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ALEUTIANS EAST
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RESOLUTION 27-30

A RESOLUTION OF THE ALEUTIANS EAST BOROUGH ASSEMBLY AUTHORIZING THE MAYOR TO NEGOTIATE AND EXECUTE A MEMORANDUM OF UNDERSTANDING WITH FROSTY FUELS, LLC REGARDING THE COLD BAY DOCK ENVIRONMENTAL COVENANT REQUIREMENTS

WHEREAS, on November 3, 2015, Frosty Fuels experienced a fuel spill when a pipe connection failed along the dock released approximately 697 gallons of ultra-low sulfur diesel fuel at the Cold Bay Dock in Cold Bay, Alaska; and

WHEREAS, the site of the failure at the dock is owned by the Borough; and

WHEREAS, Frosty Fuels and the Alaska Department of Environmental Conservation (ADEC) have been working together to remedy the Site and seek closure of the contaminated site file; and

WHEREAS, Frosty Fuels was unable to remove all the contaminated soil; however, ADEC has stated that the contaminated site file can be closed upon the execution of an environmental covenant on the Site with the Borough; and

WHEREAS, since the Borough owns the Cold Bay Dock infrastructure and the land, the Borough entered into the Environmental Covenant as the Grantor (landowner) and Grantee (dock owner); and

WHEREAS, the Environmental Covenant outlines the property and site location, the summary of environmental actions that occurred, the activity and use limitation that will need to be followed and other items; and

WHEREAS, Frosty Fuels has agreed to perform, at its sole cost and expense, the Cap Inspection and Maintenance and Site and Fencing obligations under the Cold Bay Covenant for as long as the Covenant remains in full force and effect and a Memorandum of Understanding is entered into with the Borough; and

WHEREAS, Borough Administration has reviewed the Memorandum of Understanding and believes it is in the Borough's best interest to execute the document to meet the Cold Bay Dock Covenant requirements.

NOW THEREFORE, BE IT RESOLVED, the Aleutians East Borough authorizes the mayor to negotiate and execute a Memorandum of Understanding with Frosty Fuels, LLC regarding the Cold Bay Dock Environmental Covenant Requirements.

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PASSED AND ADOPTED by the Aleutians East Borough on this 12th day of November, 2026.

ATTEST

Alvin D. Osterback, Mayor

Beverly Rosete, Clerk

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