AKUTAN • COLD BAY • NELSON LAGOON
ALEUTIANS EAST
BOROUGH
FALSE PASS • KING COVE • SAND POINT

RESOLUTION 27-32

A RESOLUTION OF THE ALEUTIANS EAST BOROUGH ASSEMBLY AUTHORIZING THE MAYOR TO NEGOTIATE AND EXECUTE A MEMORANDUM OF AGREEMENT BETWEEN THE CITY OF SAINT PAUL AND THE ALEUTIANS EAST BOROUGH REGARDING THE COLLECTION AND REMITTANCE OF TAXES ON NORTH REGION DESIGNATED AND CENTRAL BERING SEA FISHERMENS'S ASSOCIATION (CBSFA) UNDESIGNATED BERING SEA SNOW CRAB, AS WELL AS CBSFA OWNED SHARES OF BAIRDI CRAB, DELIVERED IN AKUTAN DURING THE 2026/2027 BSAI CRAB SEASON

WHEREAS, the 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 crab must be landed in each of the "North" and "South" regions, as defined under the Program regulations, and

WHEREAS, the lone major processor in the North Region, which is located on Saint Paul Island, has determined it is not economically feasible to process crab in Saint Paul this season, and

WHEREAS, the 2026 Framework Agreement among numerous parties that make the BSS Fishery possible establishes general terms and conditions under which an exemption contract may be executed for the purposes of changing Regional Landing Requirements and providing fair compensation for same, and

WHEREAS, the Aleutian Pribilof Island Community Development Association (APICDA) serves as the City of Akutan's community representative for the Program, and approved the 2026 Framework Agreement, and

WHEREAS, to ensure that the entire 2026/2027 BSS Fishery total allowable catch can be harvested, the parties to the Framework Agreement are expected to enter into an Exemption Contract, and

WHEREAS, the proposed Exemption Contract enables the North Region Crab to be delivered to and processed in the Southern ports of Unalaska or Akutan, rather than Saint Paul and without the Exemption Contract, the North Region Crab could not be delivered to Southern ports, and

WHEREAS, the parties to the Exemption Contract would agree that fair compensation for Saint Paul is the 3.5% tax revenues that Saint Paul would have received if the North Region Crab were landed in Saint Paul, and

WHEREAS, the parties to the Exemption Contract would also agree that a 2% tax on undesignated Snow crab shares owned by the Central Bering Sea Fishermen's Association (CBSFA) would also be compensated to Saint Paul, and

WHEREAS, the Aleutians East Borough is not a party to the Exemption Contract but can enter into a separate agreement with the City of Saint Paul, and

WHEREAS, in January 2026, the City of Saint Paul and the Aleutians East Borough entered into an agreement for the 2025/2026 crab season allowing the collection of sales tax by the Borough on North region Snow crab and remittance of those taxes to Saint Paul, and

WHEREAS, the proposed Memorandum of Agreement between the Aleutians East Borough and the City of Saint Paul would implement the intent of the Exemption Contract by having the Borough collect a 2% raw fish tax on North Region Crab that, combined with the City of Akutan tax of 1.5%, would equal what Saint Paul would have collected if the North Region Crab were landed and processed in Saint Paul, and remit those amounts to Saint Paul, and

WHEREAS, the proposed Memorandum of Agreement between the Aleutians East Borough and the City of Saint Paul would also allow for compensation to the City of Saint Paul on undesignated shares of BSS crab owned by CBSFA for a total of 2% between the City of Akutan and the Borough, and

WHEREAS, while BSAI Bairdi crab is not part of the Framework Agreement or proposed Exemption Contract, the proposed MOA would allow for compensation to the City of Saint Paul on Bairdi crab quota shares owned by CBSFA, for a total of 1% split between the City of Akutan and the Borough, and

WHEREAS, by collecting for and remitting to Saint Paul taxes assessed on the crab, the Borough does not "lose" any tax revenue that it would have received without the agreement, and

WHEREAS, if the Resolution is approved the Aleutians East Borough will compensate Saint Paul for any municipal allocation of State of Alaska fisheries business tax attributable to North Region Crab that is landed and processed in Akutan, and

WHEREAS, implementing the intent of the Exemption Contract through a Memorandum of Agreement, will provide the City of Akutan and the Aleutians East Borough secondary economic benefits from delivery of North Region Crab to Akutan, including increased sales tax revenue resulting from the delivery and processing of additional pounds of Snow and Bairdi crab in Akutan.

NOW THEREFORE BE IT RESOLVED that the Aleutians East Borough Assembly recognizes the validity of the 2026 Framework Agreement and proposed Exemption Contract to be approved by APICDA on behalf of the City of Akutan, and

BE IT FURTHER RESOLVED that the Aleutians East Borough Assembly hereby authorizes the Mayor to negotiate and execute a Memorandum of Agreement between the City of Saint Paul and the Aleutians East Borough for collecting and remitting taxes on designated North Region Bering Sea Snow Crab and undesignated shares of Snow crab and Bairdi crab owned by CBSFA delivered in Akutan during the 2026/2027 BSAI crab season.

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

Alvin D. Osterback, Mayor

ATTEST: **Beverly Rosete, Clerk**