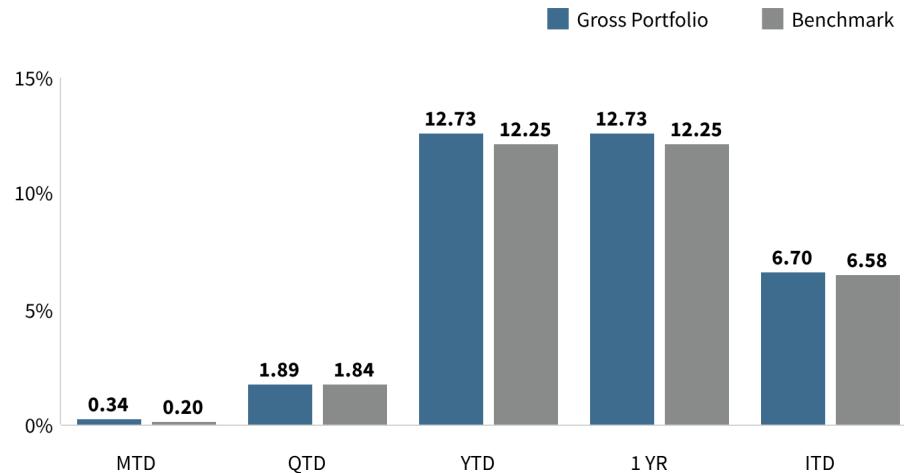


## Portfolio Composition



- U.S. Large Cap Equity **22.1%**
- U.S. Fixed Income **17.5%**
- Alternative Beta **9.7%**
- U.S. Mid Cap Equity **9.6%**
- Developed International Equity **6.4%**
- U.S. Small Cap Equity **5.1%**
- U.S. High Yield Fixed Income **4.7%**
- Infrastructure **4.7%**
- International Fixed Income **4.6%**
- Emerging Market Equity **4.2%**
- Cash **4.0%**
- REITs **2.8%**
- Commodities **2.7%**
- TIPS **1.9%**

## Investment Performance



Performance is annualized for periods greater than one year. Inception to date performance begins August 01, 1993  
Past performance is not indicative of future results.

# Portfolio Summary and Target

	MARKET VALUE (\$)	ASSETS (%)	TARGET (%)	RANGE
<b>RISK CONTROL</b>				
U.S. Fixed Income	8,955,659	17.5%	18%	8% to 28%
TIPS	956,268	1.9%	2%	0% to 10%
International Fixed Income	2,368,702	4.6%	5%	0% to 10%
Cash	2,028,445	4.0%	2%	0% to 10%
<b>Risk Control Total</b>	<b>14,309,075</b>	<b>28.0%</b>		
<b>RISK ASSET</b>				
U.S. High Yield Fixed Income	2,426,881	4.7%	5%	0% to 10%
U.S. Large Cap Equity	11,275,870	22.1%	22%	12% to 32%
U.S. Mid Cap Equity	4,910,588	9.6%	10%	5% to 15%
U.S. Small Cap Equity	2,581,574	5.1%	5%	0% to 10%
Developed International Equity	3,283,383	6.4%	6%	0% to 12%
Emerging Market Equity	2,150,580	4.2%	4%	0% to 8%
<b>Risk Asset Total</b>	<b>26,628,875</b>	<b>52.1%</b>		
<b>ALTERNATIVES</b>				
REITs	1,447,148	2.8%	3%	0% to 6%
Alternative Beta	4,937,740	9.7%	10%	0% to 15%
Infrastructure	2,417,973	4.7%	5%	0% to 10%
Commodities	1,366,098	2.7%	3%	0% to 6%
<b>Alternatives Total</b>	<b>10,168,959</b>	<b>19.9%</b>		
<b>TOTAL PORTFOLIO</b>	<b>51,106,909</b>	<b>100.0%</b>		

We urge you compare the account statement we provide with the account statement you receive from your custodian. We cannot guarantee the accuracy of this information for tax purposes. Please verify all information from trade confirmations.  
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## Bloomberg US Treasury TIPS 0-5 Years Total Return Index Unhedged USD

Bloomberg US Treasury Inflation-Protected Securities (TIPS) 0-5 Year Index is a market value-weighted index that measures the performance of inflation-protected securities issued by the US Treasury that have a remaining average life between 0 and 5 years.

## Bloomberg U.S. Treasury Bellwethers: 1 Yr

The Bloomberg U.S. Treasury Bellwethers 1 Yr. Index is an unmanaged index representing the on-the-run (most recently auctioned) U.S. Treasury bond with 1 years' maturity.



Client Relationship Manager  
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Portfolio Manager  
**Brandy Niclai, CFA®**



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# AEB APPROPRIATIONS FUND Investment Report

December 2025

# Portfolio Overview

BEGINNING VALUE  
+ ACCRUED

**\$7,761,773**

TRANSFERS IN/  
OUT

**\$0**

REALIZED GAINS

**\$567**

CHANGE IN  
MARKET VALUE

**-\$352**

INTEREST INCOME

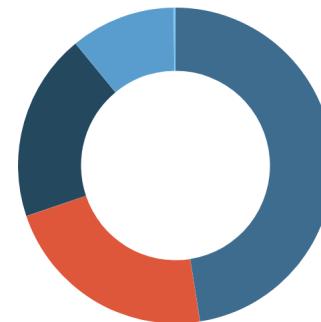
**\$27,429**

ENDING VALUE +  
ACCRUED

**\$7,789,417**

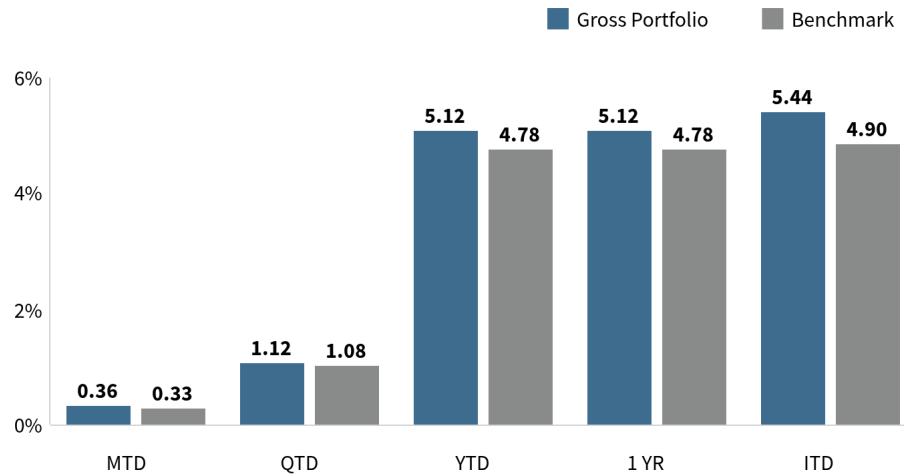


## Portfolio Composition



- U.S. Treasuries **47.5%**
- Corporate Bonds **22.3%**
- T-Bills **19.3%**
- Agency **10.8%**
- Cash **0.2%**

## Investment Performance

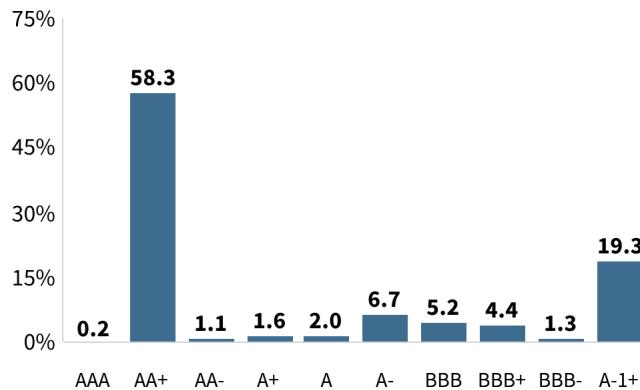


Performance is annualized for periods greater than one year. Inception to date performance begins November 01, 2023.  
Past performance is not indicative of future results.

# Risk Management



## Credit Rating Exposure

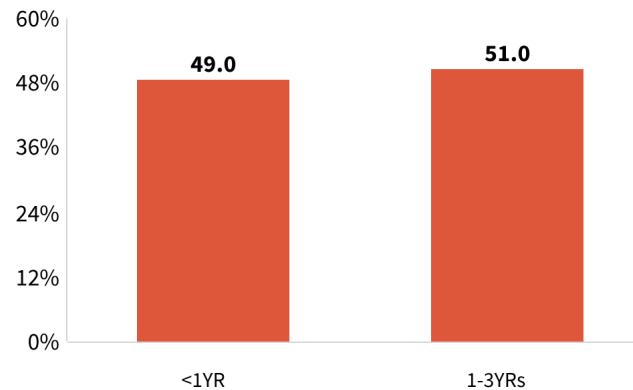


Source: Clearwater Composite Rating

## Sector Exposure

	%MV
U.S. Treasuries	47.52%
Corporate Bonds	22.29%
T-Bills	19.26%
Agency	10.76%
Cash	0.18%

## Duration Exposure (Years)



## Top 10 Issuer Concentration

	%MV
United States	66.77%
Farm Credit System	5.60%
Federal Home Loan Mortgage Corporation	2.62%
Federal Home Loan Banks	2.10%
American Water Works Company, Inc.	1.15%
State Street Corporation	1.11%
Dow Inc.	0.98%
Tyson Foods, Inc.	0.98%
Comcast Corporation	0.96%
General Motors Company	0.95%

This is a list of the Top 10 Issuer Concentration, but these are not the only issuer concentrations. A full list is available upon request.

MARKET VALUE

**\$7,726,282**

BOOK VALUE

**\$7,691,163**

UNREALIZED GAIN/LOSS

**\$35,119**

YIELD TO MATURITY

**3.72%**

COUPON RATE

**2.79%**

DURATION

**1.11**

WAL

**1.25**

MOODY'S RATING

**A1**

# Disclosures



## S&P 500 Total Return Index

The S&P 500® Index is the Standard & Poor's Composite Index and is widely regarded as a single gauge of large cap U.S. equities. It is market cap weighted and includes 500 leading companies, capturing approximately 80% coverage of available market capitalization.

## S&P MidCap 400 Total Return Index

The S&P MidCap 400 Index, more commonly known as the S&P 400, is a stock market index from S&P Dow Jones Indices. The index serves as a barometer for the U.S. mid-cap equities sector and is the most widely followed mid-cap index.

## S&P Small Cap 600 Total Return Index

The S&P SmallCap 600® seeks to measure the small-cap segment of the U.S. equity market. The index is designed to track companies that meet specific inclusion criteria to ensure that they are liquid and financially viable.

## MSCI EAFE Net Total Return USD Index

The MSCI EAFE Index (Europe, Australasia, Far East) is a free float-adjusted market capitalization-weighted index that is designed to measure the equity market performance of developed markets, excluding the United States and Canada. The MSCI EAFE Index consists of the following 21 developed market countries: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland and the United Kingdom.

## MSCI Emerging Net Total Return USD Index

The MSCI Emerging Markets Index is a free float-adjusted market capitalization-weighted index that is designed to measure equity market performance of emerging markets. The MSCI Emerging Markets Index consists of the following 26 emerging market country indices: Argentina, Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Peru, Philippines, Poland, Qatar, Russia, Saudi Arabia, South Africa, Taiwan, Thailand, Turkey and United Arab Emirates.

## STOXX Global Broad Infrastructure Index Net Return USD

The STOXX Global Broad Infrastructure Index is derived from the STOXX Developed and Emerging Markets Total Market Index (TMI) and offers a diversified representation of companies that generate more than 50% of their revenue from selected infrastructure sectors. STOXX partnered with Revere Data, which defines 17 subsectors for the infrastructure industry. These 17 subsectors are rolled into five supersectors - Communications, Energy, Government Outsourcing/Social, Transportation and Utilities.

## S&P USA REIT USD Total Return Index

The S&P United States REIT Index defines and measures the investable universe of publicly traded real estate investment trusts domiciled in the United States.

## Bloomberg Commodity Index Total Return

The Bloomberg Commodity Index provides broad-based exposure to commodities, and no single commodity or commodity sector dominates the index. Rather than being driven by micro-economic events affecting one commodity market or sector, the diversified commodity exposure of the index potentially reduces volatility in comparison with non-diversified commodity investments.

## Wilshire Liquid Alternative Total Return Index

The Wilshire Liquid Alternative Index™ measures the collective performance of the five Wilshire Liquid Alternative strategies that make up the Wilshire Liquid Alternative Universe. Created in 2014, with a set of time series of data beginning on December 31, 1999, the Wilshire Liquid Alternative Index (WLIQA) is designed to provide a broad measure of the liquid alternative market by combining the performance of the Wilshire Liquid Alternative Equity Hedge Index (WLIQAEH), Wilshire Liquid Alternative Global Macro Index (WLIQAGM), Wilshire Liquid Alternative Relative Value Index (WLIQARV), Wilshire Liquid Alternative Multi-Strategy Index (WLIQAMS), and Wilshire Liquid Alternative Event Driven Index (WLIQAED).

## Bloomberg US Agg Total Return Value Unhedged USD

The Bloomberg U.S. Aggregate Index measures the performance of investment grade, U.S. dollar-denominated, fixed-rate taxable bond market, including Treasuries, government-related and corporate securities, MBS (agency fixed-rate and hybrid ARM pass-throughs), ABS, and CMBS. It rolls up into other flagship indices, such as the multi-currency Global Aggregate Index and the U.S. Universal Index, which includes high yield and emerging markets debt.

## Bloomberg VLI: High Yield Total Return Index Value Unhedged USD

The Bloomberg VLI: High Yield Total Return Index is a component of the US Corp High Yield Index that is designed to track a more liquid component of the USD-denominated, high yield, fixed-rate corporate bond market.

## Bloomberg GLA xUSD Float Adj RIC Capped Index TR Index Value Hedged USD

The Bloomberg Barclays Global Aggregate ex-USD Float-Adjusted RIC Capped Index is a customized subset of the Global Aggregate Index that meets the same diversification guidelines that a fund must pass to qualify as a regulated investment company (RIC). This multi-currency benchmark includes fixed-rate treasury, government-related, corporate and securitized bonds from developed and emerging markets issuers while excluding USD denominated debt. The Global Aggregate ex-USD Float Adjusted RIC Capped Index is largely comprised of two major regional aggregate components: the Pan-European Aggregate and the Asian-Pacific Aggregate Index.

## FTSE 3 Month Treas Bill Local Currency

The FTSE 3 Month US T Bill Index Series is intended to track the daily performance of 3 month US Treasury bills. The indices are designed to operate as a reference rate for a series of funds.

# Disclosures



## Bloomberg Muni 1-15 Year Blend (1-17) Total Return Index Value

The Bloomberg Municipal 1-15 Year Index measures the performance of USD-denominated long-term, tax-exempt bond market with maturities of 1-15 years, including state and local general obligation bonds, revenue bonds, insured bonds, and prerefunded bonds.

## Bloomberg Intermediate US Govt/Credit TR Index Value Unhedged

The Bloomberg U.S. Government Intermediate Index measures the performance of the U.S. Treasury and U.S. agency debentures with maturities of 1-10 years. It is a component of the U.S. Government/Credit Index and the U.S. Aggregate Index.

## Bloomberg 1-5 Yr Gov/Credit Total Return Index Value Unhedge

The Bloomberg US 1-5 year Government/Credit Float-Adjusted Bond Index is a float-adjusted version of the US 1-5 year Government/Credit Index, which tracks the market for investment grade, US dollar-denominated, fixed-rate treasuries, government-related and corporate securities.

## FTSE High Dividend Yield Total Return Index

The FTSE High Dividend Yield Index is designed to represent the performance of companies with relatively high forecast dividend yields

## WisdomTree U.S. MidCap Dividend Index Total Return

The WisdomTree U.S. MidCap Dividend Index is a fundamentally weighted index that measures the performance of the mid-capitalization segment of the US dividend-paying market. The Index is comprised of the companies that compose the top 75% of the market capitalization of the WisdomTree U.S. Dividend Index after the 300 largest companies have been removed. The index is dividend weighted annually to reflect the proportionate share of the aggregate cash dividends each component company is projected to pay in the coming year, based on the most recently declared dividend per share.

## WisdomTree U.S. SmallCap Dividend Index Total Return

The WisdomTree U.S. SmallCap Dividend Index is a fundamentally weighted index measuring the performance of the small-capitalization segment of the US dividend-paying market. The Index is comprised of the companies that compose the bottom 25% of the market capitalization of the WisdomTree U.S. Dividend Index after the 300 largest companies have been removed. The index is dividend weighted annually to reflect the proportionate share of the aggregate cash dividends each component company is projected to pay in the coming year, based on the most recently declared dividend per share.

## Bloomberg U.S. Long Government/Credit Unhedged USD

The Bloomberg U.S. Government Credit Long Index measures the performance of the non-securitized component of the U.S. Aggregate Index with maturities of 10 years and greater, including Treasuries, government-related issues, and corporates. It is a subset of the U.S. Aggregate Index.

## Bloomberg Intermediate US Govt/Credit TR Index Value Unhedged

The Bloomberg U.S. Government Credit Intermediate Index measures the performance of the non-securitized component of the U.S. Aggregate Index with maturities of 1-10 years, including Treasuries, government-related issues, and corporates. It is a subset of the U.S. Aggregate Index.

## Bloomberg Municipal Bond 5 Year (4-6) Total Return Index Unhedged USD

An index designed to measure the performance of tax-exempt U.S. investment grade municipal bonds with remaining maturities between four and six years. Index returns assume reinvestment of distributions, but do not reflect any applicable sales charges or management fees.

## MSCI ACWI IMI Net Total Return USD Index

The MSCI ACWI Investable Market Index (IMI) captures large, mid and small cap representation across 23 Developed Markets (DM) and 24 Emerging Markets (EM) countries. The MSCI AXWI IMI includes the following 23 developed market countries : Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, United Kingdom, and United States. The MSCI AXWI IMI includes the following 24 emerging market countries: : Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Kuwait, Malaysia, Mexico, Peru, Philippines, Poland, Qatar, Saudi Arabia, South Africa, Taiwan, Thailand, Turkey and United Arab Emirates.

## Bloomberg 1-3 Yr Gov Total Return Index Value Unhedged USD

The Bloomberg U.S. Government/Credit 1-3 Year Index is an unmanaged index considered representative of performance of short-term U.S. corporate bonds and U.S. government bonds with maturities from one to three years.

## Bloomberg 1-5 Yr Gov TR Index

Bloomberg Barclays Municipal 1-5 Yr TR USD includes all medium and larger issues of U.S. government, investment-grade corporate, and investment-grade international dollar-denominated bonds that have maturities of between 1 and 5 years and are publicly issued.

## ICE BofA US 3-Month Treasury Bill Index

The ICE BofA 3 Month U.S. Treasury Index measures the performance of a single issue of outstanding treasury bill which matures closest to, but not beyond, three months from the rebalancing date. The issue is purchased at the beginning of the month and held for a full month; at the end of the month that issue is sold and rolled into a newly selected issue.

## Bloomberg US Treasury TIPS 0-5 Years Total Return Index Unhedged USD

Bloomberg US Treasury Inflation-Protected Securities (TIPS) 0-5 Year Index is a market value-weighted index that measures the performance of inflation-protected securities issued by the US Treasury that have a remaining average life between 0 and 5 years.

## Bloomberg U.S. Treasury Bellwethers: 1 Yr

The Bloomberg U.S. Treasury Bellwethers 1 Yr. Index is an unmanaged index representing the on-the-run (most recently auctioned) U.S. Treasury bond with 1 years' maturity.



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Portfolio Manager  
**Paul Hanson, CFA®**



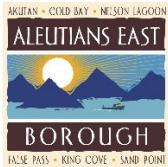
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# CONSENT AGENDA

# **PUBLIC HEARING**

# ORDINANCES

# RESOLUTIONS



## Agenda Statement

Date: February 12, 2026  
To: Mayor Osterback and Assembly  
From: Glennora Dushkin, Executive Assistant

### **Re: Resolution 26-29, relating to the disposal of surplus, obsolete, or unneeded supplies**

The Aleutians East Borough has acquired certain personal property for the purpose of carrying out services in the public interest. Some of these items have become worn out, obsolete, or are no longer needed by the Borough. The Borough has deemed it unnecessary to maintain ownership of surplus personal property of the Borough.

Section 3.02.031(b) of the Borough code reads, “Supplies which are deemed by the Purchasing Officer to be sold as surplus, obsolete, or unneeded, may be sold or otherwise disposed of by the Purchasing Officer upon approval by the Assembly by resolution.”

The Borough’s IT serviced the equipment to ensure that no Borough information remained on the devices and priced each item based on its condition. The Borough desires to dispose of the following items by sealed bid:

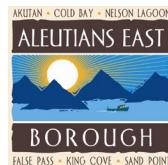
Item	Minimum Bid
1. Dell Mouse, wireless, missing USB	\$5
2. Kensington Mouse, wired	\$20
3. Logitech Mouse, wireless	\$10
4. Logitech Mouse, wireless, missing USB	\$5
5. Dell Keyboard, wired	\$15
6. Logitech Keyboard, wireless, missing USB	\$10
7. Logitech Keyboard, wireless, missing USB	\$10
8. Microsoft Keyboard, wired	\$15
9. Dell Docking Station, missing cords	\$20
10. Dell Docking Station, broken	N/A recycle
11. Dell Computer Tower, missing cords	\$30
12. Samsung Monitor, broken screen	N/A recycle
13. Samsung Monitor, missing cords	\$15
14. LG Monitor, missing cords	\$15
15. Dell Monitor, missing cords	\$15
16. Dell Monitor, missing cords and stand	N/A recycle
17. Cannon Printer	\$20
18. Large Desk	\$175
19. Small Desk	\$75

20. Metal Desk, missing keyboard tray	\$50
21. Battery Backup Smart UPS, broken	N/A recycle

Resolution 26-29 authorizes the Borough to conduct surplus auction by sealed bid for the purpose of selling these items to the highest bidder after public notice.

**RECOMMENDATION**

Administration recommends the approval of Resolution 26-29, relating to the disposal of surplus, obsolete, or unneeded supplies.



## RESOLUTION 26-29

### A RESOLUTION OF THE ALEUTIANS EAST BOROUGH ASSEMBLY RELATING TO DISPOSAL OF SURPLUS, OBSOLETE, OR UNNEEDED SUPPLIES

**WHEREAS**, the Aleutians East Borough (“Borough”) has acquired certain personal property for the purpose of carrying out services in the public interest; and

**WHEREAS**, certain items of personal property of the Borough have become worn out, obsolete, or are no longer needed by the Borough; and

**WHEREAS**, the Borough has deemed it unnecessary to maintain ownership of the surplus personal property of the Borough; and

**WHEREAS**, the Borough desires to dispose of the following surplus property located in Anchorage, Alaska:

Item	Minimum Bid
1. Dell Mouse, wireless, missing USB	\$5
2. Kensington Mouse, wired	\$20
3. Logitech Mouse, wireless	\$10
4. Logitech Mouse, wireless, missing USB	\$5
5. Dell Keyboard, wired	\$15
6. Logitech Keyboard, wireless, missing USB	\$10
7. Logitech Keyboard, wireless, missing USB	\$10
8. Microsoft Keyboard, wired	\$15
9. Dell Docking Station, missing cords	\$20
10. Dell Docking Station, broken	N/A recycle
11. Dell Computer Tower, missing cords	\$30
12. Samsung Monitor, broken screen	N/A recycle
13. Samsung Monitor, missing cords	\$15
14. LG Monitor, missing cords	\$15
15. Dell Monitor, missing cords	\$15
16. Dell Monitor, missing cords and stand	N/A recycle
17. Cannon Printer	\$20
18. Large Desk	\$175
19. Small Desk	\$75
20. Metal Desk, missing keyboard tray	\$50
21. Battery Backup Smart UPS, broken	N/A recycle

**NOW THEREFORE, BE IT RESOLVED**, by the Aleutians East Borough Assembly as follows:

Section 1. The Borough Assembly finds and declares that the Borough no longer has use for the surplus property listed above.

Section 2. The Purchasing Officer is authorized and directed to conduct a surplus auction by sealed bid for the purpose of selling the surplus property to the highest bidder for cash after public notice.

Section 3. In the event of a tie, the successful bidder shall be determined by publicly drawing lots at a time and place specified by the Purchasing Officer, always selling to the highest responsible bidder or bidders for cash.

Section 4. The Purchasing Officer is authorized to repeatedly reject all bids and advertise and give notice again.

Section 5. If there are no bidders, the Purchasing Officer is authorized to sell such supplies, materials, equipment, or other personal property for the minimum bid value established prior to sealed bidding.

**PASSED AND ADOPTED** by the Aleutians East Borough on this 12<sup>th</sup> day of February 2026.

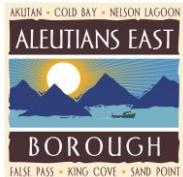
ATTEST:

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Alvin D. Osterback, Mayor

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Beverly Rosete, Clerk



## Agenda Statement

Date: January 27, 2026

To: Mayor Osterback and Assembly

From: Anne Bailey, Borough Administrator

### **Re: Resolution 26-30 Authorizing the Mayor to amend the term of Helicopter Services Agreement with Maritime Helicopters, Inc. to June 30, 2026**

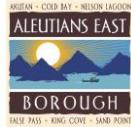
Maritime Helicopters and US Department of Transportation (USDOT) entered into an agreement to provide essential air service (EAS) between Akutan and Akun between April 1, 2023 through March 31, 2026. Per Resolution 23-47, the Borough agreed to enter to negotiate and execute a Helicopter Services Agreement with Maritime Helicopters, Inc. (Maritime) to provide helicopter services between the Akutan Airport on Akun and the community of Akutan and to pay a portion of the EAS costs between April 1, 2023 through March 31, 2026.

On November 14, 2025, USDOT issued a new Request for Proposals for Essential Air Service at Akutan, Alaska. Grant Aviation and Maritime submitted proposals. USDOT needs additional time to review the proposals and would like to extend the existing EAS through June 30, 2026. Therefore, the Borough Administration recommends extending our existing Helicopter Agreement with Maritime to June 30, 2026. The Borough will continue paying Maritime \$96,016.25 per month and bill them for fuel, transportation and hangar usage at the existing rates. Once the new EAS is finalized a separate resolution requesting to enter into a new helicopter agreement will be brought before the Assembly for consideration and the new rates will take effect.

---

### **RECOMMENDATION**

Administration recommends approval of Resolution 26-30 Authorizing the Mayor to amend the term of Helicopter Services Agreement with Maritime Helicopters, Inc. to June 30, 2026.



## RESOLUTION 26-30

### **A RESOLUTION OF THE ALEUTIANS EAST BOROUGH ASSEMBLY AUTHORIZING THE MAYOR TO AMEND THE TERM OF THE HELICOPTER SERVICES AGREEMENT WITH MARITIME HELICOPTERS, INC TO JUNE 30, 2026**

**WHEREAS**, Maritime Helicopters and US Department of Transportation (USDOT) entered into an agreement to provide essential air service (EAS) between Akutan and Akun between April 1, 2023 through March 31, 2026; and

**WHEREAS**, per Resolution 23-47 the Borough agreed to negotiate and execute a helicopter services agreement with Maritime Helicopters to provide helicopter services between the Akutan Airport on Akun and the community of Akutan and to pay a portion of the EAS costs between April 1, 2023 through March 31, 2026; and

**WHEREAS**, on November 14, 2025, USDOT issued a new Request for Proposals for Essential Air Service at Akutan, Alaska and Grant Aviation and Maritime Helicopters have submitted proposals; and

**WHEREAS**, USDOT needs additional time to review the proposals and would like to extend the existing EAS through June 30, 2026; and

**WHEREAS**, the Borough would like to extend the existing Helicopter Services Agreement with Maritime to June 30, 2026, and will pay and bill Maritime Helicopters at the current rates; and

**WHEREAS**, once the new EAS is finalized a separate resolution requesting to enter into a new helicopter agreement will be brought before the Assembly for consideration and the new rates would take effect.

**NOW THEREFORE, BE IT RESOLVED**, the Aleutians East Borough Assembly authorizes the Mayor to amend the term of the helicopter services agreement to end on June 30, 2026.

**PASSED AND ADOPTED** by the Aleutians East Borough on this 12<sup>th</sup> day of February 2026.

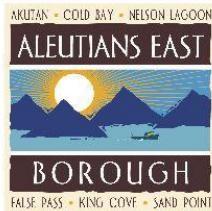
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Alvin D. Osterback, Mayor

ATTEST:

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Beverly Rosete, Clerk



## Agenda Statement

Date of Meeting: February 12, 2026

To: Mayor Osterback and Assembly Members

From: Anne Bailey, Administrator

### **RE: Resolution 26-31 of the Aleutians East Borough Assembly Selecting and Promoting FY 2027 Capital Projects for the Health, Safety, and Welfare of Its Residents**

The Aleutians East Borough (Borough) is dedicated to bringing to its community's opportunities for responsible and appropriate economic development and growth and to develop its transportation infrastructure. The Borough continuously seeks opportunities to plan, advance and construct basic and essential community projects.

The legislative priorities listed below are before the Assembly for consideration.

Borough staff have reviewed the Borough projects and have had conversations with Mayor Osterback and Mark Hickey regarding the projects listed below. Borough staff recommends that the King Cove Access Project be listed as the Borough Legislative Priority for FY2027 Capital Project Funding. Staff also recommends the False Pass Airport Project be listed as Borough Legislative Priorities for FY2027 with no specific funding requests at this time.

The projects and their descriptions are listed below:

#### **Projects Requesting State Funding Support**

##### **1. King Cove Access Project**

The King Cove Access Project has made significant progress over the last year. A 2025 Izembek Land Exchange Decision of the Secretary has been made. The Decision constitutes the United States Department of Interior approval of a proposed land exchange between the Secretary of Interior and King Cove Corporation (KCC) involving lands within Izembek National Wildlife Refuge, Alaska (Proposed Land Exchange). The purpose of the proposed land exchange is for the United States to acquire land interests within the Izembek National Wildlife Refuge from KKC that further the purposes of the Alaska National Interest Lands Conservation Act in exchange for providing KCC with lands that would allow KCC to pursue the construction and operation of a long-term, safe, reliable, and affordable year-round road from King Cove to the

## **Agenda Statement**

**Meeting Date: February 12, 2026**

### **FY27 AEB Capital Improvement Projects List**

airport in Cold Bay. The authority for the proposed land exchange is Section 1302(h) of ANILCA. The land exchange has also been executed between KCC and the United State of America.

Three Complaints were filed on November 12, 2025 with the Federal Court for the District of Alaska (District Court) seeking to set aside the October 21, 2025 Land Exchange between the United State of America, acting through the Secretary of Interior, and King Cove Corporation (KCC); *Friends of Alaska National Wildlife Refuge, et.al v. Burgum, King Cove Corporation et al.*; and *Defenders of Wildlife v. Burgum, King Cove Corporation et al.* The litigation is moving forward smoothly and quickly and is ongoing.

The State of Alaska is moving forward with design and permitting. The State submitted the Corps permit and is conducting onsite geotechnical work and hopes to begin road construction in mid-May 2026. The King Cove Group is working with the state to fund the project, including use of the Tribal Transportation Program. The Borough is requesting the State provide funding for this project.

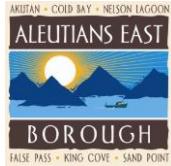
### **Projects Seeking Ongoing State Support**

#### **2. False Pass Airport**

One of the greatest needs in False Pass is to have a reconstructed airport with a longer runway that meets Federal Aviation Administration (FAA) standards, medevac requirements and the needs of the existing and projected airport operations. The False Pass Airport has many deficiencies that include but are not limited to an inadequate length runway and safety area; poor runway surface conditions; the airport access road, bridge and north end of the runway threatened by erosion from Round Top Creek; inadequate lighting or more visible marking of runway and taxiway edges; the need to replace the segmented circle and wind cones and a rotating beacon.

In October 2023, the False Pass Airport work was included in the latest Airport Improvement Program Spending Plan. Approximately, \$35,000,000 has been appropriated to the project to rehabilitate the existing airport surfaces and safety areas, installing new airport signage, installing FAA-approved L-853 retro-reflective markers on the runway and taxiway edges, replacing both wind cone structures, replacing segmented circle, and address erosion control at Round Top Valley Creek.

Although this work addresses many deficiencies, the runway still needs to be lengthened or relocated. Therefore, the Borough is continuing to advocate that the State continue to look at engineering options to lengthen the runway; and if a feasible option is identified, the Aleutians East Borough and City of False Pass would like the Department of Transportation and Public Facilities to consider incorporating that solution into the project scope of work or expedite funding with another AIP project.



## **RESOLUTION 26-31**

### **A RESOLUTION OF THE ALEUTIANS EAST BOROUGH ASSEMBLY SELECTING AND PROMOTING FY 2027 CAPITAL PROJECTS FOR THE HEALTH, SAFETY, AND WELFARE OF ITS RESIDENTS**

**WHEREAS**, the Aleutians East Borough is dedicated to bringing to its communities opportunities for responsible and appropriate economic development and growth and to develop its transportation infrastructure; and

**WHEREAS**, the Aleutians East Borough seeks opportunities to plan, advance and construct basic and essential community projects; and

**WHEREAS**, the following projects reflect the basic needs, rather than non-essential desires, of the communities.

**NOW THEREFORE BE IT RESOLVED**, the Aleutians East Borough Assembly has selected capital projects to promote within the available funding opportunities at the State of Alaska level. This list includes but is not necessarily limited to:

#### **Projects Requesting State Funding Support**

1. King Cove Access Project

#### **Projects Seeking Ongoing State Support**

1. False Pass Airport

**PASSED AND APPROVED** by the Aleutians East Borough on this day 12<sup>th</sup> of February, 2026.

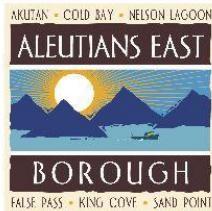
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**Alvin D. Osterback, Mayor**

**ATTEST:**

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**Beverly Rosete, Clerk**



## Agenda Statement

Date of Meeting: February 12, 2026

To: Mayor Osterback and Assembly Members

From: Anne Bailey, Administrator

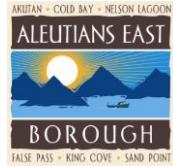
### **RE: Resolution 26-32 of the Aleutians East Borough Assembly Requesting Congressionally Directed Spending/Community Project Funding for Construction of the King Cove Road**

The King Cove Access Project has made significant progress over the last year. A 2025 Izembek Land Exchange Decision of the Secretary has been made. The Decision constitutes the United State Department of Interior approval of a proposed land exchange between the Secretary of Interior and King Cove Corporation (KCC) involving lands within Izembek National Wildlife Refuge, Alaska (Proposed Land Exchange). The purpose of the proposed land exchange is for the United States to acquire land interests within the Izembek National Wildlife Refuge from KKC that further the purposes of the Alaska National Interest Lands Conservation Act in exchange for providing KCC with lands that would allow KCC to pursue the construction and operation of a long-term, safe, reliable, and affordable year-round road from King Cove to the airport in Cold Bay. The authority for the proposed land exchange is Section 1302(h) of ANILCA. The land exchange has also been executed between KCC and the United State of America.

Three Complaints were filed on November 12, 2025 with the Federal Court for the District of Alaska (District Court) seeking to set aside the October 21, 2025 Land Exchange between the United State of America, acting through the Secretary of Interior, and King Cove Corporation (KCC); *Friends of Alaska National Wildlife Refuge, et.al v. Burgum, King Cove Corporation et al.*; and *Defenders of Wildlife v. Burgum, King Cove Corporation et al.* The litigation is moving forward smoothly and quickly and is on-going.

The State of Alaska is moving forward with design and permitting. The State submitted the Corps permit and is conducting onsite geotechnical work and hopes to begin road construction in mid-May 2026.

The Borough is requesting \$5 million in Congressionally Directed Spending/Community Project Funding for this important project.



## **RESOLUTION 26-32**

### **A RESOLUTION OF THE ALEUTIANS EAST BOROUGH ASSEMBLY REQUESTING CONGRESSIONALLY DIRECTED SPENDING/COMMUNITY PROJECT FUNDING FOR CONSTRUCTION OF THE KING COVE ROAD**

**WHEREAS**, completing the King Cove Road has been a priority for the Borough for numerous years; and

**WHEREAS**, significant progress on the King Cove Access Project has been made over the last year; and

**WHEREAS**, a 2025 Izembek Land Exchange Decision of the Secretary of Interior has been made and the land exchange between the King Cove Corporation and the United States of American has been executed; and

**WHEREAS**, the State of Alaska is moving forward with design and permitting and hope to being road construction in mid-May 2026; and

**WHEREAS**, additional funding is needed to construct the road; and

**WHEREAS**, the Aleutians East Borough would like to request \$5 million in Congressionally Directed Spending/Community Project Funding for this project.

**NOWTHEREFORE BE IT RESOLVED**, the Aleutians East Borough Assembly is requesting \$5 million in Congressionally Directed Spending/Community Project funding for the King Cove Road.

**PASSED AND APPROVED** by the Aleutians East Borough on this day 12<sup>th</sup> of February, 2026.

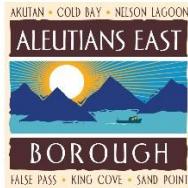
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**Alvin D. Osterback, Mayor**

**ATTEST:**

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**Beverly Rosete, Clerk**



## AGENDA STATEMENT

TO: Mayor Osterback and Assembly  
FROM: Anne Bailey, Borough Administrator  
DATE: February 2, 2026

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**RE: Resolution 26-33 authorizing the Mayor to convey and quitclaim to the United States through U.S. Fish & Wildlife Service, Division of Realty land situated in the Aleutian Islands Recording District**

---

The Aleutians East Borough has been working on the King Cove Access Project for numerous years. On October 9, 2025, the United States Department of Interior completed a preliminary title of opinion (PTO) for acquisition through a land exchange of the surface estate owned by King Cove Corporation, referred to as 2025 IZM KCC Land Exchange, King Cove Corporation (Tract 13, a-k and m-p) and more particularly described as:

T. 57 S., R. 88 W., Seward Meridian  
Secs. 1, 2 and 3;  
Sec. 4, lots 1, 2 and 7;  
Sec. 5, lots 1 to 9;  
Sec. 6, lots 1, 2, 3, and 5;  
Sec. 7, lots 1 and 2;  
Sec. 12.

in Exchange for USS 14498 (Tract 1bXL and 1UXL).

As identified in the PTO, both the Joint Cooperation and Access Project Agreement and the Memorandum of Land Sale and Easement Agreement created a potential cloud on the title.

The U.S. Fish & Wildlife Service (USFWS) determined neither the Joint Cooperation and Access Project Agreement and the Memorandum of Land Sale and Easement Agreement in the short term would interfere with the purposes for which the land was acquired. As such, these two documents were included in the Administrative Certificate signed by the Regional Director prior to closing. A condition set forth in the PTO and the Administrative Certificate was to clear the potential cloud on the title via execution of a Quitclaim Deed prior to the federal government requesting Final Opinion of Title.

Please note that the lands referenced included all possible Bookend parcels (map is attached), but there is no specific information if deeds for all of them were ever filed. After consulting with Attorney Jim Clark, State Attorney Sean Lynch, and Mark Hickey, the group consensus is that this is a safety measure to clear all title flaws, and there is little chance the mitigation deeds were ever filed. None of the included areas have any relationship with the current project.

Therefore, it has been recommended to remove any potential cloud on the title by getting a disclaimer of interest from the Borough which disclaims any right of access or easement which may have been created by this Agreement. This can be done via a Quitclaim Deed between the Borough and USFWS. The Quitclaim Deed has been vetted by the Department of Interior Attorney's and Joe Levesque and is attached for your review.

The Deed can be approved via resolution since this is a government-to-government transaction.

Recommendation:

Borough Administration recommends approval of Resolution 26-33 authorizing the Mayor to convey and quitclaim to the United States through U.S. Fish & Wildlife Service, Division of Realty land situated in the Aleutian Islands Recording District.

(DD) : 55.2995 N, 162.6641 W

+

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## **QUITCLAIM DEED**

The Grantor, ALEUTIANS EAST BOROUGH, whose address is 3380 C. St., Anchorage, Alaska 99503, conveys and quitclaims to Grantee, UNITED STATES and its assigns, acting by and through the U.S. Fish and Wildlife Service, Division of Realty, whose address is 1011 E. Tudor Rd., MS 211, Anchorage, Alaska 99503, all right, title and interest, if any, to that real property described below:

The land referred to herein below is situated in the Aleutian Islands Recording District, State of Alaska and is described as follows:

T. 57 S., R. 88 W., Seward Meridian, Alaska  
Secs. 1, 2 and 3;  
Sec. 4, lots 1, 2 and 7;  
Sec. 5, lots 1 thru 9;  
Sec. 6, lots 1 thru 4;  
Sec. 7, lots 1 and 2;  
Sec. 12.

To Have and To Hold the said land, together with the tenements, hereditaments, and appurtenances thereunto appertaining, unto the said Grantee and Grantee's successor and assigns forever.

DATED this \_\_\_\_\_ day of February, 2026.

---

Alvin Osterback  
Mayor  
Aleutians East Borough

ACKNOWLEDGMENT

STATE OF ALASKA )  
 ) ss.  
THIRD JUDICIAL DISTRICT )

THIS IS TO CERTIFY that on the \_\_\_\_\_ day of December , 2025, before me, the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn as such, personally appeared \_\_\_\_\_, **to me known and known to me to be the person he/she represented himself/herself to be, and the same identical person who executed the above and foregoing deed, and who acknowledged to me that he/she did execute the above and foregoing as a free and voluntary act.**

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year first written above.

GIVEN UNDER MY HAND and official seal the day and year last above written.

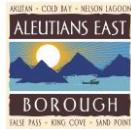
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Notary Public in and for Alaska

My commission expires:\_\_\_\_\_

After Recording Return to:

U.S. Fish and Wildlife Service  
1011 E. Tudor Rd., MS 211  
Anchorage, Alaska 99503



## RESOLUTION 26-33

### **A RESOLUTION OF THE ALEUTIANS EAST BOROUGH ASSEMBLY AUTHORIZING THE MAYOR TO CONVEY AND QUITCLAIM TO THE UNITED STATES THROUGH U.S. FISH & WILDLIFE SERVICE DIVISION OF REALTY LAND SITUATED IN THE ALEUTIAN ISLANDS RECORDING DISTRICT**

**WHEREAS**, the Aleutians East Borough has been working on the King Cove Access Project for numerous years; and

**WHEREAS**, on October 9, 2025, the United States Department of Interior completed a preliminary title of opinion for acquisition through a land exchange of the surface estate owned by the King Cove Corporation, referred to as 2025 IZM KCC Land Exchange, King Cove Corporation (Tract 13, a-k and m-p) and more particularly described as:

T. 57 S., R. 88 W., Seward Meridian  
Secs. 1, 2 and 3;  
Sec. 4, lots 1, 2 and 7;  
Sec. 5, lots 1 to 9;  
Sec. 6, lots 1, 2, 3, and 5;  
Sec. 7, lots 1 and 2;  
Sec. 12.

in Exchange for USS 14498 (Tract 1bXL and 1UXL); and

**WHEREAS**, in the preliminary title of opinion, both the Joint Cooperation and Access Project Agreement and the Memorandum of Land Sale and Easement created a potential cloud on the title; and

**WHEREAS**, the United States Fish & Wildlife Service (USFWS) determined neither the Joint Cooperation and Access Project Agreement and the Memorandum of Land Sale and Easement Agreement in the short term would interfere with the purposes for this the land was acquired; and

**WHEREAS**, these documents were included in the Administrative Certificate signed by the Regional Director prior to closing; and

**WHEREAS**, a condition set forth in the PTO and the Administrative Certificate was to clear the potential cloud on the title via execution of a Quitclaim Deed prior to the federal government requesting a Final Opinion of Title; and

**WHEREAS**, the lands referenced included all possible Bookend parcels, but there is no specific information if deeds for all of them were ever filed and it has been determined that this

is safety measure to clear all title flaws, and there is little chance the mitigation deeds were ever filed; and

**WHEREAS**, it is recommended to remove any potential cloud on the title by getting a disclaimer of interest from the Borough which disclaims any right of access or easement which may have been created by this Agreement; and

**WHEREAS**, this can be done via a Quitclaim Deed between the Borough and USFWS.

**NOW THEREFORE, BE IT RESOLVED**, the Aleutians East Borough Assembly authorizes the Mayor to convey and quitclaim to the United States through U.S. Fish & Wildlife Service, Division of Realty land situated in the Aleutian Islands Recording District.

**PASSED AND ADOPTED** by the Aleutians East Borough on this 12<sup>th</sup> day of February 2026.

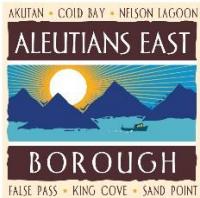
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Alvin D. Osterback, Mayor

ATTEST:

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Beverly Rosete, Borough Clerk



## MEMORANDUM

To: Mayor Osterback and Assembly

From: Anne Bailey, Aleutians East Borough Administrator

Date: February 5, 2026

**Re: Resolution 26-34, Authorizing the Appropriation of \$150,000 in the Deferred Maintenance Line Item (21-502-8025) for the Sand Point School Project**

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The Aleutians East Borough is the recipient of a State of Alaska Department of Education & Early Development Grant to conduct major maintenance at the Sand Point School. The project includes but is not limited to:

- Improve HVAC: replace ventilation equipment, provide exhaust ventilation system, replace kitchen ventilation equipment.
- Improve security: replace door hardware to provide access control and lockdown function.
- Replace fire alarm.
- Replace intercom system.
- Renovate pool facility addition: upgrade restrooms and lockers; replace metal roof and repair structure as required; reconstruct or repair exterior walls replace supply ventilation, ductwork, and controls; and improve drainage. Foundation work may occur if supported within the budget and after value analysis.

The Borough has also approved additional work throughout the life of the project.

The Borough has the following funds available for this project:

Funding Source	Amount
State of Alaska DEED Grant	\$4,427,407.00
Permanent Fund Earnings	\$2,668,890.81
AMLIP .12 Funds	\$2,708,471.18
Total	\$9,804,768.99

The Borough has entered into contracts or would like to enter into a change order for the following:

<b>Company</b>	<b>Amount</b>
UIC Construction (Construction)	\$8,464,079
UIC Construction (Pre-Construction)	\$115,355.00
DOWL	\$899,267.00
DOWL (Pending approval of Resolution 26-35)	\$142,300.00
EHS (Hazmat/Design)	\$40,338.00
<b>Total</b>	<b>\$9,661,339.00</b>

Based on the information above, the Borough has \$143,429.99 available for additional work.

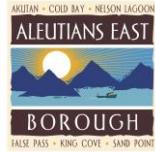
Additional items are still needed to complete the SP DEED project. Including roof repairs, relocation of electrical conduit, electrical wiring work, sprinkler head guards and other items. The Borough is waiting for quotes from UIC Construction for this work. Administration anticipates the work to be a little less than \$300,000. Therefore, the Borough will need an additional \$150,000 allocated for this project.

The Borough has funds available in the Deferred Maintenance Line Item (21-502-8025). Any unused funds will remain in the Deferred Maintenance Line Item and can be used for other purposes.

#### **RECOMMENDATION**

---

Administration recommends approval of Resolution 26-34 authorizing the appropriation of \$150,000 in the Deferred Maintenance Line Item (21-502-8025) for the Sand Point School Project.



## **RESOLUTION 26-34**

### **A RESOLUTION AUTHORIZING THE APPROPRIATION OF \$150,000 IN THE DEFERRED MAINTENANCE LINE ITEM (21-502-8025) TO THE SAND POINT SCHOOL PROJECT**

**WHEREAS**, the Aleutians East Borough is the recipient of a State of Alaska Department of Education & Early Development Grant to conduct major maintenance at the Sand Point School; and

**WHEREAS**, the Borough has \$9,804,768.99 available for this project and has entered into contracts or would like to enter into a change order in the amount of \$9,661,339 leaving \$143,429.99 for additional work; and

**WHEREAS**, additional items are still needed to complete the SP DEED Project including but not limited to roof repairs, relocation of electrical conduit, electrical wiring work, sprinkler head guards and other items; and

**WHEREAS**, the Borough is waiting on quotes from UIC Construction for this work but anticipates the need to be a little less than \$300,000; and

**WHEREAS**, an additional \$150,000 is needed and funds are available in the Deferred Maintenance Line Item (21-502-8025) for this project.

**NOW THEREFORE BE IT RESOLVED**, the Aleutians East Borough Assembly authorizes the appropriation of \$150,000 in the Deferred Maintenance Line Item to the Sand Point School Project.

**PASSED AND APPROVED** by the Aleutians East Borough on this day 12<sup>th</sup> day of February 2026.

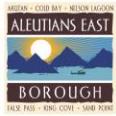
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**Alvin D. Osterback, Mayor**

**ATTEST:**

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**Beverly Rosete, Borough Clerk**



## Agenda Statement

Date: February 4, 2026

To: Mayor Osterback and Assembly

From: Anne Bailey, Borough Administrator

### **Re: Resolution 26-35, Authorizing the Mayor to negotiate and execute Contract Amendment No. 1 with DOWL to provide additional services for the Sand Point School DEED Grant Project in an amount not to exceed \$194,147**

The Aleutians East Borough is the recipient of a State of Alaska Department of Education & Early Development Grant to conduct major maintenance at the Sand Point School.

The project includes but is not limited to:

- Improving HVAC: replacing ventilation equipment, providing exhaust ventilation system, replace kitchen ventilation equipment.
- Improving security: replacing door hardware to provide access control and lockdown function.
- Replacing fire alarm.
- Replacing intercom system.
- Renovating pool facility addition: upgrading restrooms and lockers; replacing metal roof and repairing structure as required; reconstructing or repairing exterior walls replace supply ventilation, ductwork, and controls; and improving drainage. Foundation work may occur if supported within the budget and after value analysis.

The Grant is in the amount of \$6,811,396. The Grant amount is \$4,427,407 and the Borough is responsible for paying the State of Alaska Recipients' Participating Share for this Project in the amount of \$2,383,989. The project costs exceed the grant funding available, and the Borough has appropriated Borough funds to complete the work. The Borough has \$9,804,768.99 available for this project.

Due to DOWL's familiarity with this project and their work with the DEED Grant application and conducting the site visit and condition assessment, the Administration requested a proposal from DOWL to provide design and construction management services. The State of Alaska has approved the Borough to use DOWL for the design and construction management work for this project.

At the September 14, 2023 Assembly Meeting, the Assembly approved Resolution 24-09 authorizing the Mayor to negotiate and execute a contract with DOWL to provide Design and

Construction/Project Management Services for the Sand Point School DEED Grant Project in an amount not to exceed \$847,420. A contract between DOWL and the Borough was executed for the following:

Phase/Description	Cost
Phase 1 – 35% Design	\$113,266.00
Phase 2 – 65% Design	\$191,495.00
Phase 3 – Construction Documents (100% Signed Drawings)	\$230,745.00
Phase 4 – Construction Manager – General Contractor (CM_GC) Selection and Negotiations (Bidding)	\$36,424.00
Phase 5 – Construction Administration	\$275,490.00
<b>Total Lump Sum</b>	<b>\$847,420.00</b>

Throughout the life of the project, it has become apparent that additional funds are needed for DOWL to complete the project.

Administration recommends entering into Contract Amendment No. 1 to provide additional services for the Sand Point School DEED Grant Project in an amount not to exceed \$194,147 for the following:

**1. Site Visits and Misc. Contingency - \$51,847 (Time & Material Basis)**

On July 14, 2025, Borough Administration approved DOWL to provide Site Visits and have some Miscellaneous Contingency funds for DOWL to conduct additional site visits. At the time, Administration did not realize that they did not have financial approval for this work. Administration is now requesting approval from the Assembly for this.

**2. Construction Inspection - \$82,000 (Time & Material Basis)**

UICC's 2025 construction activities have experienced slowdowns and setbacks. UICC's construction schedule shows March 11, 2026 as the substantial completion date. Due to these circumstances the Borough has requested DOWL to provide an on-site field representative during construction activities in which they would document daily construction progress; observe construction operations and progress; compare construction drawings and approved construction and changes to on-site progress and evaluate for deviations/consistence and act as on-site Borough representative to facilitate communication and coordination of construction tasks between the Borough, School District and UICC. This proposes 5 weeks of full-time inspection @ 50 hours/week and necessary airfare, lodging, vehicle, and per diem costs. After further conversations with DOWL, this full amount may not be needed but I would like to have the funding available just in case.

### **3. Extension of Existing Contract - \$60,300 (Time & Materials)**

In DOWL's approved proposal for the project, it was assumed construction would last no more than 10 months. UIC mobilized to Sand Point the week of May 12, 2025 and 10 months from then is March 9, 2026. After this date, additional funds will be needed for DOWL to continue to provide construction administrative services. The DOWL proposal is in the amount of \$63,000 on a Time & Materials basis and includes the following:

- Three additional months of construction administration for DOWL and the subconsultant team, beginning March 10, 2026 through June 10, 2026.
- Includes construction administration and close-out activities, such as assembling punch list items and managing completion.
- All remaining construction administration services will be charged to this amendment, with exception of travel and site visits, which will be charged to pre-established time and material travel phases.

Funds are available for this work and the total contract with DOWL will increase to \$1,041,567.

### **RECOMMENDATION**

Administration recommends approval of Resolution 26-35, Authorizing the Mayor to negotiate and execute Contract Amendment No. 1 with DOWL to provide additional services for the Sand Point School DEED Grant Project in an amount not to exceed \$194,147.



July 1, 2025

Ms. Anne Bailey  
Aleutians East Borough (AEB)  
3380 C Street, Suite 205  
Anchorage, AK 99503

**Subject: Sand Point Department of Early Education and Development (DEED)  
Major Maintenance  
Site Visits and Misc. Contingency Amendment Request**

Dear Anne:

DOWL's Sand Point DEED proposed from August 25, 2023 included architectural, mechanical and electrical site visits, but the proposal did not include site visits for DOWL or structural engineer, Tecton Structural Engineering. The table below shows the number of planned site visits.

Phase of Work	Architectural	Mechanical	Electrical	Structural	Civil
Design Development	1	1	1		
Construction	6	2	2		
<b>Totals</b>	<b>7</b>	<b>3</b>	<b>3</b>	<b>0</b>	<b>0</b>

During design development, in lieu of an in-person site visit, our team used the allotted labor to review MatterPort images, which saved expense costs that'd we'd like to share back to the AEB. In addition, costs (labor and expenses) for another ECI site visit can be reassigned for other purposes. In total, DOWL and our team have \$12,554 in unused site visit scope that can be reassigned for other purposes.

Per your request from June 26, 2025 and since DOWL is not scoped to provide site visits, DOWL prepared this proposal to conduct periodic site visits. DOWL's site visits will be timed with pay application submittals for DOWL to travel to Sand Point to substantiate pay applications, as well as other construction milestones, such as substantial and final completion. Based on the construction schedule, we expect the following site visits:

1. June pay application site visit
2. July pay application site visit
3. August pay application site visit
4. September pay application site visit
5. October pay application site visit timed with Substantial completion site visit
6. Final completion site visit

Recent construction activities and discoveries have identified structural items that require a site visit by the project structural engineer, Tecton Structural Engineering which is included in this request.

Also included in this request is 20 hours of designer contingency that can be used as needed for unscoped contingency design services.

This proposal requests establishing a time and materials budget for DOWL and Tecton site visits required and approved by the AEB, as well as the contingency design services mentioned. Unused scope costs noted in the second paragraph are accounted for in the summary below:

DOWL Site Visit Labor	\$31,242.00
DOWL Site Visit Expenses	\$16,205.00
Tecton structural site visit, follow-up report and design, ECI support	\$12,554.00
Unscoped design contingency	\$4,400.00
<u>Subtotal</u>	<u>\$64,401.00</u>
Unused Scope Credit	\$(12,554.00)
<b>T&amp;M Amendment Request</b>	<b>\$51,847.00</b>

\*For T&M budgeting purposes, DOWL assumes each site visit trip will require two 9-hour days and an overnight for Eric Voorhees.

Thanks for the consideration of this amendment request.

Sincerely,  
DOWL



Eric Voorhees, P.E.  
Senior Project Manager

This proposal is accepted, and DOWL is authorized to proceed with the work described in this letter.

Anne Bailey  
Anne Bailey  
Aleutians East Borough Administrator

7/14/2025  
Date

Attachment(s): None



January 15, 2026

Ms. Anne Bailey  
Aleutians East Borough (AEB)  
3380 C Street, Suite 205  
Anchorage, AK 99503

**Subject: Sand Point School Department of Early Education and Development  
(DEED) Major Maintenance  
Construction Inspection**

Anne,

As discussed and requested by the AEB, this proposal summarizes proposed construction inspection that'll be performed by DOWL.

#### **BACKGROUND AND SCOPE OF WORK**

On August 12, 2024 the AEB executed a Construction Manager-General Contractor (CM-GC) agreement with UIC Construction (UICC) for pre-construction services for the subject project. On March 26, 2025 the AEB executed a guaranteed maximum price (GMP) amendment with UICC to build the subject project. The GMP amendment included a substantial completion date of October 25, 2025 and a final completion date of November 24, 2025. These contractual completion dates were approximately one week beyond the completion dates proposed by UICC in the construction schedule they included with their GMP project cost in March 2025.

UICC's 2025 construction activities have experienced slowdowns and setbacks. Despite change orders officially extending the construction substantial completion date to December 1, 2025, UICC is not substantially complete with the project. In their most recent construction schedule UICC shows their substantial completion date as March 11, 2026, more than 3-months beyond the contractual substantial completion date.

Due to these circumstances the AEB has requested DOWL provide an on-site field representative during construction activities. As an on-site field representative, DOWL will:

- Document daily construction progress.
- Observe construction operations and progress.
- Compare construction drawings and approved construction changes to on-site progress and evaluate for deviations/consistency.
- Act as on-site AEB representative to facilitate communication and coordination of construction tasks between the AEB, AEB School District and UICC.

#### **STAFFING AND COSTS**

While DOWL believes that full-time inspection provides a great return on investment to an owner, we also understand budget constraints likely prevent providing continuous full-time inspection from now and until project completion. There are 7 weeks between now and UICC's proposed substantial completion date. To limit inspection costs, DOWL recommends and proposes to establish a \$82,000 time and materials budget which includes 5 weeks of full-time inspection @ 50 hours / week and necessary airfare, lodging, vehicle, and per diem costs.

Ms. Anne Bailey  
Aleutians East Borough  
January 15, 2026  
Page 2 of 2

DOWL field project representative, Nathen Strife, P.E., is available to travel to Sand Point and begin inspection as early as next week, the week of January 19, 2026.

Thanks for your consideration of this request.

Sincerely,  
DOWL



Eric Voorhees, P.E.  
Senior Project Manager

This proposal is accepted, and DOWL is authorized to proceed with the work described in this letter. These services and costs will be considered an amendment to the existing AEB-DOWL contract.

---

Anne Bailey  
Aleutians East Borough Administrator

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Date

Attachment(s): None



February 3, 2026

Ms. Anne Bailey  
Aleutians East Borough (AEB)  
3380 C Street, Suite 205  
Anchorage, AK 99503

**Subject: Sand Point School Department of Early Education and Development (DEED) Major Maintenance Extended Construction Administration (CA)**

Anne,

Thanks for the opportunity for DOWL to submit this amendment request.

#### **BACKGROUND AND SCOPE OF WORK**

On July 15, 2024 the AEB approved DOWL for 10-months of CA services. The AEB construction contractor, UIC Construction (UICC), mobilized to Sand Point the week of May 12, 2025 and began construction. The 10-month duration will end March 9, 2026 and DOWL requests an amendment for continued CA services beyond our originally proposed duration.

In UICC's most recent construction schedule, their substantial completion date is shown as March 19, 2026. Considering the delays and schedule extensions to-date, UICC's completion dates may change again. DOWL recommends that AEB process an amendment to DOWL's contract for continued CA services beyond the contracted duration.

#### **ASSUMPTIONS**

- Amendment includes three additional months of CA for DOWL and our subconsultant team, beginning March 10, 2026 and ending June 10, 2026.
- Includes CA and close-out activities, such as assembling punch list items and managing completion.
- All remaining CA services will be charged to this amendment budget, with exception of travel and site visits, which will be charged to pre-established time and material travel phases.

#### **COST**

DOWL recommends processing an amendment for \$60,300 for the services described in this proposal. These services are proposed as time and materials (T&M). As a way to manage costs, the AEB could issue a partial notice-to-proceed for these services as there is a chance the contractor will finish earlier than June 2026.

Thanks for your consideration of this request.

Sincerely,

DOWL

A handwritten signature in blue ink that appears to read "Eric Voorhees".

Eric Voorhees, P.E.  
Senior Project Manager

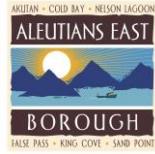
This proposal is accepted, and DOWL is authorized to proceed with the work described in this letter. These services and costs will be considered an amendment to the existing AEB-DOWL contract.

---

Anne Bailey  
Aleutians East Borough Administrator

Date

Attachment(s): None



## **Resolution 26-35**

### **A RESOLUTION AUTHORIZING THE MAYOR TO NEGOTIATE AND EXECUTE CONTRACT AMENDMENT NO. 1 WITH DOWL TO PROVIDE ADDITIONAL SERVICES FOR THE SAND POINT SCHOOL DEED GRANT PROJECT IN AN AMOUNT NOT TO EXCEED \$194,147**

**WHEREAS**, the Aleutians East Borough is the recipient of a State of Alaska Department of Education & Early Development to conduct major maintenance at the Sand Point School; and

**WHEREAS**, DOWL has been contracted to provide design and construction management services for the project in an amount not to exceed \$847,420; and

**WHEREAS**, throughout the life of the project, it has become apparent that additional funds are needed for DOWL to complete the project; and

**WHEREAS**, Administration recommends entering into Contract Amendment No. 1 in an amount not to exceed \$194,147 for the following: Site Visits and Misc. Contingency - \$51,847 (Time & Materials); Construction Inspection - \$82,000 (Time & Materials) and Extension of Existing Contract - \$60,300 (Time & Materials).

**NOW THEREFORE BE IT RESOLVED**, the Aleutians East Borough Assembly authorizes the Borough Mayor to Negotiate and Execute Contract Amendment No. 1 with DOWL to provide additional services for the Sand Point DEED Grant Project in an amount not to exceed \$194,147.

**PASSED AND APPROVED** by the Aleutians East Borough on this day 12<sup>th</sup> day of February 2026.

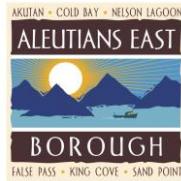
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**Alvin D. Osterback, Mayor**

**ATTEST:**

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**Beverly Rosete, Borough Clerk**



## Agenda Statement

Date: February 5, 2026

To: Mayor Osterback and Assembly

From: Anne Bailey, Borough Administrator

### **Re: Resolution 26-36 Authorizing the Mayor to Negotiate and Execute Change Order No. 4 with Western Marine Construction, Inc in an amount not to exceed \$174,453 for the Sand Point New Harbor A-Float Project**

The Borough received \$4,125,000 in State of Alaska Harbor Facility Matching Grant funds and \$5,365,000 in MARAD Port Infrastructure Development Program (PIDP) funds for the Sand Point New Harbor A-Float Project.

On September 6, 2024, the Request for Proposal documents for the project were issued seeking proposals from qualified Contractors for furnishing all materials, labor, and equipment necessary to construct a new floating timber dock facility. Addendums were issued in relation to the project.

The bid opening occurred on October 21, 2024. Three proposals were received by the deadline. On October 25, 2024, the evaluation committee met to review the proposals, and it was determined that all three entities were responsive in accordance with the bid requirements. The bids came in at: Duwamish Services - \$9,798,550.00; Western Marine Construction - \$7,855,000 and Pacific Pile - \$11,546,250. The apparent low bidder was Western Marine Construction with a bid amount of \$7,855,000.

On October 28, 2024, a Notice of Intent to Award was issued to Western Marine Construction that stated the Notice to Proceed could not be issued without receiving Assembly approval at the November 14, 2024 Assembly Meeting, without concluding the 14-calendar day protest period, submitting required document within ten working days after the date of the notice of intent to award and finalizing and executing the contract.

At the November 14, 2024 Assembly Meeting, the Assembly approved Resolution 25-24 authorizing the Mayor to negotiate and execute a contract with Western Marine for the Sand Point New Harbor A-Float Project in the amount not to exceed \$7,855,000, which will be paid out of the State of Alaska Harbor Facility, and PIDP grant monies. On November 20, 2025, the WMC contract was executed.

On February 13, 2025, the Borough executed Change Order No. 1 with WMC in the amount of \$774,600 increasing the contract to \$8,629,600.

On May 8, 2025, the Borough executed Change Order No. 2 with WMC in the amount of \$58,995 and it allocated the use of \$91,005 out of the grant funds as Contingency Funds for the project to account for other change orders.

On August 16, 2025, WMC provided information regarding Change Order No. 3 for the waterline extension in the lump sum amount of \$948,745. After further consideration, the Borough decided not to proceed with this work.

The Borough has approximately \$377,000 remaining in PIDP and State of Alaska funding for the project. MARAD stated the Borough could be financially penalized if the money is not spent. Therefore, Moffatt & Nichol (M&N) requested a quote from WMC for aluminum ladders and a portable water pump.

On January 21, 2026, WMC submitted Change Order No. 4 in the amount of \$174,453 to fabricate and install 10 new aluminum ladders with slip resistant rungs and to procure and deliver a portable water pump. Due to Build America Buy America (BABA) requirements, the portable fire pump must meet certain requirements. The manufacturer has provided a letter of assurance stating the pump would be assembled and inspected in the US. However, WMC, nor the manufacturer, can confirm the pump adheres to BABA requirements when it comes to individual parts of the pump package. M&N and the Borough have met with MARAD to discuss this purchase. MARAD noted the Waiver of Buy America Requirements for De Minimis Costs and Small Grants apply to this project and the Borough needs to show that the total value of the portable fire pump is no more than the lesser of \$1,000,000 or 5% of the total value of materials for this project. M&N is looking to see if this requirement can be met.

To be proactive the Borough is requesting approval in advance to move the project forward. If the waiver requirements are met the change order will be executed. If the requirements cannot be met, the Borough will not execute the change order.

The Borough Administration recommends approving Change Order No. 4 in the amount of \$174,453 increasing the WMC contract amount to \$8,863,048. This will be paid for with the PIDP and State of Alaska Harbor Facility Grant Funds.

#### **RECOMMENDATION**

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Administration recommends approval of Resolution 26-36 Authorizing the Mayor to Negotiate and Execute Change Order No. 4 with Western Marine Construction, Inc in an amount not to exceed \$174,453 for the Sand Point New Harbor A-Float Project.



**WESTERN MARINE CONSTRUCTION INC.**

2775 HARBOR AVE SW  
SUITE A  
SEATTLE, WASHINGTON 98126  
(206) 622-9161  
FAX (206) 622-9170

January 21<sup>st</sup>, 2026

Aleutian's East Borough  
Attn.: Anne Bailey  
3380 C Street, Ste. 205  
Anchorage, AK 99503

Re: Sand Point New Harbor A-Float  
Change Order Request #4 – Ladder and pump addition

Ms. Bailey:

In response to COP-04 received on 1/6/26, Western Marine Construction proposes ten new aluminum safety ladders with slip resistant rungs and portable water pump for the fire suppression system.

- #1 – Fabricate and install 10 new aluminum ladders with slip resistant rungs.
  - Transpac - \$31,000
- #2A– Procure and deliver portable water pump. (PAC H43C KD 74HP FT4 8972824060 74 ANSI 4x3" Kohler Trailer). Lead time is 8-10 weeks.
  - Paco Equipment - \$74,523
  - WMC freight - \$8,000
- #2B--Procure and deliver portable water pump (PAC H63C JD 173HP FT4 8972824047 173 ANSI 6x4" John Deere). Currently in stock.
  - Paco Equipment - \$110,105
  - WMC freight - \$8,000

Option 1 - Subtotal 1,2A= \$113,523  
OH & Profit (17%) = \$ 132,822.00

Option 2 - Subtotal 1,2B= \$149,105  
OH & Profit (17%) = \$ 174,453.00

Please note, approval of the enclosed pump documentation is required by AEB & M&N before change order execution or order placement to ensure conformity to BABA requirements.

Please let me know if you have any questions.

Sincerely,

Julian Koerner, P.E.  
Vice President

Enc.: Statement of assembly, ladder fabrication quote

**From:** Jeff Hammer <HammerJ@PacoEquip.com>  
**Sent:** Tuesday, January 13, 2026 3:30 PM  
**To:** Zeke Robinson <zeke@wmc2775.com>  
**Subject:** RE: Western marine Construction - Atlas Copco water pumps

Hey Zeke,

Please see options below. One unit is currently 8-10 weeks out and the other is in stock ready to ship.

PAC H43C KD 74HP FT4 8972824060 74 ANSI 4x3" Kohler Trailer:

Sale price: **\$70,923.00**

Freight to Seattle: **\$3,600.00**

8-10 weeks out. Possibly available in ES part #. Checking with the factory.

PAC H63C JD 173HP FT4 8972824047 173 ANSI 6x4" John Deere Trailer:

Sale price: **\$106,505.00**

Freight to Seattle: **\$3,600.00**

In stock ready to ship.

Pricing quoted is subject to applicable taxes. Please let me know if you have any questions.

Thank you!

Jeff Hammer  
PACO Construction Equipment  
Seattle, WA

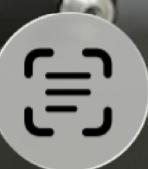
MANUFACTURED BY / FABRIQUÉ PAR POWER TECHNIQUE NORTH AMERICA, LLC

MONTH/YEAR OF MANUFACTURE-MOIS/ANNÉE DE FABRICATION		05/24
GVWR (LB/KG)	6100/2767	QMAX (GPM)
GAWR (LB/KG)	5500/2495	HMAX (FT)
VIN	4500P1315RR801480	POWER (HP)
PORTABLE DEWATERING PUMP/POMPE D'ASSAINISSEMENT PORTATIVE		
MODEL/MODELE	PAC F44 KD-S 49HP FT4	MAX. AMBIENT TEMP (°F/°C)
PRODUCT NUMBER/NUMÉRO DE PRODUIT	8972824030	MAX RPM
SERIAL NUMBER/NUMÉRO DE SÉRIE	UVC801480	COLOR/COULEUR
TIRE SIZE/LA TAILLE DES PNEUS (IN)	225/75D15	
WHEEL SIZE (IN)/TAILLE DES ROUES	15X6JJ	
COLD INFLATION PRESS (PSIG)/PRESSION D'INFLATION À FROID (PSIG)	65	

THIS VEHICLE CONFORMS TO ALL APPLICABLE U.S. FEDERAL  
MOTOR VEHICLE SAFETY STANDARDS AND CANADIAN MOTOR  
VEHICLE PRESCRIBED UNDER THE SAFETY REGULATIONS ON THE  
DATE OF MANUFACTURE SHOWN./ CE VÉHICULE CONFORME À  
TOUTES LES NORMES DE SÉCURITÉ DES VÉHICULES AUTOMOBILES  
DES ÉTATS-UNIS FÉDÉRAUX APPLICABLES ET AUX VÉHICULES  
DE SÉCURITÉ À LA DATE DE FABRICATION INDICUÉE.  
AUTOMOBILES CANADIENS PRESCRITS EN VERTU DES RÈGLEMENTS



ROCK HILL, SC USA





January 21, 2026

**Statement of Assembly  
PAC H63C  
P/N 8972824047**

To Whom It May Concern,

This letter is attesting to the assembly of our PAC H63C pump package. This model pump is fully assembled and tested at our production facility in Rock Hill, SC USA. Our production facility produces the vast majority of compressor, pump, and generator packages for the US market. Quality records are maintained of all critical product assembly points as well as final test and inspection. If more details are required related to a specific unit please advise.

Sincerely,

Scott P. Kaffka  
General Manager  
Power Technique North America LLC.

---

**Power Technique North America LLC**  
Rock Hill Product Company  
1059 Paragon Way  
Rock Hill, SC 29708

A Company Within the Atlas Copco Group  
Phone: (800) 732-6762  
[www.atlascopco.com](http://www.atlascopco.com)



14 January 2026

**WESTERN MARINE CONSTRUCTION**

Attn: Zeke Robinson  
Via e-mail: [zeke@wmc2775.com](mailto:zeke@wmc2775.com)

Subject: SAND POINT NEW HARBOR "A" FLOAT REPLACEMENT – ALUMINUM LADDERS – SUPPLY PROPOSAL

**SCOPE OF WORK**

Supply ten each aluminum safety ladders with slip resistant rungs.

**DESIGN, FABRICATE, AND FURNISH LADDER ASSEMBLY**

- Per Moffatt & Nichol request:  
*Fabricate and Install (10) Aluminium Safety Ladders with Slip Resistant Rungs. The AEB is requesting the same ladder design and quantity as the original Contract but made from aluminium material. All ladder dimensions must be the same (the rungs must be aluminium bar with the same nominal diameter as the steel rebar rungs). The rungs must have a two tone, Glo-yellow and black, Hi-Traction Anti-Slip Cover with an industrial coarse and FRP backing manufactured by Safeguard Technology, or an approved equal product. The slip resistant product must be installed per the manufacturer's recommendations. The ladders must also be installed at the same spacing as the original design on the inboard side of the floats.*
- Mounting hardware.

**ABOVE SCOPE INCLUDES THE FOLLOWING**

- Supply of above FOB Truck, Seattle, WA;
- Buy America(n) requirements.

**EXCLUSIONS**

- Any and all site work.

**SCHEDULE**

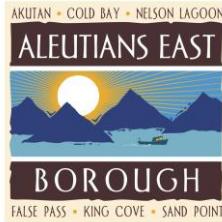
Material will be made available within 6 weeks receipt of purchase order.

**PRICING**

TRANS PAC shall provide the above scope of work for the lump sum fee of **\$31,000.00** due Net 30 following date of shipment.

Please feel free to contact me at (360) 293-8888 if you have any questions.

JOEL CONIJN  
TRANS PAC MARINAS, INC.



## RESOLUTION 26-36

### **A RESOLUTION OF THE ALEUTIANS EAST BOROUGH ASSEMBLY AUTHORIZING THE MAYOR TO NEGOTIATE AND EXECUTE CHANGE ORDER NO. 4 WITH WESTERN MARINE CONSTRUCTION, INC. IN AN AMOUNT NOT TO EXCEED \$174,453 FOR THE SAND POINT NEW HARBOR A-FLOAT PROJECT**

**WHEREAS**, the Borough received State of Alaska Harbor Facility Grant Funds and MARAD Port Infrastructure Development Program (PIDP) funds for the Sand Point New Harbor A-Float project; and

**WHEREAS**, on September 6, 2024, the Request for Proposal documents for the project were issued seeking proposals from qualified contractors for the furnishing of all materials, labor, and equipment necessary to construct a new floating timber dock facility; and

**WHEREAS**, three proposals were received by the October 21, 2024, deadline; and

**WHEREAS**, on October 25, 2024, the evaluation committee met to review the proposals, and it was determined all three entities were responsive in accordance with the bid requirements; and

**WHEREAS**, Western Marine Construction was the apparent low bidder with a bid amount of \$7,855,000; and

**WHEREAS**, on October 28, 2024, a Notice of Intent to Award was issued to Western Marine Construction; and

**WHEREAS**, on November 14, 2024, the Assembly approved Resolution 25-24 authorizing the Mayor to negotiate and execute a contract with Western Marine Construction for the Sand Point New Harbor A-Float project in the amount of \$7,855,000; and

**WHEREAS**, on November 20, 2024, the Western Marine Construction contract was executed; and

**WHEREAS**, on February 13, 2025, the Borough executed Change Order No. 1 with Western Marine Construction in the amount of \$774,600 increasing the contract to \$8,629,600; and

**WHEREAS**, Western Marine Construction submitted Change Order No. 2 in the amount of \$58,995 increasing the contract amount to \$8,688,595; and

**WHEREAS**, the Borough has approximately \$377,000 remaining in PIDP and State of Alaska funding for the project and MARAD has stated that the Borough could be financially penalized if the money is not spent; and

**WHEREAS**, Moffatt & Nichol (M&N) requested a quote from Western Marine Construction for aluminum ladders and a portable water pump; and

**WHEREAS**, on January 21, 2026, WMC submitted Change Order No. 4 in the amount of \$174,453 to fabricate and install 10 new aluminum ladders with slip resistant rungs and to procure and deliver a portable water pump; and

**WHEREAS**, due to Build America Buy America (BABA) requirements, the portable water pump must meet certain requirements; and

**WHEREAS**, the manufacturer has provided a letter of assurance stating the pump would be assembled and inspected in the US; however, Western Marine Construction nor the manufacturer, can confirm the pump adheres to BABA requirements when it comes to individual parts of the pump package; and

**WHEREAS**, MARAD noted the Waiver of Buy American Requirements for De Minimis Costs and Small Grants apply to this project and the Borough needs to show that the total value of the portable fire pump is no more than the lesser of \$1,000,000 or 5% of the total value of materials for this project; and

**WHEREAS**, M&N is looking into whether this requirement can be met; and

**WHEREAS**, to be proactive Administration is requesting permission for authorization for the Mayor to negotiate and execute Contract Amendment No. 4 in an amount not to exceed \$174,453 increasing the contract cost to \$8,868,048; and

**WHEREAS**, if the requirement can be met the change order will be executed and if it cannot be met the change order will not be executed.

**NOW THEREFORE, BE IT RESOLVED**, the Aleutians East Borough Assembly authorizes the Mayor to negotiate and execute Change Order No. 4 with Western Marine Construction in an amount not to exceed \$174,453 for the Sand Point New Harbor A-Float Project.

**PASSED AND ADOPTED** by the Aleutians East Borough on this 12<sup>th</sup> day of February, 2026.

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Alvin D. Osterback, Mayor

ATTEST:

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Beverly Rosete, Borough Clerk

Memo: AEB Resolution 26-37

To: Mayor Osterback, Aleutians East Borough Assembly

From: Ernie Weiss

Date: February 6, 2026

Multiple reports indicate funding shortfalls for the Alaska Marine Highway System (AMHS) operations in 2026 that could jeopardize the continuation of service this year, due in part to a federal grant that has not been issued.

<https://alaskabeacon.com/2026/02/03/alaskas-ferry-system-could-run-out-of-funding-this-summer-due-to-federal-chaos-problem/>

<https://www.adn.com/politics/alaska-legislature/2026/02/02/alaska-ferry-system-faces-78m-budget-hole-after-trump-administration-delays-federal-grant/>

The AMHS 2026 summer schedule as proposed would travel to Unalaska and AEB communities once each month, May through September. The public comment period on the proposed summer schedule ended January 13<sup>th</sup>.

<https://dot.alaska.gov/comm/pressbox/arch2025/PR25-0042.shtml>

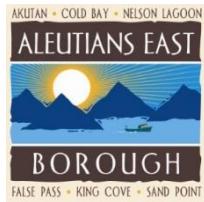
The MV Tustumena that services AEB Communities each summer, built in 1964, has exceeded its intended service life. The MV Tustumena Replacement Vessel project is out for bid, with bid closing May 28<sup>th</sup>. The Tustumena Replacement Vessel is expected to cost over 300 million with a completion date set for 2029.

<https://aws.state.ak.us/OnlinePublicNotices/Notices/View.aspx?id=222432>

<https://www.kucb.org/regional/2026-01-29/tustumena-replacement-project-out-to-bid-new-ferry-to-sail-in-2029>

Resolution 26-37 would remind State Legislators, the Governor and the Congressional Delegation of the importance of continued Alaska Ferry service to Borough communities, and requests lawmakers to pursue continued funding for the AMHS and the Tustumena Replacement Vessel.

The AEB Administration and Natural Resources Dept. recommend adopting Resolution 26-37.



## RESOLUTION 26-37

### A RESOLUTION OF THE ALEUTIANS EAST BOROUGH ASSEMBLY IN SUPPORT OF FULL FUNDING OF 2026 AND FUTURE YEARS ALASKA MARINE HIGHWAY SYSTEM OPERATIONS AND THE TUSTUMENA REPLACEMENT VESSEL PROJECT.

**WHEREAS**, the Alaska Marine Highway System (AMHS) is vitally important to the continued well-being of the communities of the Aleutians East Borough and other Alaska coastal communities; and,

**WHEREAS**, the proposed 2026 AMHS Summer schedule for once monthly MV Tustumena runs to Southwest Alaska, including to Borough communities, from May to September is a lifeline for travelers to and from this region that is accessible only by air or sea and at considerable expense; and

**WHEREAS**, the AMHS and the MV Tustumena are a critical link for the transport of vehicles for residents in SW Alaska and for moving equipment for community projects; and

**WHEREAS**, the AMHS is in jeopardy of a partial or total shutdown this summer due to various funding issues; and

**WHEREAS**, the MV Tustumena, built in 1964, has exceeded its intended service life and the replacement vessel project has faced multiple delays over the years, and

**WHEREAS**, the Tustumena Replacement vessel contract is now out for bid, with a projected completion date sometime in 2029; and

**WHEREAS**, Aleutians East Borough residents overwhelmingly support continued AMHS service to Borough communities as well as the timely completion of the Tustumena Replacement Vessel project.

**NOW THEREFORE BE IT RESOLVED**, the Aleutians East Borough Assembly requests the Alaska Legislature, the Governor of Alaska and the Alaska Congressional Delegation to prioritize funding to maintain the current level of AMHS service in 2026 and future years; and

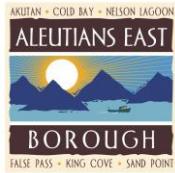
**BE IT FURTHER RESOLVED**, the Aleutians East Borough Assembly requests the Alaska Legislature, the Governor and the Congressional Delegation continue to keep the Tustumena Replacement Vessel Project moving forward to completion in a timely manner.

**PASSED AND APPROVED** by the Aleutians East Borough on this 12<sup>th</sup> day of February, 2026.

ATTEST: \_\_\_\_\_

Alvin D. Osterback, Mayor

Beverly Rosete, Clerk



## RESOLUTION 26-38

### **A RESOLUTION OF THE ALEUTIANS EAST BOROUGH SUPPORTING THE FULL FUNDING (\$18,186,535) FOR THE STATE OF ALASKA HARBOR FACILITY GRANT PROGRAM IN THE FY 2027 STATE CAPITAL BUDGET**

**WHEREAS**, the majority of the public boat harbors in Alaska were constructed by the State during the 1960s and 1970s; and

**WHEREAS**, these harbor facilities represent critical transportation links and are the transportation hubs for waterfront commerce and economic development in Alaskan coastal communities; and

**WHEREAS**, these harbor facilities are ports of refuge and areas of protection for ocean-going vessels, and serve as essential transportation hubs to coastal Alaskan communities for supplies, trade goods and services and connections to the work market for our exports and imports; and

**WHEREAS**, over the last 30 years, the State of Alaska has transferred ownership of most of these State-owned harbors, many of which were at or near the end of their service life at the time of transfer, to local municipalities; and

**WHEREAS**, the municipalities took over this important responsibility even though they knew that these same harbor facilities were in poor condition at the time of transfer due to the state's failure to keep up with deferred maintenance; and

**WHEREAS**, consequently, when local municipal harbormasters formulated their annual harbor facility budgets, they inherited a major financial burden that their local municipal governments could not afford; and

**WHEREAS**, in response to this financial burden, the Governor and the Alaska Legislature passed legislation in 2006, supported by the Alaska Association of Harbormasters and Port Administrators, to create the Municipal Harbor Facility Grant program (AS 29.60.800); and

**WHEREAS**, the Department of Transportation and Public Facilities utilizes a beneficial administrative process to review, score and rank applicants to the Municipal Harbor Facility Grant Program, since state funds may be limited; and

**WHEREAS**, for each harbor facility grant application, these municipalities have committed to invest 100% of the design and permitting costs and 50% of the construction costs, which is a large amount of funding that is being leveraged with the relatively small amount of state dollars; and

**WHEREAS**, the Aleutians East Borough has not submitted a project for the FY2027 Harbor Facility Grant Program but still supports the municipalities of Anchorage, Kake, Kodiak, Petersburg, Unalaska, and Wrangell who have committed to contribute half of their project cost in local matching funding for FY2027 towards harbor projects of significant importance locally as required in the Harbor Facility Grant Program; and

**WHEREAS**, completion of these harbor facility projects is dependent on the 50% match from the State of Alaska's Harbor Facility Grant Program; and

**WHEREAS**, the Municipal Harbor Grant Program has only been fully funded twice in the last seventeen years; and

**WHEREAS**, given that Alaska is a maritime state and that our harbors are foundational to both our way of life and the economy of this great State it is in the public's best interest to maintain this critical infrastructure by using State, Local and Federal funds to recapitalize the crucial harbor moorage infrastructure statewide.

**NOW THEREFORE, BE IT RESOLVED** the Aleutians East Borough urges full funding by the Governor and the Alaska Legislature for the State of Alaska's Municipal Harbor Facility Grant Program in the FY2027 State Capital Budget in order to ensure enhanced safety and economic prosperity among Alaskan coastal communities.

**PASSED AND ADOPTED** by the Aleutians East Borough on this 12<sup>th</sup> Day of February 2026.

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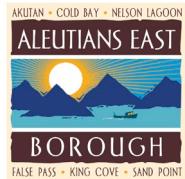
Alvin D. Osterback, Mayor

ATTEST:

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Beverly Rosete, Borough Clerk

# OLD BUSINESS



## Memorandum

Date: February 6, 2026

To: Mayor Osterback and Assembly

From: Anne Bailey, Borough Administrator

### **Re: Sand Point Pool Update**

On January 23, 2025, Sand Point Marine informed Borough Administration that they were able to get approval for the performance and payment bonding needed to do the job, under special terms due to it being the first job for Sand Point Marine. The bonding company, working with Sompo International Surety, will need a signed contract for the project that reflects the “project budget” total of \$927,000, which includes materials and labor costs in order to set the bond at that price.

The special terms will involve placing the total project amount into an escrow account (following the bonding companies’ instruction for doing so) and working with that escrow company to release funds as requested for payment to vendors, subs or Sand Point Marine. The bond will be issued under a program backed by the Small Business Administration (SBA), due to it being Sand Point Marine’s first job. All SBA paperwork will be handled by the bonding company.

Administration asked Joe Levesque to draft a contract for this project, which they are currently working on. I anticipate having a draft of the contract soon for internal review, which will then be sent to Sand Point Marine for their review and signature.

# NEW BUSINESS

Subject: Community Questions Regarding Borough Support, Fisheries Revenue, and Financial Transparency

Dear Aleutians East Borough Assembly and Administration,

Over the past several months, I have had numerous Aleutians East Borough (AEB) community members approach me with questions and concerns regarding recent Borough actions and financial priorities. These questions are not coming solely from residents of King Cove, but from residents across multiple AEB communities.

Many individuals have asked why the Borough is assisting the City of Saint Paul following the closure of its fish processing plant by allowing snow crab quota to be processed within the AEB, resulting in Saint Paul receiving a 3.5% tax and the Borough receiving a 2% tax. At the same time, residents are questioning why the City of King Cove—also within the AEB—has received little to no Borough assistance following the closure of Peter Pan Seafoods nearly three years ago.

The closure of Peter Pan Seafoods has caused significant and ongoing financial hardship for King Cove. Despite repeated requests by King Cove administration for assistance, many residents feel the Borough Assembly has not responded with the same urgency or level of engagement seen in other situations. This concern is further amplified by the fact that Peter Pan Seafoods contributed substantial fisheries tax revenue to the Borough for many years, revenue that benefited all AEB communities.

Residents have also pointed out the number of emergency meetings that were held when the possibility of Trident Seafoods leaving Akutan was discussed—a closure that ultimately did not occur—while noting the lack of similar Borough response when Peter Pan Seafoods permanently shut its doors in King Cove.

Additionally, questions continue to be raised about the Borough's permanent fund balance, which currently exceeds \$46 million. While I have explained that a portion of these funds is restricted under the GASB cap established by the federal government, this still leaves approximately \$26 million in unrestricted funds. Community members frequently ask: How severe does a "rainy

day" situation need to be before these funds are utilized to support Borough communities facing real economic distress?

Further, I have been informed of the significant cost savings the City of King Cove has provided the Borough over the years by supplying waste heat to help heat the King Cove school—savings that amount to thousands of dollars. Residents question whether these contributions have been adequately recognized or considered when King Cove seeks Borough support.

I want to be clear that I do not claim to have all the answers to these questions. That is precisely why I believe it would be beneficial for the Borough to issue a transparent, Borough-wide newsletter or public communication addressing these concerns directly and factually.

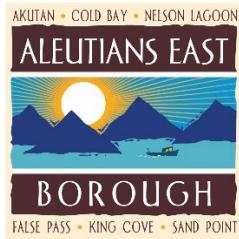
We often state that the [Aleutians East Borough](#) Assembly and administration strive to be open, transparent, and accountable to all Borough communities. A newsletter or official informational release explaining these issues—fisheries tax decisions, permanent fund policy, inter-community support, and Borough priorities—would go a long way toward demonstrating that commitment and ensuring residents receive accurate information.

Thank you for your time and consideration of this request. I believe open communication will strengthen trust between the Borough and the communities it serves.

Respectfully,

Chris Babcock

AEB Assembly Member



To: The Aleutians East Borough Assembly

From: Anne Bailey, Borough Administrator *Anne Bailey*

Date: January 21, 2026

**Re: Response to Chris Babcock's Letter Received on December 28, 2025**

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On December 28, 2025, the Borough Administration received a letter from Assembly Member Chris Babcock regarding concerns with the Borough and their actions. The main points that were raised were:

- Northern Region Bering Sea Snow Crab and Central Bering Sea Fishermen's Association Bering Sea Snow Crab delivered in Akutan in 2026
- Emergency meetings held regarding Trident's departure in Akutan.
- Lack of response to King Cove's financial hardship, which is further amplified by the fact that Peter Pan Seafoods contributed substantial fisheries tax revenue to the Borough for many years, revenue that benefited all AEB communities.
- The Borough's permanent fund
- City of King Cove Waste Heat Energy
- Transparency

I will address each item outlined above and respond to the questions/comments that were directly conveyed in the letter.

**Northern Region Bering Sea Snow Crab and Central Bering Sea Fishermen's Association (CBSFA) Bering Sea Snow Crab Delivered in Akutan**

**Why is the Borough assisting the City of Saint Paul following the closure of its fish processing plant by allowing snow crab quota to be processed within the Borough, resulting in Saint Paul receiving a 3.5% tax and the Borough receiving a 2% tax?**

The Bering Sea Aleutian Crab Rationalization Program regulations governing the Bering Sea Opilio (Snow) crab fishery (the "BSS Fishery") include a regional landing requirement under which a certain amount of the total allowable catch (TAC) must be landed in the North Region, which includes Saint Paul and in the South Regions, which includes Akutan and Unalaska. However, the Program allows participants to agree to alter the regional landing designations on a

season-by-season basis. This part of the program ensures that the entire TAC can be safely and efficiently harvested when delivery to the designated region is not feasible.

In 2024, crab harvesters, processors in Dutch Harbor and the cities of Saint Paul and Unalaska went through the process to exempt Bering Sea Snow (BSS) Crab from regional delivery requirements. Since the lone processor in the North region, Trident's plant at Saint Paul, was not able to operate, designated crab would need to be delivered in Unalaska. All participating IFQ and IPQ holders and the respective community representatives of Unalaska and Saint Paul entered into a Framework Agreement and signed onto an Exemption Contract. The two communities then developed a Memorandum of Agreement (MOA) that the City of Unalaska would collect raw fish tax on the North region crab delivered in Unalaska and remit those tax receipts to the City of Saint Paul.

The Trident Plant in Akutan has not processed crab since 2023. In late 2025, the Borough and the City of Akutan were informed that Trident is gearing up to process crab in Akutan in 2026. Trident will have the capacity to process portions of the South region crab, the North region crab and undesignated crab in Akutan triggering the need to enter into a tax memorandum of agreement. If this arrangement did not work out, Akutan and the Borough would get a portion of the South Region Crab but would lose out on the other crab processing shares, and potential tax revenue. Also, potential future emergency agreements that might be needed for South region crab shares processing could have been jeopardized.

At the December 11, 2025 Assembly Meeting, the Assembly adopted Resolution 26-25 authorizing the Mayor to negotiate and execute an agreement between the City of Saint Paul and the Borough for collecting and remitting taxes on north region designated and a portion of the undesignated shares owned by the Central Bering Sea Fishermen's Association (CBSFA) Bering Sea Snow Crab delivered in Akutan in 2026. The Tax MOA between the Borough and the City of Saint Paul has the following tax structure:

North Region Crab: The City of Saint Paul's Fish tax revenue for the North Region Crab is 3.5%. The Harvesters would pay, and the Processors would collect and remit to the City of Akutan a 1.5% tax and to the Borough a 2% tax, totaling 3.5%. In turn the City would remit 1.5% and the Borough would remit 2% raw seafood tax value of all North Region Crab to Saint Paul.

CBSFA Crab: The City of Saint Paul's Fish Tax Revenue for the undesignated portion is 2%. The Harvesters would pay, and the Processors would collect and remit to the City of Akutan a 1.5% tax and to the Borough a 2% tax, totaling 3.5%. In turn the City of Akutan would remit 1% of the raw seafood value of all CBSFA Crab and retain .5% and the Borough would remit 1% of the raw seafood value of the CBSFA Crab to Saint Paul and retain the other 1%.

The Borough will also receive an administrative fee of 1.5% of the gross sales of the North Region and CBSFA crab, which will help offset Borough costs for administering this.

Therefore, the Borough has agreed to do this for the following reasons:

- 1) The North Region Crab will be harvested.

- 2) The Borough will receive crab processing shares that will benefit the City of Akutan and the Borough that would otherwise not have been received.
- 3) Emergency agreements may be needed for South region crab shares in the future.

The Memorandum from the December Assembly Meeting is attached to this to provide more information regarding this issue.

**Why has the City of King Cove received little to no Borough assistance following the closure of Peter Pan Seafoods nearly three years ago?**

The Bering Sea crab processing shares historically earned in King Cove were not part of the Maruha-Nichiro sale of Peter Pan Seafoods to Rodger May, instead it was part of an intra-company transfer to Westward Seafoods in Unalaska, which was allowed under the Right of First Refusal Agreements. In this instance, the crab moved to a different community and there is not any fish tax revenue being collected in the Borough, which then could be passed on to the City of King Cove.

**Emergency meetings held regarding Trident's departure in Akutan**

**Residents have also pointed out the number of emergency meetings that were held when the possibility of Trident Seafoods leaving Akutan was discussed – a closure that ultimately did not occur – while noting the lack of similar Borough response when Peter Pan Seafoods permanently shut its doors in King Cove.**

Regular Assembly meetings were held where Trident presented the status of their operation and/or the Borough Assembly discussed or went into Executive Session to discuss the financial impacts Trident's departure would have on the Borough and strategies on how to create a sustainable fiscal environment for the Borough. A high-level summary of what was discussed at the meetings can be found below:

- August 18, 2022 Assembly Meeting: Trident Seafoods presented at the Assembly Meeting. Trident stated that the aging infrastructure in Akutan needed to be replaced and that they were considering rebuilding adjacent to the current Akutan footprint and the other is a new property in Captain's Bay Unalaska. Trident and a third-party engineering firm weighed feasibility costs benefits of design options and were continuing to study the plant design, necessary support infrastructure and site options throughout 2022 aiming for a decision on whether to proceed and in what location by the end of the year. At this time, they were looking to be fully operational for A season of 2026. Trident closed by saying that they understood the Borough's support for and dependence on Trident's Akutan operation and just like this investment decision will have a long-term impact on Trident Seafoods, they know it will have a long-term impact on the Borough and your communities with respect to revenue, project planning and setting priorities. The Assembly asked additional questions.
- April 13, 2023 Assembly Meeting: Assembly Member Gronholdt commented about Trident's departure.

- July 13, 2023 Assembly Meeting: At this meeting, the Borough Assembly moved into Executive Session for a discussion of the status of Trident's move from Akutan to Unalaska. The discussion included strategies, in the best interest of the Aleutians East Borough, regarding the effect the move will have on the Borough. A matter, the immediate knowledge of which would clearly have an adverse effect upon the finances of the public entity. AS 44.62.310(c)(1). No action was taken at this meeting and information that was discussed cannot be expanded upon, but the title provides a good overview of the discussion.
- August 17, 2023 Assembly Meeting: Trident Seafoods presented at the Assembly Meeting. Trident reiterated that the aging infrastructure in Akutan needed to be replaced and it is not feasible to update the existing facility without a completely new build. Late 2022, Trident determined the feasibly economic site to meet their design needs is the property that they acquired in Captain's Bay in Unalaska. Trident stated that they began discussing the implication of this decision with the community of Akutan. They stated that the initial timeline was 2027 to go live but now they are anticipating no earlier than 2028 due to the rapidly deteriorating marked conditions across all species. The extended timeline provided Trident more time to consider how it will impact Akutan and for the Borough to begin evaluating impact on long-term project planning. The Assembly asked additional questions. Many Assembly members stated that they hope Trident is considering the livelihood of Akutan and Trident confirmed that they would work with Akutan during the transition.
- September 20, 2023 Assembly Meeting: At this meeting, the Assembly moved into Executive Session for a discussion of the status of Trident's move from Akutan to Unalaska and the financial impacts it may have. The discussion included strategies and financial impacts, in the best interest of the Aleutians East Borough, regarding the effect the move will have on the Borough. A matter, the immediate knowledge of which would clearly have an adverse effect upon the finances of the public entity. AS 44.62.310(c)(1). No action was taken at this meeting and information that was discussed cannot be expanded upon, but the title provides a good overview of the discussion.
- May 9, 2024 Assembly Meeting: Trident and Silver Bay Seafoods were invited and provided updates on what was occurring with their plants. Trident provided a quick update on Akutan stating that "it is really highly unlikely that they would break ground in 2025." He continues that Trident is committed to making sure there is a plan for the future and to improve communication on what the future looks like. Trident further discussed operations in Akutan, Sand Point and False Pass. Assembly Member Warren Wilson brought up his concern for the fishermen in King Cove and Trident stated they are doing what they can to help.

**The main purpose of these meetings was to discuss the financial impact Trident's departure would have on the Borough and determine strategies on how to create a sustainable fiscal environment for the Borough to meet obligations and maintain operations.**

Excerpts from the meeting minutes referenced above are attached.

Some of the strategies include creating and executing a Mini-Strategic Plan and holding a Financial Workshop and overviews.

- Mini-Strategic Plan: Based off the information provided by Trident at the August 18, 2022 Assembly Meeting, Borough Administration created a mini-Strategic Plan setting the following goals:
  - 3-Year Goal: Create a sustainable fiscal environment for the Borough to meet obligations and maintain operations.
  - 1-Year Goal: Implement a plan to address the immediate needs, requirement and commitments and determine future needs.

The plan included the following tasks which the Borough began executing:

- Conducting a Liquidity Analysis
- Implementing a Cash Flow Management Plan
- Determining with the Borough owes and/or what the Borough is obligated to pay
- Outlining the Borough's statutory and code obligation/requirements; listing
- Listing Borough projects with known costs associated with them
- Determining ways to reduce expenditures and how to become more efficient with the resources that the Borough has available
- Determining ways to generate more revenue
- September 21, 2023 Financial Workshop: On September 21, 2023, the Borough held its first Financial Workshop where we were able to inform the Assembly and the public about the 1 and 3-year goals and provided information regarding the Borough's bank accounts; the Borough's fiscal, statutory and code obligations; a review of the Permanent Fund and Alaska Municipal League Investment Portfolios; the Borough revenue sources, the liquidity analysis; cash flow management plan and an overview of the Borough projects. This was extremely in depth and provided a wealth of knowledge.
- May 9, 2024 Financial Overview: Administration provided a financial overview and reviewed the Borough's mission, which is to provide governmental service to the communities of Akutan, Cold Bay, False Pass, King Cove, Nelson Lagoon, and Sand Point including Education, Fisheries Support, Planning, Project Management, Capital Projects and Tax Collection. Administration also reviewed revenue sources, fiscal obligations, the permanent fund, the liquidity analysis, and the cash management plan.
- City of Akutan Discussions: Borough Administration had discussions with the City of Akutan regarding the impacts Trident's departure would have on them and what their plans were. Very little information was shared, and no action resulted from these discussions.

To summarize:

- 1) The Borough held regular meetings where Trident Seafoods discussed their plans on rebuilding and moving the plant from Akutan to Unalaska and the Borough discussed

or went into executive sessions to discuss strategies and financial impacts that would occur to the Borough due to Trident's departure.

- 2) The Borough created and executed a mini-strategic plan to outline with the goal of creating a sustainable fiscal environment for the Borough to meet obligations and maintain operations.
- 3) The Borough held its first financial workshop to inform the public of the Borough's goal and in-depth overview of the Borough's finances and had additional financial overviews.
- 4) Borough Administration had discussions with the City regarding the impacts Trident's departure would have on them and what their plans were. No action resulted from these discussions.

### **Lack of Response to King Cove's Financial Hardship**

**The closure of Peter Pan Seafoods has caused significant and ongoing financial hardship for King Cove. Despite repeated requests by King Cove administration for assistance, many residents feel the Borough Assembly has not responded with the same urgency or level of engagement in other situations.**

The Borough provides financial contributions to the City of King Cove and its residents on an annual basis. The Borough has also held meetings regarding the Peter Pan Closure and financial assistance.

#### **Financial Contributions**

The Borough is aware of the financial hardship that the City of King Cove is facing. The Borough contributes to King Cove and to the other communities within the Borough. In FY26, the Borough has expended or appropriated the following that directly benefits the residents of King Cove:

- \$824,000 on King Cove School maintenance projects
- \$111,000 to maintain the King Cove Road
- \$100,000 to reimburse the City of King Cove for expenses associated with the King Cove Access Project
- \$150,000 for legal representation for the Land Exchange

Totaling \$1,185,000 in contributions/appropriation for King Cove related items.

#### **City of King Cove Stabilization Funding Request**

In October 2024, the City of King Cove sent Borough Administration a document regarding having the Borough establish a community stabilization fund, which Administration and Finance vetted thoroughly. The Borough responded to the City stating that "the Stabilization Fund is not something the Borough can sustain or afford, would not be equitable to the six communities and has potential to harm the Borough's economic health and impact the Borough's ability to fulfil fiscal obligations." A similar email was sent to the Assembly.

On March 6, 2025, the Borough received another document from the City of King Cove, which was presented at the March 13, 2025 Assembly meeting. Borough Administration and Finance

vetted the document thoroughly and ran numerous scenarios to see if the proposed fund would work, and it was determined that this is not something that can be sustained and/or would not be sufficient to meet the Borough community's needs.

### Meetings

Regular Assembly meetings were held where Peter Pan Litigation or other items related to King Cove's financial situation were discussed. A high-level summary of what was discussed at the meetings can be found below:

- January 11, 2024 Assembly Meeting: During Assembly Comments, Assembly Member Warren Wilson stated that during the Strategic Plan it was based more or less on Trident moving out of Akutan and then we come to find out today, the disaster is getting worse. He discussed Peter Pan announcing that they are no longer buying tanner or cod, so that is devastating news for us in King Cove and the Borough. He concluded that we are resilient people and we are going to make ends meet and hopefully we are able to take care of our communities. Mayor Osterback responded that we were preparing for something that was supposed to happen in 2028 but it happened in 2023 and it is not going to change the strategy of the Borough in the short-term going down the road because we showed everything that we have to pay to keep the Borough functioning. In the long run it might affect more of the projects. But we have to pay for all the basic infrastructure and fisheries.
- April 11, 2024 Assembly Meeting: During Assembly Comments, Assembly Member Gronholdt commented that our fisheries are in tough shape. What's going to happen with King Cove Peter Pan and Trident False Pass is still up in the air and the prices are down all around and hopefully some of these things will get resolved in the short term. Assembly Member Warren Wilson also stated that the drift fleet has a market with Silver Bay and that there is a lot of confusion about what is occurring at the King Cove Plant.
- May 9, 2024 Assembly Meeting: Silver Bay Seafoods (SBS) presented at the meeting. SBS discussed the market and stated that they have entered into a formalized lease with Peter Pan Seafoods to lease their Port Moller and Dillingham facilities and are focusing on providing support facilities in Port Moller. They also state that the False Pass facility is going to be critical in supporting the expanding fleet for the region. SBS does not have an agreement with Peter Pan or lease for the King Cove facility but conversations between the parties continue. SBS is also trying to support the King Cove fleet as much as possible and is trying to determine solutions to the problem. The Assembly had additional comments and questions.
- August 8, 2024 Assembly Meeting: During Assembly Comments, Assembly Member Gronholdt asked if others had heard about Wells Fargo and McKinley Capital visiting King Cove and if the Borough can help. Assembly Member Warren Wilson responded that the people coming out is another firm that is handling the Alaska end of the receivership and they are bringing people who are interested in either the plant or parts of the plant and as far as helping out, he did not know if that was possible now.

- October 14, 2024 Assembly Meeting: The Assembly had a high-level discussion about the King Cove and Port Moller plant bids and court filings. A lot of the information that was shared was from news articles. Mayor Osterback stated that the Borough had talked to our legal counsel and lobbyist and throughout the process there was not a lot the Borough could do and the mayor decided to have the Borough follow the City of King Cove's lead and back them whichever way we could. Assembly Member Wilson, who is also the Mayor of King Cove, commented that the City is watching how this whole process unfolds and further provided information on his opinion the bid/court filings and what the City was doing. The Assembly provided additional comments.
- November 14, 2024 Assembly Meeting: During Assembly Comments, Assembly Member Warren Wilson stated that the City of King Cove presented at the Seafood Task Force and an article regarding that meeting was published in *IntraFish*. Assembly Member Gronholdt stated that the King Cove Road and getting the seafood plant back up and running were important and suggested an executive session. Mayor Osterback stated that the Borough has met with Rodger May and have meetings with different groups of people to discuss the plant. Assembly Member Brenda Wilson concluded that all of the things we are learning about cannery closures and shutdowns should be documented for the future because we do not know how many times this would happen and we do not have to reinvent the wheel.

During Public Comments, Assembly Member Wilson asked about the letter sent in October regarding a financial stabilization fund and the Borough Administrator responded that the letter was received and a response will be sent soon. City of King Cove Administrator Hennigh also discussed the Seafood Task Force and stated that they had reached out to Rodger May and Mayor Osterback. Assembly Member Gronholdt asked if it was possible to get from the receivership the amount of money that was not paid to the fishermen who has delivered to Peter Pan Seafoods and the Borough stated they would check with their attorney. Assembly Member Hoblet said the City of False Pass is also asking that question and he knows that a lot of money is owed to the city and to fishermen.

- December 12, 2024 Assembly Meeting: During Assembly Comments, Assembly Member Gronholdt said at our next meeting there are some items concerning Peter Pan in King Cove and should be added to the agenda via Executive Session.
- January 9, 2025 Financial Workshop: Later in 2023, the Borough began seeing a decrease in fish tax revenues. The revenues began decreasing due to the closure of Peter Pan in King Cove and Port Moller and the overall low prices in the remaining fish tax revenue. Therefore, on January 9, 2025, the Borough held its second Financial Workshop since the Borough was no longer preparing for a drop in revenue but was experiencing a drop in revenues.
- January 9, 2025 Assembly Meeting: At this meeting, the Assembly moved into Executive Session for a discussion of the fisheries in the Borough and the financial impacts it may have. A matter, the immediate knowledge of which would clearly have an adverse effect

upon the finances of the public entity. AS 44.62.310(c)(1). No action was taken at this meeting and information that was discussed cannot be expanded upon, but the title provides a good overview of the discussion.

- March 13, 2025 Assembly Meeting: The Borough Administrator provided a financial overview and discussed the stabilization fund proposed by the City of King Cove. Administration responded that the stabilization fund is not something the Borough can sustain or afford, would not be equitable to the six communities and has potential to harm the Borough's economic health and impact the Borough's ability to fulfil fiscal obligations.

The City of King Cove provided a presentation. City Administrator Hennigh explained the City's stance on their request and it was determined that communication needed to be improved among the city and borough administrations. The Assembly also provided comments regarding the shutdown and potential shutdowns in other communities and the need to be proactive. The conversation resulted in Borough Administration/Finance meeting with all the communities.

- May 8, 2025 Assembly Meeting: During Public Comments, Assembly Member Warren Wilson commented that Pacific Seafoods was looking at the King Cove plant and the Aleut Corporation conducted a survey of the plant.
- September 11, 2025 Assembly Meeting: During Assembly Comment, Assembly Member Paul Gronholdt requested to include a discussion item about the litigation that is ongoing in Port Moller. Administration responded that the Borough's legal counsel has been asked to look into this. Assembly Member Warren Wilson provided additional information regarding the litigation and that we have to let this lawsuit ride between those parties before they can negotiate with any processors to acquire any plants that are affected by this shutdown.
- October 9, 2025 Assembly Meeting: A Peter Pan Litigation Memo was included in the meeting packet as an informational item. The Borough attorneys summarized the litigation and concluded that "it would not be advantageous or beneficial to the Borough to attempt to join any legal action challenging the Supreme Court."
- City of King Cove Discussions: In April 2025, Borough Administration met with the City of King Cove Administration to discuss items occurring in King Cove and additional conversations have occurred periodically over the last few months.

Excerpts from the meeting minutes referenced above are attached.

To summarize:

- In FY26, the Borough has provided \$1,185,000 in contributions/appropriation for King Cove related items.

- The City of King Cove has requested funds through a community stabilization fund. This was vetted thoroughly and it was determined that it was not something the Borough can sustain or afford, would not be equitable to the six communities and has potential to harm the Borough's economic health and impact the Borough's ability to fulfil fiscal obligations.
- The King Cove Financial Situation and the Peter Pan Closure/legal issues were discussed numerous times by the Borough at Assembly meetings or in meetings with the City Administration.

**Peter Pan Seafoods contributed substantial fisheries tax revenue to the Borough for many years, revenue that benefited all Borough communities.**

The Borough and the Cities of King Cove, Akutan, False Pass and Sand Point have their own tax structures set up for collecting fish tax revenue. The Harvesters pay, and the Processors collect and remit fish taxes to the cities and to the Borough. When Peter Pan was operating in King Cove, the Harvesters paid, and the processors would remit 2% tax to the City of King Cove and 2% tax to the Borough.

The Borough's fish tax collected throughout the region has been used to operate the Borough, cover the Borough's fiscal and statutory requirements and have been used over the years to bond projects and fund capital projects throughout all six communities.

**The Borough's Permanent Fund**

**Additionally, questions continue to be raised about the Borough's permanent fund balance, which currently exceeds \$46 million. Chris has explained that a portion of these funds are restricted under the GASB cap established by the federal government, this still leaves approximately \$26 million in unrestricted funds. Community members frequently ask: How severe does a “rainy day” situation need to be before these funds are utilized to support Borough communities facing real economic distress?**

Per the Aleutians East Borough Code of Ordinances, the Borough is required to have a Permanent Fund. Section 6.06.041 of the Code outlines the Borough's Permanent Fund requirements. The purpose of the Permanent Funds is to grow the corpus, which is the principal amount invested, in perpetuity and provide a permanent, potential source of fiscal support to further the Borough's goals and needs.

The Borough has established a spending policy and does withdraw money on an annual basis from the Permanent Fund, which must be allocated to specific municipal functions. Per Borough Code, “the Borough Assembly may only appropriate the accumulated earnings from the Permanent Fund Account to the General Funds as follows: In its discretion and consistent with this Chapter, the Borough Assembly may, in any fiscal year, appropriate an amount not to exceed 4% of the five-year average fund market value, to be computed using the five (5) prior calendar years market value.” In FY26, the amount withdrawn from the Permanent Fund was \$1,816,333 which were used to cover the Borough's fiscal deficit. In prior years, the funds were used for Borough projects or community budget requests.

The Borough has \$51 million in the Permanent Fund, \$19 million of that is the corpus, leaving \$32 million in committed funds. These committed funds are for **Borough** purposes and must be available to pay the Borough's General Obligation Bond debt and be available to the Borough and the School District in case of a natural disaster and a major financial emergency. While the last few years have been in a steady decline, the Borough is not in a major financial emergency yet. The only economic stress that the Borough can assess would be the Borough's finances, as the communities within the Borough retain their own governmental controls.

The spending policy that has been established not only protects the corpus, but it also ensures there is an allowable withdraw sufficient to cover operations and required obligations. The corpus has not been inflation-proofed; therefore, once the permanent fund earnings are no longer available, the corpus would not be worth much in today's dollars and would not meet its intended purpose. The spending policy also meets Governmental Accounting Standard Board (GASB) Statement 54 outlining the Permanent Funds as a restricted fund and only permits the withdrawal of the corpus to be done by a majority vote of the borough voters voting in a general or special election.

A brief history of the Permanent Fund and how it came about is as follows:

Ordinance 89-6 establishes the Permanent Fund and stipulates funds from the account shall only be available to meet the needs of the Borough and school district arising from a natural disaster, and major financial emergency. It was further amended to include use for payment of principal and interest on general obligation bonds in Ordinance 90-13. In 1992, Ordinance 92-7 outlined the details for operation of the fund, such as its balance, how much to deposit into the fund, payments to debt service as a priority before payment to permanent fund account, earnings-inflation proofing, and earnings allocation to the general fund. It is important to note a goal was set, but bond debt payments were to come first, there was intent to inflation-proof the account and earnings should be allocated to a specific municipal purpose.

Ordinance 01-08 further detailed also states in the event of a natural disaster or major financial emergency, the assembly may appropriate money to forward fund the Borough's operating budget for the next fiscal year. In FY02, there was a need to forward fund the Borough's operating budget and \$4 million was transferred to the general fund. These funds were paid back to the Permanent Fund by September 21, 2016.

Ordinance 18-11 stipulates the goal of providing a permanent potential source of fiscal support to the Borough's goals and needs and also adds the spending policy, which indirectly protects the Corpus and ensures the withdraw doesn't exceed the potential return.

Ordinance 25-03 changed the language in the Borough Code to bring the Borough in compliance with the GASB Statement No. 54.

To summarize:

- The Borough is required to have a Permanent Fund and the funds are to be used to meet the needs of the Borough and school district.

- The main priority is to have funds available to pay the Borough general obligation debt. It is fiscally responsible to ensure that a balance is always available for that intended use.
- In the event of a natural disaster, or major financial emergency, the Borough may forward fund for the Borough's next fiscal year.
- The Corpus is not inflation-proofed, which was part of its original intent, and the Corpus is not protected in today's monetary value.
- The spending policy protects the sustainability of the account so it can provide a permanent source of fiscal support for the Borough.

### **City of King Cove Waste Heat Energy**

**I have been informed of significant cost savings the City of King Cove has provided the Borough over the years by supplying waste heat to help heat the King Cove school – savings that amount to thousands of dollars. Residents question whether these contributions have been adequately recognized or considered when King Cove seeks Borough support.**

The waste heat that was supplied was a direct benefit to the Aleutians East Borough School District, which indirectly helped the Borough.

The Aleutians East Borough is mandated to provide funding to the School District. In FY26, the Borough Assembly approved \$1,576,289 in funding that included \$1,300,000 in local contributions, \$25,000 for school scholarships, \$20,000 for School Contribution and \$220,789 in in-kind services (insurance, maintenance, office space, janitor services, and housing). The Borough's contribution is approximately 10% of the School District's funding while the remainder comes from the State of Alaska and Federal government. When the School District receives funds from the Borough, State and Federal government they are then responsible for paying for utilities including the heat/electricity at the King Cove School. Therefore, the waste heat that was provided in King Cove was a direct benefit to the School District.

### **Transparency**

**We often state that the Aleutians East Borough Assembly and administration strive to be open, transparent, and accountable to all Borough communities. A newsletter or official informational release explaining these issues-fisheries tax decisions, permanent fund policy, inter-community support, and Borough priorities-would go a long way toward demonstrating that commitment and ensuring resident's receive accurate information.**

The Borough strives to be transparent by doing the following:

- Meeting information, budget information, and the code can be found on the Borough's website ([www.aleutianseast.org](http://www.aleutianseast.org)).
- The Borough holds an annual financial workshop that is open to the public and we encourage the communities to attend.
- The Borough holds an annual strategic plan meeting that is open to the public and we encourage the communities to attend.

- The Borough thoroughly reviews the Borough's Budget with the Assembly beginning in May for the next fiscal year. These meetings are open to the public and can be heard on the KSDP.
- The Borough issues an annual report, which is required by the Borough Code, and distributed to all box holders in the Borough.
- Staff also provide detailed reports at the Assembly meetings and are readily available to answer questions at the meeting or during the work week.
- The Borough relays information on the Borough's Facebook page, Borough's website, the Natural Resources Facebook page and Fish Blog.
- Occasionally, the Borough releases *In the Loops* and *Fish News*' articles.

All the information that is requested above can be found in one of these formats; however, Administration will be looking at additional ways to disseminate information.

**Attachments can be found at the following links:**

1. [Chris Babcock Letter received December 28, 2025](#)
2. [December 11, 2025 Assembly Meeting Crab Information](#)
3. Assembly Meeting Minute Excerpts for Akutan/Trident Related Items
  - o [August 18, 2022](#)
  - o [April 13, 2023](#)
  - o [July 13, 2023](#)
  - o [August 17, 2023](#)
  - o [September 20, 2023](#)
  - o [May 9, 2024](#)
4. Assembly Meeting Minute Excerpts for King Cove/Peter Pan Related Items
  - o [January 11, 2024](#)
  - o [April 11, 2024](#)
  - o [May 9, 2024](#)
  - o [August 8, 2024](#)
  - o [October 14, 2024](#)
  - o [November 14, 2024](#)
  - o [December 12, 2024](#)
  - o [January 9, 2025](#)
  - o [March 13, 2025](#)
  - o [May 8, 2025](#)
  - o [September 11, 2025](#)
  - o [October 9, 2025](#)

# REPORTS AND UPDATES



**To:** Honorable Mayor Osterback and AEB Assembly  
**From:** Anne Bailey, Borough Administrator  
**Subject:** Assembly Report  
**Date:** February 6, 2026

### **Sand Point Harbor Float**

Western Marine Construction is still in the process of completing the project. The substations have been installed and WMC will arrive in March 2026 to complete the additional punch list items.

M&N has researched different fire pump options that would meet the project needs and Resolution 26-36 is before the Assembly for consideration in regard to this project.

### **Sand Point School DEED Grant**

UIC Construction continues to make progress at the Sand Point School. Structural, mechanical and electrical work is being conducted. Lockers have been installed and tiles in the locker rooms and doors throughout the school are being installed.

Change orders for the projects have occurred:

On June 20, 2025, the Borough and UIC executed Change Order No. 2 that deducted \$263,753 from Additive Alternate 1 – Additional Doors, Frames and Hardware. This change order removed the wireless door hardware from the project.

On August 20, 2025, Change Order No. 3 was executed that added \$321,741 to the budget for COP's 3 through 11.

On December 22, 2025, Change Order No. 4 was executed that added \$165,275 to the contract for COP's 12, 15R1, 16R1, 17, 18, 19 and 22R1.

The tentative schedule for this project is substantial completion on March 19, 2026 and final completion on April 7, 2026.

### **False Pass School Items**

False Pass Roof Repairs: On January 23, 2026, the Borough entered into a contract with Bering Sea Services in the amount of \$59,000 to complete roof repairs at the False Pass School. The repairs will be charged to the Deferred Maintenance Line-Item.

False Pass Boiler Inspections: In mid-January 2026, Cool Air Mechanical travelled to False Pass to conduct additional repairs to the False Pass Boilers. Unfortunately, Cool Air Mechanical's tools did not arrive and the technician was able to get the heat running and conduct a few other items. The technician flew back to Anchorage and will make another trip to False Pass to

conduct the remainder of the work. Due to these delays, the work will most exceed original costs to conduct the work.

**False Pass Dry Valve Replacement and Fire Suppression Inspection:** On February 4, 2026, the Borough entered into a contract with Chinook Fire Protection in the amount of \$35,388 for the replacement of the dry valve and to conduct a comprehensive annual fire suppression system inspection.

**False Pass Condition Assessment:** The Borough hired DOWL to conduct a condition assessment of the False Pass School. The school is in pretty bad shape and the costs for the work that needs to be completed over the next 5-10 years is about \$6,052,939. The Borough will meet with DOWL and the School District to determine the most immediate needs but Administration is interested in looking at building a new school facility. The next step is to conduct a Life Cycle Cost Analysis and Concept Design, which I have asked DOWL to provide a proposal for. Based off this, they will help determine if we do a renewal of the existing facility; partial renewal of existing facility with addition (possibly keep the gym and redo the rest of the school) and/or replace the existing facility in its entirety. More information will be provided as we learn more.

## **King Cove Road**

As previously reported, the Case Management Agreement was agreed on January 7, 2026. Plaintiff's Opening Briefs are due on February 20, 2026, our Opposition Brief is due on March 23, 2026, and the Plaintiff's Reply Briefs are due on April 6, 2026. The Corps of Engineers is currently analyzing public comments on the Corps permit for the project, which is expected to be issued at the end of March. We do anticipate litigation on the Corps Permit separate from the litigation on the Land Exchange Agreement. The plan is to execute a final draft of a coordinating Memorandum of Understanding with the USFWS soon. DOT is still pursuing an aggressive road construction start date of May 15, 2026.

On February 4, 2026, the State of Alaska Department of Law released a press release stating that the State of Alaska has filed three new motions to intervene in support of the King Cove Road project.

## **Akutan-Akun Transportation Link**

- Memorandum of Agreement (MOA) between the Alaska Department of Transportation and Public Facilities (ADOT&PF) and the Borough the Akutan Transportation Link: At the July 10, 2025 Assembly meeting the Assembly approved Resolution 25-04 Authorizing the Mayor to negotiate and execute a Memorandum of Agreement between the Alaska Department of Transportation and Public Facilities and the Aleutians East Borough for the Akutan-Akun Transportation Link.

On January 26, 2026, the MOA has been executed. A total of not more than \$1 million in state funds will be provided to reimburse the Borough for 50% of the Borough's share of Maritime Helicopters costs to provide helicopter services between the Airport on Akun Island and the City of Akutan. The Borough can begin submitting requests once the Co-Sponsorship Agreement Amendment No. 5 is fully executed.

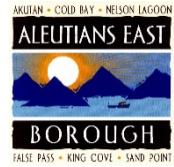
- Co-Sponsorship Agreement Amendment No.: At the July 10, 2025 Assembly Meeting, the Borough Assembly approved Resolution 26-05 Authorizing the Mayor to negotiate and execute Amendment No. 5 of the Co-Sponsorship Agreement with the Alaska Department of Transportation and Public Facilities and the City of Akutan. Amendment No. 5 approves the use of state project funds for the purpose of matching Borough funds to pay a portion of the costs paid by the Borough to provide helicopter services and to extend the deadline provided in previous CSA amendments. The State of Alaska and the Borough have signed the CSA Amendment. The City of Akutan still needs to sign.

## **Other Items**

- On January 14, 2026, the Borough and APICDA executed Ground Lease Amendment No. 1 for Sandy River. This renewed the term of the lease for an additional ten (10) year period commencing on January 1, 2026 and ending on December 31, 2035. The annual rental rate for 2026 is \$31,500.
- On January 29, 2026, the Borough submitted an updated Letter of Interest for the Akun Dock & Breakwater Project. The letter expresses support for the continued development of the Akutan Navigational Improvement toward a Design Agreement and into the Preconstruction, Engineering, and Design phase. This letter is not a legally binding agreement, nor does it commit the Borough or the Corps to provide any funding.
- The Borough and School District currently use Maintenance Connection, which is a cloud-based, computerized maintenance management system. Maintenance Connection is difficult to navigate. The Borough and School District would like to streamline the management of maintenance and has decided to move to Operations HERO in FY2027. More information will be provided prior to transferring to the new system.
- The Strategic Planning Meeting will be held on March 11, 2025 from 9:00 a.m. to 4:00 p.m. in Anchorage at the APIA building.
- The upcoming Assembly Meeting Schedule is as follows:
  - March 12, 2025 Regular Assembly Meeting
  - April 9, 2026 Regular Assembly Meeting

If you have any questions, comments, or concerns please contact me at (907) 274-7580 or [abailey@aeboro.org](mailto:abailey@aeboro.org)

To: Honorable Mayor Osterback and Borough Assembly  
From: Glennora Dushkin, Executive Assistant  
Re: Assembly Report  
Date: February 12, 2026



### **APRA Training and Inspections**

All building inspections have been completed. On January 28, 2026, I met with our consultant to review the inspection results and most of our properties had no improvement needs and the few that did were minor.

Funds from a APRA Safety Grant will be used to purchase equipment for the properties that had improvement needs. If there are any remaining funds available, I'll purchase safety items for the Borough staff.

Staff safety training is ongoing. Several employees have completed all required training hours. APRA is hosting "March Training Madness," to encourage further participation, in which entities that log training hours in March will be entered to win a prize.

### **Deeptree, Inc – IT Provider**

On January 27, 2026, I had my first quarterly meeting with Deeptree. The only recommendation was to upgrade all computers to Windows 11, which was scheduled and completed. We are also looking at the possibility of switching the King Cove office from the current phone provider to Teams Phones.

### **Essential Air Service**

I drafted a letter to the U.S. Department of Transportation outlining the need for Essential Air Service to the Aleutians. On January 22, 2026, I met with our D.C. lobbyist to review the letter and discuss next steps. Additionally, the letter has been sent to others in the region asking for signatory support.

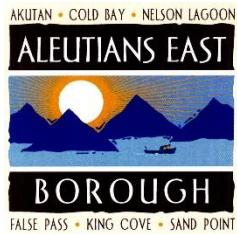
### **Rasmuson Foundation Community Support Grant – Sand Point Swimming Pool**

On January 26, 2026, I applied to the Rasmuson Foundation's Community Support Grant requesting \$250,000 to support the Sand Point Swimming Pool project. The Program Officer assigned to our application reached to schedule a March meeting to review the project. Grant award announcements are expected in late May or early June.

### **Other Items**

- Ordered jackets for staff and elected officials.
- Ordered catering for the Strategic Planning Session in March 2026.
- Met OperationsHERO to discuss that platform as potential replacement for Maintenance Connection.

To: The Honorable Mayor Osterback, Aleutians East Borough Assembly  
From: Ernie Weiss, Natural Resources Department Director  
Subj: Report to the Assembly  
Date: February 6, 2026



## **North Pacific Fishery Management Council**

The February 2026 NPFMC meeting is ongoing at the Egan Center, as of this writing. The Council is expected to take final action on agenda item C2, the Bering Sea Pollock Fishery Chum Salmon Bycatch action. The Advisory Panel finished deliberations on C2 yesterday, recommending Alternative 4, Regulatory Requirements for Incentive Plan Agreements, with amendments, rather than any hard cap on chum salmon bycatch. I testified to the AP in support of Alternative 4 since our AEB communities are highly dependent on onshore pollock deliveries. I plan to also testify to the Council on C2.

Yesterday Thursday February 5<sup>th</sup>, the Council reviewed the updated GOA Pacific cod data from the Groundfish Plan Team and SSC, and set revised OFLs, ABCs and TACs for the 2026 and 2027 GOA Pacific cod seasons. ([Council Motion](#)) Soon after, the ADFG [published](#) revised Pacific cod GHLs for Kodiak, Chignik and the South Peninsula. The Council will also set harvest specs for federally managed salmon in the Cook Inlet EEZ at this meeting. The Council will meet next in June, in Vancouver WA. [www.npfmc.org](http://www.npfmc.org)

## **Alaska Board of Fisheries**

I attended the Board of Fish Bristol Bay meeting and gave the Anchorage AC report for the meeting. I also gave personal testimony at the BB meeting in support of [Proposal 188](#) that would increase the Dutch Harbor food and bait herring quota. Proposal 188 will be deliberated at the February meeting.

The Alaska Peninsula/Aleutian Islands/Chignik Finfish meeting February 18-24 will be critical for the future of AEB salmon fisheries. The [meeting page](#) now includes ADFG Staff Comments on proposals, the Genetic Stock Composition of Chum Salmon Harvested in the South Alaska Peninsula, 2022-2024 report, and all proposals. Ontime written public comments are not yet posted as of this writing. Any AEB public interested in participating in this meeting is encouraged to consider attending. The AEB has an [offshoot room](#) reserved at the Egan Center for the February meeting (room #5). Computers, printers, meeting audio, coffee and AEB staff will be available. The AEB has a special rate block of rooms at the Hotel Captain Cook. **Last Call** to make reservations under our Block of rooms. Here is the booking link for our group: [Booking Link](#)

The Natural Resources Department continues to coordinate with and support fishermen associations CAMF and Area M Seiners in advance of the February meeting, and is providing per diem to residents who applied by the deadline January 30.

The Anchorage AC did not weigh in on the Alaska Peninsula/Aleutian Islands/Chignik Finfish proposals.

The [Statewide finfish meeting](#) March 17-21 also at the Egan, includes Proposals 11, 163, 164 & 165 that would restrict trawling within state waters. I am scheduled to provide the Anchorage AC report at the Statewide meeting as well.

### The 2025/2026 Board of Fisheries meetings

- October 28-29 Work Session
- October 30-31 Pacific cod
- November 18-22 AYK finfish
- January 13-18 Bristol Bay
- **February 18-24 Area M/Chignik**
- March 17-21 Statewide finfish

## International Pacific Halibut Commission

I traveled to Bellevue WA to attend the annual IPHC meeting January 19-22. Final adoption of halibut TCEYs kept quotas the same as last year for all US fishing areas, with reductions only impacting the Canadian Pacific halibut area 2B.

TCEY = total constant exploitation yield

IPHC area	2019	2020	2021	2022	2023	2024	2025	2026	2026 TCEY % reduction from 2025
2A	1,650,000	1,650,000	1,650,000	1,650,000	1,650,000	1,650,000	1,650,000	1,650,000	0%
2B	6,830,000	6,830,000	7,000,000	7,560,000	6,780,000	6,470,000	5,450,000	5,060,000	-7.2%
2C	6,340,000	5,850,000	5,800,000	5,910,000	5,850,000	5,790,000	5,220,000	5,220,000	0%
3A	13,500,000	12,200,000	14,000,000	14,550,000	12,080,000	11,360,000	9,080,000	9,080,000	0%
3B	2,900,000	3,120,000	3,120,000	3,900,000	3,670,000	3,450,000	2,860,000	2,860,000	0%
4A	1,940,000	1,750,000	2,050,000	2,100,000	1,730,000	1,610,000	1,340,000	1,340,000	0%
4B	1,450,000	1,310,000	1,400,000	1,450,000	1,360,000	1,250,000	1,040,000	1,040,000	0%
4CDE	4,000,000	3,900,000	3,980,000	4,100,000	3,850,000	3,700,000	3,080,000	3,080,000	0%
total	<b>38,610,000</b>	<b>36,600,000</b>	<b>39,000,000</b>	<b>41,220,000</b>	<b>36,970,000</b>	<b>35,290,000</b>	<b>29,720,000</b>	<b>29,330,000</b>	<b>-1.3%</b>

## Land Issues

As noted in my November report we received final patent to our Sandy River municipal land selections totaling 2480 acres in October. In January, we just received final patent for our land selections near Bear River totaling 1217 acres. Surveys by McClintock Land Assoc. authorized by Assembly [Resolution 19-05](#), set us on the path to formal ownership of these lands, chosen to be surveyed based on commercial activity on or near the land selections.

### Recently Attended

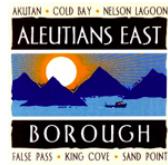
<b>Board of Fish Bristol Bay Finfish meeting</b>	Jan 13-17	Egan Center/YouTube
<b>International Pacific Halibut Commission</b>	Jan 19-22	Bellevue WA/Adobe Connect
<b>Alaska Fishing Communities</b>	Jan 23	Zoom
<b>Nelson Lagoon AC</b>	Jan 26	Zoom
<b>Anchorage AC Fish Subcommittee</b>	Jan 27	REMax
<b>Anchorage AC</b>	Feb 3	WJ Hatchery, Anch
<b>NPFMC Advisory Panel</b>	Feb 2-6	Egan Center/Zoom
<b>North Pacific Fishery Management Council</b>	Feb 5-11	Egan Center/Zoom

### Upcoming meetings

<b>Board of Fish AK Pen/AI/Chignik Finfish</b>	Feb 18-24	Egan Center/YouTube
<b>Ecosystem Committee</b>	Mar 6	Zoom
<b>Board of Fish Statewide Finfish meeting</b>	Mar 17-21	Egan Center/YouTube
<b>Aleutian Islands Waterways Safety Committee</b>	Mar 31	Teams

Please call or email if you have any questions or concerns.

To: Honorable Mayor Osterback, Aleutians East Borough Assembly  
From: Charlotte Levy, Fishery Analyst  
Re: Report to the Assembly  
Date: February 12th, 2026



### **AFSC Cod Tagging Project:**

- I have finalized a subsampling design for otoliths that will be sent to the NOAA age and growth lab with corresponding metadata. Samples were randomly selected across tagging years 2021-2025 and will be used to analyze growth rate and any spatial differences.
- Several WGOA cod fishermen testified at the SSC and Council meeting on agenda item C1 GOA Cod Harvest Specs in support of the expedited stock assessment, and specifically requesting the SSC/Council convey their concerns over current stock management and connectivity between the WG/BS. I testified at the NPFMC in support of their request, and provided my concerns over a suite of potential options for changing the assessment, ensuring socioeconomic benefits are considered when choosing an option, and suggesting an interim measure should be taken.
- There was a slight discrepancy in calculating indirect during the last budget amendment. It shouldn't affect the financials, but I am working with the grant administrator to modify the remaining budget.

### **Unimak Acoustic Telemetry Project:**

- Dr. Nielsen submitted an interim progress report to the NPPR. The project team met to discuss upcoming May field work and the potential to redeploy some of the moorings.

### **Salmon Tagging Pilot:**

- I submitted the completion report to ADFG for the Aquatic Resource Permit used for this project. I also attached it to my BOF comments as a preliminary update on project results.
- Much of my time has been spent finalizing the manuscript, and will send it out for review from collaborators this week.

### **Board of Fish**

- I assisted with writing the 3-year Performance Review of the Adaptive Management Program. I assist writing these at the end of each June, and have completed a comprehensive review of the program performance relative to metrics outlined in the RC104.
- My current priority is finalizing the manuscript for the chum tagging program, and I submitted public comments describing some of the cooperative research the AEB supports and attached the preliminary results from the tagging project that was submitted to ADFG.
- I am also preparing for the statewide BOF meeting in March, reviewing proposals and preparing potential written comment.

### **Other**

- The NRD met with John/PGS to review our strategic planning tracks for the upcoming meeting
- I published an op-ed in ADN responding to the article written by Representatives Cronk and McCabe regarding their companion bills to close state waters to trawling. The article was published January 8th 2026 and [can be found at this link](#).
- I have been asked to attend the Marine Resource Education Program (MREP) Alaska to give a presentation on cooperative research the AEB has been conducting. MREP is a workshop that helps fishermen learn about fisheries management and policy, and provides resources/tools for them to get involved.

# ASSEMBLY/MAYOR COMMENTS

# PUBLIC COMMENTS

# **NEXT MEETING DATE, TIME AND PLACE**

# ADJOURNMENT