

CITY OF UNALASKA  
UNALASKA, ALASKA

RESOLUTION 2018-05

A RESOLUTION IDENTIFYING THE CITY OF UNALASKA'S FEDERAL PRIORITIES FOR FISCAL YEAR 2019.

WHEREAS, the City of Unalaska is the number one fishing port in the United States and host to national and international shipping vessels; and

WHEREAS, the sand bar in the entrance to Unalaska Bay creates an impediment to container vessels entering the bay; and

WHEREAS, dredging the sand bar will contribute significantly to the navigational safety and security of vessels entering and leaving the port; and

WHEREAS, authorization and funding support is needed in order for the U. S. Army Corps of Engineers to continue moving forward with the project; and

WHEREAS, Captains Bay Road is heavily used by commercial traffic and requires improvements for existing and future use; and

WHEREAS, future growth and business activity is expected to occur along Captains Bay Road requiring water, sewer, and electric utilities; and

WHEREAS, Unalaska's internet connection speeds thwart business growth, medical service, post-secondary education, and overall quality of life; and

WHEREAS, the City of Unalaska will be impacted by oil exploration and drilling in the Beaufort and Chukchi Seas because our port is the only port on the west coast of Alaska that is free of ice year round; and

WHEREAS, state and local sharing of the federal revenues generated by activities on the Outer Continental Shelf is important to Unalaska and other impacted communities; and

WHEREAS, Unalaska has several sites that were subject to the Department of Defense's Formerly Utilized Defense Sites (FUDS) environmental program due to contamination which occurred during WWII activities, as well as WWII related contamination that is discovered during construction projects today; and

WHEREAS, the creation of a federal funding mechanism that would allow reimbursement to land owners who remediate contaminated sites or the identification of an accessible funding source to allow for a timely response to contamination sites that are holding up construction projects and negatively impact subsistence living would be of benefit to the community as a whole; and

WHEREAS, hundreds of derelict vessels currently litter Alaska's coastline and harbors and these numbers will increase every year unless action is taken to address aging fleets and changing commercial fisheries; and

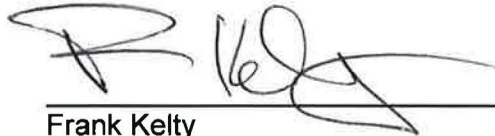
WHEREAS, the City of Unalaska recognizes the widespread costs and the environmental and navigational risks for both municipalities and the state, associated with derelict vessels; and

WHEREAS, the updating statutes and regulations regarding derelict vessels, which lack the ability to track vessel owners, agency enforcement authority, statewide coordination of response, funding and vessel insurance requirements would have a direct benefit to Unalaska; and

NOW THEREFORE, BE IT RESOLVED that the Unalaska City Council, by this resolution, hereby identifies the following as top federal priorities for FY2019:

Unalaska Bay Entrance Channel Dredging	Authorization and Appropriation
Captains Bay Road Improvements	\$24 million Project
High Speed Fiber Optic Connection	Initiative
OCS Revenue Sharing	Initiative
Environmental Remediation Support	Initiative
Derelict Vessels Legislative Changes	Initiative

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on January 9, 2018.



Frank Kelty  
Mayor

ATTEST:



Marjie Veeder  
Clerk



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## MEMORANDUM TO COUNCIL

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**TO:** MAYOR AND CITY COUNCIL MEMBERS  
**FROM:** ERIN REINDERS, ASSISTANT CITY MANAGER  
**THROUGH:** NANCY PETERSON, INTERIM CITY MANAGER  
**DATE:** JANUARY 9, 2018  
**RE:** RESOLUTION 2018-05: A RESOLUTION IDENTIFYING THE CITY OF UNALASKA'S FEDERAL PRIORITIES FOR FISCAL YEAR 2019 AS UNALASKA BAY ENTRANCE CHANNEL DREDGING, CAPTAINS BAY ROAD AND UTILITY IMPROVEMENTS, HIGH SPEED INTRNET CONNECTION, OSC REVENUE SHARING, AND ENVIRONMENTAL REMEDIATION SUPPORT

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**SUMMARY:** Resolution 2018-05 outlines our federal legislative priorities for the coming year. This is a traditional means of communicating our top projects and initiatives to our congressional delegation in Washington D.C. We have made one addition to last year's resolutions to include an initiative supporting environmental remediation in Unalaska. This topic was discussed in the City's lobbying trip this past September and staff is recommending that it be included as one of the City's priorities. The projects and initiatives are:

- |   |                                 |
|---|---------------------------------|
| ▪ Unalaska Bay Entrance Channel Dredging      | Authorization and Appropriation |
| ▪ Captains Bay Road and Utilities Improvement | \$24 million                    |
| ▪ High Speed Fiber Optic Connection           | Initiative                      |
| ▪ OCC Revenue Sharing                         | Initiative                      |
| ▪ Environmental Remediation Support           | Initiative                      |

**PREVIOUS COUNCIL ACTION:** This is a recurring council action that provides annual direction to our lobbyist and our representatives traveling to Washington, DC to lobby for our priorities.

**BACKGROUND:** The situation in Washington, DC has not significantly improved regarding availability of funding.

**DISCUSSION:** The list of priorities is virtually same as last year, but with one additional initiative. The initiative supporting the environmental remediation of Unalaska may be new to the list but was included as topic in the lobbying trip this past September. An overview of the top federal projects and initiatives are provided below.

**Unalaska Bay Entrance Channel Dredging:** The entrance channel for the Port of Dutch Harbor has a sand bar which is becoming an obstruction to navigation. The new cargo ships entering the harbor are at the very end of the safety clearance for their draft. The Alaska Marine Pilots have been forced to turn a number of deeper draft ships away. A number of U.S. Army ships and an Australian destroyer also laid up at the Port of Dutch Harbor over the last few years, barely clearing the bar. The City has been contacted by representatives of Maersk Lines to talk about the future of their fleet and the larger size of vessels that would be coming into the Port of Dutch Harbor. The changes in vessel size are forcing the City of Unalaska to plan to

meet future needs by requesting assistance to dredge the bar. The Port of Dutch Harbor has grown in importance as a regional port for transient vessels, military craft, and vessels in distress. For us to effectively provide both civilian and military craft with safe harbor, the entrance channel will need to be dredged. Alaska District of the ACOE is currently executing a reconnaissance study to determine whether there are any adverse effects to dredging the channel. If the study concludes there is not adverse effects the City will move forward requesting federal assistance to dredge the entrance channel. An additional two phases would then be required, both of which need federal funding and authorized action. The current feasibility phase is 50-50 cost share; Preconstruction and Design Phase as well as the Construction Phase would both be an ultimate 80% federal - 20% city.

**Captains Bay Road and Utility Improvements Project:** This road serves as a primary transportation route for a great number of commercial enterprises along and at the end of Captains Bay. The section of road making up this project is a high traffic area for heavy vehicles that are used by the fishing and transshipment industries. During public meetings on the Unalaska Road Plan in 2011, both drivers and industry representatives spoke of the hazards of the high road crown that is necessary for adequate drainage. In winter months, this crown creates dangerous driving conditions for the large trucks and school buses traveling the road. The road cannot be paved without first completing drainage improvements. The road improvements will include possible re-alignment of the road through the heavy industrial areas. There is strong support from the public for improvements to Captains Bay Road.

This project includes providing utilities to the end of the road. Currently electric power is provided to Westward Seafoods and less than adequate water is provided to the Crowley Dock. This project is intended to provide the necessary infrastructure to accommodate the new economic activity we are experiencing in Captains Bay.

**High Speed Internet:** Unalaska and our Aleutian Island neighbors are stuck with “analog” speeds in a high speed digital and video world. High speed internet will improve services at our clinic with the ability to connect with medical professionals off island. This has the potential to reduce medical costs which now include expensive flights to access health care in Anchorage or the Lower 48. Our schools cannot meet some of the needs of our students due to slow Internet speeds. The State is driving more services to the Internet, like testing, which is problematic or inaccessible with slow Internet. Our community’s ability to seek post- secondary education is also difficult. Our schools, the city and local businesses are unable to perform some required functions and have to provide data to third party companies to input into web based systems. This increases the opportunity for errors in critical areas. We are unable to use cloud based systems to improve efficiencies and effectiveness in personnel and business processes. Our Public Safety Department cannot use Internet systems while responding to critical incidents. This deficit places our public safety officers and community members at risk during man-made and natural disasters. Finally, across all of our community, one of the main reasons for difficulties in employee recruiting and retention of quality people is the lack of connectivity with family and friends off the island. We need financial assistance to get our community connected to the digital world and working more efficiently and effectively.

**OCS Revenue Sharing:** The City of Unalaska has made changes to our planning and zoning policies as well as our Comprehensive Plan to help the community mitigate some of the significant growing pains associated with any future Arctic oil and gas development. Additionally, we have been monitoring legislation to authorize revenue sharing for Alaskan communities impacted by the Arctic oil and gas development to ensure the best use of our limited construction dollars. In April, Senators Murkowski and Sullivan introduced S. 883, the

Offshore Production and Energizing National Security Alaska Act (“OPENS Act”). The bill would authorize OCS revenue sharing to the State of Alaska and local governments with a geographic nexus to the leased areas, or which are identified as “significant staging areas” by the State of Alaska. The legislation allocates 7.5% of all Alaska OCS revenues to the State of Alaska, and 7.5% of revenues to coastal political subdivisions. Of the 7.5% allocated to coastal political subdivisions, 10 percent of that amount would go to communities that serve as significant staging areas for OCS activities. Should the bill become law, it would generate increased funding to eligible communities as OCS oil and gas development proceeds. Unalaska qualifies as a staging area for the Arctic oil and gas development, and would also be an eligible coastal political subdivision should the North Aleutian Basin be opened for development. The money allocated to the State of Alaska would be available for appropriation by the Alaska State Legislature. The City strongly supports S. 883 and thanks the Delegation for its ongoing initiative on this issue.

**Environmental Remediation Support:** Unalaska has many sites that were the subject of the Department of Defense’s Formerly Utilized Defense Sites (“FUDS”) environmental program due to contamination which occurred during WWII activities. Numerous sites are located in areas with detrimental impact to subsistence living. The City and its land owners are unable to react quickly to a new FUDS Responsible site identified during the civil work at a construction project. If during earth moving activities a FUDS responsible site is uncovered, it takes 3 -5 years to get the funding to remediate the site. This effectively puts a halt to the construction project or forces the land owner to spend large sums of its own money to remove contamination so that the project can continue. We would like to see some form of funding mechanism established within the law that will allow reimbursement of land owners who remediate contaminated sites or identify a pool of money to allow for a timely response to new contamination sites that are holding up construction projects and negatively impact subsistence living.

**LEGAL:** N/A

**STAFF RECOMMENDATION:** Staff recommends approving this Resolution 2018-05.

**PROPOSED MOTION:** I move to approve Resolution 2018-05.

**CITY MANAGER’S COMMENTS:** This list remains consistent with the City’s adopted plans and previously identified priorities. I support this resolution.