

ALEUTIANS EAST BOROUGH ANNUAL REPORT

FISCAL YEAR 2026

Message from the Mayor

Hello everyone. Once again, it has been a very busy year for the Aleutians East Borough. We have made significant progress on our projects, passed a balanced budget for Fiscal Year 2026, continued our support for the King Cove Road, and advocated for the fishermen throughout the region as we navigate the ongoing changes affecting the fishing industry.

I remain committed to the Borough's mission of providing essential governmental services to the communities of Akutan, Cold Bay, False Pass, King Cove, Nelson Lagoon, and Sand Point. These services include education, fisheries support, planning, project management, capital project development, and tax collection.

The fisheries that sustain our region continue to face significant challenges. Borough staff and I remain actively engaged in advocating for our communities, our fishing industry, and the fishermen who depend on these resources.

In September 2025, I attended the Alaska Seafood Roundtable in Washington, D.C., alongside Secretary of Commerce Howard Lutnick, Secretary of Agriculture Brooke Rollins, members of Alaska's congressional delegation, the Mayor of Unalaska, APICDA, Trident, Silver Bay, Coastal Villages, and United Fisherman Association. Discussions focused on the competitive challenges facing Alaska and U.S. commercial fisheries, as well as industry priorities related to fishery surveys, scientific



Alvin D. Osterback
Aleutians East Borough Mayor

research, modernization, trade, and federal agency support. Participants also identified opportunities for Secretarial leadership to advance priority actions aimed at restoring the competitiveness of American seafood.

In February 2026, the Borough attended and played a critical role during the Alaska Board of Fisheries meetings. Ernie Weiss, the Borough's Natural Resources Director; Charlotte Levy, the Borough's Fishery Analyst; and I all testified on behalf of the Borough. We also provided a meeting room for stakeholders and participants to facilitate discussion throughout the proceedings. Unfortunately, the outcome of the meeting was less than favorable for the Borough and the Area M fishery. Despite the success of the adaptive management program and recommendations by the Alaska Department of Fish & Game, the Board adopted several proposals that would severely restrict our South



Peninsula salmon fishermen, all by divided votes. The Board Chair ruled all members eligible to vote on these proposals, even though local tribes had pointed out some members had conflicts of interest. Still, a bare majority of 4 of 7 members voted to move Volcano Bay and the majority of the Dolgoi Islands Area between King Cove and Sand Point under the very restrictive Southeastern District Mainland management plan. These four members also voted to reduce fishing periods and extend closed periods during June for all gear types. Other proposals adopted by divided votes would reduce purse seine and drift net fishing gear, length and depth, to further limit salmon harvest in the South Alaska Peninsula.

In response to these actions, I determined that the Borough could no longer remain on the sidelines and that the Borough needed to take action. On April 3, 2026, the Aleutians East Borough, the Area M Seiners Association, Concerned Area M Fishermen, and the Native Village of Unga filed a lawsuit alleging that the Board of Fisheries' February 2026 Area M proceedings were fundamentally compromised by ethics violations during the voting process. The complaint alleged that these violations rendered the Board's votes on five challenged regulations unlawful under the Alaska Administrative Procedure Act and the Executive Branch Ethics Act. It further alleged that the deciding votes on three of those regulations were cast by one or more Board members with undisclosed conflicts of interest.

On May 19, 2026, the Acting Attorney General issued an Order of Corrective Action, voiding Proposals 126, 127, 141, 147, and 148. This action removed the most damaging restrictions placed on the Area M fishery and allowed fishermen to participate in the June fishery. This was a significant victory for the Borough, our fishing families, the processors, and the regional economy.

Following these developments, Representative Stutes called for a Board of Fisheries Audit, citing ethics and transparency concerns. This request was unanimously approved on July 16, 2026 at the Legislative Budget & Audit Committee. The audit will address concerns over Board ethics and whether the Board has followed proper public processes and policies, with the goal of restoring public confidence in the Board of Fisheries.

While these outcomes represent meaningful progress, the Borough recognizes that challenges to Area M fisheries will continue. We anticipate ongoing efforts by other regions to restrict our fisheries, and we remain committed to protecting the interests of our communities and ensuring that fisheries management is conducted through a fair, transparent, and science-based process. We will continue working alongside our partners at the local, state, and federal levels to safeguard the fisheries that are so vital to our region and to Alaska.

As always, it is an honor to serve as Mayor of the Aleutians East Borough. I remain committed to building a strong, viable, and sustainable future for our Borough. Working together, we will continue to find thoughtful solutions that benefit our communities, residents, the seafood industry, and the hardworking fishermen of Area M.

Mayor and Assembly Members

Mayor

Alvin D. Osterback

Assembly	Seat
Warren Wilson	A
Paul Gronholdt	B
Chris Babcock	C
Brenda Wilson	D
Jim Smith, Sr	E
Josephine Shangin	F
Glen Gardner, Jr	G
Samantha McNeley	Advisory
Tom Hoblet	Advisory



Fisheries Management/Advocacy

The Aleutians East Borough (Borough) tasks the Natural Resources Department (NRD) with the advocacy of sustainable fisheries within the Borough through the study, investigation, and monitoring of fish and by providing assistance and guidance on managing these resources. The NRD continually strives to communicate with and listen to our local fishermen. Working with stakeholders, the Borough continues to develop priorities for federal fisheries programs and State fisheries that impact local fishermen.

Federal Fisheries Issues

The Borough provides input to the North Pacific Fishery Management Council (NPFMC) and closely monitors issues before the Council. The NRD staff maintains membership in NPFMC committees, including the Fishery Monitoring Advisory Committee and the Ecosystem Committee. NRD staff members sit on the Advisory Panel to the North Pacific Research Board and the Aleutian Islands Waterways Safety Committee. Staff are also active in the NPFMC Groundfish Plan Team process and other Council committees.

The NRD Staff again provided testimony to the NPFMC in February 2026 for the Bering Sea pollock fisheries Chum salmon bycatch analysis, in support of our communities that receive pollock deliveries. The Council's final action motion put Incentive Plan Agreements best practices into regulation and set a total limit of 45,000 Western Alaska chum salmon bycatch with penalties for those sectors that exceed their limit. NRD Staff also testified to the Council in December 2025 and February 2026 with support from local fishermen to request the Council to revise Gulf of Alaska (GOA) pollock and Pacific cod acceptable biological catches (ABC) to account for increased abundance in the survey data that was not initially counted due to the 2025 government shutdown. The Council did revise the specifications for GOA Pacific cod for 2026, with NMFS expediting in-season

implementation. NRD Staff also contributed this year to the NPFMC ongoing discussion on Pelagic Trawl Gear, and the ongoing research to improve the gear.

The Borough closely monitors all salmon issues at the Council including salmon bycatch and genetics from federal fisheries, as well as Council action on the Cook Inlet Salmon Fishery Management Plan Amendment that will have future implications for the traditional net fishing area near Sanak Island, in federal waters, outside of 3 miles.

The Borough, in response to requests from local fishermen and commercial fishing associations, adopted Borough Resolution 26-20, asking the Governor to petition for a federal fishery resource disaster determination for the 2025 Alaska Peninsula Sockeye Salmon Fishery. The Borough also signed onto a letter with other crab communities and crab fishermen for a fishery disaster determination for the Bering Sea Snow Crab 2024/2025 season. Those requests to the Secretary of Commerce through the Governor of Alaska are pending determination. The Borough has advocated for previous fishery disasters, including the 2023/2024 Bering Sea Snow Crab fishery, which was recently announced as funded.

Bering Sea Aleutian Islands (BSAI) Crab Regional Delivery Requirements Exemption

In October 2025, the Borough was informed that Trident would be processing crab in Akutan in 2026, which had not occurred in the Borough since 2023. In November 2025, the Borough was contacted by the City of Saint Paul notifying the Borough that they may need to be involved in the exemption process to allow Northern Region Bering Sea Snow Crab to be processed in Akutan. After numerous conversations and research, the NRD and Borough Administration presented Resolution 26-25 to the Assembly which would authorize the Mayor to negotiate and execute an agreement between the City of Saint Paul and the Borough to collect and remit taxes on the North

Region Designated and the Central Bering Sea Fishermen's Association's (CBSFA) Undesignated Bering Sea Snow Crab delivered in Akutan in 2026. In January 2026, the Borough executed a memorandum of agreement with the City of Saint Paul stating that the Borough will collect and remit 2% raw seafood tax on all Exempt crab and 1% raw seafood tax on CBSFA crab sold in Akutan.

The process for emergency relief through delivery of Northern designated BSAI crab in Southern ports has been beneficial for the Borough, allowing BSAI crab deliveries in a Borough port for the first time in several years, resulting in increased tax revenue. The emergency relief exemption from crab regional delivery requirements have benefited BSAI crab harvesters, processors and crab communities.

State Management of Salmon Fisheries

The Borough supports state management of local salmon fisheries and fully participates in the Board of Fisheries process. Proposals for the 2025/2026 meeting cycle of the Alaska Board of Fisheries were submitted by the public by April 10, 2025. Borough Staff worked with fishermen in preparation for the 2025/2026 cycle and attended all the meetings between October 2025 through May 1, 2026. In advance of the October

Pacific Cod meeting, Borough Assembly Resolution 26-13 supported local fishermen and local Alaska Department of Fish & Game (ADFG) Advisory Committee submitted proposals 1-10, 8 of which requested raising the State-waters Pacific cod guideline harvest level (GHL) as a percentage of the Western Gulf of Alaska (WGOA) federal ABC. The Board did in fact raise the GHL for the 2026 cod season from 30% to 35% by a 6-1 vote on Proposal 6 using language from record copy (RC) 17. The percentage will go down to 32.5% if the Board does not take any other action by 2029.

The Alaska Peninsula/Aleutian Islands/Chignik finfish meeting in February 2026 was the main event for the 2025/2026 Board of Fish cycle, preceded by the AYK and Bristol Bay finfish meetings in November and January. A total of 219 individuals signed up to testify at the Area M meeting, and the Borough sponsored an off-shoot room at the Egan Center venue February 18-25, 2026. The teamwork with local tribes, municipalities and fishing organizations was amazing. Several Board members were not swayed by the expert scientific testimony presented by the Borough's Fishery Analyst, an integral player in the successful Adaptive Management program by Area M fishermen to reduce chum salmon harvest in June. In fact, RC



4 submitted by six local tribes *before the meeting began* pointed out obvious conflicts of interest by 3 members.

Nevertheless, with no conflicts recognized by the Chair, 2 proposals to further limit South Alaska Peninsula June Salmon fisheries were adopted by split 4-3 votes. Proposals 126 and 127/ RC 245 would severely restrict salmon fishing time and area in June and July. After the meeting the Borough called for the State Attorney General to act on an Ethics Complaint filed by local tribes, and the Assembly adopted Resolution 26-41 contesting the unlawful Board actions.

On April 3, 2026 the Borough along with local fishing associations and the Unga Tribe filed suit for an injunction against enacting Proposals 126 and 127, as well as restrictive Proposals 141, 147 and 148.

- On April 29, 2026 Judge Herman Walker Jr granted a motion for expedited consideration for a preliminary injunction.
- On May 19, 2026 the acting Attorney General disapproved Proposals 126, 127, 141, 147 and 148.
- On May 20, 2026 the lawsuit was dismissed due to the Attorney General's action.

Meanwhile, on May 14, 2026, the Alaska Legislature confirmed the Governor's appointees to 3 seats on the Board. The Borough Assembly supported the reappointment of Mike Wood in Resolution 26-40, and the appointment of Paul Cyr in Resolution 26-51. The 3rd confirmed Board appointee, Blair Hickson, is on record supporting the closure of the Area M June Salmon fishery in testimony to the Alaska Senate Judiciary Committee April 21, 2023, supporting (2023) SB128.

At the Statewide finfish meeting in March 2026, NRD Staff voiced Borough opposition to Proposals 163, 164 and 165, that would

effectively close down local small boat trawl operations. The Board took no action on these proposals but agreed to meet with the NPFMC at a Joint Protocol meeting, now scheduled for October 16, 2026, in part to discuss trawl issues.

Area M Adaptive Fleet Management Salmon Portal

The Borough and Chordata LLC have been assisting with the ongoing maintenance and management of the salmon portal and adaptive management program (AMP) since inception. A few changes were made based on feedback from fishermen and lessons learned from previous years. After discussion with ADF&G staff, the fleet agreed to only test fish in the Shumagin Islands. Results from the South Unimak test fishery in prior years proved less useful for management decisions and were cost-prohibitive to execute. Prior test fishing also showed that run timing is variable each year, and arbitrarily closing the 10th of June was not as effective as having the additional fishing day for more flexibility. This year marked the first season with strong sockeye volume since the formal adoption of the AMP in 2023, truly testing the feasibility of the program. The fishermen board met multiple times every day to assess on-the-ground harvest estimates in each area and primarily relied on mandatory area-closures to manage the spatial variability in harvest. However, given the high volume there was concern triggers would be met, so the board did make three fleet-wide closures for the entire South Peninsula to avoid exceeding the triggers. Several vessels came close to receiving penalties but did not exceed the performance standards, so warning notices were issued.

The Seine fleet implemented 561.86 hours of area-specific closures and 40.98 hours of mandatory fleet-wide closures above and beyond what is required in regulation, for a total of 603.2 hours. The Concerned Area M Drifters (CAMF) recorded individual voluntary stand downs and collectively logged 1,741.22 hours across 37

vessels and 182 individual stand down events, plus cooperatively standing down with seine fleet to avoid exceeding triggers. The preliminary ADF&G reported total June harvest of chum salmon is 486,183 and sockeye salmon is 1,893,811 across all gear types and areas. The data portal estimated roughly 316,852 chum salmon (65% of total harvest) were harvested by the seine fleet. Chum harvest was 3.7% below the 5-year average, 3% below the 10-year average, 10.8% above the 20-year average. Sockeye harvest increased 338% year-over-year, and was the 4th largest harvest since 2001.

Salmon Tagging Pilot Study

In June 2025, the NRD in collaboration with ADF&G researcher Sabrina Garcia conducted a pilot study using satellite tags to investigate the post-release survival of *Oncorhynchus keta* (chum salmon) and *O. tshawytscha* (Chinook salmon) released from seine vessels in the South Peninsula June fishery. Fishermen in this region are interested in finding management tools that balance achieving conservation goals without overly restricting fishing opportunity that may not result in meaningful conservation benefit. Non-retention is commonly used in other salmon fisheries, but more empirical evidence is needed to ground truth it's application in seine fisheries in Alaska.

We received data from 29 tags of the 30 tagged, though only 28 tags had sufficient data for geolocation, as one tag had sufficient data to infer mortality but not for geolocation. Of the 29 tags, 4 were physically recovered in a fishery providing full archived datasets and the remaining 25 tags transmitted data via satellites at various resolutions. Six tags survived until the scheduled popup date ($n = 5$ chum; $n = 1$ Chinook). The remaining tags popped up early due to capture in a fishery ($n = 4$), inferred salmon shark predation ($n = 15$), or for unknown reasons ($n = 5$). Six chum salmon migrated to the Bering Sea; the farthest pop-up location was north of Nunivak Island, one pop-up location was

near the mouth of the Kanektok river in Kuskokwim Bay, three pop-up locations were in

Bristol Bay, and one pop-up location was on the outer shelf north of Unimak Island; the remaining pop-up location occurred in the GOA (Figure 1). One Chinook migrated to the Bering Sea, and the pop-up location was roughly 7 miles upstream on the Kanektok river.

Preliminary results demonstrate that chum salmon (≥ 48 cm fork length) are capable of carrying satellite tags for long distances, at least over a short deployment less than 30 days in duration. Furthermore, our tag data provides empirical evidence that both chum and Chinook salmon can survive after being caught in seine nets and released back into the ocean within a certain amount of time. The extent to which salmon survived after release was highly variable, with a majority of tags releasing prematurely due to inferred salmon shark predation in the GOA. Chum salmon were highly surface oriented, spending most of their time in the upper water column in depths between 0-25 m (Figure 2), and making periodic dives with the

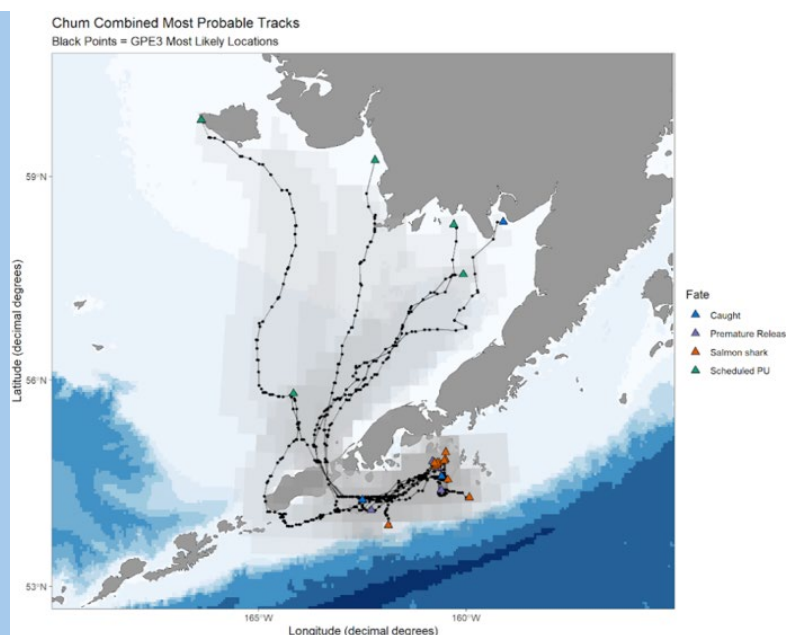


Figure 1. Map of HMM pathways for all tagged chum salmon, released in the Shumagin Islands June 8-10, 2025. Black points are most likely location point estimates (every 12 hours) and grey area is the 99% probability surfaces.

deepest recorded depth at 208 m. At minimum, these results show that satellite tags can provide uniquely valuable information on the fine-scale movement and behavior of migrating salmon during their open-ocean phase and can provide the types of data that can better inform regulation.

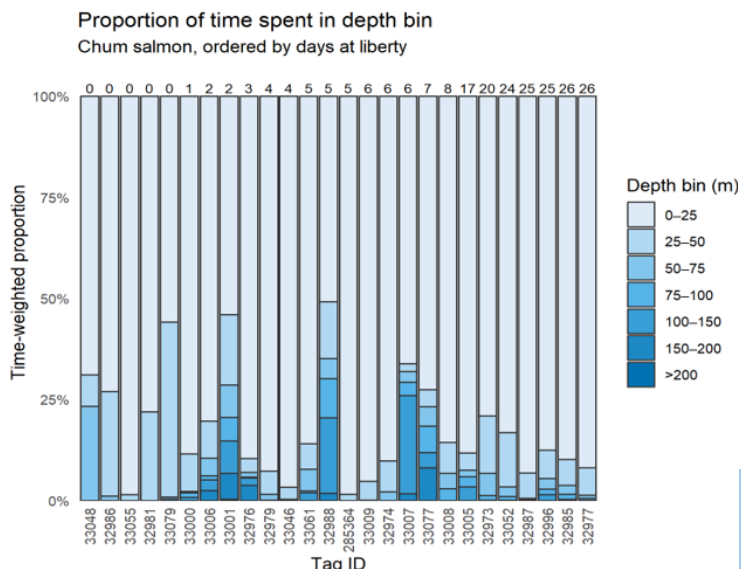


Figure 2. Proportion of time during deployment chum salmon (left) spent in each depth bin, time weighted to account for any gaps in data from transmission.

Western Gulf of Alaska Trawl Electronic Monitoring

After the completion of this project, we contracted Chordata LLC to continue work modifying our eLog so it would satisfy regulatory requirements and could be approved for use in the regulatory program. We successfully piloted the eLog at scale during A season pollock, however NMFS implemented a new application programming interface (API) for receiving eLog data which required more modifications to our eLog. Our team met with NMFS Alaska Regional Office to ensure the eLog was compatible with the NMFS' new API and are awaiting the final 3-year approval.

WGOA Pacific Cod Tagging Study

Since 2021, the Borough and Alaska Fisheries Science Center (AFSC) have been conducting ongoing collaborative research to examine the seasonal movements of Pacific cod in the Gulf of

Alaska. With field work complete and the Pacific States Marine Fisheries Commission grant period coming to an end, the project team has finished processing satellite tags for analysis and preparing the final grant report. We submitted draft NOAA AFSC Technical Memorandums for review and are awaiting approval for publication. A summary of results from the 2024 Technical Memorandum is included below:

To date, we have observed similar migration rates from the western GOA to the eastern Bering Sea (BS) in three of the four years of study (2021, 2023, and 2024). Because pop-up satellite tags (PSATs) are deployed during winter spawning, the resulting tracks primarily capture movement between winter spawning and summer foraging periods. With four years of data now available, consistent interannual patterns are emerging. These patterns can be summarized as follows:

- Fish tagged in the central GOA show little exchange with areas outside the central GOA; when movement does occur, it is generally near the western–central GOA boundary.
- Fish tagged in the western GOA during winter spawning either migrate to the eastern BS shortly after tagging (and presumably after spawning) or remain within the western GOA.
- Western GOA fish that migrate to the eastern BS typically remain there through the summer months. Although long-term observations are limited (i.e., PSATs at liberty for approximately one year), available tracks suggest a return to the western GOA beginning in early winter.
- Fish migrating from the western GOA to the eastern BS are presumed to use the eastern BS as a summer foraging area.
- Fish tagged during May and June in the western GOA stayed close to their release sites during the summer and fall months and did not migrate into the BS. This suggests that there is a resident population of Pacific cod in the western

GOA that does not migrate large distances into the BS.

An additional observation from the spring 2024 PSAT tagging study showed a higher proportion of fish in pre-spawn condition compared with fish examined during the same time frame in 2023, when most sampled fish were spent (post-spawning). This observation shows that there can be an inter-annual difference in spawning possibly linked to temperature and ocean conditions.

Unimak Pass Acoustic Array Pilot Study

In 2025, the Borough in collaboration with NOAA, Kingfisher Marine Research LLC, Atka Blue LLC began a pilot study to estimate the *in-situ* detection range of acoustic receivers in Unimak Pass as a first step toward designing a larger scale acoustic array that could detect fish movement between the GOA and BS.

We were able to reallocate left-over funds from the PSMFC cod satellite tagging project toward purchasing acoustic equipment and was also

awarded a North Pacific Research Board grant for \$246,582 to fund salary and charter costs. Our team worked closely with acoustic telemetry experts and fishermen to design acoustic moorings that would be deployed at three different stations across Unimak Pass, with test transmitters spaced at increasing distances up- and down-current from each station (Figure 3). In October 2025, we chartered the vessel Sea Venture to deploy the moorings, conduct drift tests, and opportunistically tag cod with acoustic tags. The deployments were very successful with each mooring landing almost exactly where intended. We also trained crew members to tag cod, with the goal of creating a sustainable and cost-effective program by contracting fishermen to maintain the array and continue tagging research (Figure 4). In June 2026, our team returned to Unimak Pass to retrieve the acoustic receivers and download data. We successfully retrieved all “tethered” moorings (Figure 5) but were unable to retrieve our experimental “fixed pot” moorings, most likely due to the strong current displacing them.

Figure 3. Location of acoustic mooring stations in Unimak Pass and diagram of test transmitter moorings deployed at each station.

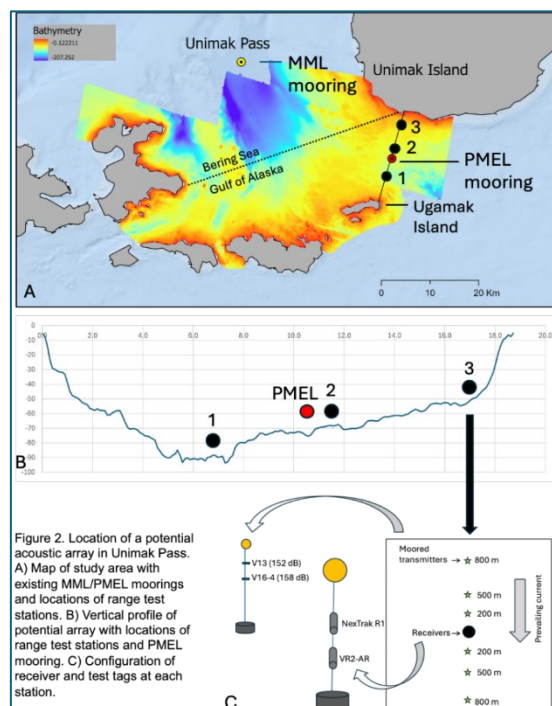


Figure 4 and 5. Crew member James completes a surgical acoustic tag insertion on a Pacific cod by adding a flay disc with contact information). Crew members Brooks and Paul spot and retrieved a tethered mooring that was acoustically released minutes before.





We have started the analysis and preliminary results are very promising. There are differences by station, receiver type, and tag power, but detection was much stronger than anticipated for such a high-noise area with detections dropping off between 400 and 500 meters (Figure 6). Full statistical analysis will include covariates i.e. upstream vs downstream, temperature, season, tilt effect, etc. The next step will be to design the full array and seek funding to implement the project at-scale and develop a long-term monitoring strategy.

Cold Bay Dock

Cold Bay Dock Replacement: In May 2023, the Alaska Municipal League and the Alaska Department of Transportation and Public Facilities submitted a Port Infrastructure Development Program (PIDP) grant application for the design, permitting, geotechnical aspects, and construction of a new dock. In October 2023, the State of Alaska was awarded \$43.3 million through the U.S. Department of Transportation's PIDP to support the replacement of the Cold Bay Dock. The State subsequently contracted with PND Engineers, Inc. for engineering, environmental, permitting, and related project development services. Environmental permitting

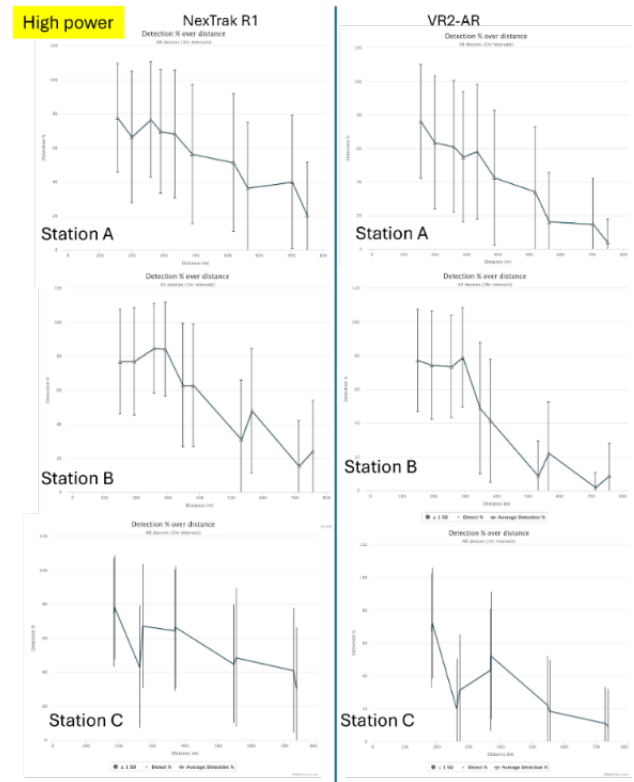


Figure 6. Comparison of the detection range between two types of acoustic receivers we deployed at three stations in Unimak Pass, for acoustic tags operating at a higher signal strength (158 dB).

and National Environmental Policy Act (NEPA) documentation are nearing completion, and the project is currently advancing through the 35% design phase, which is anticipated to be complete in September 2026. Design is anticipated to be complete in Fall 2027 and be followed by soliciting bids for construction. Construction scheduling remains consistent with the current project plan with target completion by 2030 (targeting 2028/2029 construction). In addition to the federal PIDP grant funding, the State of Alaska is contributing funds to cover project costs exceeding the federal grant amount, ensuring the project remains fully funded through design and construction.

Cold Bay Dock Repairs: In early April 2026, the Cold Bay Dock was damaged. An insurance claim was immediately filed with the Alaska Public Risk Alliance (APRA) and PND Engineers inspected the dock and applied for an



Emergency Repair Army Corps of Engineers Permit. The Borough determined that the damage caused to the dock was an emergency and needed to be repaired immediately.

The Borough contracted Western Marine Construction (WMC) in the amount of \$2,029,000 to remove the eastern 30' superstructure and all damaged piles, pile caps, and fenders. WMC completed the work in May 2026 and the dock was available for the Tustumena in early June. In July 2026, APRA paid the Borough \$2,024,000 for the claim and the Borough paid the \$5,000 deductible.

False Pass Airport

One of False Pass's greatest needs continues to be a reconstructed airport with a longer runway that meets Federal Aviation Administration (FAA) standards, medevac requirements, and the needs of existing and projected airport operations. The Borough Administration continues to ask the State to look at engineering options to lengthen the existing runway or build a new one.

In the meantime, the State of Alaska DOT&PF has \$35,231,819 allocated to rehabilitate the existing airport surfaces and safety areas, install new airport signage, install FAA-approved L-853 retro-reflective markers on the runway and

taxiway edges, replace both wind cone structures, replace segmented circle, and address erosion control at Round Top Valley Creek. The design will focus on significant hydrologic/hydraulic issues prevalent at the site to produce a design for a landing area that is not susceptible to these effects.

In May 2023, DOT&PF issued a request for proposal to secure design and construction services for the False Pass Airport Rehabilitation Project. The State selected DOWL for the work. DOWL conducted a site visit in November 2023 and is continuously working on this project. DOT&PF currently does not have the False Pass Airport Project scheduled but hopefully this will be completed in Federal Fiscal Year 2028 or 2029.

King Cove Access Project

In January 2025, President Trump gave the King Cove Access Project a high priority in his Executive Order 14153 "Unleashing Alaska's Extraordinary Resource Potential." This ignited significant support from the Department of Justice, the Department of Interior (DOI), the United States Fish & Wildlife Service (USFWS), and DOI's Alaska Solicitor's Office. The State of Alaska continued to provide support through the Departments of Transportation and Law.

Consequently, on October 21, 2025, the King Cove Group (KCG) completed an Alaska National Interest Lands Conservation Act § 1302(h) equal value land exchange. A ceremony sponsored by DOI with Secretary Burgum and the Alaska Delegation present memorialized the land exchange. A patent for the land corridor needed to support the road was issued by DOI in connection with that ceremony.

The land exchange is being challenged by various environmental groups, namely the Friends of National Wildlife Refuges, Defenders of Wildlife, and the Native Village of Hooper Bay (collectively hereafter referred to as the ENGOS). Briefing by the ENGOS and our side (consisting of the KCG, the State of Alaska and federal government) was completed April 20, 2026. On August 18, 2026, Judge Gleason issued her Decision and Order in the Land Exchange Case. The KCG is reviewing the determination and figuring out next steps.

On May 19, 2026, the KCG met with Secretary Burgum and members of his staff in Anchorage. At the meeting, the KCG expressed its thanks to the Secretary for the hard work and commitment to the project shown by him and this team.

On May 27-28, 2026, the USFWS, King Cove Corporation (KCC) officials, Agdaagux's Tribal President, the City of King Cove and other officials met to discuss plans to move the project forward and to explain the process leading to road construction and progress made on the road to the citizens of King Cove and received their input.

On June 12, 2026, the NANA Regional Corporation filed a friend of the Court brief on our behalf. The brief described how the provisions of the Alaska National Interest Lands Conservation Act (ANILCA) worked with the Alaska Native Claims Settlement Act (ANCSA) to provide the federal government with the authority to achieve the land settlement goals of ANCSA.

On July 9, 2026, the Army Corps of Engineers issued the Army Corps Permit for the Road, which authorizes the construction of a new 18.9 mile long, single-lane, unpaved road, owned by the KCC connecting existing roads from the community of King Cove to the road system and to the all-weather airport at Cold Bay. It is anticipated that the ENGOS will litigate the Corps permit. We are hopeful that the ENGOS



Left to right, beginning with the second person: Sara Taylor, Warren Wilson, Karlin Itchoak, Bobbie Jo Skibo, Chantae Kochuten, Gary Hennigh, Secretary Burgum, Sara Boario, Dean Gould, Mayor Alvin, Anne Bailey, Seth Deam, Jim Clark, Dru Pearce

will not obtain an injunction and that construction of the road can proceed in August as planned.

The final approval needed to begin construction is from the Bureau of Indian Affairs (BIA). The KCC will grant an easement of the road corridor to the Agdaagux Tribe. The BIA needs to approve the addition of the road to the Tribe's current road inventory for management under the Tribal Transportation Program. The Tribe will construct the road in cooperation with the Alaska Department of Transportation and an Aleut Construction Company.

This has been the most sustained and forceful drive to get the road constructed in many years.

Sand Point Harbor Float Systems Project

The Sand Point Harbor Floats System is a significant economic asset to the community and the Borough. The Borough received a Maritime Administration Port Infrastructure Development Program Grant (PIDP) in the amount of \$5,365,000 and an FY 2023 State of Alaska Harbor Facility Grant in the amount of \$4,125,000 for the installation of a new

prefabricated treated timber floating dock within the existing harbor and to conduct in-water and upland improvements. Moffatt & Nichol addressed the grant requirements, which included environmental items, permitting, public notices, completing the NEPA process, and engineering documents.

In September 2024, the Borough went out to bid for this project, and three proposals were received by the October deadline. The proposals were reviewed, and Western Marine Construction was contracted to fabricate and install the float system. The floats were built and delivered to Sand Point. Western Marine Construction mobilized to Sand Point in mid-June 2025, and float installation was completed in August 2025. In November 2025, the substantial completion inspection was completed, and a punch list of items was created. The substations arrived in Sand Point in January 2026 and were installed and in March 2026 a portable fire pump and additional ladders were purchased. The additional substantial completion items have been completed. The PIDP and State Grant close out documents have been submitted and are being finalized.



Sand Point School Major Maintenance Project

In February 2023, the School District/Borough signed a grant from the State of Alaska Department of Education & Early Development (DEED) to conduct major maintenance at the Sand Point School. The project provides for renovations, including:

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

The grant award was \$2,968,577, with the State participating share being \$1,929,575 and the Borough's participating share of \$1,039,002.

Due to the large cost of the project, the Borough has submitted two supplemental funding requests to the State:

- In September 2024, the Borough received additional funds for the project. The revised grant award was \$6,811,396, with the State participating share being \$4,427,407 and the Borough's participating share of \$2,383,989.
- In July 2026, the Governor approved the State's FY2027 Capital and operating budget. It included additional funds for the project. The revised grant amount will be \$7,148,224, with the State participating share being \$4,646,995 and the Borough's participating share of \$2,502,229.

DOWL was contracted to complete the design, conduct the Construction Manager/General Contract (CM-GC) selection and negotiation process, conduct construction administration and inspections. UIC Construction, LLC has been contracted for pre-construction and construction, through the CM-GC Qualifications Based Selection Process. The total amount of the project for the base bid and add alternates to date is



\$9,986,331. The final accounting will be conducted at the end of the project.

The design was completed and in June 2025, UIC arrived in Sand Point and began construction. Substantial completion was completed between July 6-8, 2026. On July 16, 2026, a substantial completion letter was finalized that identified some deficiencies that require correction. UIC is working to address the items. The project should be completed no later than the end of September 2026. The State of Alaska through the DEED Major Maintenance also funded the Sand Point K-12 School Doors and Locker Replacement in the amount of \$590,748, with the State participating share being \$383,986 and the Borough's participating share of \$206,762.



Sand Point Pool

On December 11, 2025, the Borough Assembly approved Resolution 26-26 authorizing the Mayor to negotiate and executed a contract with Sand Point Marine to repair the Sand Point Swimming Pool in an amount not to exceed \$1,000,000.

In February 2026, the Borough entered into three contracts with Sand Point Marine in the amount of \$927,000 for the Sand Point Pool. The scope of work includes:

- Material procurement.
- Remove existing pool liner.
- Test main drain and suction line from pump room to pool, repairing if necessary.
- Test supply lines from pump room to pool, repairing if necessary.
- Set up ventilation for proper air exchange.
- Insulate entire pool area with two (2)-inch high quality foam core.
- Fiberglass line entire pool area with 5/16-inch to 3/8-inch thick solid fiberglass.
- Replace existing gutter track around pool perimeter with a new fiberglass gutter track.
- Gelcoat entire pool area with two (2) coats of white or aqua blue finish.
- Gelcoat lane designations and depth markers with two (2) coats of black finish.
- Install handrails for means of pool entry and exit.
- Install handicap accessible lift, compliant with Americans with Disabilities Act (ADA) requirements.

On April 24, 2026, the Borough issued a Certificate of Substantial Completion for Phase 1 of the Project.

In May 2026, Sand Point Marine looked at the pool and determined that additional labor would be required to rebuild the swimming pool box. On July 7, 2026, Change Order No. 1 for Phase 3 of the project in the amount of \$51,675 was executed increasing the overall project cost to \$978,675.



Sand Point Marine began working on the pool in August 2026 with a completion date of November 1, 2026.

False Pass School Projects

Roof Repairs: In January 2026, the Borough entered into a contract with Bering Sea Services in the amount of \$59,000 to complete the roof repairs at the False Pass School. The repairs have been completed but the roof does need further repairs.

Dry Valve Replacement and Fire Suppression Inspection: In February 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. Chinook has completed this work.

Condition Assessment: The Borough hired DOWL to conduct a condition assessment of the

False Pass School. The school is in poor shape and the costs for the work that needs to be completed over the next 5-10 years are approximately \$6,000,000. The Borough is in the process of determining the critical items that need to be completed and have hired DOWL to look at replacing all or a portion of the school.

Akutan-Akun Transportation Link

Essential Air Service: On June 25, 2026, the US Department of Transportation selected Grant Aviation and Maritime Helicopters to jointly provide Essential Air Service at Akutan from July 1, 2026 through June 30, 2029. The Borough will be responsible for paying \$1,025,972 (Year 1), \$1,070,157 (Year 2) and \$1,118,052 (Year 3), which is less than what the Borough is currently paying.

Financial Snapshot

The Borough's preliminary FY26 financial summary (numbers subject to change) is as follows:

FY26 Financial Summary	
FY26 Revenues	\$9,845,529.42
FY26 Expenditures (General Fund, Bonds, Permanent Fund, Maintenance)	\$6,795,713.59
FY26 Helicopter Transfer	\$(657,942.33)
FY26 Cold Bay Terminal Transfer	\$(22,052.29)
FY26 Bond Fund	\$(1,724,546.00)
FY26 Permanent Fund Earning Capital Project Appropriations	\$1,816,333.00

Bond Service Debt

Since 1990, the Borough has bonded \$46,750,000 for Borough projects in Akutan, Cold Bay, False Pass, King Cove, Nelson Lagoon, Sand Point and schools. The general obligation bonds payable on June 30, 2025, are comprised of the following: 2015 Refunding Series One in the amount of \$95,000, 2016 Refunding Series Three in the amount \$7,955,000 and the 2021 Refunding Series for refinancing of 2010 Series Three general obligation bonds in the amount of \$1,760,000 resulting in a total bonds payable amount of \$9,810,000.

The annual required installments on all Borough general obligation bonds as of June 30 are as follows:

Year Ending June 30	Principal	Interest	Total
2026	\$2,200,000	\$381,158	\$2,581,158
2027	\$2,220,000	\$281,852	\$2,501,852
2028	\$2,340,000	\$178,323	\$2,518,323
2029	\$2,445,000	\$68,468	\$2,513,468
2030	\$300,000	\$9,125	\$309,125
Thereafter	\$305,000	\$3,084	\$308,084
TOTAL	\$9,810,000	\$922,010	\$10,732,010



In Memoriam

Stanley Mack

Stanley Mack was born in King Cove and also lived in Cold Bay and Sand Point. A lifelong commercial fisherman, he spent the majority of his life on the waters of the Aleutians East region and was deeply rooted in its culture, communities, and fishing heritage.

In 1972, Stanley was elected to the Sand Point City Council, where he served from 1972 to 1978 and again from 1981 to 1984. He also served as the City of Sand Point's temporary mayor from October 1973 through December 1973 and later served another term as mayor from 1990 to 1993.

In November 2002, Stanley was elected mayor of the Aleutians East Borough, becoming only the second mayor in the Borough's history. He served in that role until 2017, providing 15 years of dedicated leadership and steadfast service to the residents of the Borough's communities.

During his tenure, Stanley played an instrumental role in shaping the Borough's future. He championed the development and construction of the harbors in Akutan, False Pass, and Sand Point; supported the construction of the King Cove School, and helped secure numerous other capital improvement projects that strengthened the region's infrastructure and economy.

A tireless advocate for the Aleutians East region, Stanley worked diligently on behalf of the King Cove Road, Alaska's commercial fishing industry, and many other issues important to the Borough. He made countless trips to Juneau and Washington, D.C., ensuring the voices of the Borough's communities were heard and represented at both the state and federal levels.



Even after leaving public office, Stanley remained committed to serving the region. He continued to advocate for Alaska's fisheries, most recently providing testimony before the Alaska Board of Fisheries during its February 2026 meeting. His lifelong dedication to protecting the interests of the people of the Aleutians East Borough never wavered.

Stanley passed away on July 14, 2026. In recognition of his many years of dedicated public service, his leadership, and his lasting contributions to the Borough, we honor his legacy with gratitude and respect. His commitment to his communities, his passion for the fishing industry, and his enduring impact on the Borough will not be forgotten.



Rick Gifford

Rick Gifford dedicated more than four decades to public service, beginning his career in government in 1980. Throughout his career, he served the Bristol Bay Borough, the City of Saint Paul, the City of Seward, the Kodiak Island Borough, and the Aleutians East Borough.

Rick served as the Aleutians East Borough Administrator from June 25, 2012, to April 28, 2017. During his tenure, he played a key role in advancing several significant initiatives, including the completion of the Akutan Harbor, the establishment of the transportation link between Akutan and Akun Island, and continued advocacy for the King Cove Road project, along with numerous other projects that benefited the borough and its communities.



Rick passed away on November 18, 2025. The Borough recognizes his many years of dedicated public service and his lasting contributions to the Aleutians East Borough.

Steve Silver

The Borough extends its sincere gratitude and appreciation to Steve Silver for his many years of dedicated service and unwavering commitment to the King Cove Road project.

As an attorney with Robertson, Monagle & Eastaugh, Steve represented the King Cove Group for more than 15 years, serving as both legal counsel and lobbyist in support of the King Cove Road. Throughout that time, he was a steadfast advocate for the project, working tirelessly through litigation, legislative efforts, and public policy advocacy to advance a road connection for the communities of King Cove and Cold Bay.



Following Steve's passing on March 31, 2026, the Borough honors his memory and expresses its appreciation for his years of service, commitment, and advocacy. His contributions to the King Cove Road effort will be remembered.

*Steve Silver and Gary Hennigh,
Washington, D.C. 2018*

Aleutians East Borough
PO Box 349
Sand Point, AK 99661



Vision

Healthy People, Healthy Schools, and
Healthy Communities

Mission

Provide governmental services to the
communities of Akutan, Cold Bay,
False Pass, King Cove, Nelson Lagoon,
and Sand Point. These services
include education, fisheries support,
planning, project management, capital
projects, and tax collection

Purpose

Ensure the Standard of Living, Well-
Being, and Future of our Communities