

**CALL TO ORDER**

Mayor Alvin D. Osterback called the Aleutians East Borough Regular Assembly Meeting to order by videoconference in each community on November 14, 2024 at 2:00 p.m.

**ROLL CALL**

Mayor Alvin D. Osterback	Present
Brenda Wilson	Present
Jim Smith	Present
Chris Babcock	Present
Josephine Shangin	Present
Paul Gronholdt	Present
Warren Wilson	Present
Tom Hoblet	Present

**Advisory Members:**

Samantha McNeley, Nelson Lagoon Present

Quorum was present.

**Staff Present:**

Anne Bailey, Administrator  
Talia Jean-Louis, Assistant Administrator  
Glennora Dushkin, Administrative Assistant  
Ernie Weiss, Natural Resources Director  
Charlotte Levy, Fishery Analyst  
Beverly Ann Rosete, Borough Clerk  
Jacki Brandell, Finance Director  
Seward Brandell, Accounting Clerk  
Others: Superintendent Mike Franklin  
Garry Hennigh  
Amber Jusefowytch

***ADOPTION OF THE AGENDA***

Chris moved to Adopt the Agenda, second by Tom

Hearing no objections, the Agenda will stand as presented.

***COMMUNITY ROLL CALL AND PUBLIC COMMENTS ON AGENDA ITEMS***

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

***CONFLICT OF INTEREST***

Mayor Osterback asked for any potential **Conflict of Interests** to discuss. There were no conflicts on agenda items.

**MINUTES**

October 14, 2024, Special Assembly Meeting Minutes

**MOTION**

*Chris moved to accept the October 14, 2024 Special Assembly Meeting Minutes, second by Josy*  
Hearing no corrections, the Minutes will stand as written.

**FINANCIAL REPORT**

- Finance Director's Report – Informational Only

Finance Director Brandell said that there is not a lot going on since the Caselle project being done and most of the audit procedures are done. We are still waiting for a couple of items to wrap up the financial statements. This information was supplied however, now there is a question on the capital asset schedule for the False Pass Harbor that required some additional documentation to determine how to proceed concerning the timing, the past litigation and the final costs of the harbor. Financial Policies and Procedures – The quarter ends this month for the strategic plan, and I am close to finishing the draft policies for grant administration which includes general procedures, expenditures, reimbursements, and subrecipient policies. Researching the compliance needs for the DEED project and the MARAD award has been an ongoing task and multiple sections of standards were reviewed to ensure compliance. The drafted policies are closely aligned with federal and state policies, which will streamline the administration of grants. The preliminary agenda for the Alaska Government Finance Officers Association Annual Conference next month does have grant management as a session, so I plan on waiting to finalize these drafts. The routine tasks have been going great. The Caselle system makes it easier and more streamlined. We are waiting for fish tax returns for the month of October and once received, financials will be ready to go. The data entry controls in place for Caselle have decreased the amount of paper used for transactions, which I appreciate even more as I have begun to organize the old files in accordance with the retention schedule. We have numerous boxes with files to sort through in the office, so this will be an ongoing effort. Starting with the documents we are required to keep indefinitely; I have been scanning and adding them to the Laserfiche repository.

Paul asked about the new column, Unearned, on the new financial. Finance Director Brandell said that is the part of the budget that is remaining.

- September 2024 Financials

Administrator Bailey said in September we brought in \$274K raw fish tax which is about 70.8% of the 5-year average. We received a small tax from a small processor in November for the month of September so that it will increase the raw fish tax to \$292,498. Interest Revenue is still lucrative. In September, we brought in \$139K so we are extremely close to our \$500K goal, which is great. We are on track with our expenditures with 255 through our fiscal year. There is a miscellaneous expense that is high because that is where we are paying off our claims.

Chris asked if there is a way we can find out how much money the Borough has lost with Peter Pan not being on operation. Administrator Bailey answered that we can but suggested doing it in an executive session to discuss that value. She added that we can add Port Moller as well too.

Mayor Osterback suggested we can do that on January after the Strategic Planning meeting.

**MOTION**

Chris made a motion to bring the September 2024 Financials Report to the floor and seconded by Brenda

**ROLL CALL**

Yeas: Brenda, Chris, Jim, Josy, Paul, Tom Advisory: Samantha  
Nay: None

**MOTION CARRIED**

*INVESTMENT REPORT*

APCM September 2024 Investment Report

*CONSENT AGENDA*

*PUBLIC HEARINGS*

*CONSENT AGENDA*

**Resolution 25-30**, Supporting the Universal Service Administrative Company (USAC) Program and Its Funding for Essential Broadband and Telecommunication Services for Education, Healthcare, and Lifeline Services in Rural Alaska

Superintendent Mike Franklin said that this is the Erate program through the federal program where the School District get assistance to pay for the internet in the schools. The Aleutians East Borough School District receives about \$1.4M from the Federal government through this program to pay for the internet services around the Borough. The State covers for what isn't covered by this program, which is about \$542K through the BAG Grant. If the Supreme Court determines that the USF is unconstitutional, we could potentially lose the funding and the internet for our students will be unaffordable for us. This resolution is supporting legislative action getting the FCC to continue to pay for this program.

**MOTION**

Brenda made a motion to approve Resolution 25-30, seconded by Josy

**ROLL CALL**

Yeas: Tom, Brenda, Paul, Chris, Jim, Josy Advisory: Samantha  
Nay: None

**MOTION CARRIED**

*PUBLIC HEARINGS*

**Ordinance 25-01**, authorizing the disposal of certain real property owned by the Aleutians East Borough

**MOTION**

Chris made a motion to approve Ordinance 25-01, seconded by Brenda

Administrator Bailey said that this is in regard to the teachers' quarters in Nelson Lagoon. The Borough has a lease with the State of Alaska for the Municipal Land and owns the public school teachers' quarters located on the property. The Teachers' Quarters were vacated on or around 2012/2013 when the Nelson Lagoon School was closed, and the disposal of the Nelson Lagoon Apartment has been a strategic initiative on the Strategic Plan for five years. The Borough desires to dispose of the Nelson Lagoon Teachers' Quarters including the land, and all improvements and appurtenances associated with it. On October 14, 2021, Resolution 25-13 was approved. The Assembly stated that the Assembly found and declared that the Borough can dispose of the property and authorized the disposal of real property via a Termination of Teachers' Quarters Lease. On October 14, 2024, the ordinance was approved, and it is now before the Assembly for a public hearing.

Jim asked if we could sell the property on a land we lease. Administrator Bailey responded that the building was already on there when the Borough took ownership, and it was on Municipal Trust Land so there were a lot of requirements and we can not just sell it. It must go to a Tribe or another entity. So rather than doing that, all will just go back to the State and the State can work with the tribe directly.

**ROLL CALL**

Yeas: Brenda, Paul, Josy, Chris, Jim, Tom  
Advisory: Samantha  
Nay: None

**MOTION CARRIED**

**RESOLUTIONS**

**Resolution 25-22, Supporting an Alaskan Build America, Buy America Act Waiver**

Administrator Bailey said the Build America, Buy America Act (BABA) is designed to reinvest in American manufacturing, create jobs, and strengthen the domestic supply chain. For states with limited manufacturing or industrial capacity, BABA is effectively a policy that transfers wealth and jobs to other parts of the country. In Alaska, the BABA mandates are driving up costs, causing delays, and threatening critical infrastructure projects. The Borough supports an Alaskan BABA waiver. The waiver would not be a rejection of BABA, but a call for balance. The policy would apply when BABA requirements do not delay projects or significantly increase costs. The waiver should be granted when the policy jeopardizes the integrity and success of projects that are critical to improving the living conditions and economic future of Alaska.

Paul asked if there is a specific project this will benefit. Administrator Bailey responded that we do not have one right now. This is something that AML ask us to support. Paul asked if there are other communities that is doing this, and Administrator Bailey said yes.

**MOTION**

Josy made a motion to approve Resolution 25-22, seconded by Jim

**ROLL CALL**

Yeas: Josy, Tom, Brenda, Paul, Chris, Jim  
Advisory: Samantha  
Nay: None

**MOTION CARRIED**

**Resolution 25-23**, Authorizing the Mayor to negotiate and execute a contract agreement between the Aleutians East Borough and Hickey & Associates for lobbying/consulting services for 2025

Administrator Bailey said the Aleutians East Borough is involved in numerous projects and issues that requires assistance from a State lobbyist. Mark Hickey with Hickey & Associates has provided lobbying/consulting services for the Borough with the Alaska legislative and executive branches since 1998. The 2024 contract with Hickey & Associates ends on December 31, 2024, and can be renewed by agreement of both parties. The proposed 2025 contract would commence on January 1, 2025, and end December 31, 2025. The Borough would pay Hickey & Associates a retainer of \$3,500 a month and reimburse them for pre-approved extraordinary out-of-pocket and travel expenses. Hickey & Associates would pay the annual APOC registration fee and normal office overhead expenses.

**MOTION**

Brenda made a motion to approve Resolution 25-23, seconded by Josy

**ROLL CALL**

Yeas: Chris, Paul, Brenda, Tom, Jim, Josy Advisory: Samantha

Nay: None

**MOTION CARRIED**

**Resolution 25-24**, Authorizing the Mayor to Negotiate and Execute a Contract with Western Marine Construction, Inc for the Sand Point New Harbor A-Float Project in an amount not to exceed \$7,855,000

**Amendment:** Authorizing the Mayor to Negotiate and Execute a Contract with Western Marine Construction, Inc for the Sand Point New Harbor A-Float Project in an amount not to exceed \$8,505,000

Administrator Bailey said the Sand Point New Harbor breakwater and dredging was completed in 2007 by the U.S. Army Corps of Engineers, a wharf was completed in 2008, and Float B was completed in 2011. The next phase for harbor development is to construct Float A. A prescriptive design for the float system was prepared by URS Alaska/AECOM and advanced to the 65% level of design development for the structural and civil components for the project. Design and permitting efforts for this project were undertaken by Moffatt & Nichol (M&N) in 2017 to create a project that was bid-ready and suitable for seeking funding. In August 2022, the Borough entered into a separate contract with M&N to complete *design and permitting updates to bring it in compliance with current codes and permitting requirements*. 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. The PIDP grant had numerous grant requirements, which the Borough needed assistance with. Therefore, in January 2023, the Borough executed a contract amendment with M&N to extend their scope of work to include project management, combining the bid documents into a single ready package, design support (MARAD review), NEPA support and permit updates, and bid support. On August 27, 2024, MARAD sent the signed Finding of No Significant Impact, which completed the NEPA process for the project. MARAD also informed the Borough that the Engineering Risk Register was completed. On September 5, 2024, the Borough signed the MARAD grant agreement. 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. Addendum 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. Today, Mayor Osterback and I met with Moffat and Nichol and Western Marine Construction to discuss some upgrades to the facility that resulted in the amendment of the amount.

Paul asked if there were drawings of the Float. Administrator Bailey responded yes and she can email it to the Assembly but they are not final yet. Paul asked after the amount change, if the Western Marine Construction is still the low bidder. Bailey responded yes and they still fall under the grant amount. Administrator Bailey added that even with the increase in amount, this will all be paid by the grant funds.

Mayor Osterback commented that the original design was having all the pile on the back side of the float. With the price they came in, we opted to remove the pile hoops from the outside and put the piles in the center and readjust the north end of the float. From there open the backside of the float so we can have small vessels.

Chris commented that he is happy to see that this project is rolling and that we have found funding to pay for this project. Chris thanked the administration.

Jim asked why we needed to have extra piles. Administrator Bailey responded that we are looking in advance and have extra piles on hand because we cannot drill. There is a lot of stuff we can't do based on environmental documents. Mayor Osterback added that since we cannot drill, they have to be driven. By adding vessels to the inside, they find it necessary to drive some extra pile and if we do, those piles on the inner end could possibly up to 6. So, we are going to bring 6 extra piles in case we need them.

#### **MOTION**

Josy made a motion to approve Resolution 25-24, second by Chris

Paul made a motion to amend the amount to not exceed \$8,505,000. Second by Chris

#### **ROLL CALL Amendment**

Yeas: Paul, Tom, Josy, Brenda, Jim, Chris Advisory: Samantha

Nay: None

#### **ROLL CALL:**

Yeas: Chris, Jim, Brenda, Paul, Tom, Josy Advisory: Samantha

Nay: None

#### **MOTION CARRIED**

**Resolution 25-25**, Authorizing the Mayor to execute a Lessor Consent to Sublease Form consenting to the sublease between Ikatan Bay Investments, LLC and Silver Bay Seafoods – False Pass LLC for the Dock Tidelands Lease in False Pass, Alaska

Administrator Bailey said in June 2024, Silver Bay Seafoods acquired Trident's False Pass assets (plant and residential housing) and fuel company through wholly owned subsidiaries, Ikatan Bay Investments, LLC and False Pass Fuel, LLC. On June 19, 2024, a Dock Tidelands Lease Assignment, Assumption, and Consent Agreement went into effect, transferring the interest in the Dock Tidelands Lease from False Pass Seafoods, LLC (Trident) to Ikatan Bay Investments, LLC and an Outfall Tidelands Lease Assignment, Assumption, and Consent Agreement also went into effect transferring interest in the Outfall Tidelands Lease from False Pass Seafoods (Trident) to Ikatan Bay Investments, LLC. APICDA Joint Ventures (AJV) will be contributing to the False Pass operation for the purpose of increasing regional seafood processing stability and has agreed to invest in the project in exchange for a lease payment. AJV will purchase a 100% interest in Ikatan Bay Investments, LLC and False Pass Fuel, LLC. Silver Bay Seafoods – False Pass will lease back and operate all facilities, including the plant, dock, housing, and fuel company assets. Upon maturity of the lease, Silver Bay Seafoods – False Pass is to repurchase the interest in Ikatan Bay Investments, LLC, as well as False Pass Fuel, LLC. The Borough has been asked to provide written consent authorizing Ikatan Bay Investments, LLC (APICDA) to sublease Silver Bay Seafoods- False Pass for the purpose of conducting operational business proposed in this partnership. *Ikatan Bay Investments, LLC has two lease agreements with the Borough as the lessor. These include the Dock Tidelands Leases and the Outfall Tidelands Lease.*

Paul asked if the Borough could find out what does APICDA mean by saying "will meet regional seafood processing capacity".

Jim asked who owns what. Administrator Bailey responded that APICDA has now taken over the leases for the Dock Tidelands and Outfall Lease, and they are planning on owning it and they are subleasing it to Silver Bay to operate it. Then after a period of time Silver Bay will buy the stuff back from APICDA.

Warren asked if this outfall they are talking about is the outfall for the Trident plant but not the Silver Bay plant. Administrator Bailey said yes, it is Trident's old facility that Silver Bay had purchased. It is not the Silver Bay's new facility it is the older one, we did the lease back in FY2024. Warren added that he know about the BCS restrictions and how much they can pump into False Pass. He said it is a sanctuary because it is halibuts spawning in False Pass, thinking if that plant rules over there, and they keep all the ground up materials into the bay, it will mess up the bay similar to what happened in Akutan and Dutch harbor bay where it killed off a lot of environments on the bottom of the ocean. WE do not want to mess up False pass because it is a predictable habitat. Maybe we can require them to have a meal plant to reduce and no pollute our waterways.

Tom commented the Silver Bay is giving us a little more extension to operation if they want to sign Trident off the lease.

#### **MOTION**

Chris made a motion to approved Resolution 25-25, second by Brenda

#### **ROLL CALL**

Yeas: Jim, Josy, Chris, Brenda, Warren, Paul, Tom Advisory: Samantha

Nay: None

### MOTION CARRIED

**Resolution 25-26**, Authorizing the Mayor to execute a Lessor Consent to Sublease Form consenting to the sublease between Ikatán Bay Investments, LLC and Silver Bay Seafoods – False Pass LLC for the Outfall Tidelands Lease in False Pass, Alaska

Mayor Osterback commented that Anne included the explanation to this resolution with Resolution 25-25. He asked the Assembly if there were additional questions or comments.

### MOTION

Josy made a motion to approved Resolution 25-26, second by Brenda

### ROLL CALL

Yeas: Warren, Josy, Tom, Jim Paul, Chris, Brenda Advisory: Samantha

Nay: None

### MOTION CARRIED

**Resolution 25-27**, Authorizing the Mayor to Negotiate and Execute a Contract with Moffatt & Nichol without going out to competitive bid for construction phase services for the Sand Point New Harbor A-Float Project in an amount not to exceed \$400,000

Administrator Bailey said as discussed in a prior resolution, Moffatt and Nichol has been involved in this project for numerous years. They provided design and permitting services, and it was the intent that M&N would provide construction phase services. However, when we received MARAD funds the Borough extended M&N's scope of work to include project management, combining the bid documents into a single ready package, design support (MARAD review), NEPA support and permit updates, and bid support. All of these funds were paid for with Borough funds. The Borough has not entered into a contract with M&N for construction phase services and construction management. The Borough would like to extend our existing scope of work with M&N for the construction phase services without going out to bid since that was the original intent. If M&N is not contracted, it would be a detriment to the project. It would negatively impact the project timing for the float manufacturer/installer. Western Marine Construction is on a very tight timeline to hit this April barge to get the materials out to the site. Per Borough Code, the Borough is permitted to award the construction phase services to M&N without competitive bids with Assembly approval. The Federal Procurement Guidelines and MARAD could permit this per CFR 200.320(c)(4) which states "The recipient or subrecipient request in writing to use a noncompetitive procurement method, and the Federal agency or passthrough entity provides written approval." On October 30, 2024, the Administration emailed MARAD requesting permission for the Aleutians East Borough to contract M&N for construction phase services without going out to competitive bid. On November 5, 2024, Administration met with MARAD and discussed it, and MARAD requested that a Request for Procurement by Noncompetitive Proposals form be completed and submitted. Last Tuesday, we received approval from MARAD.

Paul asked where is the \$400K coming from? Administrator Bailey said this will be paid by grant funds. This will be paid for by shared State funds and the federal funds. Paul continued to ask who picked the \$400 amount. Administrator Bailey said they gave her a cost estimate, but it is not finalized yet.



Warren commented he is encouraged to have this project moving again. He thanked that we have Moffatt and Nichol to put this together, put this in a faster phase and get this project moving forward.

Jim asked when the construction is going to start. Administrator Bailey responded that the plan is to have it shipped out by April, the permits has a time line of May to November.

#### **MOTION**

Brenda made a motion to approved Resolution 25-27, second by Josy

#### **ROLL CALL**

Yeas: Paul, Tom, Chris, Warren, Brenda, Jim, Josy Advisory: Samantha

Nay: None

#### **MOTION CARRIED**

**Resolution 25-28**, Authorizing the Mayor to amend the UIC Construction, LLC CM/GC contract for the Sand Point School DEED project, in an amount not to exceed \$150,000, to include pre-construction services for the Sand Point Pool Replacement Project formally waiving competitive bid processes

Administrator Bailey noted that she'll discuss both Resolution 25-18 and 25-29 at the same time. At the October 14, 2024, Assembly Meeting, the Assembly approved Resolution 25-15 authorizing the Mayor to negotiate and execute a contract with DOWL to provide Progressive Design-Build Solicitation and Delivery Services for the Sand Point Pool in an amount not to exceed \$180,500. Administration has had further conversations with DOWL and determined that it would be in the Borough's best interest to contract UIC Construction (UICC) for pre-construction services for a new swimming pool with the intent of contracting them for the construction of the facility. Therefore, all the components of DOWL's original Progressive Design-Build proposal may not be needed. UICC has been contracted to provide pre-construction services and eventually will provide construction services for the Sand Point School DEED project. UICC will be conducting significant work in the pool area and has experience building pools. The Borough Administration believes that having UICC provide pre-construction and potentially construction services will save the Borough a significant amount of money and will complete the project in a timelier manner. Per Section 3.02.260 of the Borough Code, the borough administrator may waive the formal bidding process.

Resolution 25-28 would authorize the Mayor to amend the Sand Point School DEED Pre- Construction Services UIC Construction, LLC Contract, in an amount not to exceed \$150,000, to include pre-construction services for the Sand Point Pool Replacement Project formally waiving competitive bid processes. This work may include but not be limited to conducting design services, developing cost estimates to construct the project, providing constructability reviews, preparing a detailed schedule and providing subcontractor pricing. The next phase would include construction services. Administration recommends amending the existing CM/GC contract, in an amount not to exceed \$150,000, for pool services. Administration also recommends waiving the formal bid processes for this work since it will be more cost effective and efficient.

Resolution 25-29 would authorize the Mayor to negotiate and execute a contract with DOWL to provide Sand Point Pool Support Services in an amount not to exceed \$180,500. This work would include but not be limited to performance criteria, sketches, misc. support; negotiations and contract work and design management (35%). This does not include designer support services beyond 35% or

construction administration services, which would be submitted under a separate scope/fee amendment. This agreement would supersede the Progressive Design-Build proposal that was presented at the October Assembly meeting.

Paul asked if we are talking about the new pool design. Administrator Bailey said yes, Administrator Bailey clarified that this is for pre-construction services.

**MOTION**

Brenda made a motion to approved Resolution 25-28, second by Warren

**ROLL CALL**

Yeas: Jim, Chris, Josy, Warren, Brenda, Tom Advisory: Samantha  
Nay: Paul

**MOTION CARRIED**

**Resolution 25-29**, Authorizing the Mayor to negotiate and execute a contract with DOWL to provide Sand Point Pool Support Services in an amount not to exceed \$180,500

**MOTION**

Josy made a motion to approve Resolution 25-29, second by Brenda

**ROLL CALL**

Yeas: Josy, Brenda, Warren, Tom, Chris, Jim Advisory: Samantha  
Nay: Paul

**MOTION CARRIED**

*OLD BUSINESS*

*NEW BUSINESS*

- Donation Request

Administrator Bailey said the Aleutians East Borough has an established Donation Policy that allows entities within the Borough communities to request charitable donations. Requests for donations must be completed and submitted by May 1 or November 1. In FY25, the Assembly appropriated \$20,000 for donations. In May 2024, the Assembly approved \$15,250 in FY25 donation requests (\$6,000 QTT Culture Camp; \$6,000 Agdaagux Culture Camp; \$750 SP Silver Salmon Derby, \$500 Pauloff Tribe – 4th of July and \$2,000 Sand Point Teen Center). This left a balance of \$4,750 for FY25 donations. The Borough received one donation request in November 2024, from QTT Annual Christmas potluck. They requested \$3k but the administration recommended \$1,500. If funded, there will be a balance of \$3,250.00 remaining in the Donation line-item for FY25.

**MOTION**

Brenda made a motion to approve Donation Request, second by Chris

**ROLL CALL**

Yeas: Jim, Paul, Chris, Tom, Josy, Warren, Brenda Advisory: Samantha  
Nay: None

## REPORTS AND UPDATES

### **Administrator's Report in packet. Highlights below:**

**Cold Bay Clinic:** On October 8, 2024, UIC Nappariat, DOWL, the Borough, City of Cold Bay and Eastern Aleutian Tribes attended a Construction Kick-Off meeting. UIC mobilization is scheduled for late October 2024 with a substantial completion date of January 15, 2025. Some exterior work and the generator will be completed in the spring of 2025. UIC will be working in a manner that will allow EATs to continue operations throughout the life of the project.

**King Cove Road:** Yesterday, November 14, the press release was issued for the Supplemental EIS and the 45-day review process will begin. It is believed that alternative 6 was selected as the preferred alternative and there was also no action alternative.

### **School Maintenance Items:**

**Sand Point Boilers:** On September 16, 2024, the Administration hired LONG to conduct boiler maintenance checks at the Sand Point School, the office and the 4-plex. LONG arrived in Sand Point between October 7 and 11, 2024 and serviced the boilers at the school, the 4-plex and the Borough office. We will be scheduling regular maintenance on those on an annual basis.

**Sand Point School Sewage Pipes:** This project has been finished. The new lines were installed, and the job was completed on November 7<sup>th</sup>.

**False Pass School Boiler Issues:** On September 29, 2024, LONG arrived in False Pass to conduct repairs on the boilers. A few more items were identified, which LONG will go back to address in late November. This will be on a regular service basis, and we will be going out to get a quote for this.

**Sand Point Harbor Float:** this is an ongoing project, and we discussed this in the two resolutions that have just been passed in regard to this project.

**Sand Point School DEED Grant:** On November 4, 2024, Talia and I attended the final cost reconciliation meeting with the design team and UIC. Numerous cost savings were identified, and the project came under the Borough's designed budget. The design team also received official notice to begin the 95% design. On November 5, 2024, DOWL and the Borough met to do the last review of the value engineering items and agreed on some of the add alternate work that will be included in the 95% design. On November 6, 2024, the Borough and DOWL met with the State of Alaska to provide them an update on the project and received permission to initiate early authorization requests for long-lead items.

**Cold Bay Dock:** On October 25, 2025, the selection committee met to review the proposals. The State of Alaska is in negotiations with PND Engineers at this time.

**Others:** The Administrator attended an AMLJIA meeting where we get our insurance from. The meeting was regarding AMLJIA-APEI merger that will form the Alaska Public Risk Alliance. This merger was approved by AMLJIA membership.

On October 18, 2024, the Mayor, Ernie and I met with Rodger May to discuss his plans for King Cove and Port Moller. His main goal is to support King Cove and get that facility up and running. The Borough has been invited to participate in a committee to help find a solution to this issue.

Paul asked if there were drawings that has been released for the Cold Bay Dock. Administrator Bailey responded there are no new drawings, this is just for engineering services and environmental permitting work.

Mayor Osterback added that once the dock is built, the owner will be the Aleutians East Borough so when we get to the point where we start producing some drawings, we will be having meetings to make sure that it is what we as the Borough wants.

Administrator Bailey thanked the Assembly for approving all the resolutions and said she is excited to have all these projects to move forward.

Jim asked about the DEED Maintenance project schedule. Administrator Bailey responded that she thinks we will start this summer when the school is out of session. We do not have the timeline of the pool itself because it just got approved but she knows for sure they will do the work inside first.

**Assistant Administrator's Report in packet. Highlights below:**

**Energy Efficiency and Conservation Block Grant Program (EECBG):** This is the grant to replace King Cove School lighting with Energy efficiency LED lighting. As of October 31, 2024, I submitted the SF-425 form, and the Locations Report required for quarterly reporting. On October 31, 2024, I met with engineers from DOWL and AMC to review the lighting replacement schedule as well as the lamp and emergency drivers. We decided to purchase a sample of the lights to ensure they fit properly before proceeding with a bulk order.

**Rasmuson Foundation: Community Support Grant:** We are using the funding for this grant to construct a new pool in Sand Point. This grant is due December 1<sup>st</sup>. The administration is currently working on drafting an optimized project budget and potential project funding sources.

**Akutan Hangar Generator:** WE met with Tacoma Diesel along with Anne, they are planning to travel to Akutan, first week of January to do the repair of the generator. The quote is \$28K but we are trying to split the cost with the City of Akutan. WE are also trying to loop in Trident's electrician to make sure once this is installed everything will be working properly.

**ISO Tank Purchase:** This tank is still in Tacoma Washington. It is fully paid for and everything in terms of documentations has been fully submitted. We are still waiting for Matson to ship out the new tank. This week Akutan was low on fuel but luckily, we are able to get the old tank out to Delta Western. It was a quick turnaround; the tank was on the barge that same evening.

Chris asked what was the generator we bought a while ago. Administrator Biley responded that it was the one that has been ordered. Tacoma Diesel has to ordered but it took a while.

Chris asked what the status on the morgue in False Pass was. Assistant Administrator Jean Louis responded that Paul Mueller is still working on creating a space for it.

**Natural Resources Director Report in packet. Highlights below:**

**Alaska Board of Fisheries:** AEB's main focus at the WS was agenda change request (ACR) 13 submitted by the Western Interior AK RAC that would mandate shallower seine gear in the South Peninsula. Staff Comments (RC2) concluded that 9 of the total 15 ACRs did not meet criteria for accepting ACRs, including ACR 13. Four written comments were opposed to ACR 13: AEB, CAMF, Area M Seiners Assoc. and Silver Bay. Comments in support were Fairbanks AC, YRDFA, Eastern Interior Subsistence RAC and the Lake and Peninsula Borough in RC 10. The Board rejected ACR13 by a vote of 1-5, only member Chamberlain in support. My summary including accepted ACRs can be found here. The Board meets in Cordova and Ketchikan this winter, then again in Anchorage for Statewide Shellfish proposals in March. For the Shellfish meeting we are following crab proposals 275 -297. Of particular interest are proposals 285, 286 and 294 submitted by local fishermen.

**North Pacific Fishery Management Council:** The December meeting agenda features final groundfish specifications for the BSAI and GOA. Specs are proposed and reviewed at the October meeting and the Groundfish Plan Teams are meeting Nov 12-15, to finalize and make recommendations to the Scientific and Statistical Committee (SSC) Dec 2, the Advisory Panel (AP) Dec 3, and to the Council beginning Dec 5th. Council will set Final specs for Norton Sound Red King Crab, also taking up crab arbitration and C shares. Council will take final action on Charter Halibut and review 2 rationalization programs: Amendment 80 and the IFQ program. The links to eAgenda are in the packet.

On Federal issues, Mayor Osterback signed a letter to President Biden not to establish any new marine sanctuaries in his last days in office. The list of all the meetings is in the packet.

**AK Fisheries:** United Fishermen of Alaska met in Anchorage last month to celebrate 50 years commercial fishing advocacy in Alaska. Still waiting on the release of the 2024 UFA Hall of Fame inductee names. The UFA Board voted to oppose Board of Fish Proposals 14 & 16 that would close pollock trawl fishing in Prince William Sound. A motion to support Proposal 294, that would set a 58 ft limit for vessels fishing Dungeness crab in the Alaska Peninsula fisheries, was withdrawn as controversial. The Anchorage Fish & Game AC will consider Proposals 14 & 16 on November 12. The AK Leg Seafood Industry Task Force continues to meet monthly at the Anchorage LIO. Of particular interest are ADFG Commissioner Vincent-Lang's comments to the Task Force. The AEB NR Dept will host an AEB Fishermen's meeting at 10am November 22nd via Teams.

A graph is included in the report to show tax revenues by species.

Chris asked for confirmation that the ferry system schedule for the next year is the same as the previous year. Natural Resources Director Weiss said yes.

Mayor Osterback asked if Natural Resources Director Weiss has information on the building date of the Tustumena replacement. Natural Resources Director Weiss said it is delayed.

Tom asked about the South Peninsula Tanner and if he knows if somebody is buying in the area at this time of the year. Natural Resources Director Weiss said he does not know.

Paul commented that there is a proposal to reduce the eggs taken in Prince William sound by 25%. Natural Resources Director Weiss responded that they discussed that a little bit and after looking at it, Anchorage AC voted unanimously to support that.

Paul commented that the Borough has no booth at the Pacific Marine Expo.

#### **ASSEMBLY COMMENTS**

Warren commented that SEIS was in King Cove regarding the Izembek Refuge Land Exchange and they got to hear from Deb Halland and few minutes ago a meeting with Senator Murkowski. She introduced us to take this SEIS that has been presented and printed and made public so then we have 45 day. Another round of meeting will take place with FWS with few other details before they sign into law. Warren said that they have a pretty good indication that the Biden administration is backing this with alternative 6. The next process will be working out the details like access to the road and who's going to pay for the road and hopefully it is a win-win. Warren said that Biden administration was against anything happening on any lands but thanked Deb Halland for helping out the community and the people of King Cove. There will be public meetings scheduled in each community. She told us to stay in the fight and never give up and she will be working hard on our behalf.

Warren commented that they had a presentation with panel with seafoods task force, and it went over well. An article regarding that meeting was published at IntraFish and there were a few questions and answers that happened. There were also a couple of CDQ questions. When we are talking about CDQ, he knows that 10% was taken from your resource. We are already due with taxes on the fishing industry here. Warren said that with the fishing industry here in the South Peninsula, they try to keep it away from the Bering Sea but then the Bering Sea also plays a role with the plant in King Cove so they gave them a lot of information. They got a good feel of what was happening around here. They are also in contact with Roger May, and requested them to join

the King Cove's council meeting to give them a rundown of what their plan is. Warren said they want to see the King Cove plant to open soon. He knows that King Cove has the resources.

Paul commented that 2 items are important to our community, the King Cove Road Project and the seafood plant in King Cove to get that backup and running. He suggested to have an executive session from time to time. He said that we may be behind schedule on developing a policy that helps reopen the seafood plant.

Mayor Osterback commented that he and Anne met with Roger May, and he is having meetings with different groups of people. It seems like he still has fillers on trying to figure out who is interested and what people are willing to do. At this time, he is not looking for anything financial. Mayor Osterback said his feeling about the meeting is he might be asking us to help at some point with our lobbyist both in the State and Washington DC, and our connection with Congressional. He is pushing this as fast as he can because he wants the plant to open. As a Borough, we are going to do whatever we can to get King Cove back up and running.

Chris asked Administrator Bailey about the health insurance update. Administrator Bailey responded that our renewal is July 1<sup>st</sup> however, they are doing December renewals right now, so she asked for a price of what plans are available from our health insurance broker. She said she does not have those numbers yet, but at least we will have an idea of what the plans are and costs are. She is trying to get some early work done so she can present it to the Assembly. She asked for preliminary information but the renewal is not until July 1<sup>st</sup>.

Brenda commented that all of the things we are learning about canary closures and canary shutting down during winter is all a learning process, and she hopes for documentation and keeping clear records for the future because we do not know how many times this would happen. And for the next group of people that will come along, they do not have to reinvent the wheel.

#### *PUBLIC COMMENTS*

Warren commented that the City of King Cove drafted a letter last October for a financial stabilization policy, and he wanted to bring it to Borough's attention that they may be asked for help with their financial situation. Warren said they sent it to the Borough Administration and asked if the Borough received it.

Administrator Bailey responded that we received the letter, they went through it and will have a response soon.

Warren added that with the plant closed for about 13 months now, there was a lot of money that did not come in. They want the word out that King Cove is hurting. They appreciate Senator Murkowski understands that, and she is willing to help in any way she can. He said they are grateful for the Borough to keep King Cove up and running. Warren mentioned some of the issues the City of King Cove is facing and also stated some plans to keep King Cove running. He said they have all these projects that they are trying to keep in the timeline of the grants, but if they fall, they have to spend their own money, which is drying really fast.

Gary Hennigh commented that yesterday, they discussed the very positive announcement about alternative six on the SEIS being selected, which is big news. It is far from the finish line, but it is a great start. The agency has been in contact with them to set up the public meeting they have to conduct within the 45-day time frame. They will have meetings scheduled in each community. Gary encouraged them to talk to the people of False Pass and Nelson Lagoon. The access to subsistence resources for the folks in the region that will be enhanced by this road is the key point they will be making. King Cove will put together a sheet of comments for folk throughout the community. The big meeting that he is hoping that we can get someone to attend is in Bethel to listen in and testify as well. Gary encouraged people to fly over to King Cove so they could see what the road

situation was. He asked the elected officials to help educate as many people as we can. We will probably not get him to see at our way, but at least we're going to get some round points for reaching out. Gary thinks Secretary Haaland was speaking from her heart, and she really does believe this is the right thing to do. And having Bob Anderson to support it. He believes that their legal argument is as strong as it can ever be. Governor Dun Leavy also requested a press release, thanking Sec. Haaland and the Dept. of the Interior to do the right thing.

On another topic, Gary said they had an hour in front of the Legislative Seafood Taskforce yesterday. They heard the story, they gave them some numbers, and they were shown some pictures about some fishery issues. Gary said they would give a presentation at the Fish Expo and expected a large audience. All they want to do is to show what is happening in King Cove. They are worried, but they are positive, can-do people. They needed help, and they reached out to Roger May and Mayor Osterback. He hopes that Roger May will show up at their meeting tonight.

Mayor Osterback thanked Gary for his comments. He said when they had a meeting with Roger May and Joe Bundrunt, the plan is to connect into the King Cove's meeting.

Chris commented that he received an email from the Aleut Corporation, and they are working on bringing out the DMV representative in early spring to help with the larger community, King Cove, Sand Point, False Pass, and possibly Cold Bay to get everybody get real ID before its implementation on May 7, 2025.

Paul asked if it is possible to get from the receivership the amount of money that was not paid to fishermen who delivered fish to Peter Pan Seafoods. Mayor Osterback responded that we could check in with our attorney.

Tom commented that they have asked their city attorney the same question, and he said he can probably get his hands on that information. It is certainly a question that we keep putting forward that the Old Peter Pan owes the city a considerable amount of money as well. He knows that there is a lot of money owed to fishermen and they are really angry about that as we all are. There are so many questions about the receivership that we may never get clarity as we like to.

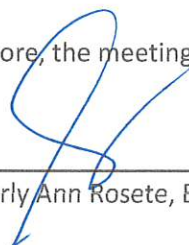
Gary asked are we able to extract dollar information based on fish data. Mayor Osterback responded that he never knew if the information would be public, but as he said, we would ask our attorney about what data can we access.

*NEXT MEETING DATE: December 12, 2024, 2:00 PM*

*ADJOURNMENT*

Josy moved to adjourn the meeting, second by. Hearing no more, the meeting adjourned 4:10 PM.

  
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Mayor Alvin D. Osterback

  
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Beverly Ann Rosete, Borough Clerk

Date: 1/13/2025

