

CITY OF UNALASKA
UNALASKA, ALASKA

RESOLUTION 2022-40

A RESOLUTION OF THE UNALASKA CITY COUNCIL AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH OPTIMERA HOLDINGS, INC. FOR ELECTRIC LINEMAN SERVICES

WHEREAS, the City of Unalaska Line Crew has been reduced to one employee due to resignations and inability to recruit new employees in a very tight labor market; and

WHEREAS, the remaining employee is an Apprentice who requires continuous supervision by a Journeyman Lineman per the City's Standards of Apprenticeship; and

WHEREAS, OptimERA Holdings, Inc., formerly OptimERA, Inc., employs a Journeyman Lineman who previously worked in the City Line Crew Division for five years and can provide supervision, outage recovery, and all aspects of repairs and maintenance of the electrical distribution system; and

WHEREAS, this employee has been contracted by the City under a *Journeyman Lineman Chief Construction Assistance Agreement* on an as-needed basis to provide Journeyman Lineman coverage during portions of FY22 & FY23; and

WHEREAS, staff negotiated a *First Amendment to Journeyman Lineman/Chief Construction Assistance Agreement* to better define the scope of work, and allow OptimERA to continue to supplement City staffing levels until these positions can be filled by City employees under the new 302 Collective Bargaining Agreement wage scale.

NOW THEREFORE BE IT RESOLVED that the Unalaska City Council approves a continued contract relationship between the City of Unalaska and OptimERA Holdings, Inc. as presented; agrees to fund the one-year agreement from Line Repair & Maintenance Operating Funds not to exceed \$1,006,200; and authorizes the City Manager to sign the attached contract amendment on behalf of the City of Unalaska.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on September 13, 2022.

Vincent M. Tutiakoff, Sr.
Mayor

ATTEST:

Marjie Veeder, CMC
City Clerk

MEMORANDUM TO COUNCIL

To: Mayor and City Council Members
From: Steve Tompkins, Acting Director of Public Utilities
Through: Bil Homka, Acting City Manager
Date: September 13, 2022
Re: Resolution 2022-40: Authorizing the City Manager to enter into an agreement with OptimERA Inc. for electric lineman services

SUMMARY: OptimERA Inc. first supplemented the City of Unalaska Line Crew in February, 2022, when Acting Lineman Chief Davlin Hall left on a 30-day vacation. Resolution 2022-40 authorizes the City Manager to enter into a Construction Assistance Agreement with OptimERA for a period of one year or until such time the City has hired a Utility Lineman Chief and at least one Utility Linemen to supplement the existing Lineman Apprentice, per Article 6 of the attached Agreement.

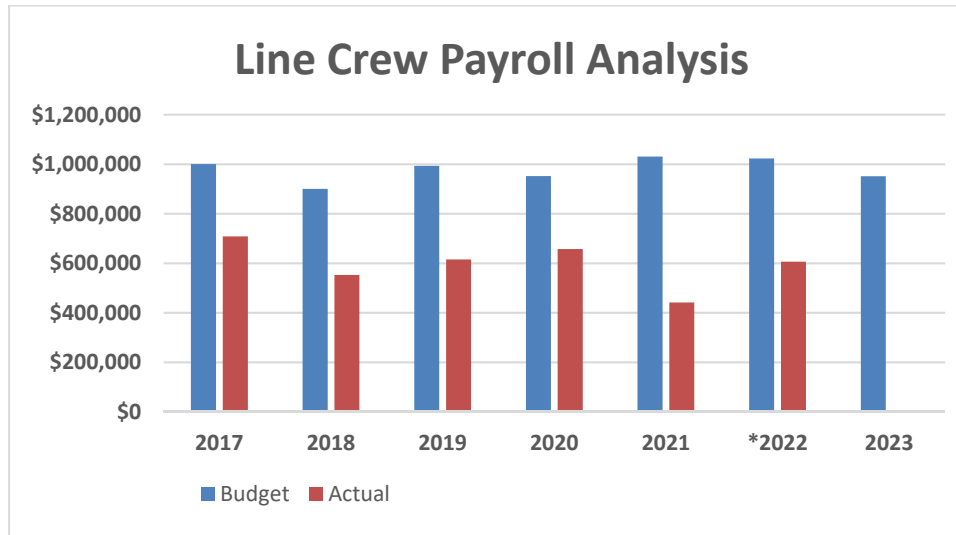
PREVIOUS COUNCIL ACTION: Council passed and adopted Resolution 2022-25 on May 24, 2022, authorizing the City Manager to sign the negotiated Collective Bargaining Agreement (CBA) between the City of Unalaska and Public Works and Public Utilities Employees IUOE, Local 302. This CBA contained a \$10.00 per hour position wage adjustment for both the Utility Lineman Chief and the Utility Lineman, outlined in Article 17.1 Division of Classifications and Wages. This \$10 increase was in addition to the wage scale adjustments made to all other job titles, and was intended to assist in recruitment of eligible Journeyman Linemen in a very tight labor market.

BACKGROUND: Employee attrition in the Line Crew combined with unsuccessful recruitment has resulted in just an Apprentice remaining in the division. Since August of 2019, four Line Crew have resigned, and just one was hired. The vacant jobs have been continuously advertised throughout this time period.

Date	Name	Position	Status
August, 2019	Bryan Earnshaw	Apprentice	Resigned
October, 2019	Guillermo Lopez	Apprentice	Hired
January, 2020	Joel Collins	Lineman Chief	Resigned
July, 2020	Brock Palmer	Lineman	Resigned
May, 2022	Davlin Hall	Acting Chief	Resigned

Staff examined payroll expenditures going back to FY17, comparing the fully burdened budgeted payroll with the actual payroll expenses paid through FY22. It should be noted that FY22 Actual amount on the graph below included \$205,662 spent on OptimERA supplemental staffing. Even

with wage increases and higher overtime costs over this six-year period, actual payroll costs trended downward as employees resigned.



*FY22 includes \$205,662 OptimERA

When OptimERA hired Brock Palmer it became possible for the City to supplement our Line Crew when necessary to maintain essential operations, first doing so in February, 2022, when Acting Line Chief Davlin Hall took personal leave. Hiring Brock enabled the City to provide continuous journeyman supervision of the apprentice, a requirement of the City’s Standards of Apprenticeship, developed in cooperation with the U.S. Department of Labor. Additionally, Brock was hired to be On-Call/Standby, giving the City 24-hour coverage on outage recovery. This work was encumbered on Purchase Order 22420009 (attached).

When Davlin Hall resigned at the end of May, 2022, the City again retained Brock Palmer to staff the Line Crew division and oversee the apprentice. This work was encumbered on Purchase Order 22420018, accompanied by a *Journeyman Lineman Chief Construction Assistance Agreement* (attached). The pricing increased significantly as any work exceeding \$25,000 had to comply with Laborers’ and Mechanics’ Minimum Rates of Pay as required by Title 36 AS 36.05 & AS 36.10 published by the Alaska Department of Labor, and the City was requesting a contracted Lineman Chief. This work was funded by transferring funds within the Line Repair & Maintenance Division FY22 Budget, from 5002-4251-51100 Salaries & Wages to 5002-4252-53300 Other Professional Services.

DISCUSSION: Staff negotiated a *First Amendment to Journeyman Lineman/Chief Construction Assistance Agreement* (attached) to better define the scope of work, and address identified shortcomings of the original agreement. Major points of clarification are:

- Target staffing is three line crew for the duration of the agreement (City + Contracted). If the City hires a lineman, OptimERA will reduce their staffing by one after six months to maintain a total of three. If the City hires two linemen, the contract is terminated after six months.
- A Not to Exceed budget of \$1,006,200 was set for the one-year contract period.

- Procurement and Approval Procedures, as well as Chain of Command, are clarified.
- The City can disallow contract employees that are not eligible for City employment.
- Additional wordage regarding non-solicitation by both the City and OptimERA.

City Attorney Charles Cacciola reviewed the amended agreement on August 7, 2022. Staff recommends Council approve and adopt Resolution 2022-40, as this allows a measured approach to increased City line crew staffing with minimal service disruptions during a possible unprecedented period of infrastructure growth.

ALTERNATIVES: Staff has identified two alternatives:

1. The City could continue to employ just one contracted OptimERA employee, and aggressively recruit additional line crew using all means necessary to include more wage increases, and additional employee benefits, until all positions are filled.
2. The City could disband the Line Crew Division and engage in long term contracting to deliver power distribution services to Unalaska. This is not recommended due to mandatory PERS contributions on behalf of the displaced employees.

FINANCIAL IMPLICATIONS: A fully staffed Line Crew Division under the new 302 Contract requires approximately \$1 million in annual funding. Implementing the staffing model outlined could possibly require less funding if OptimERA cannot recruit another lineman, but will most likely require more funding due to the six-month overlap after the City successfully recruits additional staffing.

LEGAL: Contract and Amendment have been reviewed by the City Attorney. OptimERA's blanket liability insurance coverage has been reviewed by Risk Management.

STAFF RECOMMENDATION: Staff recommends Council pass and Adopt Resolution 2022-40, authorizing the City Manager to enter into an agreement with OptimERA, Inc. for continued electric lineman services.

PROPOSED MOTION: I move to adopt Resolution 2022-40.

CITY MANAGER COMMENTS: I recommend approval of the resolution.

ATTACHMENTS:

- PO #22420009-01 with Invoice and Sole Source Memo
- PO #22420018-01 with Sole Source Memo, City of Unalaska Journeyman Lineman Chief Construction Assistance Agreement, and Optimera Job Detail Sheet
- Proposed First Amendment to Journeyman Lineman Chief Construction Assistance Agreement



Bill To
CITY of UNALASKA

P.O. Box 610
 UNALASKA, ALASKA 99685
 (907) 581-1251
 FAX: (907) 581-4060
 apinv@ci.unalaska.ak.us

Purchase Order

Fiscal Year 2022

Page: 1 of 1

**THIS NUMBER MUST APPEAR ON ALL INVOICES,
 PACKAGES AND SHIPPING PAPERS.**

Purchase Order # **22420009-01**

ALL ORDERS MUST BE SHIPPED COMPLETE.
 FOR PARTIAL SHIPMENT, CONTACT SUPPLY
 DEPARTMENT AT (907) 581-1307

Retain this purchase order for proof of tax exemption
Tax Exempt #92-0036399

Vendor

OptimERA, Inc.
 PO Box 921134
 DUTCH HARBOR, AK 99692

Ship To

City of Unalaska
 Email: apinv@ci.unalaska.ak.us
 P.O. Box 610
 Unalaska, AK 99685

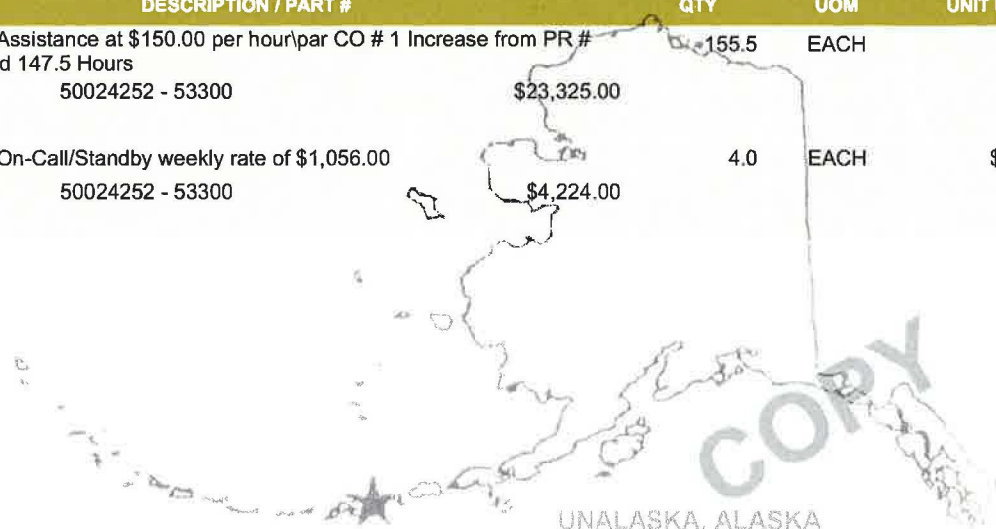
VENDOR PHONE NUMBER	VENDOR FAX NUMBER	REQUISITION NUMBER	DELIVERY REFERENCE
907-359-1121		92257013	Erin

DATE ORDERED	VENDOR NUMBER	DATE REQUIRED	FREIGHT METHOD/TERMS	DEPARTMENT/LOCATION
01/25/2022	3505		N/A	Electric Line Repair & Maint.

NOTES

Labor Assistance Including On-Call
bookkeeping@optimerainc.com
 Invoice # TM-2022034

ITEM #	DESCRIPTION / PART #	QTY	UOM	UNIT PRICE	EXTENDED PRICE
1	Journeyman Assistance at \$150.00 per hour/par CO # 1 Increase from PR # 92257015 Add 147.5 Hours 50024252 - 53300	155.5	EACH	\$150.00	\$23,325.00
2	Journeyman On-Call/Standby weekly rate of \$1,056.00 50024252 - 53300	4.0	EACH	\$1,056.00	\$4,224.00



RECEIVING

Purchase Order Total \$27,549.00

EEO/AA Employer

The Equal Employment Opportunity Clause required under Executive Order 11246, the affirmative action commitment for disabled veterans and veterans of the Vietnam era, set forth in 41 CFR 60-250.4, the affirmative action clause of disabled workers, set forth in 41 CFR 60-741.5(a), and the related regulations of the Secretary of Labor, 41 CFR Chapter 60, are incorporated by reference in this purchase order. By accepting this purchase order, vendor certifies that it complies with the authorities cited above, and that it does not maintain segregated facilities or permit its employees to perform services at locations where segregated facilities are maintained as required by 41 CFR 60-1.8.

By Heather Bell
 Purchasing Agent

OptimERA Inc.
PO BOX 921134
Dutch Harbor, AK 99692
9075814983

INVOICE



Invoice #: TM-2022034

Invoice Date: 03/03/22

Amount Due: \$27,549.00

Bill To:

City Of Unalaska
po box 610
Unalaska, AK 99685
UNITED STATES

Due Date	Terms	P.O. Number
03/03/22	Due upon receipt	22420009-00

Item	Description	Quantity	Price	Amount
1002-303- T&M Labor	Labor Billed from T&M VisioSoft	1	\$27,549.00	\$27,549.00

Subtotal: \$27,549.00

Sales Tax (0%): \$0.00

Total: \$27,549.00

Payments: \$0.00

Amount Due: \$27,549.00

Please see the attached Job details sheet for more information pertaining to this invoice.

Please do not hesitate to reach out in you need any further supporting details, or have any questions regrading this or any other invoice..

Thank you for the opportunity.

Please remit payments to the address at the top of the invoice. For auto pay or ACH assistance please email bookkeeping@optimerainc.com or call (907) 581-4983

Thank you.

Payment is due 30 days after the invoice date, unless another date is specified, and must refer to the invoice number. Restrictive endorsements or other statements on checks are void. If Customer does not dispute a charge in writing within 6 months after the invoice date, Customer waives the right to dispute the charge (except to the extent applicable law or regulation requires otherwise). OptimERA may charge a late fee for overdue Payments for all services at the lower of 1.5% per month (18% per annum) or the maximum rate allowed by law; plus all costs (including attorney fees) of collecting delinquent or dishonored payments. OptimERA may require Customer to establish a deposit as a condition of providing Services. Customer authorizes OptimERA to investigate Customer's credit and share information about Customer with credit reporting agencies.

Please See: <https://optimeranetworks.com/disclosure> for Terms & Conditions and Privacy Policy

To pay online, go to <https://app01.us.bill.com/p/optimera>



MEMORANDUM

TO: JR Pearson, Acting City Manager
THROUGH: Jim Sharpe, Finance Department Director
FROM: Steve Tompkins, Department of Public Utilities Acting Director Steve Tompkins
DATE: March 26, 2022
SUBJECT: Sole Sourcing Request – Journeyman Lineman Labor & Stand-by Coverage

Steve Tompkins
Ensured the accuracy and integrity of
this document.
GPU/DPW Office, Unalaska, AK
2022-03-26 19:23:34

This memorandum supports sole source procurement of Journeyman Lineman labor on a non-contract as-needed basis from OptimERA Inc. at a rate of \$150/hour for work performed, and \$1,056/week for 24/7 stand-by coverage.

This sole sourcing request meets the criteria established in the City’s Purchasing Policy § 1.h.i.1. “The item/service is available only from one source” as OptiMERA is the only vendor offering Journeyman Lineman services on short notice in Unalaska.

In the past, when the only City Lineman was on vacation or unavailable to respond, the Electrical Utility was unable to award experience hours to the Apprentice, and could not complete necessary electrical projects until the Lineman returned. With the large increase in workload due to new service connections, and utility locates and distribution line repairs caused by the GCI Fiber Project, the City cannot defer work until later, and must be able to respond in instances of emergency or outage on a 24/7 basis.

Direct supervision by a certified Journeyman Lineman is a requirement of the City’s Standards of Apprenticeship, developed in cooperation with the U.S. Department of Labor. Section XVI – Supervision of Apprentices – Title 29 CFR 29.5(b)(14) states “No apprentice will be allowed to work without direct journeyworker supervision.”

The Department appreciates your consideration of this Sole Sourcing Request. If our purchase rationale meets the Policy’s mandate, please sign and date below, and forward this request on to the City Manager so that she may indicate her decision and return this document to me to attach to any Purchase Requisitions as applicable. Thank you.

- Approved
- Not Approved

Finance Director James D. Sharpe Digitally signed by James D. Sharpe
DN: cn=James D. Sharpe, o=City of Unalaska, ou=Interim
Finance Director, email=jsharpe@ci.unalaska.ak.us, c=US
Date: 2022.03.26 07:00 _____
Date

- Approved
- Not Approved

City Manager J R Pearson Digitally signed by J R Pearson
Date: 2022.03.26 13:03:
48-08'00 _____
Date



Bill To
CITY of UNALASKA

P.O. Box 610
UNALASKA, ALASKA 99685
(907) 581-1251
FAX: (907) 581-4060
apinv@ci.unalaska.ak.us

Purchase Order

Fiscal Year 2022

Page: 1 of 1

**THIS NUMBER MUST APPEAR ON ALL INVOICES,
PACKAGES AND SHIPPING PAPERS.**

Purchase Order # **22420018-01**

ALL ORDERS MUST BE SHIPPED COMPLETE.
FOR PARTIAL SHIPMENT, CONTACT SUPPLY
DEPARTMENT AT (907) 581-1307

Retain this purchase order for proof of tax exemption
Tax Exempt #92-0036399

Vendor

OptimERA, Inc.
PO Box 921134
DUTCH HARBOR, AK 99692

Ship To

City of Unalaska
Email: apinv@ci.unalaska.ak.us
P.O. Box 610
Unalaska, AK 99685

VENDOR PHONE NUMBER	VENDOR FAX NUMBER	REQUISITION NUMBER	DELIVERY REFERENCE	
907-359-1121		92257025	Lori	
DATE ORDERED	VENDOR NUMBER	DATE REQUIRED	FREIGHT METHOD/TERMS	DEPARTMENT/LOCATION
05/09/2022	3505	05/09/2022	N/A	Electric Line Repair & Maint.
NOTES				

Construction Assistance - Journeyman Lineman
matt@optimerainc.com
bookkeeping@optimerainc.com
Estimate # TM-2022113
Job # 20220091

ITEM #	DESCRIPTION / PART #	QTY	UOM	UNIT PRICE	EXTENDED PRICE
1	Hours - Journeyman Lineman Construction Assistance (ADOL) per attached proposal Item L165 50024252 - 53300	272.0	EACH	\$240.00	\$65,280.00
2	ADOL Project Fees per attached proposal Item M183 50024252 - 53300	1.0	EACH	\$1,023.00	\$1,023.00
3	ADOL Certified Payroll Weekly Fees per attached proposal Item M186 50024252 - 53300	8.0	EACH	\$880.00	\$7,040.00
4	Increase to cover June 2022 Services on Invoice # TM-2022174 per Change Order # 1 50024252 - 53300	1.0	EACH	\$57,482.15	\$57,482.15

RECEIVING

Purchase Order Total \$130,825.15

EEO/AA Employer

The Equal Employment Opportunity Clause required under Executive Order 11246, the affirmative action commitment for disabled veterans and veterans of the Vietnam era, set forth in 41 CFR 60-250.4, the affirmative action clause of disabled workers, set forth in 41 CFR 60-741.5(a), and the related regulations of the Secretary of Labor, 41 CFR Chapter 60, are incorporated by reference in this purchase order. By accepting this purchase order, vendor certifies that it complies with the authorities cited above, and that it does not maintain segregated facilities or permit its employees to perform services at locations where segregated facilities are maintained as required by 41 CFR 60-1.8.

By Heather Bell
Purchasing Agent



MEMORANDUM

TO: JR Pearson, Acting City Manager
THROUGH: Cat Hazen, Acting Director, Finance Department
FROM: Lori Gregory, DPW/DPU Administrative Operations Manager
DATE: May 2, 2022
SUBJECT: Sole Sourcing Request –Journeyman Lineman Construction Assistance

Lori Gregory
Digitally signed by Lori Gregory
DN: cn=Lori Gregory, o=City of Unalaska, ou=Department of Public Works and Public Utilities,
E=lgregory@unalaska.ak.us, c=US
Reason: I am the author of this document
Location: your signing location here
Date: 2022.05.02 11:08:47
Foxit PhantomPDF Version: 9.7.1

Per request from Acting DPU Director Steve Tompkins, I submit this memorandum requesting approval for the sole source procurement of Journeyman Lineman labor from OptimERA Inc. at a rate of \$240/hour for the construction of the electrical service for the new General Hill Water Pressure Booster Station and other pending new service construction, plus an additional estimated \$8,063 in costs related to filing Certified Payroll with the State Department of Labor. These costs will be paid from the Operating Budget of the Line Repair & Maintenance Division of the Department of Public Utilities. The estimated total for the General Hill Project work is \$73,343 per the attached estimate (Items L165, M183, & M186). Other construction related services will be billed as needed (Items L141 & L157). Please see attached Estimate TM-20221 13. This sole sourcing request meets the criteria established in the City’s Purchasing Policy § 1.h.i.1. “The item/service is available only from one source” as OptiMERA is the only vendor offering Journeyman Lineman services on short notice in Unalaska.

Electrical service construction for the General Hill Project was not included in the Contractor’s scope of work, the intent being it could be constructed in-house at a lower cost. With the loss of the lineman chief, and with our sole filled journeyman lineman position now becoming vacant, the Utility must contract out the work. Adding to the Contractors’ scope is not a viable solution as they will use the same contractor and mark up the cost, plus the budget of the Project is unable support the expense due to a pending Change Order.

Direct supervision by a certified Journeyman Lineman is a requirement of the City’s Standards of Apprenticeship, developed in cooperation with the U.S. Department of Labor. Section XVI – Supervision of Apprentices – Title 29 CFR 29.5(b) (14) states “No apprentice will be allowed to work without direct journeyworker supervision.”

The Department appreciates your consideration of this Sole Sourcing Request. If our purchase rationale meets the Policy’s mandate, please sign and date below, and forward this request on to the City Manager so that they may indicate their decision and return this document to me to attach to any Purchase Requisitions as applicable. Thank you.

- Approved
- Not Approved

- Approved
- Not Approved

Catherine Hazen Finance Director _____ Date _____
Erin Reinders City Manager _____ Date _____

Digitally signed by Catherine Hazen
DN: OU=Controller, O=City of Unalaska,
CN=Catherine Hazen,
E=chazen@unalaska.ak.us,
Reason: I am the author of this document
Location: your signing location here
Date: 2022-05-02 13:19:09
Foxit PhantomPDF Version: 9.7.1

Digitally signed by Erin Reinders
DN: OU=DPW, O=City of Unalaska,
CN=Erin Reinders,
E=ereinders@unalaska.ak.us,
Reason: I am the author of this document
Location: your signing location here
Date: 2022-05-02 14:02:23
Foxit PhantomPDF Version: 9.7.1

CITY OF UNALASKA
JOURNEYMAN LINEMAN CHIEF CONSTRUCTION ASSISTANCE AGREEMENT

This Agreement is made this 4th day of May, 2022, between the City of Unalaska, an Alaska municipal corporation, with the mailing address of PO Box 610, Unalaska, AK 99685, and OptimERA Inc. ("Contractor"), with the mailing address of P.O. Box 921134, Dutch Harbor, AK 99692.

1. Services to Be Performed.

Contractor shall make available one (1) on-call Journeyman Utility Lineman Chief to provide construction services for the City per the attached Proposal dated April 22, 2022, Job# 20220091. The construction services to be performed under this Agreement will comply with Laborers' and Mechanics' Minimum Rates of Pay as required by Title 36 AS 36.05 & AS 36.10 published by the Alaska Department of Labor.

2. Compensation.

In consideration for the services to be performed by Contractor, City agrees to pay Contractor **Two Hundred Forty Dollars** (\$240.00) per hour for construction services falling under Title 36, Items L165 of the Proposal. The City also agrees it will reimburse Contractor, upon invoice from Contractor, the Alaska Department of Labor's Project Filing Fee (Item M183) as well as the Certified Payroll Fees (M186). These costs are estimated to total \$8,063.

3. Invoicing and Payment.

Contractor shall regularly submit invoicing for any calendar month in which Contractor provides services. For each date services were furnished, an invoice shall describe the services furnished, the amount of time for which Contractor seeks compensation for services furnished on such date, and the amount of compensation sought for such services. Copies of the Certified Payroll for the period for which Contractor is claiming compensation shall be included with all invoices.

4. Vehicles and Equipment.

The City will furnish all vehicles, equipment, tools, and materials used to provide the services required by this Agreement.

5. Insurance.

A. Contractor shall provide insurance coverage for not less than the following amounts, or greater where required by Laws and Regulations:

1. Commercial General Liability Insurance: \$1,000,000 per occurrence with a \$2,000,000 aggregate, including completed products and operations and personal liability insurance.
2. Automobile Liability Insurance: \$1,000,000 Combined Single Limit Including owned, hired, and non-owned coverage.
3. Statutory Workers' Compensation and Employer's Liability Insurance: \$1,000,000 Each Accident/Each Employee/Policy Limit.
4. A Waiver of Subrogation on the Commercial General Liability Insurance, Automobile Liability Insurance, Statutory Workers Compensation and Employers Liability

Insurance, Insurance: Contractor will hold the city harmless and provide a Waiver of Subrogation in favor of the Owner.

- B. Additional Coverages are required if they are within the scope of the Work:
1. Asbestos/Lead Abatement Insurance Coverage: If a Contractor is contracting for asbestos and/or lead abatement work. Insurance with coverage for the services rendered for the City including, but not limited to removal, replacement enclosure, encapsulation, and/or disposal of asbestos, or any other hazardous material, along with any related pollution events, including coverage for third-party liability claims for bodily injury, property damage, and clean-up costs.
 2. Environmental/Pollution Liability Coverage: If Automobiles Are to Be Used for Transporting Hazardous Material: Pollution liability broadened coverage (ISO endorsement CA 9948) and proof of MCS 90. Other environmental hazards associated with the scope of work.
 3. Property: For New Construction or Installation Projects All Risk coverage using an Installation Floater or Builders Risk form with a total value of the construction cost. Name the city as Loss Payee. Provide Transit coverage in the amount of the value of the load. Property at Temporary Location in the amount of property at the temporary location, if applicable.
- C. The Contractor is required to provide the Owner with a Certificate of Insurance naming the Owner as Additional Insured prior to the commencement of any Work or use of Owner facilities. The failure to object to contents of the Certificate of Insurance or the absence of same shall not be deemed a waiver of any and all rights held by the Owner. Additional Insured status on the Commercial General Liability shall be through ISO Additional Insured Endorsement CG2010 11/04 or equivalent.
- D. In the event the Contractor utilizes a Subcontractor for any portion of the services outlined within the scope of its activities, the Subcontractor shall provide insurance of the same type or types and to the same extent of coverage as that provided by the Contractor. All insurance required of the Subcontractor shall also name the Owner as an Additional Insured for all those activities performed within its contracted activities for the contract executed.
- E. The Contractor acknowledges that failure to obtain such insurance on behalf of the City constitutes a material breach of Contract and subjects it to liability for damages, indemnification, and all other legal remedies available to the Owner.

6. Term of Agreement & Termination.

This Agreement will become effective when signed by both parties and will terminate one year later unless extended by the written agreement of the parties or earlier terminated as follows: City or Contractor may terminate this Agreement, effective immediately upon giving written notice. Upon receipt of final invoice, City shall promptly pay Contractor any amounts earned prior to termination.


7. Entire Agreement.

This is the entire Agreement between Contractor and City. This Agreement may be modified only by a writing signed by both parties.

8. Resolving Disputes.

Any dispute arising under this Agreement shall be brought in the Superior Court at Unalaska, Alaska. This Agreement will be governed the laws of the State of Alaska, without giving effect to conflict of laws principles.

OPTIMERA INC.



By: _____

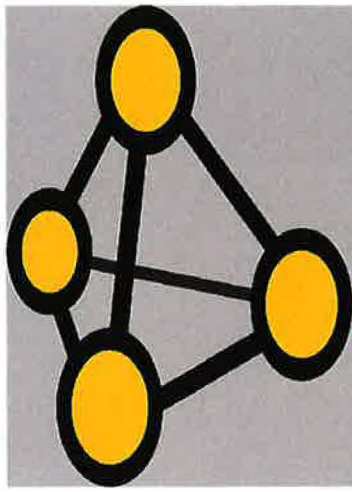
Matthew Scott, COO

CITY OF UNALASKA, ALASKA



By: _____

Erin Reinders, City Manager



OptimERA Inc.

Job Detail Sheet

Accounts Payable
 Unalaska, City of (AR) - Electric/Line
 po box 610
 Unalaska, AK 99685

Invoice#: TM-202219
 Invoice Date: 4/22/2022
 Due Date: 5/22/2022
 Customer ID: 1
 Contact: Daylin Hall
 Phone#: (907) 581-1260

Job: COU - DOL Line support 2022 M
 Job#: 20220091

Work Ordered:

Labor associated with providing one Journeyman Lineman for approximately 3 weeks and one Journeyman Line Chief for approximately 7 weeks, with on-call coverage during the 7 week period.

Work Performed:

Item	Description	Qty	Price	Total
L141	Journeyman - On Call/Week/Empl	7.00	950.00 H	6,650.00
L157	DOL lineman - Non Contract	120.00	195.00 H	23,400.00
L165	DOL Line-Chief/Foreman - Contract Tier 3	272.00	240.00 H	65,280.00
Labor :				95,330.00
M183	DOL Project Fee	1.00	1,023.00 E	1,023.00
M186	DOL Get. Payroll Fee, wklly	8.00	880.00 E	7,040.00
Misc Charges :				8,063.00
Total Due				\$103,393.00

ESTIMATE - DOL WAGES

Terms:

Please remit payments to the address at the top of the invoice. For auto pay or ACH assistance please email bookkeeping@optimerainc.com or call (907) 581-4983 Thank you. Payment is due 30 days after the invoice date, unless another date is specified, and must refer to the invoice number. Restrictive endorsements or other statements on checks are void. If Customer does not dispute a charge in writing within 6 months after the invoice date, Customer waives the right to dispute the charge (except to the extent applicable law or regulation requires otherwise). OptimERA may charge a late fee for overdue Payments for all services at the lower of 1.5% per month (18% per annum) or the maximum rate allowed by law; plus all costs (including attorney fees) of collecting delinquent or dishonored payments. OptimERA may require Customer to establish a deposit as a condition of providing Services. Customer authorizes OptimERA to investigate Customer's credit and share information about Customer with credit reporting agencies. Please See: <https://optimeranetworks.com/disclosure> for Terms & Conditions and Privacy Policy

**FIRST AMENDMENT TO
JOURNEYMAN LINEMAN/CHIEF CONSTRUCTION ASSISTANCE AGREEMENT**

This First Amendment to Journeyman Lineman/Chief Construction Assistance Agreement amends DOL contract # 22-05-60304A, **JOURNEYMAN LINEMAN CHIEF CONSTRUCTION ASSISTANCE AGREEMENT (“Contract”)** signed on 05/04/2022 and attached for reference, between the City of Unalaska (“Utility” or “City”) and OptimERA Holdings, Inc. (formerly named OptimERA, Inc.) (“Contractor”). This Amendment shall become effective on the last date signed below (“Effective Date”).

I. Amendment to Article 1. Article 1 of the Contract is hereby amended to read as follows:

1. Services to be performed.

- A. Subject to the terms of the Contract, Contractor shall provide its best efforts to provide Utility with that supplement staffing necessary to maintain a total of three (3) full-time Linemen (*i.e.*, the total of full-time Contracted Linemen provided by Contractor in addition to Utility’s employee Lineman or Linemen shall not exceed a total of three). Contractor may provide multiple part-time Contracted Linemen to equal a full-time lineman.
- B. Full-time is defined as forty (40) hours a week for each Contracted Lineman. Overtime must be approved and directed by Utility.
- C. Except as otherwise required by context, “Lineman” and “Linemen” shall include Line Chief, Lineman, and Apprentices.
- D. For all services performed under this Contract, Contractor shall comply with Laborers’ and Mechanics’ Minimum Rates of Pay as required by Title 36 AS 36.05 & AS 36.10 published by the Alaska Department of Labor.

II. Amendment to Article 2. Article 2 of the Contract is hereby amended to read as follows:

2. Compensation.

- A. *Fees.* In consideration for the services to be performed by Contractor, City agrees to pay Contractor the following, with hourly charges determined by the actual hours Contractor’s Linemen perform work for Utility:
 - 1. Line Chief - \$240.00/hr.
 - 2. Linemen - \$195.00/hr.
 - 3. Lineman Apprentice - \$195.00/hr.
 - 4. On-Call work:
 - i. If weekly, \$950.00/week, per Lineman; or
 - ii. The greater of minimum of one half-hour for On-Call Status and actual Call-Out hours worked.

5. Call-Outs shall incur charges for minimum two hours or actual hours worked, whichever is greater.
 6. Certified payroll Fees - \$800.00/week
 7. DOL Project Filing Fees – A one-time, non-recurring reimbursement for Alaska Department of Labor’s Project Filing Fee that Contractor incurs in order to provide the services under this Contract (not to exceed \$5k for Contract).
- B. *Not to Exceed.* The total compensation paid to Contractor under this Agreement shall not exceed **\$1,006,200** Dollars. Without breaching this Agreement, Contractor may decline to provide any staffing that would cause the compensation due to Contractor to exceed the amount stated in the preceding sentence.

III. Amendment to Article 6. Article 6 of the Contract is hereby amended to read as follows:

6. Termination and Reduction of Linemen Due to Utility Staffing.

- A. City of Unalaska will continue to proceed with staffing and onboarding of new employees during the Term of this Contract which shall be one (1) year from the Effective Date of this Addendum {“Contract Term”}.
- B. During the Contract Term, any redundancy in staffing between Contractor provided staffing and Utility provided staffing shall be reduced, by the Contractor.
- C. Reduction in staffing shall commence starting from the first (1st) day of work of the Utility employee, terminating twenty-four (24) weeks thereafter or the last day of the month in which the twenty-fourth (24th) week falls, whichever is later.
- D. Any staffing reduction process shall finalize with Termination of the Contract or continue with any adopted extensions to the Contract Term, maintaining the original start date. Restaffing by the Contractor to accommodate contract staffing levels shall be ongoing for the Contract Term to fill all open positions.

III. Addition of New Article 9. The Contract is hereby amended with the addition of a new Article 9 to read as follows:

9. Contractor Staffing Qualifications & Restrictions.

A. Line Chief

1. Maximum of one (1) full-time position
2. Must hold a current Journeyman Certificate of Fitness in the State of Alaska
3. Minimum 3 years supervisor role

4. Experience may be supplemented by practical experience of the local distribution system and applicable higher education.

B. *Lineman*

1. Maximum of three (3) full-time positions
2. Must hold a current Journeyman Certificate of Fitness in the State of Alaska.
3. Experience with install and maintenance of municipal distribution systems

C. *Apprentices*

1. Available Linemen and apprenticeship program(s) shall dictate allowable apprentice staffing levels
2. Minimum Journeyman Apprentice ratio of 1:1 shall apply for all Apprentices
3. Must hold a current Apprentice Certificate of Fitness in the State of Alaska
4. Apprentice must maintain in good program standing, as dictated by program administrators

- D. Contractor shall ensure that Contractor's Linemen comply with applicable City policies and procedures while such persons are performing services under this Contract.

V. **Addition of New Article 10.** The Contract is hereby amended with the addition of a new Article 10 to read as follows:

10. Work Week/Hours.

- A. *Work Week.* The work week shall begin on Monday of each week through Sunday the same week.
- B. *Normal Work Hours.* Normal Work Hours are defined as Monday through Friday, 8:00 AM through 5:00 PM, not including holidays or approved leave.
- C. *Call-Out & On-Call.* Work performed outside of Normal Work Hours shall be classified as Call-Out and/or On-Call work, charged accordingly and subject to the following:
1. On-Call status shall be requested no later than 48 hours before the start of the work week, for a period no less than 1 week, defined as 7 consecutive days, including holidays, starting on the Monday of the work week.
 2. On-Call availability is not guaranteed until requested and approved by both the Utility and Contractor.
 3. Call-Outs are defined as unscheduled work outside of Normal Work Hours that is not covered by On-Call status.
 4. Call-Out requests shall be made by Utility's POC to Contractor's POC.

- D. *Leave.* Holidays, sick leave, vacation, and other time off shall be in accordance with the policies of the Lineman’s employer. The POCs shall communicate all known Lineman requests for leave and time off at their soonest convenience, including requests prior to approval, sick leave, and emergency leaves of absence.
- E. *Overtime.* Overtime shall be approved by both parties, at their discretion, prior to work being performed with such approval acknowledged by both parties by written exchange, (e-mail) prior to work being performed.
- F. Any discrepancies on hours, clarification of rates, the State of Alaska DOL rules and Regulations as required by Title 36 AS 36.05 & AS 36.10 shall take precedent.

VI. Addition of New Article 11. The Contract is hereby amended with the addition of a new Article 11 to read as follows:

11. Procurement and Approval Procedures.

Contracted Linemen shall not act as agents of City for any approval or procurement process, including but not limited to:

- A. Request or approval of LPOs (Local Purchase Orders);
- B. Requests for procurement of services or materials and/or approval of requisition in process;
- C. Direct ordering of supplies or materials; or
- D. Approval of any City permits, applications, or other documents requiring City authority.

VII. Addition of New Article 12. The Contract is hereby amended with the addition of a new Article 12 to read as follows:

12. Chain of Command.

- A. All normal day-to-day work direction and scheduling shall be at the direction of the City’s POC or on-site designee.
- B. Notice of POC change shall be given no less that forty-eight (48) hours in advance of a change, under normal circumstances, excluding unforeseen staffing changes.
- C. POC’s shall be named at the time of adoption of this Amendment and changed as required from time to time, via e-mail and acknowledge by both parties.
- D. At no time shall either party request direction or give direction outside of these channels.

E. This does not include discussions or direction regarding individual contract employee(s), Human Resource Discussions, Wage, Invoicing and/or other contractual obligations outside of normal day to day operations.

F. Point of Contact (“POC”):

For Utility:

For Contractor:

Title: Acting Director of Utilities

Title: COO, Optimera, Inc

Name: Steve Tompkins

Name: Matthew M. Scott

VIII. Addition of New Article 13. The Contract is hereby amended with the addition of a new Article 13 to read as follows:

13. Contract Employee Approval

The City has the right to review and disallow contract employees who are not eligible, with cause, in alignment with current policies and procedures in place.

IX. Addition of New Article 14. The Contract is hereby amended with the addition of a new Article 14 to read as follows:

14. Non-solicitation.

- A. During the term of the Contract and for a period extending for one (1) year thereafter, the City shall not encourage or solicit any employee, vendor or client of Contractor to leave or terminate their relationship with Contractor. This section shall not prohibit any Contractor employee from applying to any publicly noticed opening with City nor prohibit City from hiring such person; provided, however, that the City shall not employ during the terms of this Agreement a Lineman who was an employee of the Contractor during contract term such that it would affect the Contractor’s staffing obligations.
- B. During the term of the Contract and for a period extending for one (1) year thereafter, Contractor shall not encourage or solicit any City employees to leave or terminate their relationship with the City. This section shall not prohibit any City employee from applying to any publicly noticed opening with Contractor nor prohibit Contractor from hiring such person; provided, however, that Contractor shall not satisfy any of its obligations under this Agreement with services performed or offered to be performed by a Lineman who was a City employee at any time during the term of this Agreement.

X. Addition of New Article 15. The Contract is hereby amended with the addition of a new Article 15 to read as follows:

15. Access to City Facilities.

- A. City shall provide access to City equipment, facilities and systems to allow for the successful implementations of work as directed by the City POC, including but not limited to, keys, access badges, ACAD, ArcGIS, shared network folders or file structures and buildings during normal and unscheduled times, as needed to perform day to day tasks as directed.
- B. Other than is authorized for all members of the public, Contractor’s employees shall not use City premises or property for any purpose other than those to furnish the Services.

XI. Addition of New Article 16. The Contract is hereby amended with the addition of a new Article 16 to read as follows:

16. Relationship.

The City and Contractor are and shall be independent contractors in their relationship with each other and neither is nor shall be considered an agent or legal representative of the other for any purpose whatsoever, nor shall the employee of one be considered an employee of the other.

IN WITNESS WHEREOF, the parties hereto have duly executed this Amendment on the dates below written.

OptimERA Holdings, Inc.

City of Unalaska, Alaska

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____