

CALL TO ORDER

Mayor Alvin D. Osterback called the Aleutians East Borough Regular Assembly Meeting to order by videoconference in each community on February 13, 2025, at 2:04 p.m.

ROLL CALL

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

Advisory Members:

Samantha McNeley, Nelson Lagoon	Present
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A 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: George Barker

ADOPTION OF THE AGENDA

Josy moved to Adopt the Agenda, second by Chris

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 **conflicts of interest to be discussed**. There were no conflicts on agenda items.

MINUTES

January 9, 2025 Regular Assembly Meeting Minutes

MOTION

CHRIS moved to accept the January 09, 2025 Assembly Meeting Minutes, second by JOSY

The clerk pointed out a typo in the minutes.
Hearing no other corrections, the Minutes will stand as written.

FINANCIAL REPORT

• Finance Director's Report – Informational Only

Financial Director Brandell said we are still waiting to hear back from the Army Corps to establish exact ownership details for the harbor capital asset schedules. The financial statements are prepped and ready to hand over to BDO as soon as we get that last confirmation and the capital asset schedule can be adjusted for the ownership. The grants have all been reconciled for the quarter ending December 31, 2024, and the reports are completed. The close of the calendar year requires additional governmental reporting. The 941 quarterly reports reconciled with the yearend totals and the W-2 data was compiled. As required, the forms were electronically filed with the Social Security Administration, and the W-2's were mailed to recipients. The required 1099's at year-end were also issued and electronically filed through the IRS FIRE system. Routine tasks are on track.

• December 2024 Financials

Administrator Bailey said the Raw Fish Tax, we collected \$76,508.86 in December. This is 41% of the 5-year average, so this is less than half of what we usually get. The Interest Revenue is still coming in at a high rate. The expenditure is tracking along well.

CHRIS asked if President's Trump executive order affecting any of our grants. Administrator Bailey responded, only one grant stopped moving forward and that is the EECBG Grant.

PAUL commented that the floaters from Trident look like they are processing cod, so Fish Tax in our budget is probable.

MOTION

CHRIS made a motion to approve the December 2024 Financials Report, seconded by TOM

ROLL CALL

Yeas: Tom, Josy, Chris, Paul
Nay: None

MOTION CARRIED

INVESTMENT REPORT

APCM December 2024 Investment Report

PAUL asked if the administration could do a little presentation on the procedure when the Assembly authorizes the withdrawal of money from the Permanent Fund. Administrator Bailey said yes, she can.

CONSENT AGENDA

PUBLIC HEARINGS

- **Ordinance 25-02**, Amending Title 6, Chapter 6.04, Section 6.04.02 of the Aleutians East Borough Code of Ordinances

MOTION

JOSY made a motion to approve Ordinance 25-02, seconded by CHRIS

Administrator Bailey said per Section 6.06.042 of the Aleutians East Borough Code, the Borough is required to deposit funds annually into the Capital Improvement Maintenance Reserve Account. The code currently states that the "mayor shall include in the proposed budget for the coming fiscal year the deposit to the Capital Improvement Maintenance Reserve Account of the greater of \$100,000 or an amount equal to two and one-half percent of the total anticipated revenues from the borough sales tax and the state shared fisheries business license tax." These funds are to be used for maintenance and minor repair of borough capital improvements and if there are excess funds in the account then the funds can be used for capital projects. Per Alaska Statute, the Borough is responsible for all major rehabilitation, all construction and major repair of schools. The Borough Administration and Finance Department has determined that a minimum limit of \$100,000 is insufficient to meet Borough needs. The Borough Administration suggests increasing the amount to \$150,000, which would take effect in the Borough's FY2026 budget process. This still may not be enough; however, the Borough Administration and Finance Department believes this is a good step in getting us to the correct amount needed for maintenance. This will take effect on the Borough's FY2026 budget process.

PAUL suggested adding a description of the Code of Ordinances we are amending.

ROLL CALL

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

Nay: None

MOTION CARRIED

- **Ordinance 25-03**, Amending Title 6, Chapter 6.04, Section 6.04.041 of the Aleutians East Borough Code of Ordinances

Administrator Bailey said this is in regards to the Borough's Permanent Fund requirements. The Governmental Accounting Standards Board (GASB) establishes the generally accepted accounting principles (GAAP) that state and local governments are required to follow. The issuance of a GASB establishes new or updated guidelines for the GAAP and ensures consistent and accurate financial reporting through basic principles. Governmental Accounting Standards Board (GASB) Statement No. 54 defines fund balance classifications. Since the issuance of GASB 54 the permanent fund classification has changed. To comply with governmental accounting standards, the Borough is required to change Section 6.04.041 B, 6.04.041 D. and insert Section 6.04.041 E. The changes are listed in the packet.

PAUL asked if there were any other options to approve the withdrawal of the Corpus other than the 50%+1 votes of the voters. Administrator Bailey responded that based on what is stated on the GASB, we have to have the majority of the votes.

George commented that he does not think GASB defines a threshold, it just has to be a majority of the votes. So, he thinks the assumption is 50%+1.

Finance Director Brandell added that she thinks that per our code, the majority is 50%+1.

PAUL thanked everyone for the clarification.

MOTION

CHRIS made a motion to approve Ordinance 25-03, seconded by JOSY

ROLL CALL

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

Nay: None

MOTION CARRIED

ORDINANCES

RESOLUTIONS

- **Resolution 25-35**, Authorizing the Payment of \$3,293,110.48 to the Army Corps of Engineers for the second ten percent (2nd 10%) of the Akutan Harbor Construction Project

MOTION

Josy made a motion to approve Resolution 25-35, seconded by Chris

Administrator Bailey said in 2008, the Aleutians East Borough (Borough) and the Army Corps of Engineers (Corps) entered into a project cooperation agreement for the construction of the Akutan Harbor. The Borough agreed to pay 20%, and the Corps agreed to pay 80% of the project construction costs. The Corps has completed the final accounting for the Akutan Harbor project. The total construction costs for general navigation features expended on the project were \$38,853,187.86, which included pre-engineering and design efforts. The Non-Federal Sponsor's obligation and contribution for the first 10% was \$3,885,318.78. The Borough's 2nd 10% obligation is \$3,293,110.48. The Corps provided 2 options, a lump sum payment or annual installments and financed over a period not to exceed 30 years. The administration has reviewed both payment options and recommends paying the \$3,293,110.48 in full. The Akutan Harbor Corps Payment of \$3,292,110.48 will be reflected in line 24-000-8050. Once this is paid, it will remove this liability from the FY2025 audit.

Paul asked for a clarification that this will be the last 10% payment and once this is paid, the Akutan Harbor will be paid in full. Administrator Bailey said yes, this project will be completed.

ROLL CALL

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

Nay: None

MOTION CARRIED

- **Resolution 25-36**, Authorizing the Appropriation of \$706,889.52 from the Borough's Alaska Municipal League Investment Pool AEB COE Contribution .3 Portfolio to the Alaska Municipal League Investment Pool AEB Sand Point School .12 Portfolio

MOTION

CHRIS made a motion to approve Resolution 25-36, seconded by JOSY

Administrator Bailey said we are in the process of doing a DEED Project for the Sand Point School. Currently, the Borough has \$6.8M appropriated towards this project and \$4.4M of that is State funds and the remainder is the Borough's participating share. However, during the 65% design, the cost to complete the work has increased and now has an estimated cost of \$8.5M which requires more funds to complete the project. This \$8.5M includes DOWL services and UIC. The Borough Administration has talked to the State about this increase and discussed whether the Borough could reduce the scope of work or if the Borough should proceed with funding the project and submit a second supplemental request to the State next year. After numerous discussions, the Administration is recommending moving forward with the original scope of work and submitting a supplemental funding request next year. Therefore, an additional \$882,009.34 will be needed to fund the original scope of work. The summary and a table that shows the breakdown of the \$ amount are included in the packet. In 2023, the Borough appropriated \$4,000,000 to pay for the 2nd 10% payment for the Akutan Harbor. The Borough has received the final accounting from the Army Corps of Engineers for the Akutan Harbor 2nd 10% in the amount of \$3,293,110.48. This has left a balance of \$706,889.52, which can be reappropriated from AMLIP Portfolio .3 to the Sand Point School Match AMLIP 0025744.12. The additional \$176,082.82 (and possibly more) needed for the Sand Point DEED project will be addressed in the future once the final construction cost is determined.

Chris asked if this does not include what we set aside for DOWL Engineering. Administrator Bailey said, correct, this is for the DEED project which is separate from the swimming pool.

ROLL CALL

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

Nay: None

Motion Carried

- **Resolution 25-37**, Authorizing the Mayor to Negotiate and Execute a Change Order with Western Marine Construction, Inc for the Sand Point New Harbor A-Float Project in an amount not to exceed \$774,600 increasing the Contract Amount to \$8,629,600

MOTION

JOSY made a motion to approve Resolution 25-37, seconded by TOM

Administrator Bailey said we are in the process of finishing up the float. 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. We have signed the original contract with Western Marine in the amount of \$7,855,000. Since this was below the grant threshold, MARAD suggested that we add additional scope to the project. We asked Western Marine Construction, and they provided additional items outlined in the packet. This will increase the project by \$774,600. All of these have been run by MARAD for approval and Environmental Agencies, so the work is approved.

PAUL asked which would be done first, the Harbor Sand Point Float or the Cold Bay Dock Repairs, and asked when is the barge coming. Administrator Bailey responded that she has an understanding that the barge will leave in April. She does not have their schedule on whether they are going to be in Cold Bay first. But the barge is scheduled in April and that is the deadline we are trying to meet.

Mayor Osterback added WMC did not say which one they were going to do first if both resolutions got approved. But they are talking about starting the actual work here in late June or July.

CHRIS commented that he does not have any problem with the change order since it will not cost us extra money. He also said he wished that Fish Cleaning Table had been added when the King Cove Harbor was built.

ROLL CALL

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

Nay: None

MOTION CARRIED

- **Resolution 25-38**, of the Aleutians East Borough Assembly Selecting and Promoting FY 2026 Capital Projects for the Health, Safety, and Welfare of Its Residents

MOTION

CHRIS made a motion to approve Resolution 25-38, seconded by JOSY

Administrator Bailey said Borough staff have reviewed the Borough projects and have had conversations with Mayor Osterback and Mark Hickey regarding the projects listed below. Borough staff recommends that the Akutan-Akun Transportation Link be listed as the Borough Legislative Priority for FY2026 Capital Project Funding. Staff also recommend the King Cove Access Project, and the False Pass Airport Project be listed as Borough Legislative Priorities for FY2026 with no specific funding requests at this time. These are the three projects that the Borough would like to promote for the Capital Projects for this year.

PAUL commented that Shirley Kelly from EDA proposed that SWAMC put together an Infrastructure package for the SWAMC region and these projects could be part of.

Mayor Osterback said, if this passes, we could forward it to SWAMC.

JOSY asked if 50% covers the cost of the chopper. Administrator Bailey responded that's the Borough's portion. Josy proceeded to ask if 100% had ever been requested. Administrator Bailey said that if this does not work, this will go to the Federal side for Essential Air Services and ask for 100% coverage. Administrator Bailey said it is the perfect time since the current contract will end in March of 2026. We are going at two different avenues to try to get funds for this. JOSY asked if EAS grant covers Dutch to Akutan or only to Akun. Administrator Bailey said it is a combined application. Dutch to Akun was covered 100% and then the Federal government only agreed to pay 50% of the helicopter that Maritime provides.

ROLL CALL

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

Nay: None

MOTION CARRIED

- **Resolution 25-39**, Requesting the State of Alaska to Increase the Base Student Allocation for Public Schools

MOTION

JOSY made a motion to approve Resolution 25-39, seconded by CHRIS

Administrator Bailey said the administration recently had conversations with Superintendent Mike Franklin and there's also a lot of documentation on how the school is not getting enough funding to meet their expenditures. Currently, the State only provides 64% of education funding while the local government contribution and local impact aid makes up the remainder. As part of the funding formula designed by the State, a minimum local contribution of 2.65 mills (or equivalent) is required. For FY2025, the Borough paid \$1.3M plus additional funds for in-kind services. The State's fiscal challenges increase the potential for additional costs to fall on boroughs, and home rule or first class cities in the unorganized borough. The State has not made a meaningful Base Student Allocation increase since FY 2016. The Borough recommends a BSA permanent increase of \$1,808, which is in line with the recommendations of the Alaska Association of School Boards and the Alaska Superintendents Association, and matches the buying power of the FY11 BSA in FY25; and the Borough recommends that State enact statute to automatically adjust for inflation and return to forward funding for education.

CHRIS asked if all our schools have enough students to get federal funding. Administrator Bailey said the last time she talked to Superintendent Franklin, there were 14 in False Pass, they are above the 10 limit, so they are getting the funding from the State.

TOM asked what the Base Student Allocation is now. Administrator Bailey said she is not sure of the exact amount, but it is around \$600.

PAUL said it is a good idea to raise the Base Student Allocation.

JOSY commented that they are talking about dismantling the Department of Education. She asked if the administration or the Superintendent has been following up on that.

Mayor Osterback commented that the discussion was about moving the Department of Education out of Washington, D.C. They were discussing how they were going to do that and how Federal oversight would be. Mayor Osterback asked Superintendent Franklin how much the base allocation was this year.

Superintendent Franklin responded \$1,400 per student.

CHRIS asked Superintendent Franklin what's his take on Federal government running the education versus turning it over to the State.

Superintendent Franklin responded that it was impossible to answer now. It would take an active Congress which is not outside the realm of possibility but it is a little ways from happening. They also have not given a clear plan on what would happen after that. Superintendent Franklin added that the federal funds that affect them possibly right now are Impact Aid funds and Title Funding, these are two very significant. It adds up close to 10% of their budget.

PAUL commented that the Legislature in Anchorage may give an update on the education budget.

Superintendent Franklin said the initial indicators are very positive as far as House Bill 69. There is a lot of support for increasing Base Student Allocation in both the House and Senate right now, the problem is it could pass the House and Senate and still be vetoed by the Governor.

CHRIS asked what is the difference between a charter school from a regular school. Superintendent Franklin said a charter school has to be sponsored by a regular public school system. Charter schools must be adopted under the umbrella of a school district. They have fewer restrictions when it comes to curriculum, hiring, and using their teachers. The advantage of a charter school is it focuses on a specific academic charter or plan. Superintendent Franklin said his political worry is, that what the Governor is saying is he wants to increase funding to education by increasing options for families and increasing CTE programs for families. The problem with our Borough is we will see none of that because we do not have big CTE programs and we do not have charter schools. He is proposing increases to educational funding in his budget but it will essentially go to the big 5 and not to the rural schools.

ROLL CALL

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

Nay: Nay

MOTION CARRIED

- **Resolution 25-40**, Authorizing the Mayor to Negotiate and Execute a Contract with Western Marine Construction, Inc for the Cold Bay Dock Allision Repairs Project in an amount not to exceed \$609,000

MOTION

CHRIS made a motion to approve Resolution 25-40, seconded by JOSY

Administrator Bailey said on May 10, 2024, the Cold Bay Dock was struck, resulting in structural and fender damage. A claim was filed with AMLJIA. On May 20, 2024, the Administration signed a contract with Moffatt & Nichol to conduct a damage assessment in the amount of \$22,843.00. A site visit was conducted, and the damage was identified. AMLJIA sent the information to their reinsurance company, and now the reinsurers are involved. The reinsurers traveled to Cold Bay and assessed the dock. The reinsurers have called this an Emergency Mitigation project. Because it was an emergency, the administration was able to contact Western Marine Construction, and they provided a proposal for \$609,000 to complete the work. This has been sent to AMLJIA for review and consideration, if approved, the Borough's deductible for the Cold Bay Dock is \$5,000. Therefore, the Borough would only be responsible for \$5,000 of the repair work and the remainder would be paid by AMLJIA. Signing the contract agreement with WMC would be contingent upon AMLJIA's approval.

PAUL encouraged the Administration to make sure that there would be no conflict between Cold Bay dock repairs and the ferry schedule.

Mayor Osterback commented that the ferry schedule is out now and once this resolution passes, we will make sure that the WMC will keep in touch with the AMHS to make sure there will be no conflict.

ROLL CALL

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

Nay: None

MOTION CARRIED

- **Resolution 25-41**, Supporting the full funding (\$7,134,658) for the State of Alaska Harbor Facility Grant Program in the FY 2026 State Capital Budget

MOTION

JOSY made a motion to approve Resolution 25-41, seconded by CHRIS

Administrator Bailey said this would help support the communities of Unalaska, Sitka, and Juneau to get funding for their projects this year. This is a 50/50 percent grant. Right now this is not in the Governor's budget at all, so this is just to help recommend that he put the funds in.

ROLL CALL

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

Nay: None

MOTION CARRIED

OLD BUSINESS

NEW BUSINESS

REPORTS AND UPDATES

Administrator's Report in packet. Highlights below:

Cold Bay Clinic: They made a ton of progress on this project. It is approximately 60% complete with the project. This is funded by the HRSA fund.

Cold Bay Dock: The State of Alaska has finalized the contract with PND for the Cold Bay Dock Replacement Project. A notice of intent to award should be executed soon. This project is anticipated to last for about 5+ years until fully constructed. On January 29, 2025, I attended a meeting with the State of Alaska and DOWL to discuss design repairs for the most damaged existing approach piles, and we are having a kick-off meeting. They are currently in the design phase with a few piles that are impacted by corrosion and/or are broken. The State takes the lead in repairing the pile corrosion.

King Cove Road: Earlier this week the King Cove Corporation requested a 60-day time extension for comments for the Izembek Land Exchange. We are waiting to hear, otherwise, the comments are due today, February 13, 2025.

Sand Point Harbor Float: This project made a ton of progress. As of yesterday, February 12, 2024, the State of Alaska Harbor Grant Agreement was signed, so this project is funded and we can finally pay the contractors for their work. They have started building the floats. Moffat and Nichol did a site inspection of the TRANSPAC facility and everything is going smoothly. We are on target to meet that April barge.

Sand Point Pool: On January 17, 2025, a programmatic discussion with UIC, Counsilman-Hunsaker, the design team, and the Borough occurred. Discussions regarding pool construction type, pool users and programs, pool equipment, and pool chemicals were discussed. Yesterday, we received a document from DOWL with recommendations and we hope we get a 35% design with 2 different pool materials, concrete and stainless steel. On January 21, 2025, a contract was executed with DOWL for Phase 3 – 95% Design; Phase 4 100% Construction Documents; Phase 5 – Guaranteed Maximum Price Negotiations and Contracting and Phase 7 Geotechnical Investigation Contingency and Time and Material Services.

Other Items: On the Sand Point School DEED project 100% of design documents were received today and have been provided to UIC Constructions so we can anticipate a guaranteed maximum price for that project in the beginning of March.

PAUL asked about the agreement between the PND and the State of Alaska regarding Cold Bay Dock being public. Administrator Bailey responded she did not know. She does not have it and is not sure if certain things are confidential or not. PAUL continued to ask if this grant will be impacted by the federal freeze. Administrator Bailey said, no.

Assistant Administrator's Report in packet. Highlights below:

ISO Tank Purchase: On January 13, 2025, the newly acquired ISO tank arrived at Akutan, fully loaded with fuel.

Energy Efficiency and Conservation Block Grant Program (EECBG): On January 27, 2025, the Borough purchased sample lights from Crescent Electrical Supply Company. On January 28, 2025, the Trump administration implemented a freeze on the federal grant program. Although this action was subsequently rescinded, the repercussions will be felt in equity and clean energy grants. On January 29, 2025, I had the opportunity to attend a meeting with Senator Murkowski. During the discussion, the prevailing sentiment was that there is considerable uncertainty regarding future projects. Senator Murkowski's office indicated that they are closely

monitoring developments and will provide updates as new information becomes available. Additionally, I have reached out to the Energy Efficiency and Conservation Block Grant (EECBG) program. They expressed appreciation for my inquiry and assured me that they would respond when further information is accessible. We will be pausing on this project until we hear back and get a green light to move forward with the project.

Akutan Hangar Generator: We are working to get the generator in Akutan. On February 4, 2025, I submitted the revised short-form contract to Tacoma Diesel & Equipment for their review. Upon their acceptance of the contract terms, the Borough will concur with the stipulations of the work order. Should both parties come to an agreement, the anticipated completion date for this project will be March 31, 2025.

Maintenance Connection: There will be a site visit at the schools by Don Wheeler, a building maintenance specialist. He plans to visit Sand Point on March 5th, King Cove on the 6th, and possibly virtual visits to other Borough schools. We are also working on the Akutan boiler.

Tom commented that there was a few damage at the school from the last wind storm, side walls are missing, and some roofing. He said he hopes that somebody will come and assess the school condition in False Pass. Assistant Administrator Jean-Louis responded that this is the first time she heard about these issues. She will connect with Superintendent Franklin to discuss it and hopefully, we can get some pictures to Don. She really would like to advocate communication regarding maintenance.

Mayor Osterback added that if there is something going on especially if it involves the school, we do not have to wait until the Assembly meeting, they can send an email to the Mayor or the Administrator.

Natural Resources Director Report in packet. Highlights below:

Alaska Board of Fisheries: The Board has been meeting in Ketchikan January 28-February 9 for SE AK proposals. Board action of interest: the Board created a new Board Generated Proposal (BGP) during the Ketchikan meeting to be considered at the Statewide Shellfish meeting in Anchorage March 11- 16. The BGP, Proposal 316 seeks to change Kodiak area herring seine gear and season dates. We will attend the Shellfish meeting to monitor crab proposals that will impact local crab fisheries, and potentially to advocate for proposals, including those submitted by local fishermen, proposals 285, 286, and 294 in particular which will limit Dungeness vessel size. The Board recently published the Call for Proposals for AYK, Bristol Bay, Area M and Chignik finfish meetings next cycle. The 2025-2026 meeting cycle tentative schedule's link is included in the report packet.

The Pacific Cod meeting will be October 30-31, 2025 and the Alaska Peninsula/Chignik salmon meeting runs February 18-24, 2026. Proposals for the 2025/2026 Board of Fish meeting cycle are due April 10, 2025. Charlotte and I are working on some ideas to help assist proposal writers.

North Pacific Fishery Management Council: The February NPFMC special meeting agenda included just 2 items: Cook Inlet salmon specifications and AYK Chum salmon bycatch in the BSAI pollock fishery. You can read my AEB Fish Blog post summarizing the Council action on Cook Inlet Salmon specifications. I submitted a comment letter on the Chum Bycatch action describing AEB reliance on pollock deliveries and testified to the Advisory Panel. I am planning to also testify to the Council. We can discuss the forthcoming AP and Council actions on Chum Bycatch during our oral reports.

International Pacific Halibut Commission: The IPHC met in Vancouver, BC during the last week of January and adopted season dates and harvest limits for all IPHC areas. There are severe cuts in our area.

AK Legislature Seafood Industry Task Force: Mayor Osterback sent a letter to the Task Force on January 17 to suggest increasing the municipal share of fisheries business and fisheries landing taxes to 100% to help communities during the current crisis. The Task Force met for the last time on January 29 and 30. The Final Report includes this language on page 13: Recommendation 8. (a) "Action Point: Amend existing allocations of revenue sharing under AS 43.75 and AS 43.77 and related provisions. Consider including a 100% distribution to local governments under certain circumstances and for short-term fiscal relief."

A list of bills of interest is included in the report.

CHRIS commented that an article about King Cove is out on ADN webpage.

Fishery Analyst Report in packet. Highlights below:

Electronic Monitoring - GOA5/EFP: EM4Fish has published a 2nd article that talks about how we brought Elog from an idea into implementation, specifically talking about the challenges that we faced with regulation and making it usable in the fishery. In preparation for the fleet meeting, I worked with our contractors to develop instructional documents for using paper NMFS daily fishing logs, which are a new requirement for <60ft vessels for trawl. We have finished adapting the eLog to meet the DFL and OLE requirements and are piloting on several vessels during A season before implementing at-scale. There has been significant frustration from the fleet on having to learn/use the complicated DFL process. Our eLog should simplify the process substantially, however, I will continue to advocate to improve this at FMAC/Council. I hosted a pre-season meeting on 2/3 to go over details of the new Trawl EM regulated program and to walk through the new process for the eLog and DFL requirements. The FMAC meeting is scheduled for May 12th, and I plan to discuss the DFLs and was also approached by NMFS about the potential for an EFP to expand EM to bottom trawl. However, the issue with DFLs would need to be dealt with first.

AFSC Cod Tagging Project: We have purchased all the supplies and have finalized gear lists for the upcoming winter charter - shoutout to Glennora for her help! Kim Rand is currently in Seattle assisting with gear packing and harness building. Julie Nielsen will receive all the tags and preprogram them. Ana Vinson, ADFG biologist will be accompanying us again during the winter charter with in-kind support for her salary. We anticipate the charter will occur roughly from March 16-April 2nd. Drs. Spies/Timm AFSC geneticists have recently discovered a new genetic signal that may distinguish between migratory vs. resident cod, and we are meeting this week to discuss how to proceed. The quarterly reimbursement has been submitted and we do not anticipate any freezes on this project. I am currently finalizing the quarterly interim report.

Unimak Acoustic Telemetry Project: We have purchased the supplies and equipment needed for the acoustic telemetry pilot project and will be testing the deployment of two types of acoustic tags during our upcoming winter charter (5 internal vs. 5 external tags).

North Pacific Fisheries Management Council: The February special Council meeting only covered 2 agenda items: BS Chum Bycatch and Cook Inlet salmon specs. As expected, chum bycatch was a very contentious topic with significant public comment and testimony. The South Pen June fishery was referenced throughout the

analysis and comments, and Ernie and I have been tracking the issue closely. The Council technically has no management authority over state fisheries, and no action can be taken at the meeting. However, there were many instances of misinformation/conjecture regarding the South Pen June fishery.

During the Council, BBSRI/BBEDC held a special evening session to present on results of their pilot program for in-season genetic testing. They noted the project was successfully able to provide stock composition for BS pollock deliveries within 3 days of landings, and believe turnaround can be significantly decreased. Analysis was cross-referenced with NOAA Auke Bay and ADFG, and compared to post-season analysis from Auke Bay (status quo) with comparable results. This is being considered as a long-term tool in the BS fleet. I am currently exploring potential research that could support improved salmon management. I attended the Alaska Marine Science Symposium in January.

PAUL asked what species they were talking about during the BBSRI/VVEDC meeting. Fishery Analyst Levy said they specifically looking at chum salmon in the Bering Sea Pollock Fishery. What happens is they have a by-catch salmon that was sampled by an observer and then process those genetics but the results are typically not available until post-season. This pilot program is taking those same genetic samples in a lab in Dutch Harbor to process right away and provide weekly feedback to the fleet on what genetic stocks they are harvesting.

Mayor Osterback asked how we could work on trying to increase the pot cod quota. He directed Fishery Analyst Levy to have a conversation with Tom Hoblet, he thinks he would be a good resource and bring a report back that we could take to the State or NPC.

ASSEMBLY COMMENTS

CHRIS commented that he wanted to give an update on some of the conditions they are experiencing in this road to Cold Bay. He said he spoke with the Public Works director yesterday and he had a couple of concerns and ideas that he wanted to bring forth to the Borough. There are numerous slides and a tremendous amount of rain this year. We have a significant number of landslides. The last one has a rock the size of a car across the road. It seems most of them are on the beach road. Chris said that yesterday they were trying to clean a drainage area. The Public Works Department was asking if it is possible to get somebody out here to hydroseed.

this summer or see what would it cost the Borough to buy a hydroseed trailer so they could get more vegetation and secure the hills a little bit more.

Mayor Osterback said Administrator Bailey is working with the City of King Cove's administration on this issue.

TOM commented that we need to do some research on how much fish come back to the Western Gulf and we need to have the information before the Fish and Game Advisory Committee meetings.

Mayor Osterback said yes, the Natural Resources Department can work on it.

TOM added that it is dollars to the Borough for not operating in False Pass and King Cove.

CHRIS commented that Nelson Lagoon and False Pass can feel the same thing they are feeling in King Cove. They are having some issues with Grant bringing over mail and it seems like they have every excuse why they can't fly when other planes came in and out just fine. We even had 2 weeks without mail. It really becomes so frustrating. We can probably get the services of other airlines that fly here, we can probably look into that.

Chris said he is not really sure who to talk to regarding this concern but wanted to bring this to the Borough's attention.

Mayor Osterback said that the Borough did a survey of all the communities a few years ago regarding the mail service, but got a very little response from the people. Mayor Osterback said we can let each community know who to contact that handles Essential Air Service and contracts with air carriers and see if the community itself wants to do it.

CHRIS said he appreciated it and he is not pointing fingers at the community that does have reliable aircraft. It's just a little frustrating.

PAUL asked if there was a way to have all the audits in the state posted in one spot accessible to all to help communities share information. Administrator Bailey said she did not know. The Borough posted ours online so it is open to the public but not sure about other municipalities.

PAUL said there is a SWAMC meeting in March 5-7, 2025.

Mayor Osterback commented that he and Administrator Bailey have been talking about the drop in Borough's revenue and the things that we need to do. The Assembly knows what our financial situation is. He said we are not going to try to get ahead of King Cove on what they want to do with Peter Pan King Cove. One of the things we can do is try to get the Port Moller Plant, figure out who owns it, and what we can do to get that plant back on the line. He said he knows it will not help individual communities to get revenue across their dock, but it will help the Borough funds and eventually help the Borough communities also.

PUBLIC COMMENTS

NEXT MEETING DATE: March 13, 2025 2:00 PM

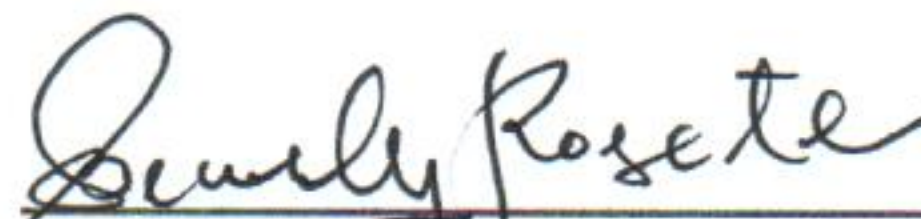
ADJOURNMENT

JOSY moved to adjourn the meeting. Hearing no more, the meeting adjourned at 3:55 PM



Mayor Alvin D. Osterback

Date: 3/14/2025



Beverly Ann Rosete, Borough Clerk

