

RESOLUTION 22-41

A RESOLUTION OF THE ALEUTIANS EAST BOROUGH ASSEMBLY UNAUTHORIZING THE USE OF THE COLD BAY CLINIC FUNDS IN LINE-ITEMS E 20-520-000-850 AND E 20-510-207-850 AND TO TERMINATE THE MEMORANDUM OF UNDERSTANDING WITH EASTERN ALEUTIAN TRIBES FOR THE COLD BAY CLINIC

WHEREAS, the Borough had been working on the construction of the Cold Bay Clinic since 2012; and

WHEREAS, the Borough had a Memorandum of Understanding (MOU) in place with the City of Cold Bay and EAT outlining roles and responsibilities; and

WHEREAS, according to the MOU, the Borough was responsible for planning, designing, and overseeing construction of the clinic; EAT was responsible for operating the facility as a primary care health clinic and the city was going to accept full ownership of the facility; and

WHEREAS, the Borough went out for bid for the project and the bids received were exorbitant in costs, therefore, the Borough did not award the bid and was in the process of reassessing the path forward for the project; and

WHEREAS, in August/September 2021, the Borough received letters from the City and EAT stating that they were no longer interested in constructing a new facility and would prefer to renovate the existing structure and both entities requested to terminate the MOU for new construction; and

WHEREAS, the MOU for the clinic was terminated on September 22, 2021; and

WHEREAS, since the Borough will not be constructing a new clinic facility in Cold Bay the funds appropriated for this project will need to be reappropriated; and

WHEREAS, \$4,962,000 in funds were appropriated for this project, which included \$500,000 in FY15 AEB Grant funds; \$250,000 in Eastern Aleutian Tribe funds; \$800,000 in Borough AMLIP contributions and \$3,412,000 in Borough Permanent Fund Earning Contributions; and

WHEREAS, as of March 30, 2022, the Borough has \$4,529,008.93 remaining for the Cold Bay Clinic; and

WHEREAS, Administration recommends the following 1) Unauthorize the FY15 AEB Grant Funds in the amount of \$367,008.93 reflected in line-item E 20-520-000-850 2) Terminate

the agreement with EATS for the \$250,000 in funding 3) Unauthorize the \$800,000 in AMLIP contributions reflected in line-item E 20-52-207-850; and

WHEREAS, the appropriation of the \$3,012,000 in Borough Permanent Fund Earning Contributions will be determined in the future.

NOW THEREFORE, BE IT RESOLVED, the Aleutians East Borough Assembly unauthorizes the use of the FY15 AEB Grant Funds in the amount of \$367,008.93; and

NOW THEREFORE, BE IT FURTHER RESOLVED, the Aleutians East Borough agrees to terminate the Memorandum of Agreement between the Aleutians East Borough and Eastern Aleutian Tribes for the reimbursement of expenses associated with the Cold Bay Clinic Project; and

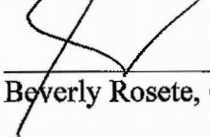
NOW THEREFORE BE IT FURTHER RESOLVED, the Aleutians East Borough unauthorizes the use of the \$800,000 AMLIP contribution that was previously approved via Aleutians East Borough Assembly Resolution 20-12.

PASSED AND ADOPTED by the Aleutians East Borough on this 12th day of May, 2022.



Alvin D. Osterback, Mayor

ATTEST:



Beverly Rosete, Clerk