

CITY OF UNALASKA
UNALASKA, ALASKA

RESOLUTION 2022-43

A RESOLUTION OF THE UNALASKA CITY COUNCIL IDENTIFYING THE CITY OF UNALASKA'S FEDERAL PRIORITIES FOR FISCAL YEAR 2023

WHEREAS, the City of Unalaska calls upon the federal delegation and agencies to assist in obtaining funding or help with resolving issues faced by the community and the commercial fishing industry; and

WHEREAS, the City of Unalaska on a yearly basis prioritizes our project requests to be included in a congressional briefing memo and capital projects for the city, in order of priority, are contained herein; and

WHEREAS, Captains Bay Road is a heavily used commercial corridor vital to the community's economic welfare with safety concerns and economic development potential which require road improvements, water, sewer and electric utilities; and

WHEREAS, Robert Storrs Boat Harbor Improvements, Unalaska Marine Center Cruise Ship Terminal, Light Cargo Dock and Unalaska Marine Center Dredging are all port related infrastructure projects that will help meet the needs of a growing Arctic Port and the Number One Commercial Fishing Port in the nation for poundage; and

WHEREAS, the City of Unalaska supports the authorization and funding needed in order for the U. S. Army Corps of Engineers to continue moving forward with dredging and removal of Unalaska Bay entrance channel navigational restrictions to accommodate deep draft vessels, benefit commerce, and consider best practices of navigation and safety margins; and

WHEREAS, Makushin Geothermal Interconnection Projects support the City of Unalaska's commitment to alternative energy and are utility infrastructure upgrades required for the City's electrical distribution system to accept energy from the Makushin Geothermal Plant; and

WHEREAS, Solid Waste Gasifier is needed because current active landfill cells are reaching capacity. The City of Unalaska has worked with the Department of Energy National Renewable Energy Laboratory to consider the best waste management approach for our remote location. Operating costs for this project will eventually be recovered by extending the landfill lifespan.

NOW THEREFORE BE IT RESOLVED that the City of Unalaska hereby identifies its federal legislative priorities as:

1. Captains Bay Road and Utility Improvements Project - \$42.4 Million - Top Project Funding Priority
2. Robert Storrs Boat Harbor Improvements - \$9.5 Million
3. Unalaska Marine Center Cruise Ship Terminal - \$18.59 Million
4. Light Cargo Dock and Unalaska Marine Center Dredging - \$6.65 Million
5. Makushin Geothermal Interconnection Projects - \$5.7 Million
6. Solid Waste Gasifier - \$8.3 Million

BE IT FURTHER RESOLVED that the City of Unalaska hereby identifies its top Capital Project Funding Priority the Captains Bay Road and Utility Improvement Project.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on November 10, 2022.

Mayor Pro Tem

ATTEST:

Marjie Veeder, CMC
City Clerk

MEMORANDUM TO COUNCIL

To: Mayor and City Council Members
From: Chris Hladick, Interim City Manager
Date: November 10, 2022
Re: Resolution 2022-43: Identifying the City of Unalaska's Federal Priorities for Fiscal Year 2023

SUMMARY: Every year a delegation of city council members and the mayor travels to Washington, DC to meet with our congressional delegation to lobby for City projects and discuss issues affecting Unalaska. At the various meetings the city presents a congressional briefing memo with the list of projects and issues the city is facing at the Federal level. This resolution will be used to create a list of projects that will be used in the development of a congressional briefing memo for distribution during our visits. I have attached last year's congressional memo and last year's resolution. The memo is currently being drafted and will be finalized two weeks before the trip. With this resolution, we are focusing on the projects. The most important part of the memo is the "ask" -- how much money are we seeking from the Federal Government? This needs to be accentuated because often we only have 15 minutes to meet with our delegation. We are also setting up meetings with various agencies and the Governor's office in DC.

PREVIOUS COUNCIL ACTION: Council adopted Resolution 2021-67 on October 12, 2021, with last year's priorities.

BACKGROUND: The congressional briefing memo from last year was put together by the tri-lateral group so it includes issues that are OC's or the Tribe's as well. I assumed the council wanted the same this year. The Mayor and I met with our federal lobby team on Thursday November 3, to discuss last year's memo and decide who would update which sections of the memo. Sebastian O'Kelly, Rick Marks and Brad Gilman were on the Zoom call with the Mayor and me.

DISCUSSION: Please see attached Resolution 2021-67 for capital projects that were included last year, and the staff memo for a description of the projects. I am assuming you have seen these projects before. Right now we need to approve the projects in sequence of importance for this year's resolution. I think it is important to simplify the resolution to be more to the point. The more succinct the better. Here is last year's list:

Projects:

1. **Captains Bay Road and Utility Improvements Project - \$42.4 million.** There will be an update on this project during the workshop just prior to taking up the federal priorities. Costs are significantly higher than what was stated.
2. **Robert Storrs Boat Harbor Improvements - \$9.5 million.** Likely we will be putting in for a state grant for this project which would cover 50% of the costs. We don't have updated numbers as of yet. We may want to put in for a MARAD PIDP grant.
3. **Unalaska Marine Center Cruise Ship Terminal - \$18.59 million.** We have not identified a funding source for this project.

4. **Light Cargo Dock and Unalaska Marine Center Dredging - \$6.65 million.** This is a project that has been on the books for years. I think a new part of the project is dredging in front of UMC. We had always talked about Light Cargo needing dredging in the past.
5. **Makushin Geothermal - \$5.7 million.** This in support of work that needs to be accomplished for interconnection of the grid prior to geothermal coming on line.
6. **Solid Waste Gasifier - \$8.3 million.** The utilities director will be giving an update on this project during this workshop. I know he has been working on this project with representatives of the Department of Energy for some time now.

New Project: Tom Madsen Airport Terminal renovation design: I would like the council to consider adding this project for \$_____. This project will take a few years to develop. Design funds get the project started which would include a public process to review designs and estimates before lobbying for the full amount for construction. I would envision remodeling the current facility and adding on to it. Total costs unknown until you have a completed design. The process could take 5 to 10 years.

The following are the issues from last year's congressional briefing memo (attached), this year's memo is in process and will be done by the end of November. Some of the issues go away. Have we missed any that need to be added? This is a summary of the issues we are working on.

ISSUES:

I. CRITICAL NEEDS

1. **Stabilization of Commercial Flights at Tom Madsen Airport:** The group feels this item is no longer needed. With Aleutian Airways coming to Unalaska there will now be competition with Ravn which will be a good thing for the citizens of Unalaska.
2. **Crab Fisheries & Trawl Bycatch:** This section will stay. Seb O'Kelly is updating the first paragraph to include current legislation and Frank Kelty will update the rest of the text in the memo. Meetings will be set up with NMFS and NOAA and we will also discuss the Heart of the Ocean Sanctuary initiative on file with NOAA to develop a marine sanctuary around the Pribolof Islands. The Mayor and I spoke with a deputy Chief of Staff for Gov. Dunleavy this week about the issue. Fish and Game has sent a letter not supporting the sanctuary. The Mayor will give an update at the council meeting of what he has been able to find out in the last couple of weeks. This is a critical need for sure.

II. ARCTIC PORT DEVELOPMENT

1. **Unalaska Bay Entrance Channel Dredging Project:** The memo will thank the delegation for their support as the project is funded in the Senate version of the appropriations bill but not the House version. We are hoping it is handled in conference committee. Seb O'Kelly will be updating this paragraph with the latest from DC. It stays on the list and we will set up meetings with the Corps of Engineers to discuss.
2. **DOD Innovative Readiness Training (IRT):** Vince will speak with the Tribe on this issue but it likely will be dropped from the memo unless the Tribe has an update.
3. **Coast Guard:** This is an initiative taken on primarily by the Tribe. We will be visiting with the Coast Guard to update them with information about our community. This will be updated by the Tribe.
4. **Arctic Port/Military Presence:** This paragraph will be updated by the Tribe and we will likely visit with the Tribal Liaison for DOD on this issue. It stays in the memo.

III. ECONOMIC DEVELOPMENT

1. **Makushin Geothermal Energy Project:** Natalie Cale will update this information on the most current developments with the project. The City will provide an update on the City's obligations under the PPA. We are not sure whether a meeting with DOE will be set up.
2. **Environmental Remediation of Native and City Lands:** OC and the Tribe will update this section and will include a thank you to Senator Murkowski for conducting a field hearing in Unalaska this past summer. It's likely a meeting will be set up with EPA as follow-up to the field hearing. We will also discuss this issue with the Corps of Engineers.
3. **Island Broadband:** It is my understanding that the fiber optic connection to Kodiak has been made and GCI is performing testing on the equipment here on the island. I have not heard a date from GCI for going live. It should be soon! This issue comes off the list.
4. **Economic Development Administration (EDA) Grant Application:** This is the Tribe's issue and likely to come off the list.

IV. CAPITAL PROJECTS

See beginning of the discussion.

ALTERNATIVES: Council may choose to add or subtract to projects or issues presented.

FINANCIAL IMPLICATIONS: There are critical issues happening to the commercial fishing industry that will ultimately impact revenue streams to the City of Unalaska. There are also projects that the city needs help with in funding.

LEGAL: No legal review required.

STAFF RECOMMENDATION: Staff recommends approval.

PROPOSED MOTION: I move to adopt Resolution 2022-43.

CITY MANAGER COMMENTS: Much more time is spent preparing for these meetings than the actual time in the meetings themselves. However, it always helps to see people in Washington DC and meet directly with those who represent who us in Congress. It's always worthwhile.

ATTACHMENTS:

- Last Year's Federal Priorities briefing memo
- Last Year's Resolution Identifying Federal Priorities

Congressional Briefing Memo – City of Unalaska, Washington, DC Visit (Dec. 2021)

Attendees

The Honorable Vince Tutiakoff Sr, Mayor
The Honorable Dennis Robinson, Vice Mayor
The Honorable Thomas Bell, Council Member
Erin Reinders, City Manager
Natalie Cale, Chief Operating Officer/General Counsel, Ounalashka Corporation
Chris Price, CEO, Qawalangin Tribe
Cole McCracken, Member, Qawalangin Tribe & Ounalashka Corporation
Dianne Blumer, Blumer & Associates
Sebastian O’Kelly, Washington Representative
Rick Marks, Washington Representative
Brad Gilman, Washington Representative

The visitors from Unalaska represent three entities – the City, the Qawalangin Tribe, and the Ounalashka Corporation that have signed an MOU (known as the Tri-lateral Agreement) to partner and collaborate on initiatives and projects important to Unalaska’s future, with the Federal priorities outlined below.

I. CRITICAL NEEDS

1. Stabilization of Commercial Flights at Tom Madsen Airport

Maintaining safe, reliable, cost-effective air service between Anchorage and Unalaska remains the City’s highest Federal priority. Our remote, mountainous island location, frequent inclement weather, and airport size and placement make flying in and out of Unalaska a challenge, particularly during fishing season where the air transport of processing workers and fishing crew is critical for our commercial fisheries to operate. We are currently beholden to just one carrier – Ravn Air – for commercial air service, with the only other option expensive charter service. Ravn Air, while now operating regularly, previously declared bankruptcy in 2020. We went a significant period of time without commercial air service before the new owners of the airline took control. Previously, we were served by the bankrupt and defunct PenAir.

On October 17, 2019, PenAir #3296 overran the airport runway, resulting in a fatality and a number of injuries. The NTSB just held a hearing on the results of its accident investigation. Faulty wiring on the plane’s (a Saab 2000) brake antiskid mechanism was cited as the primary cause, but the investigation also cited a combination of pilot error (the pilot landed the plane with a tailwind of 24 mph, above the 15 mph standard for flights into the airport) and inexperience, PenAir safety culture and lack of a runway safety area. Stronger FAA oversight is one the NTSB’s principal recommendations.

The State of Alaska has been working on a Master Plan for improvements to the airport for its safe and efficient operation over the next 20 years. It has developed a Preferred Alternative (link below) for public comment that in addition to seeking improvements to aircraft aprons, parking, terminal and storage areas, recommends installation of an Engineered Material Arresting System (EMAS). EMAS uses crushable material placed at the end of a runway to stop an aircraft from overrunning. Estimated costs of the Preferred Alternative are as follows – EMAS (\$56.6 million); terminal upgrades and expansion (\$20 million); and general aviation improvements (\$17.8 million).

<https://dot.alaska.gov/sereg/projects/unalaska/assets/DUT%20MPU%20Draft%20Working%20Paper%2004B.pdf>

A new air service business, Aleutian Airways, is seeking to provide Anchorage-Unalaska direct service using the former PenAir Saab 2000 aircraft. The company will need to wait until the manufacturer inspects and corrects the brake wiring issues with all the Saab aircraft and has paused their plans until then. Their service will provide the residents of the community with access to two competing air carriers and avoid a complete loss of service should a carrier withdraw from service in the future for any reason.

The City strongly supports funding for DOT's Essential Air Service (EAS) Program, which provides a regulatory safety net assuring a minimum level of service to Unalaska. We appreciate the waiver DOT provided to the City that allowed us to charter planes to provide interim service during the down period. We thank the Delegation for its support of EAS and resumption of air service after the earlier Ravn bankruptcy. Longer-term, the airport needs renovation to address runway safety issues, among other improvements, as expected to be called for in the final State Master Plan.

- **Recommendations To The Delegation** –Support for FAA Airport Improvement Program funding for airport safety and other airport upgrades pending finalization of the Master Plan. Support for Aleutian Airways entrance into service once the company's planes have received the proper safety clearances. Continue overall support for EAS.

2. Crab Fisheries Disaster & Trawl Bycatch Issue

Two very important fisheries to Unalaska – the Bristol Bay red king crab and the Eastern Bering Sea snow crab fisheries – face a total closure and almost total closure for the 2021-22 fishing seasons. Estimates of combined ex-vessel fishery value loss are \$165 million. Reasons for the species declines are believed to be due to either a natural mortality event or migration of crab north and are not fishing-related.

The City derives substantial revenue from these two crab fisheries from its raw fish tax on the landing of product in Unalaska. We estimate these losses to City coffers to be \$2.7 million. The Governor is considering a request by the crab fishing community to seek a fisheries resource disaster declaration from the Secretary of Commerce.

Separately, legislation to reform the Federal fisheries disaster process -- S. 2923, the Fishery Resource Disasters Improvement Act -- passed the Senate at the end of Sept and includes provisions that qualify local government loss of raw fish tax revenues as eligible for reimbursement from Federal fisheries disaster relief funds.

Lastly, as part of the reauthorization of the Magnuson-Stevens Act, an organized effort is taken shape to strengthen the Act's bycatch protections by making exaggerated claims about salmon bycatch in the large trawl fisheries that Unalaska is dependent upon. These fisheries, boat sizes and gear type are necessary for the landing and processing of Pacific cod and pollock in volumes sufficient to sustain the community's primary workforce and economic base. Our trawl fisheries have worked hard to reduce bycatch over the years, with Chinook salmon bycatch down almost 90 percent from 15 years ago. The fleet has made and continues to make substantial modifications in fishing practices and gear technologies to further lower bycatch for a species whose declines are primarily attributable to other causes such as climate change.

- **Recommendations To The Delegation** – Should the Governor submit a fisheries disaster request to the Department of Commerce, urge the Secretary to approve the request and support follow-

on appropriations. Support House passage of the Fishery Resource Disasters Improvement Act this year so that the City would be eligible for crab disaster relief to offset its \$2.7 million in losses. Remain vigilant to organized efforts to mischaracterize trawl bycatch in Unalaska's fisheries.

II. ARCTIC PORT DEVELOPMENT

1. Unalaska Bay Entrance Channel Dredging Project

The Port of Dutch Harbor has grown in importance as a regional port for the Alaska fishing fleet, transient vessels, Arctic exploration support vessels and drill ships, military craft, and vessels in distress. Filling in of the entrance channel to Dutch Harbor has increased the risks of larger cargo and other vessels hitting bottom or running aground. These vessels often have to wait for high tide to enter.

Dredging of the entrance channel has been studied by the Army Corps of Engineers, with the Chief of Engineers submitted a report to Congress on February 7, 2020 recommending that the project be authorized. The project was authorized in the WRDA Title of the Consolidated Omnibus Appropriations Act of 2021, with a total project cost of \$35,956,000, of which \$26,967,000 is the Federal Share and \$8,989,000 is the Non-federal share.

Its next phase involves Planning, Engineering and Design (PED) at an estimated cost of \$2,300,000 with 75/25 percent Federal/local cost share. The City has signed the Design Agreement with the Corps to provide its share.

- **Recommendations To The Delegation** – Advocacy with the Corps to include the Federal share (\$1,725,000) of the PED cost for the project as part of Corps 60 day work plan required under the Bipartisan Infrastructure Investment & Jobs Act. Support for funding as a community project request in the FY 2023 appropriations process.

2. DOD Innovative Readiness Training (IRT)

In August of 2020, Unalaska hosted a very successful IRT mission and visit by the 351st Civil Affairs Command, United States Army Reserve, with a focus on field assessments of critical infrastructure, review of future renewable energy opportunities and discussions of the need for environmental remediation of City and Tribal lands. The mission was later determined by the IRT Program to be The Military-Civilian Partnership Of The Year. The Tribe has a pending application for funding for a follow up IRT mission that would focus on remediation of contaminated lands, additional road construction for the Makushin Geothermal Study, and a military base feasibility study. We also view the IRT missions as means to develop goodwill with the military as well as demonstrate Unalaska's advantages should serious consideration be given to building an Arctic military base in the future.

- **Recommendations To The Delegation** – Urge DOD to fund the Tribe's IRT application.

3. Coast Guard

The City appreciates the Coast Guard's long-time presence in our community which will grow in importance as marine transportation expands in the region. We encourage the USCG to become an accompanied duty station in Unalaska. We also favor offsetting the rotation of the Marine Safety Detachment so that half the team rotates in summer and half the team rotates in winter. We believe this rotation will maintain continuity and established relationships needed to best perform in Unalaska.

(NOTE: Senator Sullivan has just introduced S. 3272, the Arctic Focus Act, that would prioritize new Coast Guard ice breaker deployment and home-porting in Alaska).

- **Recommendations To The Delegation** – Urge the USCG to make Unalaska an accompanied duty station.

4. Arctic Port/Military Presence

The Port of Dutch Harbor is the only deep draft, year-round ice-free port from Unimak Pass west to Adak and north to the Bering Strait. Our port has been designated a “Port of Refuge” and provides protection and repair for disabled or distressed vessels as well as ground and warehouse storage and transshipment opportunities for the thousands of vessels that fish or transit the waters surrounding the Aleutian Islands daily. We served as the staging area for Shell Oil during its OCS drilling exploration in the Chukchi Sea a few years ago. Unalaska used to host a Naval base (closed after WW2) and is interested in that role again should our strategic challenges with China and Russia reach a point where the Navy believes it needs an operating base in the region. As the Arctic ice sheet further retreats due to climate change, the Northwest Passage over the top of Alaska and Canada starts to become a viable trade route that would save on time and shipping costs for certain transit routes. Unalaska could be a waypoint for refueling, vessel maintenance and repair, crew rotation, search and rescue or oil spill response once the Northwest Passage becomes viable. Additional details can be found at the separate PDF attachment (“Strategic Ports”).

- **Recommendations To The Delegation** – Continued consideration and awareness of Unalaska’s potential as an Arctic Port as part of the long-term evolution of the Arctic in trade, security, and natural resource matters.

III. ECONOMIC DEVELOPMENT

1. Makushin Geothermal Energy Projects

In August of 2020, the City entered into a 30 year Power Purchase Agreement (PPA) with Ounalashka Corporation-Chena Power (OCCP) to buy all of its electricity from the Makushin Geothermal Project once it is up and running. By doing so, the City demonstrated it strongly supports OCCP’s development of geothermal energy in our community and enabled OCCP’s efforts to obtain project financing. However, there are some challenges that must be met for the project to reach its potential.

OCCP has qualified for submission of a Phase 2 application to the DOE for a Title 17 loan. Pending in the Senate FY 2022 Energy & Water Approps Bill is \$2.6 million in Congressionally-directed spending to the Qawalangin Tribe for the project. Survey work for location of undersea cable to bring power from the project site to the City was completed this summer and an RFP for laying the cable has been issued. OCCP recently selected Ormat Technologies Inc, an Israeli company, to construct the project. The Ounalashka Corporation’s investment in the project so far includes \$2.5 million for seeding the partnership; \$9 million for the purchase of 7,000 acres of private property where the geothermal production facility will be located; and \$8 million for construction of an access road. Per the PPA, the City has agreed to pay an annual lump sum payment of \$16.3 million (with a 1% increase per year) starting in 2024. The payment will reach \$22 million in year 30. Other project details can be found at the link -- <https://www.alaskageothermal.info/project>

From the City’s perspective, the two main challenges are as follows. First, much of the Unalaska’s energy use is in private hands. Its heaviest energy users, the seafood processing companies, operate

their own diesel energy electric power systems. While many are interested in the OCCP project, they are reluctant to commit to purchasing geothermal power at this point until they better understand the rates versus their own diesel operating costs. Without processor buy in, the City's residential rate payers, including residents, would see a major increase in their utility bills (see separate PDF attachment) in order for the project to be economically-feasible. DOE's Office of Tribal Energy is funding a socioeconomic study which may help sell the value of geothermal energy to the processing community as well as to the Coast Guard during its vessel visits to Unalaska.

Another one of the challenges will be the demands geothermal power will place on the City's electrical grid which is currently not ready to handle or distribute the power load from the project. Substantial municipal utility and grid upgrades will be necessary. A detailed interconnection study is underway and will outline specific projects and improvements as well as their associated costs. Based on an interim study, we have identified associated projects costing \$5.7 million which would include replacement of the aging submarine cable at Iliuliuk Bay, upgrades to numerous feeder connections and substations, and improvements to the current data management system and automated controls. Additional funding will be necessary as OCCP's plans are solidified and the detailed interconnection study is completed.

- **Recommendations To The Delegation** – Support for the City grid upgrade project with DOE and as a community project in the FY 2023 appropriations process. Support for the \$2.6 million in project funding to the Tribe in the final FY 2022 appropriations bill. Continued support for the OCCP DOE Title 17 loan application. Encourage Unalaska's seafood processing companies to consider agreements to purchase OCCP geothermal power.

2. Environmental Remediation Of Native & City Lands

Unalaska unfortunately has many contaminated lands that go back to the WW2 conflict on the Island, including leftover environmental hazards from the old Naval base, chemical agents and unexploded ordnance. The City has been working with the Army Corps of Engineers Formerly Utilized Defense Sites (FUDS) Program as part of the Amaknak Restoration Advisory Board on contaminated site identification and characterization. However, the FUDS program has a major backlog in project work, plus much of the former Federal lands are now in the possession of the City, Tribe and Ounalashka Corporation. Without additional environmental assessment and follow on clean up, there are severe limitations on the use of these contaminated properties for economic development or human use. Additional sources of assistance beyond FUDS are necessary.

The City is working to submit a community-wide EPA Brownfields assessment grant application for FY 2022 working in collaboration with the environmental consulting firm Stantec. Separately, the Ounalashka Corporation is working on establishing a Section 8a company in collaboration with Waste Management Inc. to address actual clean ups. The Tribe has been a recipient of funds from DOD's Native American Lands Environmental Mitigation Program. The Bipartisan Infrastructure Investment & Jobs Act substantially increases funding for EPA's Brownfields Program and also raises the per project cap from \$500,000 to \$5 million.

- **Recommendations To The Delegation** – Advocacy with EPA to approve funding for the City's FY 2022 Brownfields grant application.

3. Island Broadband

Unalaska's slow internet speeds impede business growth, access to medical services, remote post-secondary education, and our community's overall quality of life. Fortunately, it looks like with Federal and private investment, we should see improvements in internet service in the future. The City supports

public-private investments that would both improve service but also provide its residents, business and government rate competition and multiple provider options. GCI has been awarded \$25 million in USDA funding to go toward its fiber optic cable project through the Aleutian Island chain. GCI is seeking additional funding through NTIA's tribal broadband grant program. The Qawalangin Tribe has teamed with Tel Alaska to submit a \$125 million NTIA funding application to run a fiber optic cable directly from Seattle to Unalaska. The Tribe is not part of the Alaska Tribal Spectrum \$251 million grant application which has been submitted on behalf of 96 Alaska tribes.

- **Recommendations To The Delegation** – Continue to support NTIA, USDA and FCC funding and policy that leads to improved broadband service in Unalaska.

4. Economic Development Administration (EDA) Grant Application

The Qawalangin Tribe has submitted a \$500,000 grant application for regional economic planning in partnership with the City and the Ounalashka Corporation as part of EDA's Build Back Better Regional Challenge. EDA is expected to make 50-60 grant awards for Phase 1 of the program. Those awardees will next be eligible to submit more detailed applications for Phase 2. EDA will then award \$25 million to \$75 million to each finalist (20-30 expected awards). If the Tribe succeeds in getting funding in Phase 1, it will then qualify for applying for Phase 2. Phase 2 funding would be sufficient in fully funding a number of joint Tribal and City priorities, including some of the projects listed in this memo.

- **Recommendations To The Delegation** – We thank the Delegation for its letter of support to EDA for the Tribe's Phase 1 application. Should the Tribe receive a Phase 1 grant we would appreciate additional support when applying for Phase 2 funding.

IV. CAPITAL PROJECTS

1. Captains Bay Road and Utility Improvements Project - \$54 Million. This item is the City's top project funding priority. Captains Bay Road is a gravel road that serves as the primary transportation route for Westward Seafoods, Alaska Chadux Network (oil spill response), North Pacific Fuel, Trident Seafoods, Alaska Marine Lines, Offshore Systems Inc., Bering Shai Rock and Gravel, and small businesses and residences. This high traffic area is a corridor for pedestrians as well as heavy trucks in the fishing, shipping, and support industries vital to Unalaska's economy. Future growth and business activity is expected to occur along Captains Bay Road. This project includes roadway realignment, utility extension and installation, drainage improvements, lighting, walkways and pavement. Because of its cost, the City is considering breaking the project into phases. Currently, the City is working on a Cost Benefit Analysis to help objectively define the benefit and define the scope of each phase.

2. Robert Storrs Boat Harbor Improvements – \$9.5 Million. The Robert Storrs Boat Harbor was inherited by the City of Unalaska from the State of Alaska and has served the community well for over 30 years but its floats are aged and decrepit. The project will install a new float system for 30 slips, ADA gangway, and create uplands for parking and a public restroom, along with utilities and fire suppression.

3. Unalaska Marine Center Cruise Ship Terminal - \$18.59 Million. Unalaska has seen an increase in cruise ship visitation, with the potential for additional growth. Currently, there is no dedicated cruise ship dock or terminal in the community. Presence of a dedicated dock/terminal would help the City promote tourism and make Unalaska a more attractive stop for cruise ships. Currently cruise ships must share space at the Unalaska Marine Center with fishing and cargo vessels. A cruise ship terminal would allow for dedicated cruise ship berthing and eliminate safety issues created from passengers

walking through cargo operations as well as allow the latter to operate more efficiently without the concern of conflicting with cruise ship needs.

4. Light Cargo Dock & Unalaska Marine Center Dredging - \$6.65 Million. Many of the vessels currently calling at our Port must adjust ballast to cross the entrance channel and dock inside the harbor. Vessels using the Light Cargo Dock that draw more than 22' must insert another vessel in between the dock face and their vessel in order to get enough water under the keel. Dredging in front of the Light Cargo Dock will also make this dock more accessible for current customers as well as allow access for larger vessels. This project includes the engineering, permitting, and dredging at the faces of the Light Cargo Dock and the Unalaska Marine Center positions 1-7.

5. Solid Waste Gasifier - \$8.3 Million. The City of Unalaska has worked with the DOE National Renewable Energy Laboratory (NREL) to consider the best waste minimization technology pathway for our location. Gasification and/or anaerobic digestion was deemed to be the best long-term solution. A solid waste gasifier could be used to dispose of bales already buried in the landfill cells, vastly increasing the current landfill's projected lifespan. In keeping with our commitment to clean geothermal power and an overarching goal of becoming carbon neutral, the City is seeking a technology provider that can offer a plant design that uses the syngas production from the gasification process to pre-dry the feedstock, reducing the diesel needed to reach a self-sustaining steady-state operation.

- **Recommendations To The Delegation** – Support for these projects either as community project requests in the FY 2023 appropriations process or as grant applications to relevant Federal programs should the City submit them.

CITY OF UNALASKA
UNALASKA, ALASKA

RESOLUTION 2021-67

A RESOLUTION OF THE UNALASKA CITY COUNCIL IDENTIFYING THE CITY OF UNALASKA'S FEDERAL PRIORITIES

WHEREAS, the City of Unalaska calls upon federal delegations and agencies to assist in creating an environment that allows for redundancy in aircraft in order to safely and reliably meet the transportation needs of our island community; and

WHEREAS, the City of Unalaska supports the authorization and funding needed in order for the U. S. Army Corps of Engineers to continue moving forward with removal of Unalaska Bay entrance channel navigational restriction to accommodate deep draft vessels, benefit commerce, and consider best practices of navigation and safety margins; and

WHEREAS, the City of Unalaska continues to support reliable and cost effective alternate energy sources, including geothermal and wind, which decreases our reliance on diesel fuel; and

WHEREAS, the City of Unalaska continues to support programs and activities to bridge the digital divide that impede business growth, medical services, education, and overall quality of life; and

WHEREAS, the City of Unalaska supports environmental remediation efforts. Unalaska has several sites that were subject to the Department of Defense's Formerly Utilized Defense Sites environmental program due to contamination which occurred during WWII activities, as well as WWII related contamination that is discovered during construction projects today, negatively impacting construction projects and subsistence living; and

WHEREAS, the City of Unalaska encourages the U. S. Coast Guard to allow for Unalaska to become an accompanied duty station or to stagger the rotation schedule of the Marine Safety Division to help maintain continuity needed to effectively perform in Unalaska. As marine transportation increases in our region, the Coast Guard's presence in our community is more valued than ever; and

WHEREAS, the City of Unalaska encourages the United States military presence in Unalaska that will, given our strategic location in the Arctic region, increase the safety of the nation. Such a presence would also assist in the diversification of our local economy and support the Makushin geothermal project; and

WHEREAS, Unalaska is a strategically located and vibrant Artic Port community. Home to the largest commercial fishing port in the nation, Unalaska's International Port of Dutch Harbor is a vital transportation and economic hub that will only become more key as northern shipping routes expand. The Port of Dutch Harbor is the only deep draft and year-round ice-free port from Unimak Pass west to Adak and north to the Bering Strait; is a designated "Port of Refuge"; and is the western most container terminal in the United States; and

WHEREAS, Captains Bay Road is a heavily used commercial corridor vital to the community's economic welfare with has safety concerns and economic development potential which require road improvements, water, sewer and electric utilities; and

WHEREAS, Robert Storrs Boat Harbor Improvements, Unalaska Marine Center Cruise Ship Terminal, Light Cargo Dock and Unalaska Marine Center Dredging are all port related

infrastructure projects that will help meet the needs of a growing Arctic Port and the number one commercial fishing port in the nation; and

WHEREAS, Makushin Geothermal Interconnection Projects support the City of Unalaska's commitment to alternative energy and are utility infrastructure upgrades required for the City's electrical distribution system to accept energy from the Makushin Geothermal Plant; and

WHEREAS, Solid Waste Gasifier is needed because current active landfill cells are reaching capacity. The City of Unalaska has worked with the Department of Energy National Renewable Energy Laboratory to consider the best waste management approach for our remote location. Operating costs for this project will eventually be recovered by extending the landfill lifespan.

NOW THEREFORE BE IT RESOLVED that the City of Unalaska hereby identifies its federal legislative priorities as:

FEDERAL LEGISLATIVE PRIORTIES	
<i>Critical Needs Support</i>	
Stabilization of Commercial Flights at Tom Madsen Airport - Top Critical Need	
Unalaska Bay Entrance Channel Dredging	
Alternative Energy	
Reliable and High Speed Internet	
Environmental Remediation	
United States Coast Guard Presence	
United States Military Presence	
Artic Port Development in Unalaska	
<i>Capital Project Funding Support</i>	
Captains Bay Road and Utility Improvements Project - \$54 Million - Top Project Funding Priority	
Robert Storrs Boat Harbor Improvements - \$9.5 Million	
Unalaska Marine Center Cruise Ship Terminal - \$18.59 Million	
Light Cargo Dock and Unalaska Marine Center Dredging - \$6.65 Million	
Makushin Geothermal Interconnection Projects - \$5.7 Million	
Solid Waste Gasifier - \$8.3 Million	


BE IT FURTHER RESOLVED that the City of Unalaska hereby identifies its Top Critical Need as the support for the stabilization of commercial flights at Tom Madsen Airport.

BE IT FURTHER RESOLVED that the City of Unalaska hereby identifies its top Capital Project Funding Priority the Captains Bay Road and Utility Improvement Project.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on October 12, 2021.


Vincent M. Tutiakoff, Sr.
Mayor

ATTEST:


Marje Veeder, CMC
City Clerk



MEMORANDUM TO COUNCIL

To: Mayor and City Council Members
 From: Erin Reinders, City Manager
 Date: October 12, 2021
 Re: Resolution 2021-67: Identifying the City of Unalaska's Federal Priorities

SUMMARY: City Council identifies legislative priorities annually. This memo outlines Council's existing federal priorities, draft priorities discussed on September 28, and the final proposed priorities based on Council feedback. These final priorities are outlined in Resolution 2021-67. Staff recommends approval.

PREVIOUS COUNCIL ACTION: Identifying State and Federal legislative priorities is a recurring Council action to express the City's support for certain initiatives; to seek support for capital projects; and in preparation for lobbying trips. Council last approved Federal Legislative Priorities via Resolution 2020-61 on September 22, 2020. Priorities approved at that time were:

CURRENT FEDERAL LEGISLATIVE PRIORTIES
<i>Critical Needs Support</i>
Stabilization of Commercial Flights at Tom Madsen Airport*
Unalaska Bay Entrance Channel Dredging Support
Alternative Energy Support
Reliable and High Speed Internet Support
Environmental Remediation Support
United States Coast Guard Presence
<i>Capital Project Funding Support</i>
Captains Bay Road and Utility Improvements Project - \$52 Million
*Bold indicates that Priority is also identified as a State Priority

That resolution also identified the Stabilization of Commercial Flights at Tom Madsen Airport as the number one key critical support need and the Captains Bay Road and Utility Improvements Project as the number one project funding priority.

Council reviewed DRAFT Federal Legislative Priorities during the September 28, 2020 work session. The DRAFT Priorities are outlined below. No formal action was taken at that time.

DRAFT FEDERAL LEGISLATIVE PRIORTIES
<i>Critical Needs Support</i>
Stabilization of Commercial Flights at Tom Madsen Airport (existing)
Unalaska Bay Entrance Channel Dredging (existing)
Alternative Energy (existing)
Reliable and High Speed Internet (existing)
Environmental Remediation (existing)
United States Coast Guard and Military Presence in Unalaska (expanded)
<i>Capital Project Funding Support</i>
Captains Bay Road and Utility Improvements Project - \$54 Million (existing)

Robert Storrs Boat Harbor Improvements – \$9.5 Million (new)
Unalaska Marine Center Cruise Ship Terminal - \$18.59 Million (new)
LCD and UMC Dredging - \$6.65 Million (new)
Makushin Geothermal Interconnection Projects - \$5.7 Million (new)
Solid Waste Gasifier - \$8.3 Million (new)

BACKGROUND: City Council will discuss and consider State Legislative Priorities separately from the Federal Priorities this year. Tentatively, we are looking to hear from our State Lobbyist in November, and will look to finalize State priorities by January.

Our Federal lobbyists tell us that earmarks may be returning to the Congressional budgeting process and that there seems to be a strong interest in utility and port infrastructure projects. Sebastian O’Kelly suggested we consider adding some of our Capital Projects to the list. Tonight you will also hear a Federal Legislative update from our team of lobbyists and discuss this year’s federal lobby efforts.

City Council has also started to identify goals and focus areas. These include developing an arctic port, air transportation, and natural resources with a geothermal focus.

DISCUSSION: Below is a list and overview of federal legislative priorities for Council’s consideration this evening. This list was originally developed with Council’s existing priorities, lobbyist guidance, and Council’s ideas for goals and focus areas in mind. Much of the information in the overview is from the CMMP with input of City staff.

Changes from the DRAFT list are based on Council feedback. United States Military Presence and Arctic Port Development in Unalaska are now each specifically identified as federal priorities, and added to the list of critical needs support items. The top critical need (stable commercial flights) and number top capital project funding request (Captains Bay Road) have been identified based on Council consensus on September 28th, and remain unchanged from past years.

FINAL FEDERAL LEGISLATIVE PRIORITIES
<i>Critical Needs Support</i>
Stabilization of Commercial Flights at Tom Madsen Airport – top critical need (existing)
Unalaska Bay Entrance Channel Dredging (existing)
Alternative Energy (existing)
Reliable and High Speed Internet (existing)
Environmental Remediation (existing)
United States Coast Guard Presence (existing)
United States Military Presence (new – standalone item based on Council feedback on 9/28)
Arctic Port Development in Unalaska (new – added based on Council feedback on 9/28)
<i>Capital Project Funding Support</i>
Captains Bay Road and Utility Improvements Project - \$54 Million – top project funding priority (existing)
Robert Storrs Boat Harbor Improvements – \$9.5 Million (new)
Unalaska Marine Center Cruise Ship Terminal - \$18.59 Million (new)
LCD and UMC Dredging - \$6.65 Million (new)
Makushin Geothermal Interconnection Projects - \$5.7 Million (new)
Solid Waste Gasifier - \$8.3 Million (new)

Critical Needs Support

1. **Stabilization of Commercial Flights at Tom Madsen Airport.** *This is an existing and unchanged Legislative Priority (both State and Federal) that helps to address Council's recently identified focus on air transportation.* This item is currently identified as Unalaska's top critical need.

Air travel is the only way to reasonably access our island community. Direct, safe, reliable, and affordable flights meeting regular and peak season demands of our community is critical. The airport and runway are owned and managed by the Alaska Department of Transportation. Furthermore, the Alaska Department of Transportation, US Department of Transportation, and the Federal Aviation Administration are responsible for supporting safe and efficient transportation systems and infrastructure.

The grounding of the Saab 2000 for the DUT-ANC route, in the aftermath of the crash of Flight 3296, highlighted the risk of having only one airline with one commercial aircraft authorized to fly passengers directly between Anchorage and Unalaska. This was again recognized when Ravn Air declared bankruptcy and stopped all air service in April of 2020 for a lengthy period of time. We call upon state and Federal delegations and agencies to assist in creating an environment that allows for redundancy in aircraft service in order to meet our island community's transportation needs.

We also support the State of Alaska's efforts as they update and implement their Airport Master Plan for Tom Madsen Airport to address runway improvements. We support the Essential Air Service program, and related programs, as critical tools to ensure the long term viability of air travel to and from Unalaska.

2. **Unalaska Bay Entrance Channel Dredging Support.** *This is an existing and unchanged Legislative Priority that helps to address Council's vision of becoming an arctic port and is currently identified on the CMMP.* The City of Unalaska was a non-Federal sponsor of the cost-shared feasibility study, led by the Army Corps of Engineers, evaluating the effects of the removal of a navigation restriction that severely impacts our ports. We are now the non-Federal sponsor of the design phase of this project. We have a signed Design Agreement; the Corps is authorized and federally funded for the 75/25 Cost Shared effort that will produce plans and specifications ready to advertise for the -58+2 dredging of the outside bar. The removal of this navigational restriction helps us accommodate deep draft vessels, will benefit commerce, and considers best practices for navigation and safety margins. This project is dependent upon the US Army Corps of Engineers continued support of this Federal project and their funding share.
3. **Alternative Energy Support.** *This is an existing and unchanged Legislative Priority that helps to address Council's recently identified focus on geothermal power and natural resources.* The absence of adjoining electrical systems forces the City of Unalaska to cover contingency planning and react to unplanned outages without relying on help from an adjoining utility grid. The City continues to look for support with reliable and cost effective alternate energy sources, including geothermal and wind. The City supports measures that encourage other alternate energy opportunities to become viable options for our community. The city is currently involved in the feasibility study stage of a wind energy project. In August of 2020, City Council approved

a 30 year Power Purchase Agreement with OCCP for geothermal power sourced from Makushin Volcano.

4. **Reliable and High Speed Internet Support.** *This is an existing and unchanged Legislative Priority (both State and Federal).* Unalaska's internet speeds impede business growth, access to medical services, remote post-secondary education, and our community's overall quality of life. Residents are unable to fully utilize cloud-based systems to improve efficiencies and effectiveness in personal, educational, medical, and business processes. Improving internet services has long been a priority and the City supports programs and activities that help to bridge this digital divide.
5. **Environmental Remediation Support.** *This is an existing and unchanged Legislative Priority (both State and Federal).* Unalaska has several sites that are subject to the Department of Defense's Formerly Utilized Defense Sites environmental program due to contamination during WWII activities, as well as WWII related contamination that is discovered during construction projects today. Assistance and support at the state and Federal levels is critical to mitigating these contaminated areas.
6. **United States Coast Guard Presence.** *This is an existing and unchanged Legislative Priority.* Unalaska appreciates the Coast Guard's long time presence in our community. As marine transportation increases in our region, the Guard's presence is valued more than ever. We encourage the USCG to become an accompanied duty station in Unalaska. Short of that, USCG might also consider offsetting the rotation of the Marine Safety Detachment so that half the team rotates in summer and half the team rotates in winter. We believe this rotation will maintain continuity and established relationships needed to best perform in Unalaska.
7. **United States Military Presence.** *This item has been added based on Council feedback at the work session and in response to numerous voices of support calling for an increased Military presence in Unalaska at City Council meetings.* Unalaska's International Port of Dutch Harbor is in a strategic Arctic location. Council supports an increased local presence of all military branches of the United States. Such presence will increase safety of the Nation and our standing as an Arctic port. It would also assist in the diversification of our local economy.
8. **Arctic Port Development in Unalaska.** *This item has been added based on Council feedback at the work session and is in support of Council's vision of becoming an arctic port.* Unalaska's is strategically located and vibrant Arctic Port community. City of Unalaska is home to the International Port of Dutch Harbor, the largest commercial fishing port in the nation. Unalaska/Dutch Harbor is a vital transportation and economic hub that will only become more key as northern shipping routes expand. The Port of Dutch Harbor is the only deep draft, year-round ice-free port from Unimak Pass west to Adak and north to the Bering Strait. Our port has been designated a "Port of Refuge" and provides protection and repair for disabled or distressed vessels as well as ground and warehouse storage and transshipment opportunities for the thousands of vessels that fish or transit the waters surrounding the Aleutian Islands daily. Unalaska is also the home of the western-most container terminal in the United States and is one of the most productive ports for the transshipment of cargo in Alaska. In addition to products shipped domestically to and from this regional hub, the product is shipped to ports around the world with weekly shipments headed to Europe and Asia by container ship and freighter.

Capital Project Funding Support

1. **Captains Bay Road and Utility Improvements Project - \$54 Million.** *This is an existing Legislative Priority (both State and Federal), identified on the CMMP and submitted for the State's CAPSIS in 2021. The dollar amount has changed from \$52 Million to match the CMMP. This item is City Council's number one project funding priority.*

Captains Bay Road is the primary transportation route for Westward Seafoods, Alaska Chadux Network (oil spill response), North Pacific Fuel, Trident Seafoods, Alaska Marine Lines, Offshore Systems Inc., Bering Shai Rock and Gravel, and small businesses and residences. This high traffic area is a corridor for pedestrians as well as heavy trucks in the fishing, shipping, and support industries vital to Unalaska's economy. Future growth and business activity is expected to occur along Captains Bay Road.

This project includes roadway realignment, utility extension and installation, drainage improvements, lighting, walkways and pavement. The current \$54M cost addresses all these components. Staff continues to consider how the project might be divided into phases, ideally as standalone projects. Given the large dollar value for the overall project, the State DOT advised us that smaller stand-alone projects would increase our likelihood of funding support in the STIP. We are currently working to complete a formal cost benefit analysis to help quantify and communicate the overall project value the various components bring. This analysis will help us with better project phasing, improve project ranking during the STIP evaluations at the state level, and can be used to support other funding opportunities.

2. **Robert Storrs Boat Harbor Improvements – \$9.5 Million.** *This is an existing State Legislative Priority, identified on the CMMP and was submitted for the State's CAPSIS in 2021. Consideration may be given to adding this to the Federal priority list because it is port related infrastructure.* The Robert Storrs Boat Harbor was inherited by the City of Unalaska from the State of Alaska and has served the community well for over 30 years. To ensure the safety of those who use the dock and the vessels that moor at the Storrs Boat Harbor, the floats must be replaced and the dock redesigned. Existing Floats A and B will be removed and reconfigured to accommodate a new float system, ADA gangway, and create uplands for parking and a public restroom. This project includes a fire suppression system, electric, and year round water supply for harbor users. This project qualifies to be a part of State of Alaska's Harbor Facility Grant Program for potential funding support. This is a program that the City of Unalaska has long supported. This reconfiguration will add 30 slips.
3. **Unalaska Marine Center Cruise Ship Terminal - \$18.59 Million.** *This project is identified on the CMMP and was submitted to the State's CAPSIS in 2021. Consideration may be given to adding this to the Federal priority list because it is port related infrastructure and could assist in addressing Council's vision of an Arctic port.* This project will provide an open sheet pile dock with mooring dolphins to the south of Unalaska Marine Center Position 7. Prior to the COVID-19 pandemic, cruise ship activity was on the rise in Unalaska and was proving beneficial to local commerce. Cruise ships do not have dedicated dock space to reserve with certainty; the Unalaska Marine Center is designated for industrial cargo and fishing operations. Unalaska has been fortunate to be able to accommodate most of the cruise ship activity, but space will grow more challenging as passenger counts and vessel calls increase. A cruise ship terminal would allow for dedicated cruise ship berthing and eliminate safety issues created from passengers walking through and around cargo operations. During the off season for cruise ships, this facility could be used for fishing vessel offloads. A cruise ship

terminal will provide an additional revenue opportunity and still bolster commerce through committed berthing for the cruise ship industry.

4. **LCD and UMC Dredging - \$6.65 Million.** *This project is identified on the CMMP. Consideration may be given to adding this to the Federal priority list because it is port related infrastructure and could assist in addressing Council's vision of an Arctic port.* The completion of this dredging will enhance current and future port operations by creating usable industrial dock face that is designed for vessels in varying lengths, draw and tonnage. This project includes the engineering, permitting, and dredging at the faces of the Light Cargo Dock and the Unalaska Marine Center positions 1-7. It will compliment other capital projects in the Port, namely the dredging of the entrance channel. Larger vessels will be able to enter into Dutch Harbor and the depth of the dock face must facilitate the new traffic. The depths at the Unalaska Marine Center vary from -32 and -45 at MLLW. Dredging at the face of the Unalaska Marine Center would create a constant -45 from Positions 1-7. This will accommodate deeper draft vessels throughout the facility. The existing sheet pile is driven to approximately -58 and dredging to -45 will not undermine the existing sheet pile. This project is primarily to accommodate large class vessels. Many of the vessels currently calling the Port must adjust ballast to cross the entrance channel and dock inside the harbor. Dredging in front of the Light Cargo Dock will also make this dock more accessible for current customers. Vessels using the Light Cargo Dock that draw more than 22' must insert another vessel in between the dock face and their vessel in order to get enough water under the keel.

5. **Makushin Geothermal Interconnection Projects - \$5.7 Million.** *This project is directly related to a long time Council priority supporting alternative energy, identified on the CMMP and is required per the PPA with OCCP. Consideration may be given to adding this to the Federal priority list because it is utility related infrastructure and could help address Council's recently identified focus on geothermal power and natural resources.* This project is the City of Unalaska's estimated portion of reliability upgrades for the City's electrical distribution system required to accept energy from the Makushin geothermal plant. It requires connecting multiple self-generating industrial customers to the current distribution system, installs more robust intermediate level protections, replaces the aging submarine cable at Iliuliuk Bay, upgrades numerous feeder connections and substations, and improves the current SCADA system and automated controls. This project includes a set aside for legal and consulting fees associated with implementation. A more accurate budget will be determined upon the completion of the interconnection study and after the implications are fully understood. Based on study findings, there may be a Phase II project to accomplish the required upgrades.

6. **Solid Waste Gasifier - \$8.3 Million.** *This project is identified on the CMMP. Consideration may be given to adding this to the Federal priority list because it is utility related infrastructure, and could help address Council's recently identified focus on natural resources.* Current active landfill cells are projected to reach capacity in five or six years. The City of Unalaska worked with the DOE National Renewable Energy Laboratory (NREL) to consider the best waste minimization technology pathway for our location. Combustion, pyrolysis, hydrothermal liquification, gasification, and anaerobic digestion were all considered, factoring in environmental impacts, complexity, waste reduction potential, initial capital costs, and on-going operating costs. Gasification, anaerobic digestion, or a combination of the two processes was deemed to be the best long-term solution. A solid waste gasifier would work for approximately 86% of Unalaska's total waste stream, and could be used to dispose of bales already buried in the landfill cells, vastly increasing the current location's projected lifespan. In keeping with our commitment to clean geothermal power and an overarching goal of becoming carbon neutral, the City is seeking a technology provider that can offer a plant

design that uses the syngas production from the gasification process to pre-dry the feedstock, reducing the diesel needed to reach a self-sustaining steady-state operation. Assistance and support at the State and Federal level will help minimize possible landfill fee increases required to fund the construction of this capital project. Operating costs will be eventually recovered by extending the landfill lifespan; each year of additional capacity is valued at \$1.1 million dollars.

ALTERNATIVES: Council may choose to edit, add or remove priorities.

FINANCIAL IMPLICATIONS: No direct financial impact is associated with the discussion.

LEGAL: None needed.

STAFF RECOMMENDATION: Staff recommends approval.

PROPOSED MOTION: I move to adopt Resolution 2021-67.

CITY MANAGER COMMENTS: This final list was generated based on Council's feedback. I thank the city team for the assistance in getting this information together.