

Regular Meeting
Tuesday, November 22, 2022
6:00 p.m.



Unalaska City Hall
Council Chambers
43 Raven Way

Council Members
Thomas D. Bell
Darin Nicholson
Daneen Looby

Council Members
Dennis M. Robinson
Alejandro R. Tungul
Shari Coleman

*To Provide a Sustainable Quality of Life
Through Excellent Stewardship of Government*

UNALASKA CITY COUNCIL

P. O. Box 610 • Unalaska, Alaska 99685
Tel (907) 581-1251 • Fax (907) 581-1417 • www.ci.unalaska.ak.us

Mayor: Vincent M. Tutiakoff Sr. **City Manager:** Chris Hladick
City Clerk: Marjie Veeder, mveeder@ci.unalaska.ak.us

COUNCIL MEETING ATTENDANCE

The community is encouraged to attend meetings of the City Council:

- In person at City Hall
- Online via ZOOM (link, meeting ID & password below)
- By telephone (toll and toll free numbers, meeting ID & password below)
- Listen on KUCB TV Channel 8 or Radio Station 89.7

PUBLIC COMMENT

The Mayor and City Council value and encourage community input at meetings of the City Council. There is a time limit of 3 minutes per person, per topic. Options for public comment:

- In person
- By telephone or ZOOM - notify the City Clerk if you'd like to provide comment using ZOOM features (chat message or raise your hand); or *9 by telephone to raise your hand; or you may notify the City Clerk during regular business hours in advance of the meeting
- Written comment is accepted up to one hour before the meeting begins by email, regular mail, fax or hand delivery to the City Clerk, and will be read during the meeting; include your name

ZOOM MEETING LINK: <https://us02web.zoom.us/j/85203975430>

Meeting ID: 852 0397 5430 / **Passcode:** 977526

TELEPHONE: Meeting ID: 852 0397 5430 / **Passcode:** 977526

Toll Free numbers: (833) 548-0276; or (833) 548-0282; or (877) 853-5247; or (888) 788-0099

Non Toll Free numbers: (253) 215-8782; or (346) 248-7799; or (669) 900-9128

AGENDA

1. **Call to order**
2. **Roll call**
3. **Pledge of Allegiance**
4. **Recognition of Visitors**
5. **Adoption of Agenda**
6. **Approve Minutes of Previous Meeting** [November 10, 2022](#)
7. [City Manager Report](#)
8. **Community Input & Announcements** *Members of the public may provide information to council or make announcements of interest to the community. Three-minute time limit per person.*

9. **Public Comment on Agenda Items** *Time for members of the public to provide information to Council regarding items on the agenda. Members of the public may also speak when the issue comes up on the regular agenda by signing up with the City Clerk. Three-minute time limit per person.*
10. **Public Hearing** *Members of the public may testify about any item set for public hearing. Three-minute time limit per person.*
 - a. [Ordinance 2022-21](#): Retaining Certain Tax Foreclosed Property for a Public Purpose
11. **Work Session** *Work sessions are for planning purposes, or studying and discussing issues before the Council.*
 - a. [Utility Service Installation Reimbursements](#) – Steve Tompkins, Public Utilities Director
 - b. [Wage Increase and Longevity Bonus for Unrepresented Title 3 Employees](#) – Chris Hladick, City Manager
12. **Consent Agenda** *Approval of non-controversial or routine items, accomplished without debate and with a single motion and vote. Council members may request an item be moved to the regular agenda for discussion purposes.*
 - a. [Ordinance 2022-21](#): 2nd Reading, Retaining Certain Tax Foreclosed Property for a Public Purpose
 - b. [Resolution 2022-44](#): Authorizing the City Manager to enter into an agreement with Industrial Resources, Inc. to construct the Chlorine Upgrades Project for \$661,200
13. **Regular Agenda** *Persons wishing to speak on regular agenda items must sign up with the City Clerk. Three-minute time limit per person.*
 - a. *Motion to Renew* [Ordinance 2022-19](#): Amending Title 3, Personnel, to add a longevity bonus, make executives eligible for the longevity bonus, provide latitude to the City Manager to hire above the midpoint of the wage range, and to increase moving expenses available for new employee
 - b. *Motion to Renew* [Ordinance 2022-20](#): Creating Budget Amendment #3 to the Fiscal Year 2023 Budget to fund increases in wages, fringe benefits and associated State of Alaska PERS contributions for unrepresented employees
 - c. [Resolution 2022-43](#): Identifying the City of Unalaska’s Federal Priorities
 - d. [Resolution 2022-45](#): Approving funding from FY23 and FY24 to Rusting Man Foundation for the Unalaska Fisherman Memorial
 - e. [Resolution 2022-46](#): Correcting Resolution 2021-38, renewing the City’s policy on participation in funding electric primary and secondary utility line extensions for a four-year period starting Fiscal Year 2022 and ending Fiscal Year 2025
 - f. [Resolution 2022-47](#): Supporting an Alaska Energy Authority Renewable Energy Fund Round 15 Grant application in the amount of \$4,000,000 for the final design and construction of the wind energy project
14. **Council Directives to City Manager**
15. **Community Input & Announcements** *Members of the public may provide information to council or make announcements of interest to the community. Three-minute time limit per person.*
16. **Adjournment**

Regular Meeting
Thursday, November 10, 2022
6:00 p.m.



Unalaska City Hall
Council Chambers
43 Raven Way

Council Members
Thomas D. Bell
Darin Nicholson
Daneen Looby

Council Members
Dennis M. Robinson
Alejandro R. Tungul
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UNALASKA CITY COUNCIL

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Mayor Pro Tem: Vincent M. Tutiakoff Sr. **City Manager:** Chris Hladick

City Clerk: Marjie Veeder, mveeder@ci.unalaska.ak.us

MINUTES

1. **Call to order.** Mayor Pro Tem Alejandro Tungul called the regular meeting of the Unalaska City Council to order on November 10, 2022, at 6:09 p.m. (following the meeting of Unalaska Crab, Inc.).
2. **Roll call.** The City Clerk called the roll. Bell, Looby and Tungul present in person; Robinson attended via ZOOM; Coleman, Nicholson and Tutiakoff absent. Mayor Pro Tem announced establishment of a quorum.

Bell read the City's Mission Statement: To provide a sustainable quality of life through excellent stewardship of government.
3. **Pledge of Allegiance.** Looby led the Pledge of Allegiance.
4. **Recognition of Visitors.** Mayor Pro Tem recognized Karel and Marie Machalek; and Dustan and Evie Dickerson.
5. **Adoption of Agenda.** Looby moved to adopt the agenda with second by Bell. There being no objection, the Mayor Pro Tem announced the agenda adopted
6. **Approve Minutes of Previous Meetings:** Bell moved to approve the proposed minutes of the council meetings held October 21 and 25, 2022, as presented, with second by Looby. There being no objection, the Mayor Pro Tem announced the minutes approved.
7. **Reports**
 - a. Financial reports for July, August and September 2022 were in the packet. Assistant City Manager Bil Homka provided an overview; and Interim Finance Director Clay Darnell responded to Council questions.
 - b. City Manager report in the packet. Chris Hladick, via Zoom, responded to Council questions.
8. **Community Input & Announcements.** Mayor Pro Tem provided an opportunity for community input and announcements, which were provided, as follows:
 - a. PCR Director Roger Blakeley made announcements regarding PCR events
 - b. Peggy McLaughlin announced fundraising events for the Senior Parents Committee
 - c. M. Lynne Crane made announcements for USAFV

9. **Public Comment on Agenda Items.** Mayor Pro Tem provided an opportunity for public comment on agenda items. Michelle Price and Ruth Marquez commented in favor of Ordinances 2022-19 and 2022-20.

10. **Public Hearing.**

- a. Mayor Pro Tem opened the public hearing on Ordinance 2022-18 Amending Sections of Title 17, Buildings and Construction, of the Unalaska Code of Ordinances, by Adopting Portions of the 2018 Edition of the Uniform Plumbing Code, the 2020 Edition of the National Electrical Code, and the 2021 Edition of the International Residential Code. No testimony offered.
- b. Mayor Pro Tem opened the public hearing on Ordinance 2022-19 Amending Title 3, Personnel, to add a longevity bonus, make executives eligible for the longevity bonus, provide latitude to the City Manager to hire above the midpoint of the wage range, and to increase moving expenses available for new employees. Estkarlen Magdaong spoke in favor of the Ordinance.
- c. Mayor Pro Tem opened the public hearing on Ordinance 2022-20 Creating Budget Amendment #3 to the Fiscal Year 2023 Budget to fund increases in wages, fringe benefits and associated State of Alaska PERS contributions for unrepresented employees. No testimony offered.

11. **Work Session.** Bell moved to go into work session with second by Looby. There being no objection, work session began at 6:35 p.m.

- a. **Wind Study Report.** Assistant City Manager and Utilities Director Tompkins provided an overview and introduced Doug Vaught of V3 Energy who presented the report. Council discussion. Mr. Tompkins responded to Council questions.
- b. **Captains Bay Road Development Plan.** Assistant City Manager Bil Homka presented the development plan. Council discussion. Mr. Hladick and Mr. Homka responded to Council questions.
- c. **Unalaska Fishermen Memorial by Rusting Man Foundation.** Assistant City Manager Homka provided an overview. Karel and Marie Machalek, along with Barry Malpass, gave a status report. Council discussion. City Manager responded to Council questions.
- d. **Federal Legislative Priorities.** City Manager Chris Hladick led the discussion and suggested postponing adoption of the resolution. Chris Price from the Q-Tribe provided public comment.

Bell moved to return to regular session with second by Looby. There being no objection, back in regular session at 8:12 p.m. following a 10 minute break.

12. **Regular Agenda**

- a. Ordinance 2022-18: 2nd Reading, Amending Sections of Title 17, Buildings and Construction, of the Unalaska Code of Ordinances, by Adopting Portions of the 2018 Edition of the Uniform Plumbing Code, the 2020 Edition of the National Electrical Code, and the 2021 Edition of the International Residential Code

Looby moved to adopt Ordinance 2022-18; second by Bell.

Assistant City Manager Homka provided an overview followed by Council discussion. City Engineer Bob Cummings responded to Council questions.

Roll call vote: all Council members present voted in the affirmative, adopting Ordinance 2022-18 unanimously with 4 yes votes.

- b. Ordinance 2022-19: 2nd Reading, Amending Title 3, Personnel, to add a longevity bonus, make executives eligible for the longevity bonus, provide latitude to the City Manager to hire above the midpoint of the wage range, and to increase moving expenses available for new employees

Looby moved to adopt Ordinance 2022-19; second by Bell.

Council discussion. Mr. Hladick and the City Clerk responded to Council questions.

Roll call vote: Bell – no; Looby – yes; Robinson – yes; Tungul – yes. Motion fails with 3 yes and 1 no vote.

- c. Ordinance 2022-20: 2nd Reading, Creating Budget Amendment #3 to the Fiscal Year 2023 Budget to fund increases in wages, fringe benefits and associated State of Alaska PERS contributions for unrepresented employees

Bell moved to adopt Ordinance 2022-20; second by Looby.

Council discussion.

Motion to amend #1: Bell moved to amend Ordinance 2022-20, making the wage increase 24% rather than 10%; second by Looby. Mr. Bell spoke to his amendment. Council discussion. Vote on the amendment: Bell – yes; Looby – no; Tungul – no; Robinson – no. Amendment fails with 1 yes and 3 no.

Motion to amend #2: Bell moved to amend Ordinance 2022-20, making the wage increase 18% rather than 10%; second by Looby. Mr. Bell spoke to his amendment. Council discussion. Vote on the amendment: Looby – no; Robinson – no; Tungul – no; Bell – yes. Amendment fails with 1 yes and 3 no.

Roll call vote on the main motion to adopt Ordinance 2022-20: Looby – yes; Bell – no; Robinson – yes; Tungul – yes. Motion fails with 3 yes and 1 no.

- d. Ordinance 2022-21: 1st Reading, Retaining Certain Tax Foreclosed Property for a Public Purpose

Tungul moved to introduce Ordinance 2022-21 and schedule it for public hearing and second reading on November 22, 2022; second by Looby.

City Clerk provided an overview followed by Council discussion.

Roll call vote: all Council members voted in the affirmative, passing the motion with 4 yes and 0 no.

- e. Resolution 2022-43: Identifying the City of Unalaska's Federal Priorities

Looby moved to adopt Resolution 2022-43; second by Bell.

Mr. Hladick provided an overview and suggested postponing adoption.

Bell moved to postpone consideration of Resolution 2022-43 to November 22, 2022; second by Looby.

Roll call vote: all Council members voted in the affirmative, passing the motion with 4 yes and 0 no.

13. Council Directives to City Manager.

- a. Bell moved to direct the City Manager to bring a resolution to Council approving \$XXX for Unalaska Fisherman Memorial; second by Tungul. Roll call vote: all Council members voted in the affirmative, passing the motion with 4 yes and 0 no.
- b. Bell moved to direct the City Manager to schedule a work session with Council to discuss changes to Title 3; second by Looby. Roll call vote: Looby – yes; Tungul – yes; Robinson – no; Bell – yes. Motion fails with 3 yes and 1 no.

14. Community Input & Announcements. Mayor Pro Tem provided a final opportunity for community input and announcements; none provided.

15. Executive Session. Bell moved to go into Executive Session to discuss city manager applicants, which if discussed in public could harm the reputation of one or more of the candidates; and to receive an update on and provide direction to the city attorney regarding lawsuits against the City of Unalaska, the immediate public discussion of which may tend to adversely affect the legal positions of the City. Present in Executive Session will be the Mayor, Council Members Bell, Looby, Robinson and Tungul; City Manager Chris Hladick, Assistant City Manager Bil Homka and HR Manager Amy Stanford. Second by Looby.

There being no objection, Mayor Pro Tem announced executive session at 9:13 p.m.

- a. Discuss City Manager Applicants
- b. Update regarding lawsuits against the City of Unalaska

Looby moved to return to regular session; second by Bell. There being no objection, back in regular session at 9:49 p.m. Mayor Pro Tem announced that no action was taken in Executive Session.

16. Adjournment. Having completed all items on the agenda, the Mayor Pro Tem adjourned the meeting at 9:50 p.m.

These minutes were approved by the Unalaska City Council on November 22, 2022.

Marjie Veeder, CMC
City Clerk

Manager Report

Regular City Council Meeting

November 22, 2022

Interim Manager Chris Hladick

1. **DC Trip:** The tri-lateral group needs to decide on which meetings need to be scheduled and this is in process. Briefing memo continues to be a priority.
2. **Federal Priorities:** I had intended to have these numbers updated for this meeting. However, I have just run out of time. We will run with the current numbers for now and try and update them by the time we head to Washington DC. Any changes will be duly noted to the city council. At this point we should not include the Airport Terminal until we have had more time to develop what the project should be. As I have stated previously this is a project we should get into the queue as it will take many years to obtain funding. We don't know if Congressional Directed Funding will be available in the coming year but my recommendation is to focus on utilities for Captains Bay Road and get the project on the Statewide Transportation Improvement Plan with the State of Alaska for the paving portion of the project and this will more than likely be in phases. The first phase being Airport Beach to Westward Seafoods.
3. **State Priorities:** we will be discussing state priorities in December. The legislative session starts the third week in January and we will need to have CAPSIS (the legislative capital project data base) updated by then, so we have plenty of time to prepare.
4. **Title 3 historical information:** I have prepared a memo for council that is in the packet.
5. **Vehicles:** Staff has been developing a plan to deal with abandoned and end of useful life vehicles. This initiative is in process now and funding is needed in the budget process to get this accomplished. We have lots of vehicles on the island that need to be scrapped. We will be bringing this issue forward after the first of the year.
6. **Employee Christmas Party:** The Christmas Party will be December 3 at 6 pm at the Grand. This party is put on by the city council and mayor in appreciation of our staff.
7. **CMMP:** Bil Homka and I are working on this issue. My sense is that the city should focus on what is already slated for work in the CMMP and only add items that are critical to get completed. More on this soon.
8. **Budget calendar:** The budget calendar is being discussed internally and will be shared at a future council meeting
9. **Depreciation:** GAAP requires depreciation regardless of funding source.

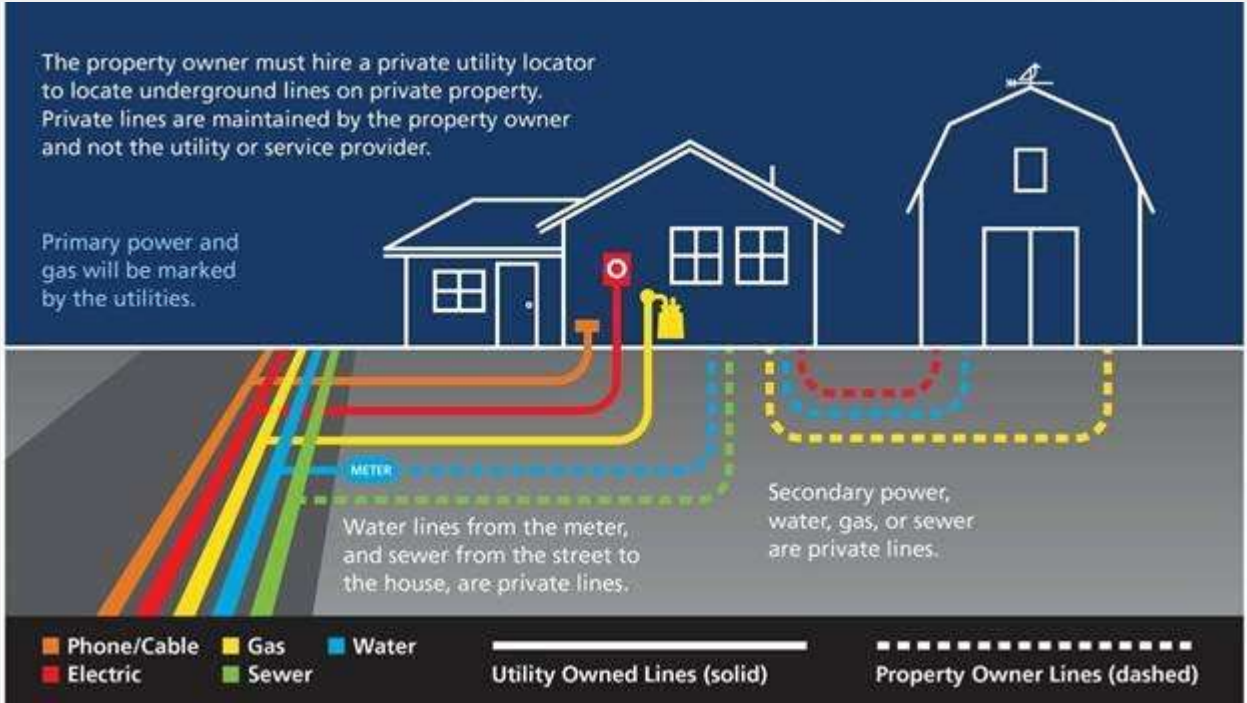
WORK SESSION:
UTILITY SERVICE
INSTALLATION
REIMBURSEMENTS



OBJECTIVES

- What are Utility Service Installation Reimbursements?
- Housekeeping Corrections
- Discussion on Parkside Estates
- Directive to City Manager







HISTORICAL BACKGROUND

- 1991 – Water & Sewer residential extensions
- 2000 – Policy expanded to include Electric line extensions
- 2007 – “Primary” stipulation removed from resolution
- 2011 – Resolutions 2011-37 & 2011-38 again restricted policy to primary line extensions
- 2016 – Resolutions 2016-35 & 2016-36 again removed “primary” stipulation, allowing secondary water and sewer
- 2018 – Resolution 2018-44 typo changed \$1,400 to \$14,000

IS \$1,400 ENOUGH??

Dave Gregory:
\$3,638.45

Rod Hester:
\$2,913.48





WHAT HAPPENED?

CITY OF UNALASKA
UNALASKA, ALASKA
RESOLUTION NO. 2017-47

A RESOLUTION RENEWING THE CITY'S POLICY ON PARTICIPATION IN FUNDING ELECTRIC PRIMARY AND SECONDARY UTILITY LINE EXTENSIONS FOR FISCAL YEAR 2018.

WHEREAS, there exists in the community the need for industrial, commercial, and residential construction; and

WHEREAS, the costs of extension of electric utilities is often the deciding factor when determining the feasibility of a construction project; and

WHEREAS, the Unalaska City Council wishes to provide financial participation for each customer class at a level that makes the extension affordable for the customer, but also allows a reasonable return on investment for the utility; and

WHEREAS, the Unalaska City Council wishes to participate in funding of Industrial, Large General and Small General primary electrical line extensions; and

WHEREAS, the Unalaska City Council wishes to participate in funding of Residential primary and secondary electrical line extensions; and

WHEREAS, it is reasonable for the electric utility to invest in a service if the annual revenue raised from that service is equal to or greater than the City's investment; and

WHEREAS, the Unalaska City Council has determined that **City funding shall be on a case by case basis and City funding shall not, in any event, exceed 75% of the cost of extension of primary and secondary electric lines and shall not exceed the following:**

Industrial Primary Line Extension:	\$90,000
Large General Primary Line Extension:	\$36,000
Small General Primary Line Extension:	\$5,300
Residential Primary and Secondary Line Extension:	\$14,000
Subdivisions and Line Extensions:	Provide section cans and transformers free of charge.

NOW THEREFORE BE IT RESOLVED that the Unalaska City Council approves the renewal of City's policy on participation in funding electric primary and secondary utility line extensions for Fiscal Year 2018, and

BE IT FURTHER RESOLVED that this policy of funding utility extensions will continue until June 30, 2018, at which time the Unalaska City Council will reconsider whether to continue such funding on a year to year basis.

PASSED AND ADOPTED BY A DULY CONSTITUTED QUORUM OF THE UNALASKA CITY COUNCIL THIS 27th DAY OF June, 2017.

[Signature]
MAYOR

ATTEST:
[Signature]
CITY CLERK

CITY OF UNALASKA
UNALASKA, ALASKA
RESOLUTION NO. 2018-44

A RESOLUTION OF THE UNALASKA CITY COUNCIL RENEWING THE CITY'S POLICY ON PARTICIPATION IN FUNDING ELECTRIC PRIMARY AND SECONDARY UTILITY LINE EXTENSIONS FOR FISCAL YEAR 2019.

WHEREAS, there exists in the community the need for industrial, commercial, and residential construction; and

WHEREAS, the costs of extension of electric utilities is often the deciding factor when determining the feasibility of a construction project; and

WHEREAS, the Unalaska City Council wishes to provide financial participation for each customer class at a level that makes the extension affordable for the customer, but also allows a reasonable return on investment for the utility; and

WHEREAS, the Unalaska City Council wishes to participate in funding of Industrial, Large General and Small General primary electrical line extensions; and

WHEREAS, the Unalaska City Council wishes to participate in funding of Residential primary and secondary electrical line extensions; and

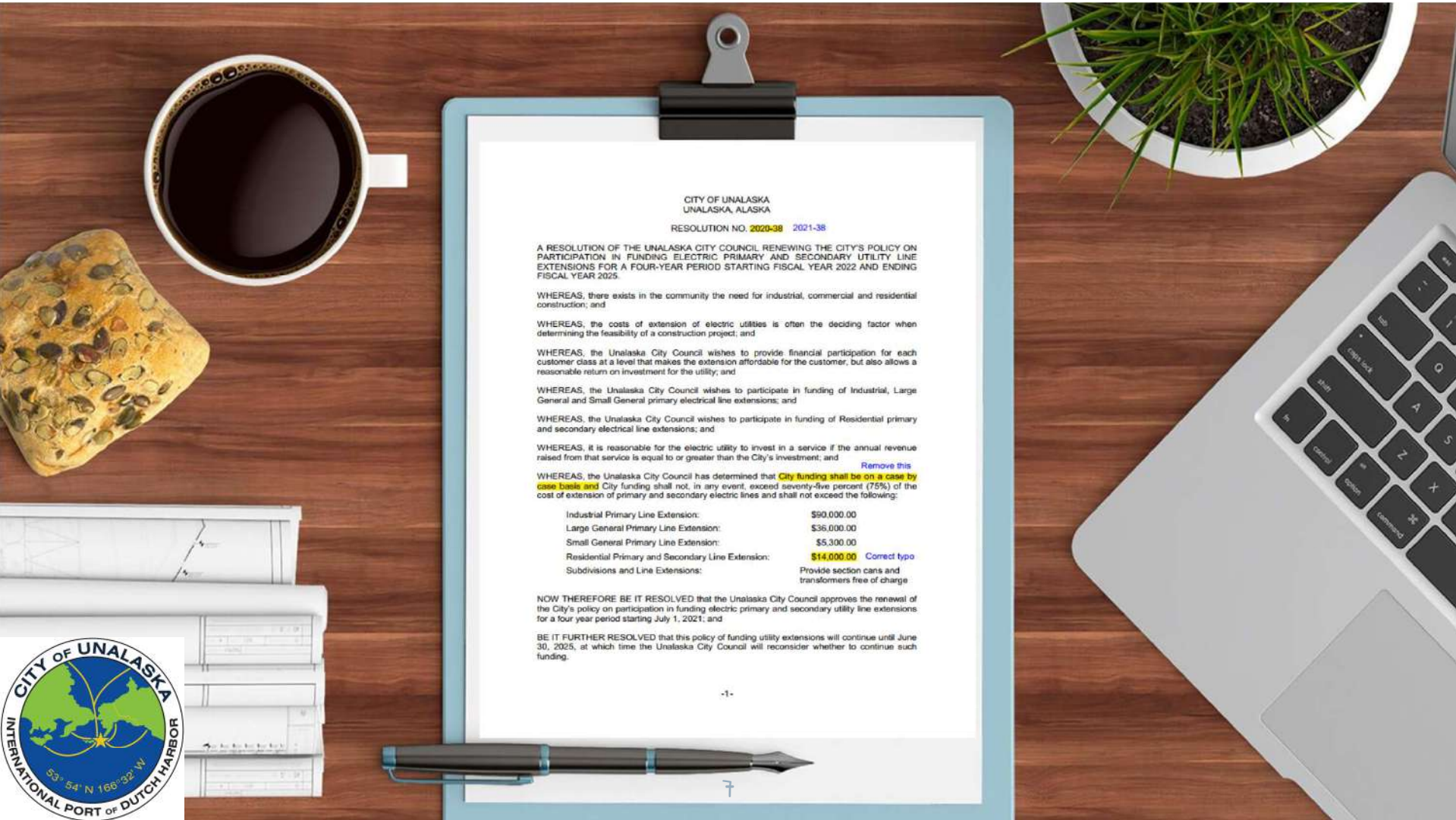
WHEREAS, it is reasonable for the electric utility to invest in a service if the annual revenue raised from that service is equal to or greater than the City's investment; and

WHEREAS, the Unalaska City Council has determined that **City funding shall be on a case by case basis and City funding shall not, in any event, exceed seventy-five percent (75%) of the cost of extension of primary and secondary electric lines and shall not exceed the following:**

Industrial Primary Line Extension:	\$90,000.00
Large General Primary Line Extension:	\$36,000.00
Small General Primary Line Extension:	\$5,300.00
Residential Primary and Secondary Line Extension:	\$14,000.00
Subdivisions and Line Extensions:	Provide section cans and transformers free of charge.

NOW THEREFORE BE IT RESOLVED that the Unalaska City Council approves the renewal of City's policy on participation in funding electric primary and secondary utility line extensions for Fiscal Year 2019; and

-1-



CITY OF UNALASKA
UNALASKA, ALASKA
RESOLUTION NO. 2020-38 2021-38

A RESOLUTION OF THE UNALASKA CITY COUNCIL RENEWING THE CITY'S POLICY ON PARTICIPATION IN FUNDING ELECTRIC PRIMARY AND SECONDARY UTILITY LINE EXTENSIONS FOR A FOUR-YEAR PERIOD STARTING FISCAL YEAR 2022 AND ENDING FISCAL YEAR 2025.

WHEREAS, there exists in the community the need for industrial, commercial and residential construction; and

WHEREAS, the costs of extension of electric utilities is often the deciding factor when determining the feasibility of a construction project; and

WHEREAS, the Unalaska City Council wishes to provide financial participation for each customer class at a level that makes the extension affordable for the customer, but also allows a reasonable return on investment for the utility; and

WHEREAS, the Unalaska City Council wishes to participate in funding of Industrial, Large General and Small General primary electrical line extensions; and

WHEREAS, the Unalaska City Council wishes to participate in funding of Residential primary and secondary electrical line extensions; and

WHEREAS, it is reasonable for the electric utility to invest in a service if the annual revenue raised from that service is equal to or greater than the City's investment; and

WHEREAS, the Unalaska City Council has determined that **City funding shall be on a case by case basis** and City funding shall not, in any event, exceed seventy-five percent (75%) of the cost of extension of primary and secondary electric lines and shall not exceed the following:

Industrial Primary Line Extension:	\$90,000.00
Large General Primary Line Extension:	\$36,000.00
Small General Primary Line Extension:	\$5,300.00
Residential Primary and Secondary Line Extension:	\$14,000.00 Correct typo
Subdivisions and Line Extensions:	Provide section cans and transformers free of charge

NOW THEREFORE BE IT RESOLVED that the Unalaska City Council approves the renewal of the City's policy on participation in funding electric primary and secondary utility line extensions for a four year period starting July 1, 2021; and

BE IT FURTHER RESOLVED that this policy of funding utility extensions will continue until June 30, 2025, at which time the Unalaska City Council will reconsider whether to continue such funding.

RESOLUTION 2022-46 IN
THE REGULAR AGENDA
Now let's talk about
Parkside Estates





HISTORICAL BACKGROUND

- December 2014 – Platting Authority approved Resolution 2014-25 for a preliminary plat of Parkside Estates
- May 2021 – Parkside Development applied to extend utilities
- August 2021 – Resolution 2021-58 authorizes City Manager to enter into contract with Parkside LLC to construct utilities
- October 2021 – Parkside Development signs a Development Agreement with the City of Unalaska



ADDITIONAL INFORMATION

- Title 10 states the developer will pay all costs related to the design and construction of the utility extension
- The City reimbursement policy states the COU will provide section cans and transformers free of charge to encourage development.
- Engineering Staff could not find an example of a Public Utility in Alaska that reimburses developers for subdivisions



TWO OPTIONS TO CONSIDER



- Developer sells lots "with utilities", recovering their development costs in the price of the lot
- This is how the vast majority of subdivisions are developed
- Purchaser can submit for utility reimbursements
- City reimburses developer their utility extension costs
- Developer sells lots very cheap because they have recovered majority of development costs from City
- No precedent found

ACTION ITEMS

1. Consider Resolution 2022-46 that corrects earlier typographical errors
2. Consider amending Resolution 2022-46 to adjust the \$1,400 if desired
3. Staff requests a Directive to the City Manager clarifying how you would like to proceed with Parkside Estates





Thank You!
Any Questions?



MEMORANDUM TO COUNCIL

To: Mayor and City Council Members
From: Steve Tompkins, Director of Public Utilities
Through: Chris Hladick, Interim City Manager
Date: November 22, 2022
Re: Work Session – General discussion of Utility Service Installation Reimbursements;
Resolution 2022-46 to correct 2021-38; Parkside Estates utility development; and
Staff request for a Directive to City Manager to clarify policy.

SUMMARY: Since 1991, Unalaska City Council has adopted various resolutions that allowed for City financial participation in the expansion of utility infrastructure in order to promote growth in Unalaska. From humble beginnings that supported only water and sewer mains, current resolutions allow reimbursements for both main lines and secondary lines, and were expanded in 2000 to include electrical lines as well. The creation of Parkside Estates Subdivision has raised questions on how and when these reimbursements should be dispersed in instances where developers privately finance large utility expansions.

PREVIOUS COUNCIL ACTION: Council first enacted the policy of financial participation in Water and Wastewater primary lines in FY1991.

In FY2000, Council expanded the policy to include Residential, Small General, Large General, and Industrial Electric primary line extensions. Each year since this policy inception, Council has approved resolutions allowing the City to participate financially in Utility line extensions.

Council passed and adopted Resolution 2021-58 on August 24, 2021, authorizing the City Manager to contract with Parkside Development, LLC to construct primary electric, water, and sewer utility service extensions for the Parkside Estates Subdivision. On October 19, 2021, the City Manager signed this development agreement.

BACKGROUND: The City recognizes that the extensions of primary and secondary line utilities are very expensive for property owners in Unalaska. These programs were designed to help defray these costs and encourage development. Staff have done a deep dive on how these reimbursement programs evolved, and took a close look on how other municipalities and privately-owned utilities process utility expansion reimbursements, particularly in relation to subdivision development. While conducting background research, Staff have maintained the position that a developer recovers their utility infrastructure development costs from the buyer when they sell the lots (emailed correspondence, Steve Tompkins to Matt Scott dated August 23, 2022 is attached).

If the developer retains the lots and builds houses on them, the developer - as lot owner - can apply through the normal City of Unalaska building permit process to be reimbursed for the secondary line connections to the house as they are completed and connected to City utilities. If a private party purchases a lot and builds a house on it, they are also eligible to apply for those secondary water, sewer, and electric reimbursements when the work is completed.

DISCUSSION: Title 10.04.060 governing Extension of Primary Utility Services clearly outlines the steps the developer must complete to privately finance utility extensions. Parkside Development, LLC has done a great job following these guidelines as they installed water and sewer mains to the property in 2022. A copy of Title 10.04.060 is attached, as well as a copy of Parkside Development, LLC's request to extend utility service to the parcel. Also attached is the Development Agreement between the City of Unalaska and Parkside Development, LLC.

The Construction Cost Estimate for water distribution and wastewater collection was \$515,477 as detailed below:



**Parkside Estates Subdivision
Water Distribution and Wastewater Collection Project
Construction Cost Estimate
Unalaska, Alaska
October 15, 2021**

Prepared by: *Scot A. Menzies, PE, SE, LS*
Menzies Engineering Group, Inc.
9737 Mud Bay Road, Suite 301
Ketchikan, AK 99901
Ph: (907)-821-4216
Email: scot@megalaska.com

No.	Description	Cost
1	Mobilization/Demobilization	\$ 10,000
2	8"-Dia. D.I. Sewer Main - Installed	\$ 67,200
3	Pre-Cast Concrete Manholes - Installed	\$ 29,000
4	4"-Dia. Sewer Services - Installed	\$ 140,000
5	Connect New Sewer to Existing in E. Broadway Avenue	\$ 10,000
6	Installed Sewer Leak Test	\$ 1,000
7	8"-Dia. D.I. Water Main - Installed	\$ 59,930
8	Fire Hydrant - Installed	\$ 14,000
9	8"-Dia. Water Valves - Installed	\$ 12,000
10	Water Service to Lot	\$ 130,000
11	Water Main Connection to City Main in E. Broadway Ave.	\$ 14,400
12	Installed Water Main Leak Test	\$ 1,000
13	18"-Dia. CPP Storm Drain Culvert	\$ 2,400

\$ 490,930

\$ 24,547

\$ 515,477

Staff calculated what the Sewer and Water Utility Extension Reimbursement would be under Resolution 2022-46 for the installed water and sewer mains, and estimated service extensions to the lots shown on the original plat provided by the developer, totaling \$226,650.50, detailed below. Total reimbursements would total approximately 44% of the estimated construction costs provided by the developer.

Electrical line extension reimbursement will depend entirely upon Council's actions on Resolution 2022-46 (Correcting Resolution 2021-38), and what the actual installation costs are when electric service is installed to each new residence.

Parkside Estates Subdivision Development							
Sanitary-Main Line					Lot #	San. Serv Length	Wat. Serv Length
Description	Length	\$/LF	Total		1	22	34
ex mh1	230	\$ 75.00	\$ 17,250.00		2	26	39
mh1 mh2	280.76	\$ 75.00	\$ 21,057.00		3	27	41
mh2 mh3	295.46	\$ 75.00	\$ 22,159.50		4	19	33
mh3 mh4	86.52	\$ 75.00	\$ 6,489.00		5	19	31
			\$ 66,955.50		6	19	31
					7	19	31
Sanitary-Services					8	19	31
Description	Length	\$/LF	Total		9	19	31
Total length of san serv	562	\$ 75.00	\$ 42,150.00		10	19	31
					11	49	68
Sanitary-Total reimbursement			\$ 109,105.50		12	49	61
					13	49	60
Main Line Water					1a	21	9
Description	Length	\$/LF	Total Cost		2a	31	19
Length of water main	922	\$ 75.00	\$ 69,150.00		3a	31	19
					4a	31	19
Water-Services					5a	31	19
Description	Length	\$/LF	Total		6a	31	19
Total length of water services	645	\$ 75.00	\$ 48,375.00		7a	31	19
						562	645
Water-Total reimbursement			\$ 117,525.00				
Total Sanitary and Water Utility Reimbursement			\$ 226,630.50				
Total Estimated Cost of Utilities from Developer			\$ 515,477.00				
				44%			
City reimbursing 44% of developer estimated cost of water and sewer construction							
All estimates are based off of the Parkside Estates Subdivision Water and Sewer Design plans dated 10/8/2019							
Revised plat from developer shows additional lots not accounted for in this estimate							

ALTERNATIVES: Staff requests Council to provide guidance on how to proceed with subdivision utility extension reimbursements. The two scenarios for consideration are:

1. The developer recovers their development costs through the sale price of the lot. The purchaser of the lot can apply for utility service connection reimbursement through the City of Unalaska building permit process. This is the normal development model.
2. The City reimburses the developer for their main line utility extensions. The developer sells the lots at a reduced price because they have recovered a large portion of their development costs from the City.

Staff request that Council provide a Directive to the City Manager outlining how to handle utility service installation reimbursements for subdivisions, beyond the current policy of supplying transformers and section cans at no charge.

FINANCIAL IMPLICATIONS: Normal residential utility extensions are handled within the existing budget as an operational expense. A large reimbursement would require a budget amendment.

LEGAL: Municipal Attorney Brooks Chandler has been consulted on this situation and elected to not render an opinion.

STAFF RECOMMENDATION: This is a work session, and Staff is here to inform and answer questions, to allow Council to make an informed decision.

ATTACHMENTS:

1. [Email – Steve Tompkins to Matt Scott re: Parkside Utility Development](#)
2. [Title 10 Extract – 10.04.060](#)
3. [Parkside Request for Utility Extension 5-17-21](#)
4. [Resolution 2021-58 & Memo](#)
5. [Parkside Development Agreement 10-19-21](#)

Steve Tompkins

From: Steve Tompkins
Sent: Tuesday, August 23, 2022 11:04 AM
To: 'Matt Scott'
Cc: 'northernmechanical'; Bob Cummings
Subject: Parkside Electrical Service
Attachments: COU COU Title 10 - Parkside.pdf

Hi Matt,

I wanted to touch base with you on the Parkside electrical service. Northern Mechanical is investing in developing the property and will recover their utility infrastructure development costs from the buyer when they sell the lots. The City provides transformers and section cans at no charge for subdivisions to encourage development.

Northern Mechanical will need to have the proposed electrical service designed and approved by the City; I think the design is something you could do, but this would be between you and Northern Mechanical. The City Line Crew can certainly be involved in the installation to the conduit, conductor, and transformers and will track their costs on that project. Designing the electrical distribution for the lots from the plat is not something I expect Brock to be responsible for, not is it appropriate that he do so.

Give me a shout if you have any questions.

Best regards,

Steve Tompkins
Acting Director of Public Utilities
City of Unalaska
Work: (907) 581-1260, ext 8108
Cell: (907) 359-6751

Service – Integrity – Courage - Excellence

§ 10.04.060 EXTENSION OF PRIMARY UTILITY SERVICES.

(A) *General.* Upon application to the City and approval by the City Council, primary electric, water, and wastewater utility services may be extended by the City or by private developers along any public right-of-way and/or easement. Please refer to § 10.04.035. The methods by which utility extensions may be accomplished are as follows:

(1) Extensions by the City may be done either by use of general taxes, utility revenues, bonds or grant funds, or by assessment of individual property owners for all or a portion of the costs of the extension through the creation of a Special Assessment District (also known as Local Improvement Districts or LID's) pursuant to AS 29.46 and Chapter 6.16 of this Code.

(2) Private extensions may be accomplished by private developers who are willing to privately finance the utility extension.

(B) *Utility extensions by City.*

(1) Non-assessed utility extensions by City. Upon determining that an electrical, water, or wastewater utility extension will benefit the community or the utility system, the City may, at its discretion, and upon its own initiative, extend any part of its utility system(s) without assessing individual property owners.

(2) Assessed utility extensions by City. Pursuant to AS 29.46 and Chapter 6.16, the City may create a special assessment district and levy assessments against real property to be benefitted by the improvement for all or a portion of the cost of acquiring, installing, designing and/or constructing capital improvements.

(C) *Utility extensions by private developers.* The following shall be followed by a private developer desiring to extend or expand a City utility system.

(1) *Written request.* The developer shall file with the City a written request to extend or expand a City utility system.

(2) *Contract.* The developer shall be required to sign a contract that addresses the following provisions for construction of the utility extension:

(a) *Design and construction costs.* If the proposed utility extension is approved, the developer shall provide and pay for all design, professional engineering, labor, materials, equipment, **full-time inspection services by a professional engineer**, and other costs related to the design and construction of the requested utility extension. All plans, specifications and construction contracts shall be subject to approval by the City and shall be in compliance with all applicable City standards.

(b) *Bond required.* The developer shall post performance and payment bonds to assure completion of the project free of all encumbrances and shall, before acceptance of the utility system by the City, post a bond for assuring a one (1) year guarantee against defects in workmanship or materials. During the one (1) year guarantee period, the City shall notify the developer of any defects, and the developer shall make timely corrections or repairs as needed, provided, however, that in the case of emergency repairs, the City may make repairs and be reimbursed by the developer. Repairs made by the developer during the one (1) year guarantee period shall be guaranteed by the developer for one (1) year from the date the repair is made.

(c) *As-built drawings required.* As-built construction drawings shall be submitted by the developer to the City within thirty (30) days of completion of construction, and prior to acceptance of the project. The as-built drawings must be in electronic format as specified by the City and shall be verified by field survey by an Alaska-licensed professional engineer at the developer's expense. During the course of construction, City personnel are to be provided site access for the purpose of observation and inspection.

(d) *Ownership.* Ownership of all utility lines and facilities within the easements or rights-of-way shall become the property of the City after construction of the utility system has been completed and the City has accepted the project. The system(s) will thereafter be maintained by the City, subject to the one (1) year bond against defects in workmanship and materials.

(e) *Testing.* **The City shall witness the testing of any utility installation.** The City shall assess a fee for witnessing the testing of the utility installation on the basis of time and materials. In the event repeated tests are necessary to approve and certify the system, a fee to witness the tests shall be charged to the developer on the basis of time and materials for each additional test. The City shall also assess a fee for any additional inspection which is done by the City in connection with the utility system installation.

(3) *Expanded capacity.* The City may, at its discretion, require the developer to install higher capacity water or sewer lines or facilities than are required to serve just the developer's needs. In the event that the City requires a higher capacity line or facility than is needed by the developer, the City shall reimburse the developer for the additional costs associated with the larger line.

(Ord. No. 2001-05, passed 5-8-01; Am. Ord. 2005-18, passed 10-5-05)

Parkside Development, LLC

PO Box 810
Unalaska, Alaska 99685

May 17, 2021

Attn: Dan Winters/Dept. of Public Utilities
PO Box 610
Unalaska, Alaska 99685

Re: Utility Extension for Parkside Estates Subdivision

Dan,

Parkside Development, LLC is requesting a utility extension for electricity, water, and sewer for our twenty-three-parcel residential subdivision located in Unalaska, Alaska.

Northern Alaska Contractors, LLC (NAC) will be installing the utilities per the safety and quality standards of the Department of Public Works/Public Utilities Standard Details dated January 29, 2018, and following the Extension of Primary Utility Service form on approval of the extension.

Below we have provided detailed information needed by the City of Unalaska to approve the extension of utilities. Please contact our office at the number above if more information is needed to meet the approval standards.

- **Owner Information:** Parkside Development, LLC – PO Box 810 – Unalaska, Alaska 99685
- **Contractor Information:** Northern Alaska Contractors, LLC – 3610 Mere Circle – Anchorage, Alaska 99502
- **Engineers:** Scot Menzies, PE, SE, LS - Menzies Engineering Group, Inc, Ketchikan, Alaska
- **Surveyor:** John Segesser, PLS - Segesser Surveys, Soldotna, Alaska
- **Project Information:** A 23 parcel residential subdivision
- **Project Address:** NHN E. Broadway Ave, Unalaska, Alaska 99685
- **Subdivision:** Tract "D", Parkside Estates Subdivision, Aleutians East County, Alaska
- **Plat #:** 2011-7, Aleutian Island recording District, Third Judicial District, State of Alaska
- **Lot Size:** 478,942 sf.
- **SWPPP- APDES Project/Permit Number:** AKR10GG30

After installing utilities and approval from a licensed engineer, Parkside Development will forward the as-builts and a copy of the third-party inspection report to the City of Unalaska; at that time, the City shall become the owner of all Utilities and rights-of-way.

Thank you for your time regarding this matter. I have attached a copy of the ADEC approvals for the sewer and water installation and approved design drawings to this letter.

Regards,



Glenn Olson, Owner
Northern Alaska Contractors, LLC
Parkside Development, LLC



THE STATE
of **ALASKA**
GOVERNOR MICHAEL J. DUNLEAVY

**Department of Environmental
Conservation**

DIVISION OF ENVIRONMENTAL HEALTH
Drinking Water Program

555 Cordova Street
Anchorage, Alaska 99501
Main: 907.269.6064
Toll Free: 866.956.7656
Fax: 907.269.7650
dec.alaska.gov
chris.pletnikoff@alaska.gov

October 28, 2019

Scot Menzies, P.E.
Menzies Engineering Group
9737 Mud Bay Road, Suite 301
Ketchikan, AK 99901

File: City of Unalaska
PWSID: AK2260309
Class: Community
Source: Surface & Groundwater

Re: Parkside Estates Subdivision Project, Unalaska PWS
Construction Approval

Mr. Menzies:

On July 7, 2019, this office received your submittal requesting Construction Approval for the Parkside Estates Subdivision project in Unalaska. Additional information and revised drawings dated 10/9/19 were received on October 10 and 21, 2019 to support the submittal. **This letter issues Approval to Construct for this project, as detailed in the submitted engineering plans and summarized below.**

Project Description

This project will develop a twenty-lot subdivision, Parkside Estates, in a single-family, residential zone in Unalaska, at 1500 East Broadway Avenue.

The proposed water distribution system includes installation of 950 feet of 8-inch ductile iron, class 52 water line that loops south from two connections to the existing water distribution main on East Broadway Avenue, just north of Kely Field Road. Water improvements also include two gate valves, two fire hydrants, and service line stub outs and appurtenances.

The project will also install sanitary sewer and storm drain improvements.

Approval to Construct

The submitted engineering plans and supporting information have been reviewed and are approved in accordance with Alaska Drinking Water Regulations 18 AAC 80. **The enclosed Construction and Operation Certificate, with the Approval to Construct section completed, constitutes written approval.**

Deviations from approved plans which affect capacity, flow, pressure, operation, compliance, and materials of major system components (particularly any components which do not meet National Sanitation Foundation (NSF) Standard 61), must be approved by the Drinking Water Program prior to their construction or implementation.

Requirements for Interim Approval to Operate

Interim Approval to Operate (IATO) must be requested and granted prior to serving water from the new water lines and may be requested for sections of the project as they are completed. As part of your submittal requesting IATO, please provide written verification of the following:

1. Construction of the modifications to the water system have been completed under the direction of a professional engineer licensed to practice in the State of Alaska and in accordance with the engineering plans and specifications.
2. Water distribution lines have been successfully pressure tested.
3. Water distribution lines have been flushed, disinfected, and sampled for total coliform in accordance with AWWA Standard C651. Provide the location in the system where each sample was taken (plan or station numbers), the time and date of each sample, and the results for each sample. This includes any existing water lines that were depressurized to connect the new water lines.

Requirements for Final Approval to Operate

Final Approval to Operate (FATO) must be requested within 90 days after receiving IATO for the final section of this project. As part of the submittal requesting FATO, please provide Record Drawings, sealed and signed by an engineer licensed in the State of Alaska, confirming that the system meets the requirements of 18 AAC 80, and verifies the granted separation distance waiver encroachments were unchanged. "Record Drawings" refers to the original plans prepared for construction and department approval, revised to reflect how the system was constructed or installed.

Limitations, Expirations, and Appeal Process

This determination is not approval of omissions or oversights by this office or non-compliance with any regulation. This does not imply the granting of additional authorizations, nor obligate any federal, state, or local regulatory body to grant future authorizations. This determination does not guarantee correctness of functional design or waive the owner's responsibility for continued compliance with state, federal, and local regulations. Before proceeding you are advised to obtain any other necessary project authorizations/permits.

If the applicant fails to construct, install, alter, renovate, or improve the water system within two years, this approval is void in accordance with 18 AAC 80.215(b). If during the two-year period site conditions, plans and information, and requirements in 18 AAC 80 do not change, and if the applicant pays the required fee, the department will grant the applicant an extension.

The applicant, owner or operator, or other person adversely affected by this decision may request an informal review of this decision in accordance with 18 AAC 15.185, or may request an adjudicatory hearing in accordance with 18 AAC 15.195-15.340. Requests may be sent by mail, email, or facsimile. Informal review requests must be received by the Division Director within 20 days of this decision. Adjudicatory hearing requests must be received by the Commissioner within 30 days of this decision or the decision of the informal review issued by the Division Director; otherwise, the

right to appeal is waived. For more information, visit <https://dec.alaska.gov/commish/review-guidance>.

If you have any questions regarding this plan review, please call me at 907-269-6064 or email at chris.pletnikoff@alaska.gov.

Sincerely,



Chris Pletnikoff, PE
Engineer I
DEC Drinking Water Program

Encl.: Construction and Operations Certificate for Public Water Systems

Cc.: City of Unalaska, Public Works Department
Dan Winters, dwinters@ci.unalaska.ak.us
Jeremiah Kirchofer, jkirchofer@ci.unalaska.ak.us
Alaska Department of Environmental Conservation, Drinking Water Program
Leah Van Sandt, EPS, leah.vansandt@alaska.gov
Jessica Cahill, EPT, jessica.cahill@alaska.gov



**State of Alaska
Department of Environmental Conservation
Drinking Water Program**



**PUBLIC WATER SYSTEM
CONSTRUCTION AND OPERATION CERTIFICATE**

Approvals listed below are for compliance with the requirements of the State of Alaska Drinking Water Regulations 18 AAC 80. Any approvals granted do not imply or grant any other federal, state or local authorizations that may be required.

Water System Name: Unalaska Water System **PWSID:** AK2260309

Water Source: Surface & Ground Water **Classification:** Community

System Wide Approval Modification Approval

Project Description: Parkside Estates Subdivision Project, Unalaska PWS

This project will develop a twenty-lot subdivision, Parkside Estates, in a single-family, residential zone in Unalaska, at 1500 East Broadway Avenue. The proposed water distribution system includes installation of 950 feet of 8-inch ductile iron, class 52 water line that loops south from two connections to the existing water distribution main on East Broadway Avenue, just north of Kelly Field Road. Water improvements also include two gate valves, two fire hydrants, and service line stub outs and appurtenances.

A. APPROVAL TO CONSTRUCT

Plans submitted in accordance with 18 AAC 80.205 by Scot Menzies, P.E. have been received and are

approved as submitted conditionally approved, see attached letter



Chris Pietnikoff, P.E.
(Reviewing Engineer)

Engineer I, DEC
(Title)

October 28, 2019
(Date of Approval)

If applicant fails to construct, alter, install, or modify the system within two years of the date of approval to construct, approval is void, and plans must be resubmitted for Department review and approval (as per 18 AAC 80.215 (a)).

Approved Change Order

Change (contract order number or description): _____

(Reviewing Engineer)

(Title)

(Date of Approval)

B. APPROVAL TO OPERATE

This section must be completed and signed by the Department before any water is made available for public use.

Interim Approval to Operate:

This interim approval to operate expires on _____. *It is illegal to operate a public water system beyond the expiration date without Final Approval to Operate from the Department.*

(Reviewing Engineer)

(Title)

(Date of Approval)

Interim Approval Extension:

This interim approval to operate has been extended to _____.

(Reviewing Engineer)

(Title)

(Date of Approval)

Interim Approval Extension:

This interim approval to operate has been extended to _____.

(Reviewing Engineer)

(Title)

(Date of Approval)

Final Approval to Operate

Record drawings and other documents submitted to the Department, or an inspection by the Department, has confirmed that the public water system was constructed in substantial conformance to 18 AAC 80.

(Reviewing Engineer)

(Title)

(Date of Approval)



THE STATE
of ALASKA
GOVERNOR OF ALASKA: MARK L. DONNELLY

Department of Environmental Conservation
DIVISION OF WATER
555 Cordova Street, 3rd floor
Anchorage, AK 99501
Bill Rieth: 907.269.7519

July 17, 2019

Scot A. Menzies P.E.
9737 Mud Bay Road, Suite 301
Ketchikan, Alaska 99901

Re: Unalaska-Parkside Estates Subdivision Tract D-Wastewater Collection System-Conditional Approval to Construct-.ADEC Plan Tracking Number 28125

Dear Mr. Porter,

On July 9, 2019 engineering plans, payment and needed documentation of construction forms were received for the Parkside Estates Subdivision, Tract D. The Project adds over 880lf of 8 inch Ductile iron pipe and 4 standard manholes which per your documentation has been accepted by the City of Unalaska.

The Department has reviewed the engineering plans submitted for the Sewer Rehabilitation of the domestic wastewater system and per the Wastewater Regulations 18 AAC 72.235 a conditional approval to construct is issued for the domestic wastewater systems. A "Certificate of Construction" so marked for the domestic wastewater system is enclosed. Please use the referenced plan number in correspondence regarding this project.

This approval is contingent upon compliance with the following conditions:

- 1) The engineer must provide site inspections to assure that the design is maintained. Please also identify on the Record Drawings any deviations from this plan to allow for our review. Also pressure testing results and alignment must be assured a form used for Lamp testing is attached for your use please complete it. Please also provide assurance that the City will now be responsible for this additional line as a part of their collection system.
- 2) If the applicant fails to construct, alter, install, or modify the system within two (2) years after the date that the department issues an approval to construct, the approval is void, and plans must be resubmitted, [along with associated fees], for department review and approval.
- 3) Deviations from approved plans which affect capacity, flow, operation, major design of units, point of discharge, materials of major system components (such as pipe, lagoon liners, etc.), or separation distances, must be approved by DEC in writing prior to their implementation.

- 4) This approval is contingent upon compliance with the conditions of Wastewater Disposal Regulations, 18 AAC 72.235, *Construction Certification*. The noted section of the regulations requires that a "*Certification of Construction*" be completed and submitted to the Department within ninety (90) days of completion of construction. As-built plans or record drawings should indicate any changes or deviations from the approved plans to facilitate final review. A "*Certification of Construction*" form is enclosed for your use.
- 5) This approval is contingent upon your receipt of any other state, federal or local authorizations which are required for your project. You are required to obtain all other necessary authorizations before proceeding with your project.
- 6) You are advised that if this development will require placing fill in wetlands or working in a stream, river, or lake, permits from the U.S. Army Corps of Engineers and the Alaska Department of Natural Resource may be required. The previous required Coastal Projects Questionnaire could be helpful to you to identify other permits and approvals that may be required for your project.

This approval does not imply the granting of additional authorizations nor obligate any state, federal or local regulatory body to grant required authorizations.

Any person who disagrees with this decision may request an adjudicatory hearing in accordance with 18 AAC 15.195- 18 AAC 15.340 or an informal review by the Division Director in accordance with 18 AAC 15.185. **Informal review requests** must be delivered to the Division Director, 555 Cordova, Anchorage, Alaska 99501, within 20 days of receiving the decision. Guidance information on the informal review process may be found at <http://www.dec.state.ak.us/commish/Review-Guidance.htm>. **Adjudicatory hearings requests** must be delivered to the Commissioner of the Department of Environmental Conservation, P.O. Box 111800, Juneau, Alaska 99801, within 30 days of the decision. If a hearing is not requested within 30 days, the right to appeal is waived.

Thank you for your cooperation. If you have any questions please do not hesitate to contact me at 269-7519.

Respectfully,



William R. Rieth, P.E.
Environmental Engineer



STATE OF ALASKA
 DEPARTMENT OF ENVIRONMENTAL CONSERVATION
 CONSTRUCTION AND OPERATION CERTIFICATE

for

DOMESTIC WASTEWATER DISPOSAL SYSTEMS
UNALASKA - PARKSIDE S/D, TRACT D-880LF + 8" DI
4 STANDARD MANHOLE INTO CITY SYSTEM - ADEC PLAN
TRACKING NUMBER 28125

A. APPROVAL TO CONSTRUCT

Plans for the construction or modification of 880 LF OR AS NEEDED 8" DI &
4 MANHOLES FOR domestic wastewater ^{COLLECTION} disposal system

located in UNALASKA, Alaska, submitted in accordance with 18 AAC 72.225.

by SCOT A. MENZIES, P.E. have been reviewed and are

approved.

conditionally approved (see attached conditions).

PROVIDE PER LETTER THIS DATE

William R. Beth

ENV. ENG

JULY 17, 2019

BY

TITLE

DATE

If construction has not started within two years of the approval date, this certificate is void and new plans and specifications must be submitted for review and approval before construction.

3. APPROVED CHANGE ORDERS

Change (contract order no. or descriptive reference)	Approved by	Date

APPROVAL TO OPERATE

The "APPROVAL TO OPERATE" section must be completed and signed by the Department before this system is made available for use.

The construction of the _____ domestic wastewater disposal system was completed on _____ (date). The system is hereby granted interim approval to operate for 90 days following the completion date.

Y

TITLE

DATE

If s-built plans submitted during the interim approval period, or an inspection by the Department, has confirmed the system was constructed according to the approved plans, this system is hereby granted final approval to operate.



State of Alaska
DEPARTMENT OF ENVIRONMENTAL CONSERVATION



Certification of Construction for
Domestic Wastewater Systems

Instructions: Within 90 days after the construction, installation, or modification of a project is completed, the owner, the contractor(s) responsible for constructing the project, and a registered engineer responsible for construction inspection, must complete and sign this form declaring that the project was constructed in accordance with the most recent Department-approved plans, or in accordance with the attached as-built drawings.

If a project is being completed in phased construction, a map shall be attached showing that portion of the project being declared completed on the date stated in Section A - Owners Section. Completion of each phase of a project must be declared as it is completed. Additional Certification of Construction forms are available from any Department of Environmental Conservation office.

Please type or print, except for signatures

SECTION A- Owner's Section

Name and brief description of the project _____

Owner Name _____

Owner Address _____

City State Zip

ADEC Project No. _____ Date Project Completed: _____

I certify that I am the owner of the above-referenced project. I further certify that this project was constructed in accordance with the latest plans submitted to and approved by the Alaska Department of Environmental Conservation (ADEC), or in accordance with the attached as-built drawings. I understand that I may be required to take remedial measures to correct any construction which was completed without prior ADEC approval, which departs from the approved plans, and which is found to be inconsistent with the applicable requirements of ADEC wastewater disposal regulations (18 AAC 72).

Signature of Owner

(Please Sign in Ink)

Date

SECTION B- Contractor's Section

I certify that I (or an individual under my direct supervision) have conducted an inspection of the project referenced in Section A, or portions of the project which I had the responsibility for constructing, and that to the best of my knowledge and information, the project, or those portions, was or were constructed in accordance with the latest plans submitted to and approved by the Alaska Department of Environmental Conservation, or in accordance with the attached as-built drawings.

Printed Name of Contractor Signature of Contractor Date

For multiple contractors, if applicable:

Printed Name of Contractor Signature of Contractor Date

Printed Name of Contractor Signature of Contractor Date

SECTION C- Engineer's Section

I certify that I (or any individual under my direct supervision) have conducted an inspection of the above referenced project, and that to the best of my knowledge and information, the project was constructed in accordance with: (check one of the following)

the latest plans submitted to and approved by the Alaska Department of Environmental Conservation

or

in accordance with the attached ^{record} ~~as-built~~ drawings.

I further certify that:

all conditions placed on the construction approval have been met as described briefly below: (if using a cover letter, you may write "see cover letter")

**Signature of Professional Engineer
Responsible for Construction Inspection
(Please Sign in Ink)**

**State of Alaska
Professional Engineer
Registration Number**

Date

Typed or Printed Name of Professional Engineer

SEWER LINE LAMP TEST - CERTIFICATION FORM - v.2/06

Reference: Alaska Area Native Health Service (AHS) Sanitation Facilities Guideline No. 0-39 (dated 1988)

Community _____

Project Number(s) _____

Superintendent _____

Superintendent _____

Engineer _____

Printed Name

Engineer _____





Signature & Date

Test Procedure:





1. Lamping shall be done after trench is compacted and complete.
2. Shine light at one end (lamped manhole) of each pipe section between manholes.
3. "Full Moon" must be visible (at observation manhole) to "Pass" for grade alignment.
4. At least "Half Moon" must be visible (at observation manhole) to "Pass" for horizontal alignment.
5. Repair poor alignment, displaced pipe, or other defects as needed.
6. Perform new lamp test on any repaired sections.
7. Record final test results in table using abbreviations shown at bottom of this sheet (e.g. "H-3/4" etc.).

Date	Street Name	Lamped Manhole I.D. Number	Lamped Manhole Station	Observation Manhole I.D. Number	Observation Manhole Station	Length Between Manholes (Feet)	Test Results "Pass" or "Fail"	Printed Name of Person Performing Test	GRADE	HORIZONTAL ALIGNMENT
									A	I
									○	○
									○	○
									○	○
									○	○
									○	○
									○	○
									○	○

Grade Alignment Test Result Examples:

G-FULL	G-1/4	G-HALF	G-3/4
			
"Pass"	"Fail"	"Fail"	"Fail"

Horizontal Alignment Test Result Examples:

H-FULL	H-1/4	H-HALF	H-3/4
			
"Pass"	"Fail"	"Pass"	"Pass"

CITY OF UNALASKA
UNALASKA, ALASKA

RESOLUTION 2021-58

A RESOLUTION OF THE UNALASKA CITY COUNCIL AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH PARKSIDE DEVELOPMENT, LLC TO CONSTRUCT PRIMARY ELECTRIC, WATER AND SEWER UTILITY SERVICE EXTENSIONS FOR THE PARKSIDE ESTATES SUBDIVISION

WHEREAS, Unalaska Code of Ordinances Title 10 sets the terms and conditions upon which Primary Utility Services will be extended; and

WHEREAS, Parkside Development, LLC has formally requested the City's approval to construct Primary Utility Service infrastructure as part of its 23-parcel residential subdivision project; and

WHEREAS, Parkside Development, LLC's request to install Water and Wastewater Primary Utility Service infrastructure has been reviewed and approved by the Alaska Department of Environmental Conservation; and

WHEREAS, the City Council has determined it is in the best interests of the City to have such a project; and

WHEREAS, Parkside Development, LLC has complied with the requirements of Title 10 in requesting a contract for the construction of Primary Utility Service Extensions.

NOW THEREFORE BE IT RESOLVED that the Unalaska City Council authorizes the City Manager to enter into a Contract with Parkside Development, LLC for the construction of Primary Electric, Water, and Sewer Utility Service Extensions.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on August 24, 2021.


Vincent M. Tutiakoff, Sr.
Mayor

ATTEST:


Marjie Veeder, CMC
City Clerk



MEMORANDUM TO COUNCIL

To: Mayor and City Council Members
From: Dan Winters, Director, Department of Public Utilities
Through: J. R. Pearson, Acting City Manager
Date: August 24, 2021
Re: Resolution 2021-58: Authorizing the City Manager to enter into a contract with Parkside Development, LLC to construct primary electric, water and sewer utility service extensions for the Parkside Estates Subdivision

SUMMARY: Resolution 2021-58 will approve the request by Parkside Development, LLC (Parkside) to extend primary utilities (electric, water and wastewater) to a 23-lot subdivision development, Parkside Estates.

PREVIOUS COUNCIL ACTION: Council has taken no action on this particular item. The criteria for Utility Extensions are contained in Unalaska Code of Ordinances (UCO) Title 10, Public Utilities, which received its last major update via Ordinance 2006-14, approved and adopted December 29, 2006.

BACKGROUND: UCO § 8.08.100 outlines the developer's responsibilities in making subdivision improvements. Parkside has been granted preliminary plat approval for the Parkside Estates Subdivision by the Planning Commission through Planning Commission Resolution 2021-12 on June 17, 2021.

UCO §10.04.035 sets out the basic conditions for extending utility services, and UCO § 10.04.060 details the conditions private developers must meet in order to receive the City's approval for the extension of primary utility services. Per UCO § 10.04.060(A), private developers are required to apply and be granted approval by the City Council to extend primary electric, water or wastewater services. Per UCO § 10.04.060(C)(1), private developers shall file a written request to the City to extend or expand a City utility system. Parkside submitted the attached written request on May 17, 2021 in accordance with UCO § 10.04.060(A) and § 10.04.060(C)(1) and is seeking City Council approval of this request. Per UCO § 10.04.060(C)(2), the City and developer shall enter into a contract that addresses design and construction costs, bonding, as-built drawings, ownership, testing and expanded capacity. City staff have been working with the City attorney to draft such a contract. A copy of this draft agreement is attached for reference.

DISCUSSION: Resolution 2021-58 represents the City's approval of Parkside's extension of primary utility services for the Parkside Estates Subdivision and is separate from the Building Permit Application process which will be required for development on each individual lot when they are eventually developed.

Parkside has received an Approval to Construct and an Interim Approval to Operate from the Alaska Department of Environmental Conservation, Division of Environmental Health, Drinking Water Program for this Project. Parkside has also received Alaska Department of Environmental Conservation, Division of Water, Conditional Approval to Construct a Wastewater Collection System.

Parkside's prime contractor is Northern Alaska Contractors, LLC, a local, experienced, and well-respected entity with whom the City and its Utilities have a good working relationship.

If Resolution 2021-58 is approved then the City will negotiate with Parkside to enter into a development agreement that addresses the issues identified in UCO § 10.04.060(C)(2).

ALTERNATIVES: The alternative would be to not approve this request by Parkside. This would stop the development of the Parkside Estates 23-lot subdivision.

FINANCIAL IMPLICATIONS: Parkside will bear all costs of constructing the utility extensions, including bonding and fees for testing and inspection services provided by the Utilities Division and third-party inspectors.

LEGAL: City staff are working with the City attorney to develop a development agreement contract in accordance with UCO § 10.04.060(C)(2).

STAFF RECOMMENDATION: Staff recommends Council approve Resolution 2021-58. Parkside's subdivision development will increase revenue for the City and provide much needed housing units within the community.

PROPOSED MOTION: I move to adopt Resolution 2021-58.

CITY MANAGER COMMENTS: I recommend approval of Resolution 2021-58. Available housing has been ongoing issue in the community and this subdivision development will be a significant step toward resolving this issue.

ATTACHMENTS:

1. [Parkside Development, LLC's Formal Request for Utility Extension; and](#)
2. [Draft Development Agreement between the City of Unalaska and Parkside Development, LLC.](#)

DEVELOPMENT AGREEMENT

PARKSIDE ESTATES PHASE 2 SUBDIVISION

This Agreement is made Oct 19, 2021 between the City of Unalaska, an Alaska municipal corporation, and Parkside Development, LLC, an Alaska limited liability company ("Developer").

1. Scope of Agreement

A. *Development.* This Agreement applies to all improvements, including sewer utility, water utility, electrical utility, and road and drainage, intended for dedication to the City (the "Work") as part of Developer's development and subdivision of Tract D, Parkside Estates Subdivision, Plat 2011-7, as further described in City of Unalaska, Alaska, Planning Commission/Platting Board Resolution 2021-12.

B. *Expiration.* This Agreement is made in connection with the Planning Commission's approval of a preliminary plat and to enable Developer to proceed to application for a final plat. Accordingly, the Agreement shall expire upon expiration of the primary plat approval as set forth in UCO 8.08.070(A)(4)(d).

2. Design, Construction, and Testing

A. Developer agrees that the Work will be performed in accordance with:

- i. All applicable federal, state, and municipal law, and specifically, though not limited to, Unalaska Code of Ordinances Chapter 8.08, Title 10, Title 15, and Title 17;
- ii. City of Unalaska Standard Details dated August 12th, 2021;
- iii. Alaska Standard Specifications for Highway Construction 2017 edition and Alaska DOT&PF Southcoast Region Special Specifications dated 2017; and
- iv. All plans submitted by Developer and approved by the City.

B. Developer shall pay 100 percent of all costs associated with construction, including but not limited to design, engineering, full time inspection, testing, as well as all work, labor, and materials furnished for the Work.

C. Developer shall have prepared by a registered engineer a complete set of construction plans, including profiles, cross-sections, specifications, and other supporting data for the Work. Such construction plans shall be based on data contained in the approved preliminary plat and conform to the requirements for utilities, roads, and subdivisions set forth in the Unalaska Code of Ordinances. Plans shall be submitted to the Department of Public Works for review prior to commencing the Work.

D. Developer shall have prepared by a registered engineer a detailed cost estimate for the construction of the Work. This engineers' cost estimate shall be submitted to the Department of Public Works for review prior to commencing the Work.

E. Developer warrants that the Work shall be performed in a workmanlike manner and that all materials incorporated into the Work will be new and of good quality. If requested by the Director of Public Works, Developer shall furnish satisfactory evidence as to the source, kind and quality of the materials.

F. Prior to beginning the Work, Developer shall submit to the Director of Public Works a proposal for inspection and testing of the Work. The proposal shall:

- i. Identify an independent registered engineer who has no financial interest in the development retained by Developer to inspect and test the Work;
- ii. Include a schedule for inspections by the City during such times as the Work is being performed; and
- iii. Identify how all inspection and testing requirements of the Unalaska Code of Ordinances as well as Alaska Department of Environmental Conservation regulations for water and wastewater systems will be satisfied.

The City shall review inspection and testing proposal and confer with Developer regarding changes to the proposal prior to approval.

G. Developer shall pay 100 percent of all costs relating to any inspection, surveillance, and testing by the City, performed for acceptance of the Work and correction period. Surveillance shall be performed by the City during the course of construction and up to the point of final acceptance of the completed project.

H. Sanitary Sewer shall be tested in accordance with the 2015 Municipality of Anchorage Standard Specification. Specifically, Division 50 – Sanitary Sewers, Article 2.5 Testing.

I. Water systems shall be tested in accordance with the 2015 Municipality of Anchorage Standard Specification. Specifically, Division 60 – Water Systems, Article 2.5 Testing.

3. Security

A. If the Work has not been completed prior to submittal of a final plat to the Planning Commission, Developer shall submit to the City a surety bond or certified check in an amount equal to the cost of the Work (“Security for the Work”) as estimated by the City. The Security for the Work will be subject to the condition that the Work will be completed within 24 months after approval of the final plat. If not completed, the City may complete the Work using the Security for the Work. Any amount in excess of the costs of completing the Work, including the City’s administrative costs, will be returned to the Developer.

B. The City shall release the Security for the Work upon satisfaction of each requirement of Section 4 of this Agreement. The City may refuse to release the Security for the Work if the Developer is in present or imminent default, in whole or in part, of completion of the Work or any provision of this Agreement.

4. Acceptance of the Work.

A. *Initial Inspection.* Inspection shall be made by the City prior to acceptance of the Work. The City shall have 14 days to provide Developer a list of deficiencies, except that the Director of Public Works may extend the 14-day period for unusual circumstances such as extreme weather. The 14-day period shall begin on the day the City receives written notice from Developer that Developer's own comprehensive inspection has confirmed that the Work is complete, and all applicable Agreement requirements are fulfilled, and the Work is ready for City inspection. The initial inspection cannot occur before Final Approval to Operate certification has been received for both the water and wastewater utility from the Alaska Department of Conservation.

B. *Follow-Up Inspection.* After the initial City inspection has been completed and all listed deficiencies noted in the initial City inspection report have been corrected, Developer shall notify the City in writing and the City shall perform a follow-up inspection within 14 days of receiving the notification, except that the Director of Public Works may extend the 14-day period for unusual circumstances such as extreme weather. If the follow-up inspection reveals continuing deficiencies, this process shall be repeated until all deficiencies noted in an inspection report have been corrected.

C. *Submittals.* Developer shall submit to the Department of Public Works:

- i. A complete record of the engineer's daily inspection reports;
- ii. Copies of all test results;
- iii. A complete set of as-built plans for the Work (As-builts shall contain both horizontal and vertical location of the Work and shall be furnished in both AutoCAD and in .pdf format);
- iv. Final Approval to Operate documentation for both the water and wastewater utility extensions from the Alaska Department of Conservation;
- v. Letters from electric and water/wastewater utilities that all lots have service available;
- vi. Certificate of monumentation.

D. *Security for Correction Period.* Developer shall furnish a surety bond or cash deposit in an amount equal to five percent of the cost of the Work for payment of costs for any correction, reconstruction, repair, or maintenance of the Work during the correction period. The amount of this security shall not limit Developer's liability for correction, reconstruction, repair, or maintenance during the correction period.

E. *Acceptance of Ownership.* The City shall provide its written acceptance of Developer's dedication of the Work only if each requirement of Section 4 of this Agreement is satisfied.

5. Correction Period.

A. *Duration.* Upon satisfaction of each requirement of Section 4 of this Agreement, the Work shall be placed in a correction period of not less than one year as described in this Section.

Repairs or modifications made during the correction period may extend the duration of the correction period for those repairs or modifications.

B. *Guarantee.* During the correction period, Developer guarantees that the Work will remain in good condition and meet operating specifications. Such guarantee covers all defects and failure of the Work to meet operating specifications except to the extent such condition is caused by the gross negligence or deliberate misconduct of the City.

C. *Correction of deficiencies.* Within 30 days, or a reasonable extension at the sole discretion of the Director of Public Works, of written notification by the City of the need for repair or reconstruction, Developer shall correct the deficiencies. If Developer fails to repair or reconstruct the deficiency within the time specified in this section, the City will make the repair at Developer's sole expense. The City may then bill Developer for the cost of the repair and associated administrative costs and declare the bond or deposit forfeited. If Developer identifies need for repair or reconstruction during the correction period, Developer shall notify the City by certified mail and shall make the repair or reconstruction with authorization (in lieu of the above notification) from the City.

D. *End of correction period.* Not sooner than 60 days prior the anticipated end of the correction period, Developer shall give the City written notice and request for final inspection. The City shall inspect the Work and provide a list of deficiencies to Developer with 30 days, except that the Director of Public Works may extend this time due to inappropriate weather or other conditions that impede complete inspection. All deficiencies identified in during this inspection or during the correction period shall be corrected, inspected, and approved within 30 days, except that the Director of Public Works may extend the 30-day period for unusual circumstances or inappropriate weather. Upon approval and final acceptance of any corrections, the correction period shall terminate.

E. *Release of Security.* The City is under no obligation to release any remaining security if Developer fails to correct any identified deficiencies. The City will release the remaining security within 90 days of final acceptance.

6. Interpretation & Disputes.

A. The Director of Public Works may make written orders and determinations regarding interpretation of and Developer's performance under this Agreement.

B. Developer may appeal such order or determination by filing a written notice of appeal with the Director of Public Works within 10 business days of the date of the action being appealed. Upon receipt of such appeal, the Director of Public shall transmit the appeal to the city manager, who shall set the time and place for a hearing at which the appeal will be considered. The city manager or the manager's designee shall serve as the hearing officer. Prior to the hearing, the Director of Public Works shall transmit to the city manager's office all records pertaining to the decision being appealed. The city manager shall timely issue a decision on the appeal, which may be appealed by filing a notice of appeal with the Superior Court within 30

days of notification of the manager's decision. Citations for minor offenses are governed by the Alaska Rules of Minor Offense Procedure and are not appealable under this section.

C. Any suit relating to or arising out of this Agreement, including appeal of the city manager's decision, shall be brought in the Third Judicial District, Superior Court at Unalaska.

7. General Terms.

A. *Modification.* No modification of this Agreement, or waiver of any portion thereof, shall be valid unless made in writing and duly executed by all parties.

B. *Assignment & Contracting.* Developer may not assign any right or interest under this Agreement. Developer's contracting with any third party for performance of the Work shall not relieve Developer of any obligation under this Agreement. Developer shall be responsible for the actions and conduct of its contractors.

C. *Governing Law and Forum.* This Agreement shall be interpreted, construed, and enforced in accordance with, and otherwise governed in all respects by, the laws of the State of Alaska.

D. *Attorney Fees.* In any action undertaken to enforce any provision of this Agreement the prevailing party, whether in an administrative or judicial proceeding, shall be entitled to reimbursement of reasonable attorney fees and costs incurred by it in such action or proceeding.


WHEREFORE, the parties agree to the terms and conditions appearing above.

CITY OF UNALASKA

 10/26/21

Erin Reinders Date
City of Unalaska, City Manager

**PARKSIDE DEVELOPMENT,
LLC**

 10/19/21

Glenn Olson Date
Owner

MEMORANDUM TO COUNCIL

To: Mayor and City Council Members
From: Chris Hladick, Interim City Manager
Date: November 22, 2022
Re: Supplemental Information for Work Session regarding Title 3 unrepresented employees

SUMMARY: At this work session, Council will review background information that Council should review at the beginning of every budget cycle. Unalaska's Code of Ordinances requires that the classification plan for the city be reviewed and updated every three years. See UCO §3.16.040, DEVELOPMENT AND ADMINISTRATION. A new compensation study has not been accomplished in since 2013. Such a study would be used to update this plan which would include longevity and other pay related items in addition to development of a wage scale. Every ten years I recommend having a professional firm who specializes in compensation research perform this work. Why? Because, as is the case here, salaries for positions and parity between positions get out of balance.

The City is having trouble filling critical positions and this appears to be happening all over the state. It's a balancing act for certain. City Council should have certain facts when deciding on important budgetary items such as union and non-union increases to salary and wages. There should be a review of revenues to expenditures and how benefits have changed over time. There also needs to be more work done on how the cost of living has changed in Unalaska in the same time period. We could prepare this information for a future workshop. Tonight we will review some basic information and some fiscal trends worth noting. Thanks to the Finance Department for helping put together this information for council.

Please see the attached information:

1. [Merit and COLA history](#) by union and unrepresented employees over the last ten years and through FY25
2. [Pay Matrix history](#): how wage scales have changed
3. [Growth Trends](#): graph of revenue and salary and wages changes for general fund and utilities for last ten years
4. Changes in CPI-U over the last ten years, information from Department of Labor: <https://laborstats.alaska.gov/trends/jul22art1.pdf>

PREVIOUS COUNCIL ACTION: Council approves union contracts on a staggered three year rotation for union employees. Every year at budget time council makes adjustments to Title 3 employee salary and wages, but on a yearly basis.

BACKGROUND: The external forces on this issue relate to recruitment and retention. There has been a lot of talk about what it is going to take to recruit and retain employees and that wages

need to be increased to meet the demands of the market and attract good candidates. In our current situation I am not sure that wages is what is driving decision making by potential candidates, but time will tell. The City last did a study on compensation in 2013 which would tell you what the market is for jobs in Unalaska compared to other communities in Alaska and a comparison with the Lower 48 if council so chooses. Council could choose not to do a study, but the classification plan needs to be reviewed every three years and it appears it is time to do it again.

DISCUSSION: There are several issues that need to be researched. Once the research is completed, recommendations would be forwarded to Council.

- What is the market rate for our positions?
- How do you attain parity between similar jobs in the city between union and unrepresented employees?
- Are there similarities between jobs and if there are, then how did they get out of balance?
- At what percentile does the city council want to set the wage scale in order to attract new employees?
- Should the starting wage be at the 50th percentile, the 75th percentile or at 100% of the market?
- Does the city council want to compare our positions with Juneau, Anchorage and Fairbanks?
- Would you like to know what other similar communities are offering?
- What about the Lower 48?

These are all questions for the council to consider when determining an appropriate wage scale for unrepresented employees. All of these considerations should be provided by a competent consultant who does this work on a daily basis. That is why I recommended this path forward. It's always best to start these discussions with a presentation on the facts as we know them today. Now let us talk about the attachments and what my interpretation of what they mean:

See Attachments

1. **History of Merit and Cola increases:** Please see the enclosed Excel spreadsheet prepared by Finance regarding wage increases employees have realized, by union and Title 3, since FY 2013. Here is what this data tells me.
 - A. That the FY23 increases for 302 were way higher than I can explain and are the highest in the history of the city.
 - B. If the FY23 through FY25 increases are not included, the combined increases for all units are:
 - Title 3 - 34.5%
 - IBU - 33%
 - PSEA - 48%
 - 302 PCR - 39%
 - 203 CH - 33%
 - 302 DWP/U - 33%

- C. So up to FY22, Title 3 wage increases were not lagging behind union represented employees, except in comparison to PSEA. So in effect there was a level of parity except for one bargaining unit and I don't disagree that some positions were/are probably out of whack.
- D. Once FY23 is factored in you can see Title 3, IBU and PSEA lag behind. But lag behind what? Obviously running out to FY25 makes things even worse.
- E. Before FY23, there were only 4 instances of annual increases more than 6% (two for PSEA, one for PCR and one for Title 3). My guess is that annual increases before FY13 were fairly predictable and within the 3% range. Recently approved increases are simply not sustainable.
- F. By FY 25 here is what happens. Percent increases are change from 2013
 - Title 3 50.5%
 - IBU 42.0%
 - PSEA 63.0%
 - 302-PCR 83.5%
 - 302-CH 72.5%
 - 302-DPW/U 60%

2. Pay Matrix History: This excel spreadsheet is a representation of how the wage scales have changed over time. The spreadsheet shows what percent change has been, using the beginning wage in FY13 to the present. There is no doubt that the wage scale for Title 3 unrepresented employees needs to be updated. Please see the summary sheet regarding Title 3. The changes to their wage scale has been about 4% except for certain positions realizing larger increases. I was not here so don't understand the thinking but I suppose research showed increases were needed in a handful of positions. Hands down, the Title 3 wage scale must change. The question is by what amount? Also if you were Title 3 and at step 10 on the current wage scale you received a 1.5% increase. This is standard in municipal government. I am not sure if union negotiations have held to this standard in recent history.

3. Growth Trends in Revenues and personnel costs over ten years: As you can see from the attached graph prepared by Finance, revenues (over the last 10 years) on average for both General Fund and Utilities are maintaining at about \$30 million dollars per year, yet our employee costs which included wages, overtime and fringe benefits, is growing. Also see that fringe benefits are getting close to actual salaries, or better said, fringe benefits are approaching 100% of salary. FY23 salaries are at 50.7% of total salary wages and fringe benefits. That is unprecedented. Please also see the data tab which outlines our total fringe benefits, some of which are contractual, such as receiving pay for working out. On the revenue slide please note that salaries have increased from 10 million dollars in 2013 to 16 million dollars today. There is a lot of information in this excel spreadsheet so please take time to review prior to the meeting. We will be going over the information at the workshop.

Benefits changes over ten years: Please see the data tab in the Growth Trends excel spreadsheet for more information on Fringe Benefits. Please note that health care is worth \$31,000 per year which in total is 18.3% of salary and fringe; insurance is 16.3%. There is no cost to the employee and I don't believe there are many 90/10 plans left in the State of Alaska. This is a fantastic benefit to employees. Health insurance costs have doubled since 2012. So in just over 10 years the city is paying 100% more for health insurance yet revenues are flat for the same time period. There have also been increases to FICA Employer Max CY which

is social security and Medicare over the last ten years. Everything is increasing. It's interesting that the PERS rate, which is Alaska retirement system, stays at 22% of salary. I believe the ARMB rate is the rate calculated based on the City's retirement costs but we pay 22% of salary as a max. AES is payroll taxes which are minimal.

	Health Insurance	PERS	PERS	FICA		AES	WCOMP	
	Avg Yearly/per employee	Employer Rate	ARMB Rate	FICA	Employer Max CY	MEDI	Employer Max CY	Avg Yearly/per employee
FY12	14,652	22%	33.49%	6.20%	6,826.20	1.45%	468.98	1,670
FY13	22,608	22%	35.84%	6.20%	7,049.40	1.45%	568.26	1,804
FY14	23,124	22%	35.68%	6.20%	7,254.00	1.45%	374.00	2,079
FY15	16,368	22%	44.03%	6.20%	7,347.00	1.45%	387.00	1,598
FY16	25,620	22%	27.19%	6.20%	7,347.00	1.45%	397.00	1,861
FY17	27,312	22%	26.14%	6.20%	7,886.40	1.45%	398.00	2,000
FY18	23,940	22%	25.01%	6.20%	7,960.80	1.45%	395.00	2,125
FY19	26,280	22%	27.58%	6.20%	8,239.80	1.45%	399.00	1,856
FY20	23,160	22%	28.62%	6.20%	8,537.40	1.45%	415.00	2,193
FY21	25,812	22%	30.85%	6.20%	8,853.60	1.45%	436.00	2,592
FY22	30,168	22%	30.11%	6.20%	9,114.00	1.45%	452.00	2,359
	- Health Insurance average was calculate using Finance balance sheet spreadsheet that shows premium and FTE per month.							
	- PERS Employer Rate is the percentage the City pays each pay period to PERS on eligible pay codes							
	- PERS ARMB Rate is the rate we normally budget with since it takes into account the State's on-behalf contribution that we have to record at year end							
	- FICA & MEDI info pulled from MUNIS deduction history							
	- WCOMP average was calculated on prepaid premium divided by actual FTE from end of year WCOMP audit							

4. CPI-U changes: I always used CPI-U information in preparation for union negotiations and recommendations for Title 3 unrepresented employees increases for wage and COLA increases. We have talked a lot about how employee costs have increased, now let's talk about what has happened with consumer costs or what the costs are for living in Unalaska. Obviously, in this time period, airfare changed dramatically.

The Department of Labor for the State of Alaska tracks this information and generally we follow what happens in Anchorage knowing our costs are more in Unalaska. The CPI-U tracks the percent changed from last year which is worth noting. And we had the highest rate of inflation in 30 years in 2021. Some years it's more and some less. Please take a closer look at the following publication for 2022. Staff is working on providing Unalaska cost of living information for a future workshop. I think the link below is an interesting read if you have the time.

<https://laborstats.alaska.gov/trends/jul22art1.pdf>

Summary: The amount of information can be daunting, but it is clear changes are needed to the wage scale for Title 3 unrepresented employees. The question is how much? I think you will agree that we need help to sort this out as our staff does not have the time nor the experience to provide council with guidance on how to fix the current situation. I look forward to the meeting and will do everything we can to answer any questions you may have. Please be thinking about what further information you would like to have regarding this issue.

ALTERNATIVES: Council could choose another path currently not on the table.

FINANCIAL IMPLICATIONS: The future implications are large and could result in reducing the number of employees we have and services that are offered by the city. It took from

LEGAL: None required for this meeting.

STAFF RECOMMENDATION: Approving tonight's ordinance that give unrepresented employees a 10% increase is a stop gap measure while we have a compensation study completed and present a new compensation plan to the city council.

PROPOSED MOTION: None, as this is a work session.

ATTACHMENTS:

1. [Merit and COLA history](#) by union and unrepresented employees over the last ten years and through FY25
2. [Pay Matrix history](#): how wage scales have changed
3. [Growth Trends](#): graph of revenue and salary and wages changes for general fund and utilities for last ten years
4. Changes in CPI-U over the last ten years, information from Department of Labor: <https://laborstats.alaska.gov/trends/jul22art1.pdf>

History of Merit & COLA increases for employees (through FY25)												
Data does not include Off-Step employees.												
	<u>FY14</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>FY24</u>	<u>FY25</u>
Title 3	6%	3%	3%	3%	3%	3%	7.50%	3%	3%	13%	3%	3%
IBU (Ports)	3%	6%	3%	3%	4%	3%	3%	5%	3%	3%	3%	3%
PSEA	3%	3%	5%	3%	3%	13%	3%	3%	12%	6%	6%	3%
302 - PCR	6%	3%	3%	3.50%	3%	3%	11.50%	3%	3%	33.25%	6%	5%
302 - CH	6%	3%	3%	3%	3%	3%	6%	3%	3%	28.50%	6%	5%
302 - DPW/U	6%	3%	3%	3%	3%	3%	6%	3%	3%	16%	6%	5%
	<u>FY14</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>FY24</u>	<u>FY25</u>
Title 3	3% Merit + 3% COLA	3% Merit	3% Merit	3% Merit	3% Merit	3% Merit	3% Merit + 4.5% COLA	3% Merit	3% Merit	3% Merit + 10% COLA	3% Merit	3% Merit
IBU (Ports)	3% Merit	Placed on step that allowed for at least a 6% increase	3% Merit	3% Merit	3% Merit + 1% COLA	3% Merit	3% Merit	3% Merit + 2% COLA	3% Merit	3% Merit	CBA Expired - used 3% as filler	CBA Expired - used 3% as filler
PSEA	3% Merit	3% Merit	3% Merit + 2% COLA	3% Merit	3% Merit	3% Merit + 10% COLA	3% Merit	3% Merit	Avg of actual increases	3% Merit + 3% COLA	3% Merit + 3% COLA	CBA Expired - used 3% as filler
302 - PCR	6% COLA (employees remained on current step)	3% Merit	3% Merit	Avg of actual increases	2% Merit + 1% COLA	2% Merit + 1% COLA	Avg of actual increases	3% Merit	3% Merit	\$4/hr + 10% + 3%	3% Merit + 3% COLA	3% Merit + 2% COLA
302 - CH	6% COLA (employees remained on current step)	3% Merit	3% Merit	2% Merit + 1% COLA	2% Merit + 1% COLA	2% Merit + 1% COLA	3% Merit + 3% COLA	3% Merit	3% Merit	\$4/hr + 10% + 3%	3% Merit + 3% COLA	3% Merit + 2% COLA
302 - DPW/U	6% COLA (employees remained on current step)	3% Merit	3% Merit	2% Merit + 1% COLA	2% Merit + 1% COLA	2% Merit + 1% COLA	3% Merit + 3% COLA	3% Merit	3% Merit	Avg of actual increases	3% Merit + 3% COLA	3% Merit + 2% COLA

History of Merit & COLA increases for employees (Proposed FY23)											
Data does not include Off-Step employees.											
	<u>FY14</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	
Title 3	6%	3%	3%	3%	3%	3%	7.50%	3%	3%	13%	47.50%
IBU (Ports)	3%	6%	3%	3%	4%	3%	3%	5%	3%	3%	36.00%
PSEA	3%	3%	5%	3%	3%	13%	3%	3%	12%	6%	54.00%
302 - PCR	6%	3%	3%	3.50%	3%	3%	11.50%	3%	3%	33.25%	72.25%
302 - CH	6%	3%	3%	3%	3%	3%	6%	3%	3%	28.50%	61.50%
302 - DPW/U	6%	3%	3%	3%	3%	3%	6%	3%	3%	16%	49.00%
	<u>FY14</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	
Title 3	3% Merit + 3% COLA	3% Merit	3% Merit	3% Merit	3% Merit	3% Merit	3% Merit + 4.5% COLA	3% Merit	3% Merit	3% Merit + 10% COLA	
IBU (Ports)	3% Merit	Placed on step that allowed for at least a 6% increase	3% Merit	3% Merit	3% Merit + 1% COLA	3% Merit	3% Merit	3% Merit + 2% COLA	3% Merit	3% Merit	
PSEA	3% Merit	3% Merit	3% Merit + 2% COLA	3% Merit	3% Merit	3% Merit + 10% COLA	3% Merit	3% Merit	Avg of actual increases	3% Merit + 3% COLA	
302 - PCR	6% COLA (employees remained on current step)	3% Merit	3% Merit	Avg of actual increases	2% Merit + 1% COLA	2% Merit + 1% COLA	Avg of actual increases	3% Merit	3% Merit	\$4/hr + 10% + 3%	
302 - CH	6% COLA (employees remained on current step)	3% Merit	3% Merit	2% Merit + 1% COLA	2% Merit + 1% COLA	2% Merit + 1% COLA	3% Merit + 3% COLA	3% Merit	3% Merit	\$4/hr + 10% + 3%	
302 - DPW/U	6% COLA (employees remained on current step)	3% Merit	3% Merit	2% Merit + 1% COLA	2% Merit + 1% COLA	2% Merit + 1% COLA	3% Merit + 3% COLA	3% Merit	3% Merit	Avg of actual increases	

History of Merit & COLA increases for employees (Current FY23)											
Data does not include Off-Step employees.											
	<u>FY14</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	
Title 3	6%	3%	3%	3%	3%	3%	7.50%	3%	3%	3%	37.50%
IBU (Ports)	3%	6%	3%	3%	4%	3%	3%	5%	3%	3%	36.00%
PSEA	3%	3%	5%	3%	3%	13%	3%	3%	12%	6%	54.00%
302 - PCR	6%	3%	3%	3.50%	3%	3%	11.50%	3%	3%	33.25%	72.25%
302 - CH	6%	3%	3%	3%	3%	3%	6%	3%	3%	28.50%	61.50%
302 - DPW/U	6%	3%	3%	3%	3%	3%	6%	3%	3%	16%	49.00%
	<u>FY14</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	
Title 3	3% Merit + 3% COLA	3% Merit	3% Merit	3% Merit	3% Merit	3% Merit	3% Merit + 4.5% COLA	3% Merit	3% Merit	3% Merit + 10% COLA	
IBU (Ports)	3% Merit	Placed on step that allowed for at least a 6% increase	3% Merit	3% Merit	3% Merit + 1% COLA	3% Merit	3% Merit	3% Merit + 2% COLA	3% Merit	3% Merit	
PSEA	3% Merit	3% Merit	3% Merit + 2% COLA	3% Merit	3% Merit	3% Merit + 10% COLA	3% Merit	3% Merit	Avg of actual increases	3% Merit + 3% COLA	
302 - PCR	6% COLA (employees remained on current step)	3% Merit	3% Merit	Avg of actual increases	2% Merit + 1% COLA	2% Merit + 1% COLA	Avg of actual increases	3% Merit	3% Merit	\$4/hr + 10% + 3%	
302 - CH	6% COLA (employees remained on current step)	3% Merit	3% Merit	2% Merit + 1% COLA	2% Merit + 1% COLA	2% Merit + 1% COLA	3% Merit + 3% COLA	3% Merit	3% Merit	\$4/hr + 10% + 3%	
302 - DPW/U	6% COLA (employees remained on current step)	3% Merit	3% Merit	2% Merit + 1% COLA	2% Merit + 1% COLA	2% Merit + 1% COLA	3% Merit + 3% COLA	3% Merit	3% Merit	Avg of actual increases	

Pay Matrix (Wage Table) Increase Comparison by Group

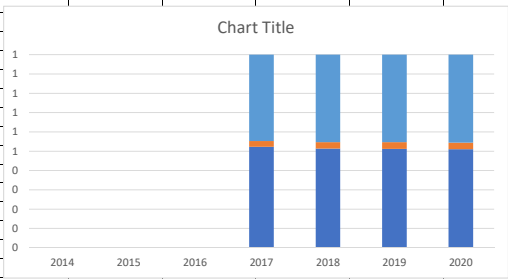
Title 3		PSEA		IBU		Local 302	
Min, FY14 - FY23		Step 1, FY14 - FY23		Step 1, FY14 - FY23		Step 1, FY14 - FY23	
Lifeguard I	4.50%	Animal Control Officer	21.42%	Harbor Officer	19.93%	City Hall	
Admin Asst II	4.49%	DMV Agent	21.43%	Billing & Scheduling Clerk	20.31%	Administrative Asst	44.43%
Head Lifeguard	4.50%	Communication Officer	25.92%			Administrative Asst II	44.20%
Admin Coordinator	4.51%	Communication Sergeant	37.29%			Accounting Asst I	49.30%
Admin Specialist	4.51%	Fire Captain	41.36%			Accounting Asst II	33.77%
DPS Office Manager	10.67%	Senior Fire Captain	35.19%			Senior Accountant	30.70%
DPW/U Admin Op Manager	4.51%	Corrections Officer	21.39%			Purchasing Agent	32.10%
PCR Ops & Fac Manager	4.49%	Corrections Sergeant	32.33%			Computer Specialist	32.10%
Aquatics Manager	4.49%	Police Officer	24.92%			City Clerk Admin Asst	35.45%
Deputy City Clerk	4.49%	Police Investigator *	11.35%				
PMFA Accountant	4.49%	Police Sergeant	24.95%			PCR	
GIS Administrator	4.49%					Recreation Assistant	49.20%
DPW Engineering Tech	4.49%	* new position/grade 7/1/19				Library Assistant	38.10%
Network Admin	4.49%					Rec Program Coordinator	44.47%
Associate Planner	4.49%						
Recreation Manager	4.50%					DPW/DPU	
Librarian	4.50%					Admin Asst I	44.43%
WWTP Lab Manager	4.51%					Admin Asst II	44.20%
Risk Manager	27.02%					Facilities Maintenance Manager	16.72%
Harbormaster	28.22%					Data Specialist I	35.56%
IS Supervisor	22.12%					Data Specialist II	34.74%
HR Manager	16.30%					Electrical Engineering Tech	16.74%
Deputy Ports Director	4.51%					Equipment Mechanic - Heavy	16.73%
Controller	15.23%					Equipment Mechanic - Light	16.75%
City Engineer	16.34%					Equipment Mechanic - Heavy Oiler	16.73%
Deputy DPU Director	16.34%					Equipment Operator - Heavy	16.73%
Deputy Police Chief	15.23%					Equipment Operator - Medium	16.73%
City Clerk	4.51%					Equipment Operator - Light	16.75%
PCR Director	4.51%					Groundskeeper	16.76%
PS Director (Police Chief)	4.51%					Installation Maintenance Worker	16.73%
Finance Director	4.51%					Maintenance Mechanic I	16.73%
DPU Director	4.51%					Maintenance Mechanic II	16.75%
DPW Director	4.51%					Maintenance Mechanic Chief	16.72%
Fire Chief	33.14%					Power Plant Operator I	16.75%
Planning Director	4.51%					Power Plant Operator II	16.73%
Ports Director	9.74%					Power Plant Supervisor	16.72%
Assistant City Manager	4.49%					Roads Chief	16.72%
						Solid Waste Supervisor	16.72%
						Solid Waste Operator I	16.73%
						Solid Waste Operator II	16.75%
						Solid Waste Operator III	16.73%
						Storekeeper I	35.21%
						Supply Division Supervisor	16.71%
						Utility Lineman	43.40%
						Utility Lineman Chief	42.47%
						Water OIT	16.76%
						Water Operator I	16.75%
						Water Operator II	16.74%
						Water Operator III	16.76%
						Wastewater OIT	16.76%
						Wastewater Operator I	16.75%
						Wastewater Operator II	16.74%
						Wastewater Operator III	16.76%
						Water/Wastewater Supervisor	16.73%

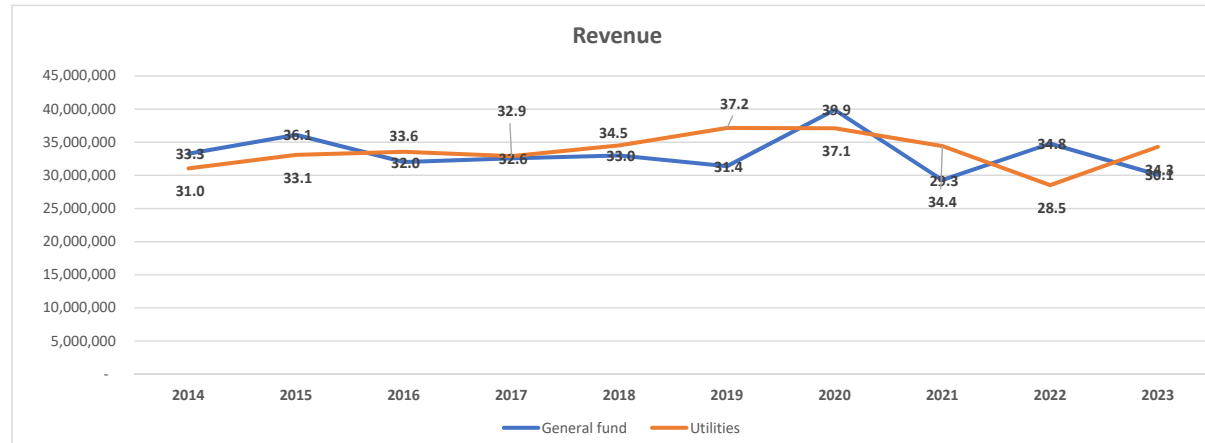
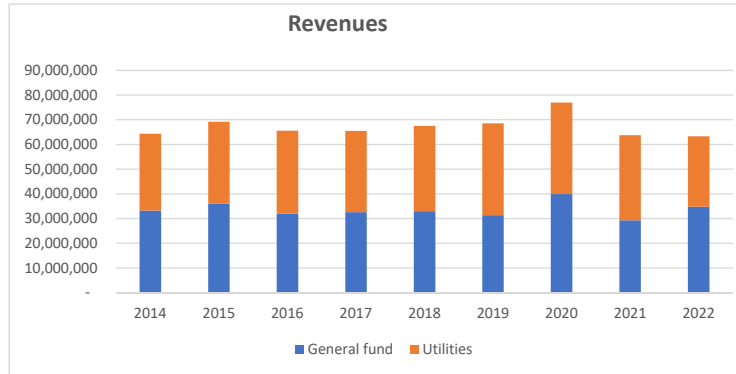
Pay Matrix Increases (Sorted highest to lowest)

Group/BU	Position	Increase	Group/BU	Position	Increase
302-CH	Accounting Asst I	49.30%	302-DPW/U	Facilities Maintenance Manager	16.72%
302-PCR	Recreation Assistant	49.20%	302-DPW/U	Maintenance Mechanic Chief	16.72%
302-PCR	Rec Program Coordinator	44.47%	302-DPW/U	Power Plant Supervisor	16.72%
302-CH	Administrative Asst	44.43%	302-DPW/U	Roads Chief	16.72%
302-DPW/U	Admin Asst I	44.43%	302-DPW/U	Solid Waste Supervisor	16.72%
302-CH	Administrative Asst II	44.20%	302-DPW/U	Supply Division Supervisor	16.71%
302-DPW/U	Admin Asst II	44.20%	Title 3	City Engineer	16.34%
302-DPW/U	Utility Lineman	43.40%	Title 3	Deputy DPU Director	16.34%
302-DPW/U	Utility Lineman Chief	42.47%	Title 3	HR Manager	16.30%
PSEA	Fire Captain	41.36%	Title 3	Controller	15.23%
302-PCR	Library Assistant	38.10%	Title 3	Deputy Police Chief	15.23%
PSEA	Communication Sergeant	37.29%	PSEA	Police Investigator	11.35%
302-DPW/U	Data Specialist I	35.56%	Title 3	DPS Office Manager	10.67%
302-CH	City Clerk Admin Asst	35.45%	Title 3	Ports Director	9.74%
302-DPW/U	Storekeeper I	35.21%	Title 3	PCR Director	4.51%
PSEA	Senior Fire Captain	35.19%	Title 3	Admin Coordinator	4.51%
302-DPW/U	Data Specialist II	34.74%	Title 3	Admin Specialist	4.51%
302-CH	Accounting Asst II	33.77%	Title 3	PS Director (Police Chief)	4.51%
Title 3	Fire Chief	33.14%	Title 3	Finance Director	4.51%
PSEA	Corrections Sergeant	32.33%	Title 3	DPU Director	4.51%
302-CH	Purchasing Agent	32.10%	Title 3	DPW Director	4.51%
302-CH	Computer Specialist	32.10%	Title 3	Planning Director	4.51%
302-CH	Senior Accountant	30.70%	Title 3	DPW/U Admin Op Manager	4.51%
Title 3	Harbormaster	28.22%	Title 3	Deputy Ports Director	4.51%
Title 3	Risk Manager	27.02%	Title 3	WWTP Lab Manager	4.51%
PSEA	Communication Officer	25.92%	Title 3	City Clerk	4.51%
PSEA	Police Sergeant	24.95%	Title 3	Lifeguard I	4.50%
PSEA	Police Officer	24.92%	Title 3	Recreation Manager	4.50%
Title 3	IS Supervisor	22.12%	Title 3	Librarian	4.50%
PSEA	DMV Agent	21.43%	Title 3	Head Lifeguard	4.50%
PSEA	Animal Control Officer	21.42%	Title 3	Admin Asst II	4.49%
PSEA	Corrections Officer	21.39%	Title 3	PCR Ops & Fac Manager	4.49%
IBU	Billing & Scheduling Clerk	20.31%	Title 3	Aquatics Manager	4.49%
IBU	Harbor Officer	19.93%	Title 3	Assistant City Manager	4.49%
302-DPW/U	Water Operator III	16.76%	Title 3	Deputy City Clerk	4.49%
302-DPW/U	Wastewater Operator III	16.76%	Title 3	PMFA Accountant	4.49%
302-DPW/U	Water OIT	16.76%	Title 3	GIS Administrator	4.49%
302-DPW/U	Wastewater OIT	16.76%	Title 3	DPW Engineering Tech	4.49%
302-DPW/U	Groundskeeper	16.76%	Title 3	Network Admin	4.49%
302-DPW/U	Equipment Mechanic - Light	16.75%	Title 3	Associate Planner	4.49%
302-DPW/U	Equipment Operator - Light	16.75%			
302-DPW/U	Maintenance Mechanic II	16.75%			
302-DPW/U	Power Plant Operator I	16.75%			
302-DPW/U	Solid Waste Operator II	16.75%			
302-DPW/U	Water Operator I	16.75%			
302-DPW/U	Wastewater Operator I	16.75%			
302-DPW/U	Electrical Engineering Tech	16.74%			
302-DPW/U	Water Operator II	16.74%			
302-DPW/U	Wastewater Operator II	16.74%			
302-DPW/U	Maintenance Mechanic I	16.73%			
302-DPW/U	Solid Waste Operator I	16.73%			
302-DPW/U	Water/Wastewater Supervisor	16.73%			
302-DPW/U	Equipment Mechanic - Heavy C	16.73%			
302-DPW/U	Equipment Operator - Medium	16.73%			
302-DPW/U	Installation Maintenance Work	16.73%			
302-DPW/U	Equipment Mechanic - Heavy	16.73%			
302-DPW/U	Equipment Operator - Heavy	16.73%			
302-DPW/U	Power Plant Operator II	16.73%			
302-DPW/U	Solid Waste Operator III	16.73%			

Title 3 Pay Matrix Increase History (FY14 - Current)					
all reclassified positions are compared from the minimum of their original classification to the minimum of current classification					
				Current	
		12/17/2013	9/10/2019		
		Minimum	Minimum	% increase	
A10	Lifeguard I	14.21	14.85	4.50%	
A13	Admin Asst II	19.80	20.69	4.49%	
B21	Head Lifeguard	20.89	21.83	4.50%	
B23	Admin Coordinator	23.05	24.09	4.51%	
B23	Admin Specialist	23.05	24.09	4.51%	
B31	DPS Office Manager	23.05	25.51	10.67%	2016 reclassified from B23 to B31
B31	DPW/U Admin Op Manager	24.41	25.51	4.51%	
B32	PCR Ops & Fac Manager	26.03	27.20	4.49%	
B32	Aquatics Manager	26.03	27.20	4.49%	
C41	Deputy City Clerk	27.39	28.62	4.49%	
C41	PMFA Accountant	27.39	28.62	4.49%	
C41	GIS Administrator	27.39	28.62	4.49%	New position 7/1/16 - started at C41
C41	DPW Engineering Tech	27.39	28.62	4.49%	
C41	Network Admin	27.39	28.62	4.49%	
C42	Associate Planner	28.76	30.05	4.49%	
C43	Recreation Manager	30.20	31.56	4.50%	
C43	Librarian	30.20	31.56	4.50%	
C45	WWTP Lab Manager	33.29	34.79	4.51%	New position 7/1/16 - started at C45
C45	Risk Manager	27.39	34.79	27.02%	2019 reclassified from C41 to C45
D61	Harbormaster	27.39	35.12	28.22%	2021 reclassified from C41 to D61
D62	IS Supervisor	30.20	36.88	22.12%	2016 reclassified from C43 to D61, 2019 D61 to D62
D62	HR Manager	31.71	36.88	16.30%	2019 reclassified from C44 to D62
D63	Deputy Ports Director	37.06	38.73	4.51%	New position 7/1/16 - started at D63
D63	Controller	33.61	38.73	15.23%	2017 reclassified from D61 to D63
D63	City Engineer	33.29	38.73	16.34%	2019 reclassified from C45 to D63
D63	Deputy DPU Director	33.29	38.73	16.34%	2019 reclassified from C45 to D63
D63	Deputy Police Chief	33.61	38.73	15.23%	2016 reclassified from D61 to D63
E81	City Clerk	38.84	40.59	4.51%	
E82	PCR Director	40.78	42.62	4.51%	
E83	PS Director (Police Chief)	42.82	44.75	4.51%	
E83	Finance Director	42.82	44.75	4.51%	
E83	DPU Director	42.82	44.75	4.51%	
E83	DPW Director	42.82	44.75	4.51%	
E83	Fire Chief	33.61	44.75	33.14%	2016 reclassified from D61 to D63, 2019 D63 to E83
E83	Planning Director	42.82	44.75	4.51%	
E83	Ports Director	40.78	44.75	9.74%	2016 reclassified from E82 to E83
E84	Assistant City Manager	44.96	46.98	4.49%	

		Revenues		EL	WA	WW	SW	PH	AP	CH										
		General fund	Utilities																	
2023		30,070,655	34,310,285	16,613,050	2,711,142	2,739,993	2,865,412	8,563,380	559,409	257,899										
2022		34,794,007	28,521,928	11,653,995	2,563,057	2,452,806	2,385,699	8,651,862	560,341	254,168										
2021		29,292,071	34,425,453	15,947,462	2,691,583	3,657,677	2,600,500	8,713,722	560,341	254,168										
2020		39,881,601	37,096,732	19,044,256	2,691,583	3,646,660	2,645,123	8,256,601	558,341	254,168										
2019		31,374,158	37,155,946	19,043,708	2,646,583	3,680,433	2,717,112	8,255,601	558,341	254,168										
2018		32,991,160	34,522,418	17,255,299	2,586,020	3,603,461	2,750,738	7,499,238	552,420	275,242										
2017		32,567,134	32,898,961	17,255,299	2,586,020	2,367,254	2,456,592	7,404,928	553,626	275,242										
2016		32,005,354	33,558,955	19,145,820	2,722,007	2,172,609	1,830,673	6,964,399	467,536	255,911										
2015		36,114,192	33,090,515	18,753,308	2,560,094	2,191,866	1,856,239	6,961,101	475,373	292,534										
2014		33,256,477	31,048,631	18,120,984	2,368,941	1,903,921	1,594,212	6,346,699	462,668	251,206										
2013		34,199,583	30,304,623	17,743,917	2,675,833	1,644,839	1,965,649	5,594,231	462,668	217,486										
		Budget		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023							
51100	51200	Base wage	#DIV/0!				11,582,768	11,955,743	12,179,526	12,941,677	13,729,202	13,718,693	13,928,710	50.7%						
		Airfare	#DIV/0!				236,813	241,635	242,475	252,285	315,280	315,280	327,780	1.2%						
		PLCO	#DIV/0!				212,607	238,781	222,925	304,171	285,500	416,882	267,205	1.0%						
		Overtime	#DIV/0!				668,182	775,750	827,707	857,680	935,635	935,147	915,280	3.3%						
		PERS	#DIV/0!				3,193,308	3,340,402	3,599,119	3,792,268	4,170,896	4,516,051	4,478,359	16.3%						
		Payroll taxes (aes)	#DIV/0!				1,047,840	1,096,423	1,132,999	1,206,360	1,274,802	1,298,977	1,312,506	4.8%						
		Health insurance	#DIV/0!				4,630,319	4,819,260	4,644,526	4,852,934	4,823,226	5,064,120	5,032,860	18.3%						
		Life med insurance	#DIV/0!				-	-	9,220	8,770	7,987	6,480	6,440	0.0%						
		Union training benefit	#DIV/0!				36,396	33,629	34,491	37,386	37,386	36,828	36,270	0.1%						
		DPS stipends	#DIV/0!				46,640	56,640	64,000	64,000	64,000	64,000	64,000	0.2%						
		PCR referee/instructors	#DIV/0!				15,000	15,000	20,000	25,000	30,000	30,000	30,000	0.1%						
		Shif differentials	#DIV/0!				192,519	240,284	251,382	327,495	325,486	341,500	385,850	1.4%						
		On call time	#DIV/0!				-	54,990	73,320	93,038	81,040	93,040	112,840	0.4%						
		Incentive bonus	#DIV/0!				-	60,000	70,000	101,000	95,000	107,000	107,500	0.4%						
		Exercise pay	#DIV/0!				-	-	78,800	63,600	69,300	71,597	78,250	0.3%						
		Tool allowance	#DIV/0!				-	-	-	-	16,800	16,800	18,000	0.1%						
		Education incentive	#DIV/0!				-	-	-	-	50,400	44,400	34,800	0.1%						
		Wcomp	#DIV/0!				297,480	345,228	350,199	406,010	423,593	450,126	354,692	1.3%	43.8%					
							-	-	-	-	-	-	-							
							22,159,872	23,273,765	23,793,329	25,333,674	26,735,533	27,526,921	27,491,342	100.0%						
		FTE					163.34	166.13	168.17	174.96	173.96	172.96	171.96							
		Permanent					163.34	155.00	185.00	163.00	162.00	162.00	161.00							
		Insurance per employee					30,264	31,092	29,773	29,773	29,773	31,260	31,260							
		Airfare per employee					1,500	1,500	1,500	1,500	2,000	2,000	2,000							
		Salaries and wages					-	-	-	11,582,768	11,955,743	12,179,526	12,941,677	13,729,202	13,718,693	13,928,710	1			
		Overtime					-	-	-	668,182	775,750	827,707	857,680	935,635	935,147	915,280	0			
		Fringe benefits					-	-	-	9,908,922	10,542,272	10,786,096	11,534,317	12,070,696	12,873,081	12,647,352	0			
							-	-	-	22,159,872	23,273,765	23,793,329	25,333,674	26,735,533	27,526,921	27,491,342	1			
							-	-	-	1,113,893	-	519,564	-	1,540,345	-	1,401,859	-	791,388	35,579	27,491,341
							-	-	-	-	-	-2.2%	-6.1%	-5.2%	-2.9%	0.1%	#####	-		
							698,213	713,800	760,010	802,066	825,808	824,740		0						

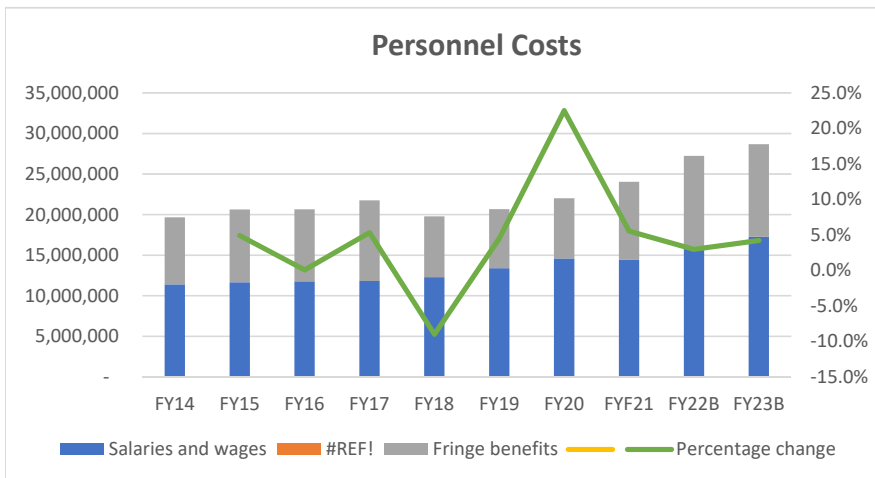
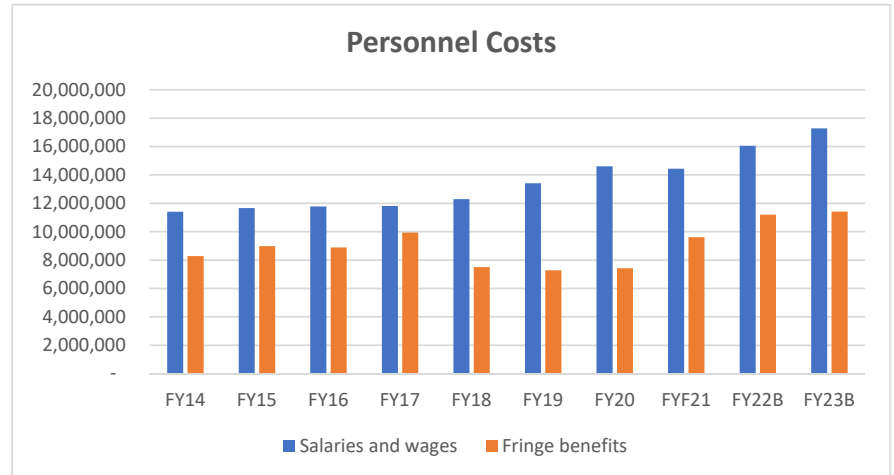
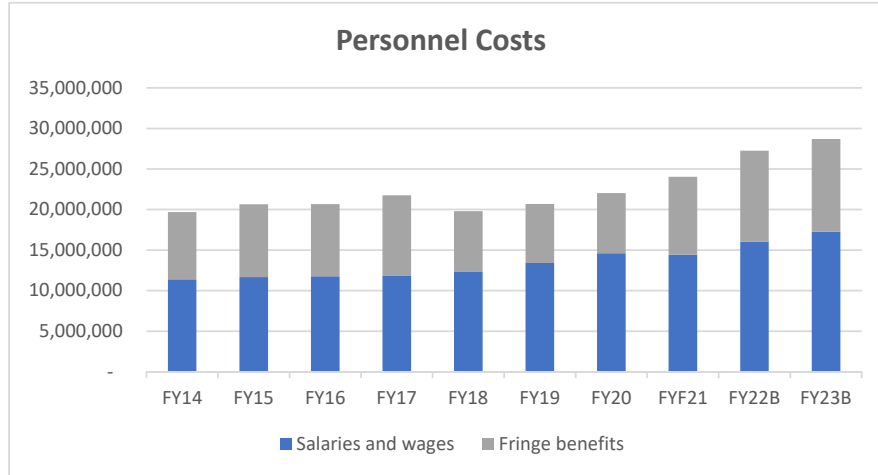




	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General fund	33,256,477	36,114,192	32,005,354	32,567,134	32,991,160	31,374,158	39,881,601	29,292,071	34,794,007	30,070,655
Utilities	31,048,631	33,090,515	33,558,955	32,898,961	34,522,418	37,155,946	37,096,732	34,425,453	28,521,928	34,310,285
	33.3	36.1	32.0	32.6	33.0	31.4	39.9	29.3	34.8	30.1
	31.0	33.1	33.6	32.9	34.5	37.2	37.1	34.4	28.5	34.3

Revenues		Percentage change	EL	WA	WW	SW	PH	AP	CH		
General fund	Utilities										
2014	33,256,477	31,048,631	-7.1%	64,305,108	18,120,984	2,368,941	1,903,921	1,594,212	6,346,699	462,668	251,206
2015	36,114,192	33,090,515	5.6%	69,204,707	18,753,308	2,560,094	2,191,866	1,856,239	6,961,101	475,373	292,534
2016	32,005,354	33,558,955	0.2%	65,564,309	19,145,820	2,722,007	2,172,609	1,830,673	6,964,399	467,536	255,911
2017	32,567,134	32,898,961	-3.0%	65,466,095	17,255,299	2,586,020	2,367,254	2,456,592	7,404,928	553,626	275,242
2018	32,991,160	34,522,418	-1.5%	67,513,578	17,255,299	2,586,020	3,603,461	2,750,738	7,499,238	552,420	275,242
2019	31,374,158	37,155,946	-11.0%	68,530,104	19,043,708	2,646,583	3,680,433	2,717,112	8,255,601	558,341	254,168
2020	39,881,601	37,096,732	20.8%	76,978,333	19,044,256	2,691,583	3,646,660	2,645,123	8,256,601	558,341	254,168
2021	29,292,071	34,425,453	0.6%	63,717,524	15,947,462	2,691,583	3,657,677	2,600,500	8,713,722	560,341	254,168
2022	34,794,007	28,521,928	-1.7%	63,315,935	11,653,995	2,563,057	2,452,806	2,385,699	8,651,862	560,341	254,168
2023	30,070,655	34,310,285		64,380,940	16,613,050	2,711,142	2,739,993	2,865,412	8,563,380	559,409	257,899

	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FYF21	FY22B	FY23B
Salaries and wages	11,395,105	11,660,333	11,770,202	11,809,057	12,291,255	13,401,705	14,602,071	14,428,413	16,049,306	17,269,120
Fringe benefits	8,279,579	8,977,549	8,881,518	9,937,465	7,498,071	7,276,924	7,418,347	9,611,741	11,193,569	11,416,015
	19,674,684	20,637,882	20,651,720	21,746,522	19,789,327	20,678,629	25,333,674	26,735,533	27,526,921	28,685,134
Percentage change		4.9%	0.1%	5.3%	-9.0%	4.5%	22.5%	5.5%	3.0%	4.2%



CITY OF UNALASKA
UNALASKA, ALASKA

ORDINANCE 2022-21

AN ORDINANCE OF THE UNALASKA CITY COUNCIL RETAINING CERTAIN TAX FORECLOSED PROPERTY FOR A PUBLIC PURPOSE

WHEREAS, in the *Matter of the 2013 through 2018 Delinquent Real Property Taxes Owed to the City of Unalaska, Alaska*, Case no. 3UN-19-00020 CI, the court issued its Judgment and Decree of Foreclosure of Real Property Tax Liens on June 19, 2019, foreclosing on parcel 04-09-172, and that property has not been redeemed; and

WHEREAS, the redemption period having expired, the Court entered its Order Granting Motion for Clerk's Deed on October 14, 2020 and issued a Clerk's Deed on December 14, 2020, conveying all rights, title and interest of the former owner to the City of Unalaska, in parcel 04-09-172, described as Tract C, Carl's Subdivision, according to the official plat thereof, filed under Plat Number 91-15, Records of the Aleutian Island Recording District, Third Judicial District, State of Alaska; and

WHEREAS, this is a parcel of vacant land, approximately 2,655 square feet in size, and being a long narrow strip of land between the Iliuliuk Creek and West Broadway Avenue, adjacent to the road and has no feasible economic use other than possible future road expansion; and

WHEREAS, UCO § 6.36.220 provides that the City Council shall determine by ordinance whether tax foreclosed property shall be retained by the City for a public purpose.

NOW, THEREFORE, BE IT ENACTED BY THE UNALASKA CITY COUNCIL, as follows:

Section 1: Classification. This is a non-Code Ordinance.

Section 2: Property Retained for a Public Purpose. The following real property is retained for a public purpose by the City of Unalaska, Alaska:

Parcel	Former Owner of Record	Property Description
04-09-172	Carl's Commercial	Tract C Carl's Subdivision Addition #1, Plat 91-15

Section 3: Effective Date. This ordinance shall be effective upon adoption.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on November 22, 2022.

Vincent M. Tutiakoff, Sr.
Mayor

ATTEST:

Marjie Veeder, CMC
City Clerk

MEMORANDUM TO COUNCIL

To: Mayor and City Council Members
From: Marjie Veeder, City Clerk
Through: Chris Hladick, City Manager
Date: November 10, 2022
Re: Ordinance 2022-21: Retaining Certain Tax Foreclosed Property for a Public Purpose

SUMMARY: In the city's most recent property tax foreclosure action, one property was not redeemed and after expiration of the redemption period parcel 04-09-172 was deeded to the City of Unalaska by the court. The city may retain tax foreclosed property for a public purpose or sell the property. Due to the size, shape, and location of the property, it serves no feasible economic use. Therefore, retention of the property is recommended, along with dedication to a public purpose.

PREVIOUS COUNCIL ACTION: Resolution 2019-10, adopted on March 12, 2019, authorized the foreclosure action.

BACKGROUND: UCO § 6.32.220 provides that city council shall determine, by ordinance, whether tax foreclosed property deeded to the city shall be retained by the city for a public purpose or sold (by public auction).

If council does not adopt an ordinance that determines to either retain the foreclosed property for a public purpose or sell the property, UCO § 6.36.230 applies. Section 6.36.230 gives the former record owner, or the owner's assigns, 10 years to repurchase the property by payment of delinquent taxes, penalty, interest, costs of foreclosure as well as property taxes that would have accrued had the property remained in private ownership and any costs of ownership incurred by the city. However, that 10-year right of repurchase is terminated by adoption of an ordinance, as described in § 6.36.230, determining that the foreclosed property should be sold or retained for a public purpose.

At the time of the foreclosure proceeding, the City Clerk notified the daughter of the former owner of parcel 04-09-172 because the former owner and his wife (Carl and Laresa Moses) had both passed away and notices sent to their last known address were returned as undeliverable. The daughter of the former owner indicated the family would "walk away" from the property.

DISCUSSION: Parcel 04-09-172 is vacant, contains approximately 2,655 square feet and is a long narrow strip of land between the Iliuliuk Creek and West Broadway Avenue, adjacent to the road. The parcel has no foreseeable economic use other than possible future road expansion. See attached graphic. The City may as well retain the property for a public purpose.

ALTERNATIVES: Council may attempt to sell the property; or may choose not to proceed with dedication to a public purpose, leaving the property subject to repurchase by the former owner for another eight years (ten years after the property was deeded to the city on October 14, 2020).

FINANCIAL IMPLICATIONS: None.

LEGAL: The City Clerk worked with City Attorney Charles Cacciola in preparation of Ordinance 2022-21.

STAFF RECOMMENDATION: Staff recommends adoption of Ordinance 2022-21, retaining the parcel in question for a public purpose.

PROPOSED MOTION:

First Reading 11/10/2022: I move to introduce Ordinance 2022-21 and schedule it for public hearing and second reading on November 22, 2022.

Second Reading 11/22/2022: This item is included on the consent agenda and will be included in the motion to adopt the consent agenda. If this item is moved to the regular agenda for discussion, the proposed motion is "I move to adopt Ordinance 2022-21".

CITY MANAGER COMMENTS: I concur with the Staff Recommendation.

ATTACHMENTS: Graphic showing parcel 04-09-172

Parcel 04-09-172 is the darker blue strip in the center, running along the creek between the creek and Broadway



CITY OF UNALASKA
UNALASKA, ALASKA

RESOLUTION 2022-44

A RESOLUTION OF THE UNALASKA CITY COUNCIL AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH INDUSTRIAL RESOURCES, INC. TO CONSTRUCT THE CHLORINE UPGRADES PROJECT FOR \$661,200

WHEREAS, the Chlorine Upgrades Project is a component of the approved Capital and Major Maintenance Program; and

WHEREAS, the City of Unalaska has determined that it is in the best interests of the residents of the City of Unalaska to have such a Project; and

WHEREAS, the City of Unalaska has provided funding to construct the Project; and

WHEREAS, Staff solicited for sealed bids as prescribed by UCO §6.24.020 and the City of Unalaska Purchasing Policy 14-0803; and

WHEREAS, INDUSTRIAL RESOURCES, INC., a construction firm with extensive experience working within and with the City of Unalaska, has been deemed the lowest responsive, responsible bidder for the proposed work; and

NOW THEREFORE BE IT RESOLVED that that the City Council of the City of Unalaska, Alaska, authorizes the City Manager to execute an Agreement with INDUSTRIAL RESOURCES, INC. to construct the Chlorine Upgrades Project for \$661,200.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on November 22, 2022.

Vincent M. Tutiakoff, Sr.
Mayor

ATTEST:

Marjie Veeder, CMC
City Clerk

MEMORANDUM TO COUNCIL

To: Mayor and City Council Members
From: Tom Cohenour, Director of Public Works
Bob Cummings, P.E., City Engineer
Lori Gregory, DPW/DPU Administrative Operations Manager
Through: Chris Hladick, Interim City Manager
Date: November 22, 2022
Re: Resolution 2022-44: A Resolution of the Unalaska City Council Authorizing the City Manager to Enter into an Agreement with Industrial Resources, Inc. to Construct the Pyramid Water Treatment Plant Chlorine Upgrades Project for \$661,200

SUMMARY: Resolution 2022-44 will award the Chlorine Upgrades Project construction, which consists of integrating the Owner (City) - Furnished On-Site Sodium Hypochlorite Generation System into the Water Treatment Plant process controls, to Industrial Resources, Inc. (IRI). The cost of the work is \$661,200, and funding will come from the Project's budget, MUNIS Project WA21A, which contains \$845,161, of which \$661,200 is allocated to the Construction Services line item. Staff recommends approval.

PREVIOUS COUNCIL ACTION: The Chlorine Upgrades Project was funded at \$100,000 for Engineering Services via the FY2021 Capital Budget Ordinance No. 2020-10, passed and adopted on June 9, 2020. Ordinance 2021-09, a Budget Amendment passed on May 11, 2021, appropriated \$300,000 towards the procurement of the Owner-Furnished On-Site Sodium Hypochlorite Generation System. Resolution 2021-37, passed on May 25, 2021, approved the Procurement Agreement for the Owner-Furnished Equipment from PSI Water Technologies for \$288,000. Council awarded the construction of the Pyramid Water Treatment Plant Micro Turbines Project to Industrial Resources, Inc. via Resolution 2020-48, adopted July 28, 2020. On December 18, 2021, Council approved Resolution 2021-80, awarding the construction of the Project to Industrial Resources, Inc. for \$441,474.73. On September 27, 2022, Council approved Budget Amendment Ordinance 2022-17, providing another \$526,447 to fund the re-bid to construct the Project.

BACKGROUND: This project was funded in order to move the Water Utility away from the hazardous and costly purchasing and shipping the chlorine gas used for potable water disinfection to on-site generation of liquid sodium hypochlorite (bleach), a much safer and cost-effective means.

DISCUSSION: As stated above, in December of 2021, Council awarded the construction of the Project to Industrial Resources, Inc. for \$441,474.73, however, due to supply chain, travel, and inflation issues, IRI informed the City on April 14, 2022, two weeks before mobilization, they expected an additional \$288,000 in costs associated with completing the project. The amount exceeded the available budget at the time so the City instructed the contractor to stop work on the Project. The Project was rebid on June 21, 2022, and one bid was received on July 21, 2022, from IRI for \$661,200. On September 27, 2022, Staff moved forward with a Budget Amendment request to provide \$526,447 to fund the updated bid and associated engineering and inspection costs.

ALTERNATIVES: Council may elect to again advertise for bids to perform the construction of the Chlorine Upgrades Project, however, Staff believes this will most likely increase the cost of the work.

FINANCIAL IMPLICATIONS: The Project's budget is able to fund this work, including engineering and inspection costs including contingency.

LEGAL: N/A

STAFF RECOMMENDATION: Staff recommends approval of this Resolution. Contracting with IRI to integrate the Chlorine Generation equipment into the process controls is the most efficient and cost effective way to complete this Project.

PROPOSED MOTION: This item is included on the consent agenda and can be approved in the motion to adopt the consent agenda. If this item is moved to the regular agenda for discussion, the proposed motion is "I move to adopt Resolution 2022-44".

CITY MANAGER COMMENTS: I concur with the Staff Recommendation.

ATTACHMENTS:

- Bid Tab
- Standard form of Agreement

CITY OF UNALASKA, ALASKA
Department of Public Works
PWTP Chlorine Upgrades Project - Equipment Installation Bid
July 21, 2022
2:00 PM - Council Chambers

Contractor / Business Name	Bid Form Used & Signed	Bid Bond	Licenses		Signed Bidder's Declaration & Understanding	Item 1	Item 2	Total Bid
			State Contractor	State Business				
Industrial Resources, Inc.	X	X	X	X	X	\$ 536,200.00	\$ 125,000.00	\$ 661,200.00
								\$ -
								\$ -
								\$ -
								\$ -
								\$ -
								\$ -
								\$ 661,200.00

Lori Gregory
Witness

Heather Bell
Witness

Witness

STANDARD FORM OF AGREEMENT BETWEEN THE OWNER AND CONTRACTOR

THIS AGREEMENT is dated as of the _____ day of _____, in the year 2022, by and between the City of Unalaska (hereinafter called OWNER) and Industrial Resources, Inc., (hereinafter called CONTRACTOR).

OWNER and CONTRACTOR, in consideration of the mutual covenants hereinafter set forth, agree as follows:

Article 1. WORK

CONTRACTOR shall complete all work as specified or indicated in the Contract Documents. The work is generally described as follows:

The work will include, but not be limited to, furnishing all labor, tools, select materials and performing all operations in connection with the Pyramid Water Treatment Plant - SODIUM HYPOCHLORITE ON-SITE GENERATION. The project replaces the existing gaseous chlorine dosing system with a new hypochlorite generation equipment. The City is providing the hypochlorite generation equipment, air blowers, water softener systems, brine tanks, hypochlorite tanks, dosing pumps, piping, instrumentation, electrical and other materials. The contractor is to supply select materials and install the hypochlorite generation equipment with all the interconnecting piping, tanks, valves, wires, and miscellaneous fittings necessary for a fully functioning system.

1. Project Location: Pyramid Water Treatment Plant, Unalaska, Alaska 99685
2. Owner: City of Unalaska, Department of Public Utilities

The Contract Documents which comprise the entire agreement between OWNER and CONTRACTOR concerning the WORK consists of the following:

- Technical Documents, Pyramid Water Treatment Plant Sodium Hypochlorite On-Site Generation, 100% IFC (Issued for Construction) Re-Issue, dated 06/2022, Prepared by Taku Engineering
- Specifications
- Agreement
- State of Alaska Title 36 Wage Rate Requirements
- Instructions to Bidders
- Bid Forms
- Performance Bond
- Payment Bond
- General Conditions
- Supplementary Conditions
- Appendices
- Addenda numbers 1 to 2, inclusive.
- Change Orders which may be delivered or issued after Effective Date of the Agreement and not attached hereto.

Article 2. CONTRACT TIME

- 2.1 All construction must be accomplished between fish processing seasons during periods of low domestic water demand and flow. The allowable window is after October 1, 2022 and before December 1, 2022 (Substantial Completion) to correspond with the low flow period. All Work

shall be completed by December 15, 2022 (Final Completion). Besides staging and preparations, actual field Work is limited to the window defined above.

- 2.2 Liquidated Damages. The OWNER and CONTRACTOR recognize that time is of the essence of this Agreement and that the OWNER will suffer financial loss if the work is not completed within the times specified above, plus any extensions thereof allowed in accordance with Article 11 of the General Conditions. These losses include inconvenience to the City, administration and inspection costs, loss of efficiency and general inconvenience to the public. They also recognize the delays, expense, and difficulties involved in proving in a legal or arbitration proceeding the actual loss suffered by the OWNER if the work is not completed on time. Accordingly, instead of requiring any such proof, the OWNER and CONTRACTOR agree that as liquidated damages for delay (but not as a penalty) CONTRACTOR shall pay the OWNER One Thousand Dollars (\$1,000.00) for each day that expires after the time specified above for Final Completion and readiness for final payment.

Article 3. CONTRACT PRICE

- 3.1 The OWNER shall pay CONTRACTOR for completion of the work in accordance with the Contract Documents an amount equal to sum of the established unit prices for each separately identified item of unit price work multiplied by the measured quantity of actual items installed plus the sum of the lump sum prices for each separately identified and selected bid item (herein referred to as the "Contract Sum"). The Contract sum is based upon the Bid Items which are set forth in the Contract Documents and which are hereby accepted by the OWNER.

Article 4. PAYMENT PROCEDURES

CONTRACTOR shall submit Applications for Payment in accordance with Article 13 of the General Conditions. Applications for Payment will be processed by the OWNER as provided in the General Conditions.

- 4.1. Progress Payments. The OWNER shall make progress payments on account of the Contract Price on the basis of CONTRACTOR's Applications for Payment on or about a day of the month mutually agreeable to the OWNER and CONTRACTOR as agreed to at the preconstruction conference. All progress payments will be on the basis of the progress of the work measured by the actual installed quantity of items, plus allowances for stockpiled materials.

4.1.1. Prior to Substantial Completion, progress payments will be made in an amount equal to the percentage indicated below, but, in each case, less the aggregate of payments previously made and less such amounts as the OWNER shall determine, or the OWNER may withhold, in accordance with Article 13 (paragraph 13.8) of the General Conditions and the Supplemental Conditions.

- a. Ninety percent of work completed.
- b. Once 50 percent of the work is complete as determined by the OWNER, and if the character and progress of the work have been satisfactory to the OWNER, the OWNER, may determine that, as long as the character and progress of the work remain satisfactory to them, there will be no additional retainage on account of work completed; in which case, the

remaining progress payments prior to –Substantial Completion will be in an amount equal to 100 percent of the work completed.

4.1.2. Upon Substantial Completion, in an amount sufficient to increase total payments to CONTRACTOR to 95 percent of the Contract Price, less such amounts as the OWNER shall determine, or the OWNER may withhold, in accordance with Article 13 of the General Conditions.

4.2. Final Payment. Upon final completion and acceptance of the work in accordance with the General Conditions; Affidavit of Payment of Debts and Claims; Affidavit of Release of Liens; and Receipt of Consent of Surety Company to Final Payment, the OWNER shall pay the remainder of the Contract Price as provided in said Article 13.

4.2.1 Deductions. The City may deduct from the amount of any payment made to Contractor any sums owed to City by Contractor including, but not limited to, past due sales tax, port and harbor fees, property tax, or rent. Before making any such deduction the City shall have provided Contractor written notice of the amount claimed by City to be due and owing from Contractor.

Article 5. INTEREST ON RETAINAGE

All retainage shall bear interest at the rate required by AS 36.90.250, if applicable.

Article 6. CONTRACTOR'S REPRESENTATIONS

In order to induce the OWNER to enter into this agreement, CONTRACTOR makes the following representations:

- 6.1. CONTRACTOR has familiarized itself with the nature and extent of the Contract Documents, work, site, locality, and all local conditions and Laws and Regulations that in any manner may affect cost, progress, performance, or furnishing of the work.
- 6.2. CONTRACTOR has obtained and carefully studied (or assumes responsibility for obtaining and carefully studying) all such examinations, investigations, explorations, tests, reports, and studies which pertain to the subsurface or physical conditions at or contiguous to the site or which otherwise may affect the cost, progress, performance, or furnishing of the work as CONTRACTOR considers necessary for the performance or furnishing of the work at the Contract Price, within the Contract Time, and in accordance with the other terms and conditions of the Contract Documents, including specifically the provisions of paragraph 4.2 of the General Conditions; and no additional examinations, investigations, explorations, tests, reports, studies, or similar information or data are or will be required by CONTRACTOR for such purposes.
- 6.3. CONTRACTOR has reviewed and checked all information and data shown or indicated on the Contract Documents with respect to existing Underground Facilities at or contiguous to the site and assumes responsibility for the accurate location of said Underground Facilities. No additional examinations, investigations, explorations, tests, reports, studies, or similar information or data in respect of said Underground Facilities are or will be required by CONTRACTOR in order to perform and furnish the work at the Contract Price, within the Contract Time, and in accordance with the other terms and conditions of the Contract Documents, including specifically the provisions of paragraph 4.4 of the General Conditions.

- 6.4. CONTRACTOR has correlated the results of all such observations, examinations, investigations, explorations, tests, reports, and studies with the terms and conditions of the Contract Documents.
- 6.5. CONTRACTOR has given the OWNER written notice of all conflicts, errors, or discrepancies that it has discovered in the Contract Documents and the written resolution thereof by the OWNER is acceptable to CONTRACTOR.

Article 7. MISCELLANEOUS

- 7.1. Terms used in this Agreement which are defined in Article 1 of the General Conditions will have the meanings indicated in the General Conditions.
- 7.2. The CONTRACTOR shall submit the Performance Bond, Labor and Material Payment Bonds, and Certification of Insurance and City of Unalaska business licenses and all Subcontractor City of Unalaska business licenses as required by the Contract Documents, prior to commencement of the Work. The Performance and Material Payment Bonds shall be in the amount of 100% of the contract bid price. Contractor shall comply with all applicable Federal and State labor regulations, including State of Alaska Title 36, Public Contracts, otherwise known as the Little Davis-Bacon Act, and all labor regulations and minimum rates of pay contained therein.
- 7.3. No assignment by a party hereto of any rights under or interests in the Contract Documents will be binding on another party hereto without the written consent of the party sought to be bound; and specifically but without limitation monies that may become due and monies that are due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment no assignment will release or discharge the assignor from any duty or responsibility under the Contract Documents.
- 7.4. OWNER and CONTRACTOR each binds itself, its partners, successors, assigns, and legal representatives to the other party hereto, its partners, successors, assigns, and legal representatives in respect of all covenants, agreements, and obligations contained in the Contract Documents.
- 7.5. Until Contractor receives notice from the City that project records need not be preserved, Contractor shall preserve, all non-identical copies of all documents, records, or other information (including documents, records, or other information in electronic form) in its or its subcontractors' or agents' possession or control, or that come into its or its subcontractors' or agents' possession or control that relate to the Work.

IN WITNESS WHEREOF, The OWNER and CONTRACTOR have signed all counterparts of this Agreement. All portions of the Contract Documents have been signed or identified by the OWNER and –CONTRACTOR.

This Agreement will be effective on _____.

CITY OF UNALASKA
UNALASKA, ALASKA

ORDINANCE 2022-19

AN ORDINANCE OF THE UNALASKA CITY COUNCIL AMENDING TITLE 3, PERSONNEL, TO ADD A LONGEVITY BONUS, MAKE EXECUTIVES ELIGIBLE FOR THE LONGEVITY BONUS, PROVIDE LATITUDE TO THE CITY MANAGER TO HIRE ABOVE THE MIDPOINT OF THE WAGE RANGE, AND TO INCREASE MOVING EXPENSES AVAILABLE TO NEW EMPLOYEES

BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF UNALASKA, as follows:

Section 1: Classification. This Ordinance is a Code Ordinance.

Section 2: Chapter 3.60 Miscellaneous Provisions, is hereby amended by adding a new section, 3.60.140 Longevity Bonus, as follows:

§ 3.60.140 LONGEVITY BONUS.

- (A) Regular full-time Executive Employees shall be paid a Longevity Bonus of \$1,000 per consecutive year of service, starting at year 3, then year 5 and then every 5 years thereafter. For example:
- (1) On the Executive's three (3) year employment anniversary: \$3,000.
 - (2) On the Executive's five (5) year employment anniversary: \$5,000.
 - (3) On the Executive's ten (10) year employment anniversary: \$10,000.
 - (4) On the Executive's fifteen (15) year employment anniversary: \$15,000.
 - (5) On the Executive's twenty (20) year employment anniversary: \$20,000.
- (B) Regular full-time, non-Executive employees, who are not represented by a labor union, shall be paid a Longevity Bonus, as follows:
- (1) On the employee's three (3) year employment anniversary: \$2,000.
 - (2) On the employee's five (5) year employment anniversary: \$5,000.
 - (3) On the employee's ten (10) year employment anniversary: \$10,000.
 - (4) On the employee's fifteen (15) year employment anniversary and each subsequent 5-year employment anniversary thereafter: \$10,000.
- (C) Part-time employees who are eligible for benefits shall be paid a partial Longevity Bonus calculated as a percentage of the bonus paid to an employee in the full-time equivalent of their position. For example, a part-time employee working twenty hours per week is eligible for a \$1,000 Longevity Bonus on the employee's three (3) year employment anniversary; an employee working thirty hours per week would be eligible for \$1,500 upon their three (3) year employment anniversary.

- (D) Current employees, who are employed by the City on the effective date of this ordinance and who are between the anniversary years set out in paragraphs (A) and (B) above, shall receive the longevity bonus commensurate with the anniversary which they have most recently surpassed. For example, an employee who has reached their four (4) year anniversary will receive the three (3) year longevity bonus; and an employee who has surpassed their ten (10) year employment anniversary will receive the ten (10) year longevity bonus.
- (E) The employment anniversary date shall be determined by the employee's current employment period with the City. Former periods of employment with the City may not be added to determine the number of years of service.
- (F) The Longevity Bonus is contingent upon satisfactory job performance and may be denied or delayed at the City Manager's discretion based on disciplinary actions or other considerations at the time of the proposed bonus.

Section 3: Chapter 3.56 Executives, Section 3.56.030 Compensation, paragraph (C), is hereby amended to read as follows [New language is underlined; and deleted language is ~~overstruck~~.]:

§ 3.56.030 COMPENSATION.

- (C) With the exception of a hiring bonus, cost of living adjustments, merit increases, and travel allowance and the longevity bonus authorized by City Council, bonuses and special merit awards are not available to executive employees.

Section 4: Chapter 3.40 Pay, Section 3.40.050 Basis of Pay Rates, paragraph (A) Hiring Wage Range, is hereby deleted and replaced, as follows:

Existing Paragraph (A) to be deleted

~~(A) *Hiring wage rate.* An appointment to any position can be made from the minimum to the midpoint of the wage range based on the applicant's experience and ability over and above the qualification requirements specified for the class, prior creditable city service, or on a critical shortage of applicants. Advancement to the maximum wage rate within a pay range shall be by successive merit increases. Approval by the City Manager shall be made in writing prior to appointment. In no instance shall appointment be made above midpoint of the wage range, except at the Department Director level.~~

New Paragraph (A)

(A) *Hiring wage rate.*

- (1) Appointment to any position can be made from the minimum to the midpoint of the wage range based on the applicant's experience and ability over and above the qualification requirements specified for the class, prior creditable city service, or on a critical shortage of applicants.
- (2) Appointment above the midpoint of the wage range is allowed at the Department Director level. Below the Department Director level, appointment above the

midpoint of the wage range is at the sole discretion of the City Manager, with justification provided in writing.

- (3) Written approval of the hiring wage rate shall be made by the City Manager before appointment.
- (4) Advancement to the maximum wage rate within a pay range shall be by successive merit increases.

Section 5: Chapter 3.60 Miscellaneous Provisions, Section 3.60.060 Moving Expenses for New Employees, is hereby amended to read as follows [New language is underlined; and deleted language is ~~overstruck~~.]:

§ 3.60.060 MOVING EXPENSES FOR NEW EMPLOYEES.

- (A) Whenever, in the opinion of the City Manager, it is necessary to recruit qualified employees from outside the city, the employee will receive a lump sum payment not to exceed ~~\$5,000~~ \$10,000, less applicable withholdings, to assist with moving related expenses, plus airfare for the employee and dependents residing with the employee, as defined by the Internal Revenue Service. The moving expense payment amount shall be determined by the hiring Department Director and the Human Resources Manager.
- (B) If the employee voluntarily leaves the employment of the city before completing 12 continuous months of employment, the employee will be required to repay the city for ~~all~~ moving expenses, prorated for the number of months employed. The repayment of ~~the~~ moving expenses may be waived by the City Manager. The City Manager may require a written repayment agreement prior to paying any moving expenses.
- (C) The city shall be responsible for return transportation of an employee only as required by applicable state law.

Section 6: Effective Date. This ordinance is effective upon adoption.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on November 22, 2022.

Mayor Pro Tem

ATTEST:

Marjie Veeder, CMC
City Clerk

MEMORANDUM TO COUNCIL

To: Mayor and City Council Members
From: Chris Hladick, City Manager
Date: November 10, 2022
Re: Ordinance 2022-19: Amending Title 3, Personnel, to add a longevity bonus, make executives eligible for the longevity bonus, provide latitude to the City Manager to hire above the midpoint of the wage range, and to increase moving expenses available to new employees

SUMMARY: Council had first reading of this ordinance on October 25, 2022, and adopted an amendment enhancing the longevity bonus.

In addition to the amendment adopted, staff recommends two further edits to the longevity bonus:

1. Adding explanatory examples at the end of paragraph (A) for Executive Employees, which reads:

For example:

- (1) On the Executive's three (3) year employment anniversary: \$3,000.
- (2) On the Executive's five (5) year employment anniversary: \$5,000.
- (3) On the Executive's ten (10) year employment anniversary: \$10,000.
- (4) On the Executive's fifteen (15) year employment anniversary: \$15,000.
- (5) On the Executive's twenty (20) year employment anniversary: \$20,000.

2. Adding "and (B)" to paragraph (D), so that it includes both executive and non-executive employees:

"(D) Current employees, who are employed by the City on the effective date of this ordinance and who are between the anniversary years set out in paragraphs (A) and (B) above, ..."

PROPOSED MOTIONS: TO BEGIN THE DISCUSSION: I move adopt Ordinance 2022-19 as amended by Council on October 25, 2022.

MOTION TO AMEND: I move to amend Ordinance 2022-19 to add explanatory examples at the end of paragraph (A) for the Executive Employee Longevity Bonus, and to add and "s" to the word paragraph; and add the words "and (B)" in paragraph (D) so that it includes both executive and non-executive employees.

STAFF RECOMMENDATION: Staff recommends adoption.

CITY MANAGER COMMENTS: I concur with the staff recommendation as the amendment to the longevity bonus was already adopted by council, and the two staff-suggested edits make good sense.

ATTACHMENTS:

- October 25 staff memo
- Amendment adopted by Council on October 25
- Version of ordinance showing the October 25 amendment and two additional changes suggested by staff

MEMORANDUM TO COUNCIL

To: Mayor and City Council Members
From: Chris Hladick, City Manager
Date: **October 25, 2022**
Re: Ordinance 2022-19: Amending Title 3, Personnel, to add a longevity bonus, make executives eligible for the longevity bonus, provide latitude to the City Manager to hire above the midpoint of the wage range, and to increase moving expenses available to new employees

SUMMARY: This ordinance amends a few provisions of Title 3, Personnel, in order to (1) add a longevity bonus for unrepresented employees, including department directors; (2) to increase moving expenses available to new employees; and (3) to provide the city manager latitude to hire new employees above the midpoint of the range. A companion budget amendment, Ordinance 2022-20, is also being presented this evening to fund the longevity bonus and provide a 10% wage increase for unrepresented employees. Staff recommends approval.

PREVIOUS COUNCIL ACTION: The most recent amendments to Title 3 were:

- Ordinance 2021-18, adopted December 14, 2021, amended 3.44.06 to add Juneteenth National Independence Day as an annual floating city holiday beginning calendar year 2022 and making minor descriptive edits
- Ordinance 2020-01, adopted March 10, 2020, amended chapters 3.44.020, and 3.44.030 (C) and (D), clarifying overtime approval requirements and specifying employees receiving overtime compensation for working on holidays
- Ordinance 2019-10, adopted September 10, 2019, is the most significant amendment to Title 3 in recent years, and amended chapters 3.04, 3.08, 3.12, 3.16, 3.20, 3.24, 3.28, 3.32, 3.36, 3.40, 3.44, 3.48, 3.52, 3.56, and 3.60 and adopted a new chapter 3.22.

BACKGROUND: Earlier this year Council approved collective bargaining agreements with three units of IUOE Local 302. Changes to wages and benefits for our unrepresented Title 3 employees have, in the past, followed the IUOE 302 CBAs. The longevity bonus is proposed for unrepresented employees because of a similar benefit provided to PSEA and IUOE 302 employees. Also proposed is a 10% wage increase, which is funded in the accompanying budget amendment, Ordinance 2022-20.

Increasing moving expense and allowing the hiring wage to be above midpoint are proposed to assist with recruitment of new employees. In addition, the ability to hire above midpoint will offset not adjusting the wage scale at this time. There are many positions that have proved challenging to fill, and it is increasingly difficult to attract people to move to Unalaska for City jobs when there are no candidates available locally.

A comprehensive rewrite and reorganization of Title 3 is in process, but these changes are needed immediately.

DISCUSSION:

**SECTION 2
3.60.140 LONGEVITY BONUS**

This section of the ordinance adds a longevity bonus for all unrepresented city employees: \$2,000 on the 3rd anniversary; \$4,000 on the 5th anniversary; \$10,000 on the 10th anniversary; and \$2,000 annually on each subsequent employment anniversary. Part-time employees will be provided a longevity bonus based on the full-time equivalent of their position. Current employees who are between anniversary years will be paid the bonus consistent with the anniversary they most recently achieved. Employees who have had multiple periods of employment with the city will not be allowed to add those years together for calculation of the longevity bonus. Their most recent appointment period will be used to determine eligibility for the bonus. The longevity bonus is to reward non-represented employees for their years of service at important milestone years. This will also bring parity with the PSEA and IUOE 302 CBAs.

**SECTION 3
3.56.030 COMPENSATION**

This section makes executives (department directors) eligible for the longevity bonus, as are all other unrepresented employees.

**SECTION 4
3.40.050(A) HIRING WAGE RANGE**

This section of the ordinance amends and reorganizes the paragraph related to the hiring wage range. The pay range matrix is not changing at this time and the ability to hire above midpoint for non-executive, non-represented employees will allow us to be competitive in the marketplace with our starting salaries.

**SECTION 5
3.60.060(A) MOVING EXPENSES FOR NEW EMPLOYEES**

Paragraph (A) increases the moving expense from a cap of \$5,000, to \$10,000, and states that the HR Manager and the hiring Department Director determine the amount of the moving expense based upon the candidate's needs. This increase is required to meet the increases in shipping, mailing and other variables related to the movement of household goods and vehicles to Unalaska.

Paragraph (B) requires repayment of moving expenses should the employee voluntarily leave employment before a year. The amendment prorates the repayment based on the number of months of employment. Proration provides a fair and more standard method of moving expense repayment.

ALTERNATIVES: Council may choose to adopt the ordinance as presented, or to make amendments before adoption. Council may also choose not to proceed with this amendment to code, in which case unrepresented employees will continue unequal pay and benefits as compared to their represented coworkers.

FINANCIAL IMPLICATIONS: The financial implications for the longevity bonus are covered in the accompanying budget amendment. There is no a way to accurately project increased moving

expenses for FY23 at this time. We don't know how many employees may be hired from off-island, or the amount of a particular employee's moving expense need. If the additional moving expenses cannot be absorbed within a departmental operating budget, a future budget amendment may be necessary.

LEGAL: This ordinance has been reviewed and edited by the City Attorney.

STAFF RECOMMENDATION: Staff recommends approval.

PROPOSED MOTION: I move to introduce Ordinance 2022-19 and schedule it for public hearing and second reading at Council's first meeting in November.

CITY MANAGER COMMENTS: I recommend approval. These changes mimic what has been done in other city contracts, so it's only fair to include these in Title 3.

ATTACHMENTS: None.

CITY OF UNALASKA
UNALASKA, ALASKA

ORDINANCE 2022-19

AN ORDINANCE OF THE UNALASKA CITY COUNCIL AMENDING TITLE 3, PERSONNEL, TO ADD A LONGEVITY BONUS, MAKE EXECUTIVES ELIGIBLE FOR THE LONGEVITY BONUS, PROVIDE LATITUDE TO THE CITY MANAGER TO HIRE ABOVE THE MIDPOINT OF THE WAGE RANGE, AND TO INCREASE MOVING EXPENSES AVAILABLE TO NEW EMPLOYEES

BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF UNALASKA, as follows:

Section 1: Classification. This Ordinance is a Code Ordinance.

Section 2: Chapter 3.60 Miscellaneous Provisions, is hereby amended by adding a new section, 3.60.140 Longevity Bonus, as follows:

§ 3.60.140 LONGEVITY BONUS.

(A) Regular full-Time Executive Employees shall Be paid a Longevity Bonus of \$1,000 per consecutive year of service starting At year 3, Then yr. 5 + Every 5yrs. There After.

(B) non-Executive
~~(A)~~ Regular full-time employees, who are not represented by a labor union, shall be paid a Longevity Bonus, as follows:

- (1) On the employee's three (3) year employment anniversary: \$2,000.
- (2) On the employee's five (5) year employment anniversary: \$4,000: *\$5,000*
- (3) On the employee's ten (10) year employment anniversary: \$10,000.
- (4) On the employee's *fifteen (15)* ~~eleven (11)~~ year employment anniversary and each subsequent employment anniversary thereafter: ~~\$2,000~~ *\$10,000*

(C) 5 year
~~(B)~~ Part-time employees who are eligible for benefits shall be paid a partial Longevity Bonus calculated as a percentage of the bonus paid to an employee in the full-time equivalent of their position. For example, a part-time employee working twenty hours per week is eligible for a \$1,000 Longevity Bonus on the employee's three (3) year employment anniversary; an employee working thirty hours per week would be eligible for \$1,500 upon their three (3) year employment anniversary.

~~(C)~~ *(D)* Current employees, who are employed by the City on the effective date of this ordinance and who are between the anniversary years set out in paragraph (A) above, shall receive the longevity bonus commensurate with the anniversary which they have most recently surpassed. For example, an employee who has reached their four (4) year anniversary will receive the three (3) year longevity bonus; and an employee who has surpassed their ten (10) year employment anniversary will receive the ten (10) year longevity bonus, ~~and then \$2,000 each subsequent employment anniversary thereafter.~~

~~(D)~~ *(E)* The employment anniversary date shall be determined by the employee's current employment period with the City. Former periods of employment with the City may not be added to determine the number of years of service.

(F) ~~(E)~~ The Longevity Bonus is contingent upon satisfactory job performance and may be denied or delayed at the City Manager's discretion based on disciplinary actions or other considerations at the time of the proposed bonus.

Section 3: Chapter 3.56 Executives, Section 3.56.030 Compensation, paragraph (C), is hereby amended to read as follows [New language is underlined; and deleted language is ~~overstruck~~.]:

§ 3.56.030 COMPENSATION.

(C) With the exception of a hiring bonus, cost of living adjustments, merit increases, ~~and~~ travel allowance and the longevity bonus authorized by City Council, bonuses and special merit awards are not available to executive employees.

Section 4: Chapter 3.40 Pay, Section 3.40.050 Basis of Pay Rates, paragraph (A) Hiring Wage Range, is hereby deleted and replaced, as follows:

Existing Paragraph (A) to be deleted

~~(A) Hiring wage rate. An appointment to any position can be made from the minimum to the midpoint of the wage range based on the applicant's experience and ability over and above the qualification requirements specified for the class, prior creditable city service, or on a critical shortage of applicants. Advancement to the maximum wage rate within a pay range shall be by successive merit increases. Approval by the City Manager shall be made in writing prior to appointment. In no instance shall appointment be made above midpoint of the wage range, except at the Department Director level.~~

New Paragraph (A)

(A) Hiring wage rate.

- (1) Appointment to any position can be made from the minimum to the midpoint of the wage range based on the applicant's experience and ability over and above the qualification requirements specified for the class, prior creditable city service, or on a critical shortage of applicants.
- (2) Appointment above the midpoint of the wage range is allowed at the Department Director level. Below the Department Director level, appointment above the midpoint of the wage range is at the sole discretion of the City Manager, with justification provided in writing.
- (3) Written approval of the hiring wage rate shall be made by the City Manager before appointment. *of All Appointments Above midpoint of the wage range.*
- (4) Advancement to the maximum wage rate within a pay range shall be by successive merit increases.

Note: this change was not adopted. and Approved By Council

CITY OF UNALASKA
UNALASKA, ALASKA

ORDINANCE 2022-19

AN ORDINANCE OF THE UNALASKA CITY COUNCIL AMENDING TITLE 3, PERSONNEL, TO ADD A LONGEVITY BONUS, MAKE EXECUTIVES ELIGIBLE FOR THE LONGEVITY BONUS, PROVIDE LATITUDE TO THE CITY MANAGER TO HIRE ABOVE THE MIDPOINT OF THE WAGE RANGE, AND TO INCREASE MOVING EXPENSES AVAILABLE TO NEW EMPLOYEES

BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF UNALASKA, as follows:

Section 1: Classification. This Ordinance is a Code Ordinance.

Section 2: Chapter 3.60 Miscellaneous Provisions, is hereby amended by adding a new section, 3.60.140 Longevity Bonus, as follows:

§ 3.60.140 LONGEVITY BONUS.

(A) Regular full-time Executive Employees shall be paid a Longevity Bonus of \$1,000 per consecutive year of service, starting at year 3, then year 5 and then every 5 years thereafter. For example:

(1) On the Executive's three (3) year employment anniversary: \$3,000.

(2) On the Executive's five (5) year employment anniversary: \$5,000.

(3) On the Executive's ten (10) year employment anniversary: \$10,000.

(4) On the Executive's fifteen (15) year employment anniversary: \$15,000.

(5) On the Executive's twenty (20) year employment anniversary: \$20,000.

(B) Regular full-time, non-Executive employees, who are not represented by a labor union, shall be paid a Longevity Bonus, as follows:

(1) On the employee's three (3) year employment anniversary: \$2,000.

(2) On the employee's five (5) year employment anniversary: \$45,000.

(3) On the employee's ten (10) year employment anniversary: \$10,000.

(4) On the employee's ~~eleven (11)~~ fifteen (15) year employment anniversary and each subsequent 5-year employment anniversary thereafter: \$210,000.

(C) Part-time employees who are eligible for benefits shall be paid a partial Longevity Bonus calculated as a percentage of the bonus paid to an employee in the full-time equivalent of their position. For example, a part-time employee working twenty hours per week is eligible for a \$1,000 Longevity Bonus on the employee's three (3) year employment anniversary; an employee working thirty hours per week would be eligible for \$1,500 upon their three (3) year employment anniversary.

~~(D)~~ Current employees, who are employed by the City on the effective date of this ordinance and who are between the anniversary years set out in paragraphs (A) and (B) above, shall receive the longevity bonus commensurate with the anniversary which they have most recently surpassed. For example, an employee who has reached their four (4) year anniversary will receive the three (3) year longevity bonus; and an employee who has surpassed their ten (10) year employment anniversary will receive the ten (10) year longevity bonus ~~and then \$2,000 each subsequent employment anniversary thereafter.~~

~~(D)~~(E) The employment anniversary date shall be determined by the employee's current employment period with the City. Former periods of employment with the City may not be added to determine the number of years of service.

~~(E)~~(F) The Longevity Bonus is contingent upon satisfactory job performance and may be denied or delayed at the City Manager's discretion based on disciplinary actions or other considerations at the time of the proposed bonus.

Section 3: Chapter 3.56 Executives, Section 3.56.030 Compensation, paragraph (C), is hereby amended to read as follows [New language is underlined; and deleted language is ~~overstruck~~.]:

§ 3.56.030 COMPENSATION.

(C) With the exception of a hiring bonus, cost of living adjustments, merit increases, and travel allowance and the longevity bonus authorized by City Council, bonuses and special merit awards are not available to executive employees.

Section 4: Chapter 3.40 Pay, Section 3.40.050 Basis of Pay Rates, paragraph (A) Hiring Wage Range, is hereby deleted and replaced, as follows:

Existing Paragraph (A) to be deleted

~~(A) *Hiring wage rate.* An appointment to any position can be made from the minimum to the midpoint of the wage range based on the applicant's experience and ability over and above the qualification requirements specified for the class, prior creditable city service, or on a critical shortage of applicants. Advancement to the maximum wage rate within a pay range shall be by successive merit increases. Approval by the City Manager shall be made in writing prior to appointment. In no instance shall appointment be made above midpoint of the wage range, except at the Department Director level.~~

New Paragraph (A)

(A) *Hiring wage rate.*

- (1) Appointment to any position can be made from the minimum to the midpoint of the wage range based on the applicant's experience and ability over and above the qualification requirements specified for the class, prior creditable city service, or on a critical shortage of applicants.
- (2) Appointment above the midpoint of the wage range is allowed at the Department Director level. Below the Department Director level, appointment above the

midpoint of the wage range is at the sole discretion of the City Manager, with justification provided in writing.

- (3) Written approval of the hiring wage rate shall be made by the City Manager before appointment.
- (4) Advancement to the maximum wage rate within a pay range shall be by successive merit increases.

Section 5: Chapter 3.60 Miscellaneous Provisions, Section 3.60.060 Moving Expenses for New Employees, is hereby amended to read as follows [New language is underlined; and deleted language is ~~overstruck~~.]:

§ 3.60.060 MOVING EXPENSES FOR NEW EMPLOYEES.

- (A) Whenever, in the opinion of the City Manager, it is necessary to recruit qualified employees from outside the city, the employee will receive a lump sum payment not to exceed ~~\$5,000~~ \$10,000, less applicable withholdings, to assist with moving related expenses, plus airfare for the employee and dependents residing with the employee, as defined by the Internal Revenue Service. The moving expense payment amount shall be determined by the hiring Department Director and the Human Resources Manager.
- (B) If the employee voluntarily leaves the employment of the city before completing 12 continuous months of employment, the employee will be required to repay the city for ~~all~~ moving expenses, prorated for the number of months employed. The repayment of ~~the~~ moving expenses may be waived by the City Manager. The City Manager may require a written repayment agreement prior to paying any moving expenses.
- (C) The city shall be responsible for return transportation of an employee only as required by applicable state law.

Section 6: Effective Date. This ordinance is effective upon adoption.

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

Vincent M. Tutiakoff, Sr.
Mayor

ATTEST:

Marjie Veeder, CMC
City Clerk

CITY OF UNALASKA
UNALASKA, ALASKA

ORDINANCE 2022-20

AN ORDINANCE OF THE UNALASKA CITY COUNCIL CREATING BUDGET AMENDMENT #3 TO THE FISCAL YEAR 2023 BUDGET TO FUND INCREASES IN WAGES, FRINGE BENEFITS AND ASSOCIATED STATE OF ALASKA PERS CONTRIBUTIONS FOR UNREPRESENTED EMPLOYEES

BE IT ENACTED BY THE UNALASKA CITY COUNCIL

- Section 1. Classification: This is a non-code ordinance.
 Section 2. Effective Date: This ordinance becomes effective upon adoption.
 Section 3. Content: The City of Unalaska FY23 Budget is amended as follows:

- A. That the following sums of money are hereby accepted and the following sums of money are hereby authorized for expenditure.
 B. The following are the changes by account line item.

Amendment #3 to Ordinance 2022-10

	Current	Requested	Revised
I. OPERATING BUDGETS			
A. General Fund			
Sources			
General Fund - Appropriated Fund Balance	\$ 7,181,980	\$ 412,644	\$ 7,594,624
PERS Non-Employer Contribution	792,779	18,314	811,093
	<u>\$ 7,974,759</u>	<u>\$ 430,958</u>	<u>\$ 8,405,717</u>
Uses			
City Administration	\$ 2,025,857	\$ 61,236	\$ 2,087,093
Clerks	578,234	65,483	643,717
Finance/IS	2,255,617	27,743	2,283,360
Planning	801,467	38,151	839,618
Public Safety	6,430,198	69,038	6,499,236
Public Works	6,596,103	42,774	6,638,877
Parks, Culture & Recreation	3,899,059	126,533	4,025,592
	<u>\$ 22,586,535</u>	<u>\$ 430,958</u>	<u>\$ 23,017,493</u>
B. Proprietary Funds			
Sources			
Electric Fund - Budgeted use of unrestricted net assets	\$ 4,384,695	\$ 20,119	\$ 4,404,814
Electric Fund - PERS Non-Employer Contribution	167,884	863	168,747
Water Fund - Budgeted use of unrestricted net assets	2,267,550	18,508	2,286,058
Water Fund - PERs Non-Employer Contribution	74,829	810	75,639
Wastewater Fund - Budgeted use of unrestricted net assets	1,438,947	16,090	1,455,037
Wastewater Fund - PERS Non-Employer Contribution	67,506	724	68,230
Solid Waste Fund - Budgeted use of unrestricted net assets	1,531,506	14,808	1,546,314
Solid Waste Fund - PERS Non-Employer Contribution	67,092	681	67,773
Ports Fund - Budgeted use of unrestricted net assets	4,282,637	66,844	4,349,481
Ports Fund - PERS Non-Employer Contribution	101,692	2,837	104,529
Airport Fund - Budgeted use of unrestricted net assets	329,217	9,584	338,801
Airport Fund - PERS Non-Employer Contribution	12,400	374	12,774
Housing Fund - Budgeted use of unrestricted net assets	337,282	5,972	343,254
Housing Fund - PERS Non-Employer Contribution	10,047	234	10,281
	<u>\$ 15,073,284</u>	<u>\$ 158,448</u>	<u>\$ 15,231,732</u>

Uses	<u>Current</u>	<u>Requested</u>	<u>Revised</u>
Electric Fund - Utility Administration Expenses	5,868,123	20,982	5,889,105
Water Fund - Utility Administration Expenses	1,870,677	19,318	1,889,995
Wastewater Fund - Utility Administration Expenses	1,958,143	16,814	1,974,957
Solid Waste Fund - Utility Administration Expenses	1,673,007	15,489	1,688,496
Ports Fund - Harbor Office Expenses	7,024,257	62,821	7,087,078
Ports Fund - CEM Small Boat Harbor Expenses	960,269	6,860	967,129
Airport Fund - Admin/Operating Expenses	678,188	9,958	688,146
Housing Fund - Admin/Operating Expenses	403,530	6,206	409,736
	<u>\$ 20,436,194</u>	<u>\$ 158,448</u>	<u>\$ 20,594,642</u>

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

- 1) General Fund - Operating Budget
Add \$430,958 for Title 3 Wages & Benefits
- 2) Proprietary Funds - Operating Budgets
Add \$158,448 for Title 3 Wages & Benefits

1) General Fund - Operating Budget	Org	Object	Current	Requested	Revised
Sources:					
Appropriated Fund Balance	01010049	49900	7,181,980	412,644	7,594,623
PERS Non-Employer Contributions	01010041	42355	792,779	18,314	811,094
Uses:					
City Manager's Office					
Salaries and Wages	01020251	51100	170,068	7,939	178,007
FICA & Medicare Emplr Match	01020251	52200	11,818	607	12,425
PERS Employer Contribution	01020251	52300	49,347	1,788	51,135
Administration					
Salaries and Wages	01020351	51100	421,225	40,487	461,712
FICA & Medicare Emplr Match	01020351	52200	32,097	3,107	35,204
PERS Employer Contribution	01020351	52300	121,252	7,308	128,560
Clerks					
Salaries and Wages	01020551	51100	262,512	50,017	312,529
FICA & Medicare Emplr Match	01020551	52200	21,161	3,416	24,577
PERS Employer Contribution	01020551	52300	76,964	12,050	89,014
Finance					
Salaries and Wages	01020651	51100	643,174	6,443	649,617
FICA & Medicare Emplr Match	01020651	52200	50,633	494	51,127
PERS Employer Contribution	01020651	52300	187,619	1,340	188,959
Information Systems					
Salaries and Wages	01020751	51100	238,472	15,911	254,383
FICA & Medicare Emplr Match	01020751	52200	18,653	1,083	19,736
PERS Employer Contribution	01020751	52300	65,545	2,472	68,017
Planning					
Salaries and Wages	01020851	51100	393,616	30,268	423,884
FICA & Medicare Emplr Match	01020851	52200	31,435	1,178	32,613
PERS Employer Contribution	01020851	52300	112,646	6,705	119,351
DPS Administration					
Salaries and Wages	01021051	51100	470,211	55,694	525,905
FICA & Medicare Emplr Match	01021051	52200	36,831	2,597	39,428
PERS Employer Contribution	01021051	52300	134,505	10,747	145,252
DPW Administration					
Salaries and Wages	01022051	51100	362,418	33,514	395,932
FICA & Medicare Emplr Match	01022051	52200	28,037	2,181	30,218
PERS Employer Contribution	01022051	52300	105,555	7,079	112,634
PCR Administration					
Salaries and Wages	01023151	51100	138,009	17,601	155,610
FICA & Medicare Emplr Match	01023151	52200	10,557	813	11,370
PERS Employer Contribution	01023151	52300	40,952	4,096	45,048

Rec Programs	Org	Object	Current	Requested	Revised
Salaries and Wages	01023251	51100	433,237	19,085	452,322
FICA & Medicare Emplr Match	01023251	52200	36,386	1,459	37,845
PERS Employer Contribution	01023251	52300	121,535	2,736	124,271

Community Center	Org	Object	Current	Requested	Revised
Salaries and Wages	01023351	51100	481,977	17,168	499,145
FICA & Medicare Emplr Match	01023351	52200	37,482	1,313	38,795
PERS Employer Contribution	01023351	52300	102,490	2,158	104,648

Library	Org	Object	Current	Requested	Revised
Salaries and Wages	01023451	51100	388,181	13,928	402,109
FICA & Medicare Emplr Match	01023451	52200	31,112	1,065	32,177
PERS Employer Contribution	01023451	52300	94,598	2,989	97,587

Aquatics Center	Org	Object	Current	Requested	Revised
Salaries and Wages	01023551	51100	264,834	33,057	297,891
FICA & Medicare Emplr Match	01023551	52200	20,641	2,537	23,178
PERS Employer Contribution	01023551	52300	57,225	6,528	63,753

2) **Electric Fund - Operating Budget**

Sources:

Budgeted use of unrestricted net assets	50015049	49910	4,384,695	20,119	4,404,814
PERS Non-Employer Contributions	50015041	42355	167,884	863	168,747

Uses:

Electric - Utility Administration

Salaries and Wages	50024051	51100	482,997	16,604	499,601
FICA & Medicare Emplr Match	50024051	52200	37,078	1,174	38,252
PERS Employer Contribution	50024051	52300	139,450	3,204	142,654

Water Fund - Operating Budget

Sources:

Budgeted use of unrestricted net assets	51015549	49910	2,267,550	18,508	2,286,058
PERS Non-Employer Contributions	51015541	42355	74,829	810	75,639

Uses:

Water - Utility Administration

Salaries and Wages	51024051	51100	291,952	15,237	307,189
FICA & Medicare Emplr Match	51024051	52200	22,353	1,074	23,427
PERS Employer Contribution	51024051	52300	83,947	3,007	86,954

Wastewater Fund - Operating Budget

Sources:

Budgeted use of unrestricted net assets	52016049	49910	1,438,947	16,090	1,455,037
PERS Non-Employer Contributions	52016041	42355	67,506	724	68,230

Uses:

Wastewater - Utility Administration

Salaries and Wages	52024051	51100	243,581	13,201	256,782
FICA & Medicare Emplr Match	52024051	52200	18,579	925	19,504
PERS Employer Contribution	52024051	52300	70,079	2,688	72,767

Solid Waste Fund - Operating Budget

Sources:	Org	Object	Current	Requested	Revised
Budgeted use of unrestricted net assets	53016549	49910	1,531,506	14,808	1,546,314
PERS Non-Employer Contributions	53016541	42355	67,092	681	67,773

Uses:

Solid Waste - Utility Administration

Salaries and Wages	53024051	51100	193,990	12,120	206,110
FICA & Medicare Emplr Match	53024051	52200	14,766	842	15,608
PERS Employer Contribution	53024051	52300	55,831	2,527	58,358

Ports and Harbors Fund - Operating Budget

Sources:	Org	Object	Current	Requested	Revised
Budgeted use of unrestricted net assets	54017049	49910	4,282,637	66,844	4,349,481
PERS Non-Employer Contributions	54017041	42355	101,692	2,837	104,529

Uses:

Harbor Office

Salaries and Wages	54025051	51100	660,843	50,633	711,476
FICA & Medicare Emplr Match	54025051	52200	50,871	2,669	53,540
PERS Employer Contribution	54025051	52300	188,505	9,519	198,024

CEM Small Boat Harbor

Salaries and Wages	54025451	51100	142,247	5,567	147,814
FICA & Medicare Emplr Match	54025451	52200	11,890	278	12,168
PERS Employer Contribution	54025451	52300	43,220	1,015	44,235

Airport Fund - Operating Budget

Sources:	Org	Object	Current	Requested	Revised
Budgeted use of unrestricted net assets	55017549	49910	329,217	9,584	338,801
PERS Non-Employer Contributions	55017541	42355	12,400	374	12,774

Uses:

Airport Admin/Operations

Salaries and Wages	55025651	51100	69,869	8,170	78,039
FICA & Medicare Emplr Match	55025651	52200	5,282	401	5,683
PERS Employer Contribution	55025651	52300	19,997	1,387	21,384

Housing Fund - Operating Budget

Sources:	Org	Object	Current	Requested	Revised
Budgeted use of unrestricted net assets	56018049	49910	337,282	5,972	343,254
PERS Non-Employer Contributions	56018041	42355	10,047	234	10,281

Uses:

Housing Admin & Operating

Salaries and Wages	56025851	51100	50,057	4,959	55,016
FICA & Medicare Emplr Match	56025851	52200	3,858	379	4,237
PERS Employer Contribution	56025851	52300	14,256	868	15,124

MEMORANDUM TO COUNCIL

To: Mayor and City Council Members
From: Clay Darnell, Interim Finance Director
Through: Chris Hladick, Interim City Manager
Date: October 25, 2022 [City Manager Comments Updated November 10, 2022](#)
Re: [Ordinance 2022-20](#): Creating Budget Amendment #3 to the Fiscal Year 2023 Budget to fund increases in wages, fringe benefits and associated State of Alaska PERS contributions for unrepresented employees

SUMMARY: This budget amendment funds a 10% wage increase and the addition of a longevity bonus for unrepresented Title 3 employees. The total cost to the City for this implementation is \$589,406. The cost to each department is itemized on the spreadsheets attached to the Budget Amendment.

PREVIOUS COUNCIL ACTION: Council annually adopts the City's operating budget, which includes funding for wages, merit increases and the employee benefit package.

In 2013, the City commissioned a comprehensive Compensation and Benefits Analysis, the result of which was an update of the classification and pay range matrix, and Council amended Title 3 by Ordinance 2013-16 on December 17, 2013.

In 2019, Council adopted Ordinances 2019-10, updating provisions of Title 3, which included a 4.5% cost of living adjustment to the pay range matrix. An accompanying ordinance (2019-11) was also adopted to fund increased pay and benefits (along with funding for IUOE 302 CBA changes). These ordinances were adopted on September 10, 2019.

BACKGROUND: Title 3 compliments the CBAs for most employees, but Title 3 is the only governing document for unrepresented employees.

Unalaska Municipal Code Section 3.40.020 states that the City Manager shall periodically, but not less often than every four years, review the pay plan and make a report to City Council with a recommendation regarding the necessary changes to keep the pay plan current. The pay range matrix was last updated in 2019.

City staff performed an internal review of the current Title 3 compensation and benefit levels for unrepresented employees, particularly in light of the recent IUOE 302 CBAs. The City Manager proposes a 10% wage increase for current employees, the addition of a longevity bonus, as well as commissioning a comprehensive compensation and benefits analysis in order to advise of any changes needed to the pay range matrix.

DISCUSSION: The cost of \$589,406 fully implements the 10% wage increase and the longevity bonus for unrepresented employees for FY23. The longevity bonus is covered in the Title 3 ordinance change (Ordinance 2022-19). These changes are effective July 1, 2022.

ALTERNATIVES: Council could choose to amend, or not to fund the salary and benefit increases.

FINANCIAL IMPLICATIONS: The cost to the City is \$589,406. The cost to each department is itemized on the attached Budget Amendment Spreadsheet.

LEGAL: Staff consulted the City Attorney during the development of the accompanying changes to Title 3. There was no legal consultation regarding the budget amendment.

STAFF RECOMMENDATION: Staff recommends approval.

PROPOSED MOTION: I move to introduce Ordinance 2022-20, and schedule it for public hearing and second reading at Council's first meeting in November.

CITY MANAGER COMMENTS: I recommend approval of the increase to be fair across the board. However, the city needs to do a compensation study in the near future to address internal concerns and external forces effecting hiring and retention.

NOVEMBER 10 UPDATE: Council enhanced the longevity bonus included in Ordinance 2022-19, which means more money will be required to fund the longevity bonus. However, due to staff constraints and workload in Finance, we were unable to modify the Budget Amendment accordingly. However, once this budget amendment is passed, along with funds already appropriated for personnel, there is sufficient funding to pay longevity bonuses to current employees. If there is a shortfall in the future, another BA may be needed.

ATTACHMENTS: None.

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).

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	
Arctic 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.

CITY OF UNALASKA
UNALASKA, ALASKA

RESOLUTION 2022-45

A RESOLUTION OF THE UNALASKA CITY COUNCIL APPROVING FUNDING FROM FY23 AND FY24 TO RUSTING MAN FOUNDATION FOR THE UNALASKA FISHERMAN MEMORIAL

WHEREAS, the City of Unalaska acknowledges, appreciates and supports the Rusting Man Foundation's initiative to establish a memorial in Unalaska to commemorate fishermen lost at sea; and

WHEREAS, the City of Unalaska wishes to provide financial support for the project; and

WHEREAS, in April 2022 the City of Unalaska received and reviewed a Community Support Grant application from the Rusting Man Foundation for \$250,000; and

WHEREAS; City Council spoke positively about providing support to the project from the City's General Fund; and

WHEREAS, the City Council hereby approves a total funding amount of \$_____ for the Unalaska Fishermen's Memorial; and

WHEREAS, the City Council desires to bifurcate the support for the project, with half the amount in FY23 and the other half in FY24.

NOW THEREFORE BE IT RESOLVED that the Unalaska City Council approves \$_____ for the Fishermen's Memorial using General Fund money from the FY23 and FY24 budgets.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on November 22, 2022.

Vincent M. Tutiakoff, Sr.
Mayor

ATTEST:

Marjie Veeder, CMC
City Clerk

MEMORANDUM TO COUNCIL

To: Mayor and City Council Members
From: William Homka, Assistant City Manager
Through: Chris Hladick, City Manager
Date: November 22, 2022
Re: Resolution 2022-45 Approving funding to Rusting Man Foundation for the Unalaska Fishermen Memorial

SUMMARY: The Rusting Man Foundation (RMF) is a new nonprofit organization established to promote art in rural Alaska Communities. It plans to build a Fishermen Memorial in Unalaska to honor fishermen lost at sea. The organization applied to the City's Community Support Grant Program for \$250,000 funding in FY23.

PREVIOUS COUNCIL ACTION: On April 25, 2022, Council passed Resolution 2022-14 approving eight applications for Community Support funding. At that time, Council expressed support for RMF's proposed Fishermen Memorial but chose to handle the application separately from the grant program. The Council has yet to formalize an award to RMF although work on the project has been ongoing.

BACKGROUND: The Machaleks organize Aleutian Electrocutation, which is a weekend of fun entertainment celebrating art and community. In August 2021, Planning Commission staff became aware of the memorial project when a scaled model was exhibited at the event. Shortly thereafter Karel and Marie Machalek approached the City to request support for the project, and administration suggested they apply for funding via the Community Support Grant Program. In April 2022 Council reviewed RMF's application and expressed desire to contribute financially to the project, though no award amount was approved.

On November 10, 2022 the Machaleks provided an update to Council about the memorial's progress and their fundraising efforts. City Council asked the Machaleks if the project would be impeded by splitting a financial contribution across two funding years. The Machaleks indicated it would not be a problem; the City is 6 months into FY23 and a new fiscal year begins in July 2024. Council directed the City Manager to add a funding resolution for the project at its November 22, 2022 meeting.

DISCUSSION: In February 2022 staff spoke with previous City administration about the project and explained City funding would be sought to support the project. Staff was directed to advise RMF to apply for funds via the Community Support Grant Program (CSG). The City's CSG application process lends itself to acquiring all the needed materials for Council to make a decision, however administration and Council agreed the request would not be competing for funding available to nonprofits via the City's funding formula. Council reviewed the project application and expressed its support, however it left the request out of Resolution 2022-14 which approved a total amount of \$1,314,422 to fund the other 8 applications.

Work has been progressing on the memorial and RMF is using personal funds to cover project costs. Pictures of the molds are included at the end of this report. The project is estimated to cost \$500,000, a significantly reduced price because the bronze work will be cast in Czechoslovakia. The Machaleks have a studio there and foundry work costs significantly less than here in the US.

Council asked a few questions about the project, including where the monument will be located, project ownership, and how maintenance work will happen in the future. Chris Hladick, Interim City Manager, informed the Council the preferred site is at the end of Henry Swanson Drive in the area of the Carl E. Moses Harbor. The City owns the property just past the boat ramp and cul-de-sac. The Machaleks will donate the statue to the City but will maintain it for the first year. This will allow the artist time to observe what maintenance the monument needs throughout the year. After the initial year the City will be responsible for maintenance.

RMF has raised about \$170,000 thus far. These funds are deposited in a Key Bank account in the US. A few local companies have contributed to the project. Aleutian Electrocutation has been turned into a fundraiser for the memorial project and the RMF Board of Trustees set up a table at Safeway to promote the project and solicit donations.



RMF Board of Trustees, Evie and Dusty Dickerson

One item to consider in the project prospectus is the current level of inflation that has developed since spring 2022. Perhaps even more troubling is the current state of affairs in Eastern Europe. Russia's invasion of Ukraine and its wartime strategy of cutting off fuel supplies to other European nations is raising fuel and transportation costs in Czechoslovakia. Staff suggests a contingency amount of an additional \$50,000 for the project to be approved if indeed the war's impact threatens the project.

ALTERNATIVES: City Council can approve the \$250,000 as presented in the Community Support Grant application, increase or decrease the amount, or decide not to fund the project.

FINANCIAL IMPLICATIONS: Funds for this project will come from the General Fund.

LEGAL: N/A

STAFF RECOMMENDATION: Staff recommends Council adopt Resolution 2022-45, approving \$250,000 from the General Fund for the project to be divided equally in FY23 and FY24.

PROPOSED MOTION: I move to adopt Resolution 2022-45; followed by a motion to amend to insert a dollar amount if Council chooses.

CITY MANAGER COMMENTS: I support staff's recommendation.

ATTACHMENTS:

- [Images of the molds for the memorial](#)
- [Letter to Mayor and Council, Rusting Man Foundation \(11/15/22\)](#)
- [Resolution 2022-14 Community Support Grant FY23 Awards](#)
- [Rusting Man Foundation FY23 Community Support Grant Application](#)

PHOTOS OF THE PROJECT







TO: THE MAYOR AND UNALASKA CITY COUNCIL
FROM: RUSTING MAN FOUNDATION
RE: FISHERMEN MEMORIAL

Hello Mr. Mayor and City Council Members,

We, the Board of the Rusting Man Foundation attended the Unalaska City Council Meeting on November 11th, 2022.

As we understand, we have been offered \$125,000 in 2022 and \$125,000 in 2023 to help us with financing of the Fishermen Memorial. We would like to thank you for this generous offer.

So far we have collected \$170,000 in donations with our own fundraising efforts mostly through mail, emails, and phone calls. Recently we had a table set up at Safeway which raised \$1, 500, and we are planning to do that again. We have also advertised with posters and a Venmo link in the Norwegian Rat Saloon, on air and pre-recorded vocal ads on KUCB Radio, and have tried reaching out to many local businesses more than once. Unfortunately, most of the local businesses here have given no monetary support. We are also planning another fundraiser with the Museum of Aleutians in late spring.

We would like to give you an update:

- We already have two sculptures ready for the foundry and the third one is being finished.
- We are planning to have a large rock in each of the four corners around the Memorial with plaques that tell stories about the Aleut People, the fishing history of the town, fishing in the present day, and poems by Jerah Chadwick
- There will also be plaques around the Memorial base with the names of boats lost at sea, a list of donors, and an explanation of crabbing, trawling and long lining techniques with pictures.
- For all this we have a totally different team working for us, which is led by historian Jeff Dickrell and consists of Mika and Kaia Machalek, Collin Youngblood, Ann and Jim Touza.
- Base and ground work will be done by BKR, mast and installation will be done by Alpha Welding.
- Electrical work will be done by Optimera
- Additional art on base will be done by Karel, Peter and Marie Machalek

Rusting Man Foundation will provide maintenance of the Memorial for one year to find out what really needs to be done in this field.

The Fishermen Memorial will be the property of City of Unalaska and will be placed in the turnaround corner of Karl Moses Harbor.

Sincerely,

Rusting Man Foundation

Karel and Marie Machalek, Evie and Dusty Dickerson, Carlin Enlow, Barry Malpass, Danielle Whittern

CITY OF UNALASKA
UNALASKA, ALASKA

RESOLUTION 2022-14

A RESOLUTION OF THE UNALASKA CITY COUNCIL ESTABLISHING THE SUMS TO BE MADE AVAILABLE FOR COMMUNITY SUPPORT AND CAPITAL GRANTS FROM THE CITY OF UNALASKA TO THE APPLICANTS FOR COMMUNITY SUPPORT FOR FISCAL YEAR 2023

WHEREAS, the City of Unalaska acknowledges, appreciates and supports the services provided to the community by non-profit agencies; and

WHEREAS, the City of Unalaska wishes to provide financial aid to the qualifying non-profit organizations listed through its Community Support Program; and

WHEREAS, the City of Unalaska has received nine (9) Community Support Grant Requests and one (1) Non-Profit Capital Grant Request totaling \$1,785,195 for fiscal year 2023; and

WHEREAS, the target funding level for fiscal year 2023 community support, based on 3.5% of the average revenue for the General Fund for the five most recently completed fiscal years, plus \$88,000 from the funds available from the Excise Tax, plus the Bed Tax amount for the most recently completed fiscal year; and

WHEREAS, the City Council is recommending a total funding amount of \$ 1,314,422 for the Community Support Program, distributing accordingly per the next section.

NOW THEREFORE BE IT RESOLVED that the Unalaska City Council establishes the following amounts to be included in the fiscal year 2023 operating budget for community support and capital grants to non-profit organizations:

Community Grant Requestor	Amount
APIA	\$ 140,000
Iliuliuk Family Health Services	\$ 180,000
Museum of the Aleutians	\$ 317,813
Unalaska Community Broadcasting	\$ 109,000
Unalaska Senior Citizens	\$ 65,000
Unalaska Visitors Bureau	\$ 210,000
USAFV	\$ 237,457
Q-Tribe Culture Camp	\$ 35,152
Alaska State Firefighters Association (Unalaska)	\$ 20,000
Total	\$ 1,314,422

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on April 26 2022.


Vincent M. Tutiakoff, Sr.
Mayor

ATTEST:


Estkaelen P. Magdaong
Acting City Clerk



MEMORANDUM TO COUNCIL

To: Mayor and City Council Members
From: William Homka, Planning Director
Through: JR Pearson, Acting City Manager
Date: April 26, 2022
Re: Resolution 2022-14: Establishing the Sums to be made available for Community Support & Capital Grants from the City of Unalaska to the applicants for Community Support for Fiscal Year 2023

SUMMARY: This year the formula amount of funding available is \$1,226,422 for the City of Unalaska's Community Support Grant & Capital Grant Program (Community Support Program). The formula is a guide and calculated using 3.5% of a five-year general fund revenue balance plus the bed tax amount collected the previous year.

Ten (10) organizations submitted applications totaling \$1,785,195, which exceeds the formula amount by \$558,773. One additional application was later rescinded.

All applications have been reviewed by Staff and are provided to Council for review. Staff does not make recommendations; City Council decides how to fund the requests. To aid in the decision making process the council packet includes a summary review sheet for each applicant. This material should help communicate the Community Support Program's financial impact on the FY23 budget.

Council typically decides funding awards for the Community Support Program at its second meeting in April each year to per the city budgeting process calendar. This year a resolution will be presented at the April 26, 2022 meeting along with a memo containing any additional information requested by the Council.

PREVIOUS COUNCIL ACTION: Each year from FY06 through FY17 Council established a special committee charged with reviewing and scoring the applications using the Council-approved evaluation tool.

On December 27, 2016 Council passed Resolution 2016-78 eliminating the Grant Review Committee, allowing Staff to do a preliminary review of all applications and then pass the application reviews and other informational documents to Council.

In December 2019 Council passed Resolution 2019-64 to increase the funding percentage from 3.4642% to 3.5% of the city's general fund revenue average for the past five (5) years. The purpose of the increase was to round the percentage up to a simple decimal number. The award amounts have varied over the years from 3.03% to 3.91%.

BACKGROUND: Eleven (11) Community Support Grant Requests and zero (0) capital requests were received. The Qawalangin Tribe later rescinded their application for the Food Bank. All submissions have been reviewed and summarized by Staff. All requests were completed and submitted in a timely manner. Two organizations, Alaska State Firefighter Association (ASFA) - Unalaska Chapter, and the Rusting Man Foundation, previously asked Council directly for

funding, but were requested to apply through this program instead. All application summaries are included in the Council Packet.

DISCUSSION: The funding amount available to be awarded this year is \$1,226,422: \$1,181,290 from the General Fund average of the past five years x 3.5%, plus \$45,132 collected from bed tax. The FY23 total funding request is \$1,785,195 and exceeds the FY23 funding formula amount by \$558,773. There is also about \$88,000 available from the tobacco tax to fund health related programs.

The applicant agencies are identified in the FY23 Community Grant Application Summary Table.

FY23 Community Grant Application Summary Table

Organization	FY23 Request
APIA	\$140,000
Iliuliuk Family Health Services	\$180,000
Museum of the Aleutians	\$317,813
UCB/KUCB	\$109,000
Unalaska Senior Citizens	\$65,000
UVB	\$210,000
USAFV	\$237,457
Q-Tribe Culture Camp	\$255,925
ASFA Unalaska Chapter	\$20,000
Rusting Man Foundation	\$250,000
TOTAL	\$1,785,195

Q-Tribe Food Bank (Rescinded)	\$166,236
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No Application This Year

Two organizations did not apply for funding. These are The University of Alaska Fairbanks and Aleutian Arts Council. Staff reached out to both agencies and they confirmed they did not intend to apply. The Aleutian Arts Council lost their non-profit status with the IRS, so is not eligible to apply.

Q-Tribe

For many years the City has funded the Q-Tribe’s Culture Camp. The amount was uniformly \$24,000 from 2017 – 2021. Unalaska awarded the Q-Tribe \$39,000 in 2022; the increase was requested because COVID-19 caused some reductions in camp sponsorships.

Last year, the Q-Tribe requested \$129,857 to fund a Food Bank. City Council approved a reduced amount of \$60,000. This was the first time this program was funded. This year the Q-Tribe requested \$166,236 to fund the Food Bank, but the organization emailed the Planning Department on April 4 requesting the application be withdrawn.

Removing the Food Bank request reduces the total grant application request from \$1,951,431 to \$1,785,195 (see table above). The Q-Tribe's request for Q-Camp support increased from the City's \$39,000 award last year to \$255,925 this year which represents a 656% increase. All other requests from currently funded non-profits changed between -2% to +18% year over year.

On February 8, 2022 the City of Unalaska passed Ordinance 2022-02 an ordinance amending Title 6.40 of the Unalaska Code of Ordinances to provide a limited exemption from sales tax to federally recognized tribes. While preparing the analysis for this issue, the subject of non-profit vs. government entity was discussed concerning the Q-Tribe. Although Unalaska has funded the Q-Tribe Culture Camp for many years, the tribe is not a non-profit. Unalaska's Community Support Grant policies have always specifically stated the following requirement on page 2:

"Eligibility: Entities eligible for the program shall be community-based and regional non-profit organizations that are tax exempt under §501(c) of the Internal Revenue Service Code. Eligible entities must use City funds for the delivery of local programs and services that provide health and safety resources or enhancement of the quality of life for residents. All eligible non-profits wishing to apply for City funding must complete an application."

In addition to information the City Clerk gained while processing the Q-Tribe's sales tax request, the Q-Tribe's substantial increase in requested funding draws attention to how Unalaska City Council should fund the organization. Tribes are governmental entities but are not 501 (c) 3 organizations. While much information is available online that discusses similarities/differences between tribal vs. non-profit organizations, Staff suggests the City clear up the question of eligibility for the Community Support Grant program. City Council can handle this one of two ways: pass a directive to the City Manager to amend the Community Support Grant program's eligibility requirements to make tribal entities eligible, or fund the Q-Tribe via City Council's budget.

New Programs This Year

Two new organizations applied for funding this year. The ASFA Unalaska Chapter is requesting funding to produce a fireworks show for New Year's Eve. The Rusting Man Foundation is seeking funding to build a Fishermen Memorial sculpture. Karel and Marie Machalek presented the project idea to City Council a few months ago and City Council expressed support for the project. The City Manager and Planning Director requested the Machaleks apply via the Community Support Grant program so the administration could review the project using a standard process.

ALTERNATIVES: Council may choose to fund the requests as submitted or make changes where it deems necessary. Staff will bring the City Council funding recommendation spreadsheet to the meeting and facilitate the discussion at the meeting.

FINANCIAL IMPLICATIONS: Financial implications depend on the amount Council chooses to fund grant requests.

LEGAL: N/A

STAFF RECOMMENDATION: Adopt Resolution 2022-14.

PROPOSED MOTION: I move to adopt Resolution 2022-14 Establishing the Sums to be made available for Community Support & Capital Grants from the City of Unalaska to the applicants for Community Support for Fiscal Year 2023.

CITY MANAGER COMMENTS: I support staff's recommendation.

ATTACHMENTS:

- Community Support Grant Recent Funding
- Community Support Grant Application Review Summary Sheets
- City Council Recommendation Spreadsheet

NOTE: The Community Support Grant Application Packets are available on the city website here: <https://www.ci.unalaska.ak.us/planning/page/community-support-grants>

COMMUNITY SUPPORT GRANT RECENT AWARDS

AGENCY NAME	FY20 Award	FY21 Award	FY22 Award	FY23 REQ
APIA	\$ 205,350	\$ 145,000	\$ 142,000	\$ 140,000
Iliuliuk Family Health Services	\$ 180,000	\$ 161,260	\$ 151,748	\$ 180,000
Museum of the Aleutians	\$ 317,813	\$ 317,813	\$ 317,813	\$ 317,813
UCB/KUCB	\$ 108,642	\$ 106,350	\$ 106,350	\$ 109,000
Unalaska Senior Citizens	\$ 57,467	\$ 65,000	\$ 65,000	\$ 65,000
UVB	\$ 200,000	\$ 210,000	\$ 210,000	\$ 210,000
USAFV	\$ 252,457	\$ 252,457	\$ 252,457	\$ 237,457
Q-Tribe Culture Camp	\$ 24,000	\$ 24,000	\$ 39,000	\$ 255,925
Q-Tribe Food Bank			\$ 60,000	(Rescinded)
ASFA Unalaska Chapter				\$ 20,000
Rusting Man Foundation				\$ 250,000
TOTALS	\$ 1,345,729	\$ 1,281,880	\$ 1,344,368	\$ 1,785,195

CITY OF UNALASKA FY23 COMMUNITY SUPPORT APPLICATION TITLE PAGE

ORGANIZATION: Rusting Man Foundation FORMED: October 2021

MAILING ADDRESS: P.O.Box 920605, Dutch Harbor, AK 99692

CHIEF EXECUTIVE 'S NAME AND TITLE: Karel Machalek – President

CONTACT'S NAME & TITLE: Marie Machalek – Vice-President

TELEPHONE NUMBER: 907-581-4107, 907-359-5049

EMAIL: mariemach2005@yahoo.com

AMOUNT OF FY22 AWARD: \$ 0.00

ORGANIZATION FISCAL YEAR: FROR: July 1st to: June 30th

FY 23 REQUEST: \$250,000

LOCAL PROGRAM BUDGET TOTAL: \$ 500,000

SUMMARY OF FY23 SOURSES OF INCOME: GRANTS: City: 50 %
State: 0%
Federal: 0%
Fees/Earned Income: 0%
Fundraising: 50 %
In kind: 0%
Other Income: 0 %

PRIMARY BUDGET CATEGORIES THE CITY WILL BE FUNDING:

Casting of bronze statues in Czech Republic: 80%

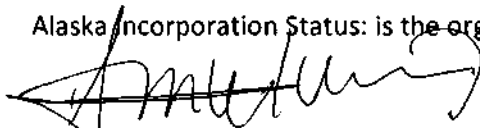
Transportation form Czech Republic to Dutch Harbor: 15%

Advertising: 5%

Did applicant attend a Grant Help Work Shop in the last 3 years? NO

IRS Non-Profit Status: is the organization's IRS filing current? YES

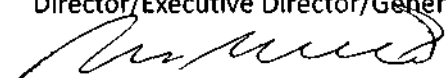
Alaska Incorporation Status: is the organization's State filling current? YES



Chair/President, Board of Directors

Date: 2-27-22

Director/Executive Director/General Manager



Date: 2-27-22

I. EXECUTIVE SUMMARY.

A. Executive Summary:

R.M.F. Mission Statement: Rusting Man Foundation is established to promote art in rural Alaska Communities, especially among young people and to build Fishermen Memorial in Unalaska/Dutch Harbor to honor fishermen lost to the sea.

Rusting Man Foundation (R.M.F.) seeks to promote art among young people in our community, especially High School Students, by bringing them to different workshops and making them to be able to participate in creating their own art projects as well as help with the Fishermen Memorial Project.

R.M.F. point of view is, that Fishermen Memorial is very important to our community. Our community would not be able to survive and live without fishing industry. Also the fact, that our port is the biggest port by tonnage of fish being caught and does not have a Memorial for the men who made it possible for us to have our life standards is speaking for itself.

For FY23 R.M.F. is applying for \$250,000 from the City of Unalaska, which is for the first time as we are brand new nonprofit organization with no history.

II. ORGANIZATION INFORMATION

B. Organizational Programing:

- Model of Fisherman Memorial has been built and shown to City Council and community members by placing in the City Hall Lobby
- Now, model has been placed in Karel Machalek's shop and is still available for viewing
- Detailed brochure about Memorial was printed, copies made and distributed
- Distribution of brochures and also calendars with Karel Machalek's art pieces, including pictures of Memorial, letters for donors and self-stamped envelopes was done and mailed to all in state and out of state fishing industries connected to Dutch Harbor
- Distribution of brochures and some Calendars was also done to local businesses
- City Council was presented with brochures as well
- Fundraising will continue through local businesses, in state and out of state companies
- Rasmuson Foundation in Anchorage was also approached
- Ounalashka Corporation and Q-Tribe received the presentation as well
- Marie and Karel Machalek visited Fish Expo in Seattle and promoted Memorial too
- In future the site of permanent location for Memorial model will be chosen
- Fund raising will continue to receive the goal of \$ 500,000 also using internet, local bars/restaurants, stores
- Posters will be printed
- The site where Memorial will be permanently placed will be decided between City of Unalaska and Ounalashka Corporation
- KUSB Radio will have interview with Marie and Karel Machalek
- Aleutian Electrocutation Festival is another big fund raising event, which will happen at The end of July

C. Organization History and Experience:

- R.M.F. was just established in October of 2021. Prior to that, Mr. and Mrs. Machalek worked with the City on different projects, such as:
 - - the pillars in Karl Moses's Harbor
 - - the Cube in front of Norwegian Rat Saloon and several pieces inside
 - - Starving Halibut in Grand Aleutian Hotel
 - - exhibition in Museum of Aleutians

So, Community is very familiar with and fond of Mr. Machalek's work.

D. Community Relevance:

R.M.F. is sole entity that is trying to build and promote Fishermen Memorial in City of Unalaska/Port of Dutch Harbor while working closely with local businesses, City Council, Ounalashka Corporation, Q-Tribe, in and out of state fishing industries and individuals. We will be also working with High School Welding Class students, any young artists and any volunteers who are willing to help with Fishermen Memorial and educate youth through workshops which will be held in Karel Machalek's shop and advertised through KUCB, Channel 8, High School Welding Class Teacher.

E. Program/Service Delivery:

R.M.F. is currently run by Board of Directors, which has 4 members. Regular meeting are held, fundraising strategies discussed, volunteers are sought out, visitors attend. We are trying to work closely with local businesses, keep community informed about the fundraising progress, constantly finding new ideas to fulfill our Mission Statement.

F. Director/ Staff/Volunteer Training:

The Board of Directors is working on manual of policy to help guide decisions and educate themselves to run R.M.F. in the best way possible. Marie Machalek attended on line training for nonprofits and R.M.F. became a member of Foraker Group in Anchorage, which helps to educate nonprofit organizations and R.M.F. is using their lawyer for any legal and IRS advices. We are planning to have all Board Members to undergo on line training with Foraker Group in the future. Board of Directors is also using communication with other non-profits in town to be more educated and hopes to establish advisory seat with a person experienced in non-profits.

G. Director and Staff Evaluation:

Any evaluation has been not provided, yet, since R.F.M. has just started to operate, but regular evaluation in the future is planned with regards of ethic and productive work being done.

H. Governing Body/Board:

R.M.F. Board of Directors consists of 4 members. The President, Vice-President, Secretary/Treasurer and one member. The Board of Directors meets regularly to discuss long and short term goals, stands by the Mission Statement and by-laws. In the future, training will be provided on line through Foraker Group and self-evaluation will be in effect.

Current Chart of Board of Directors:

President:	Karel Machalek	no Board experience
	Appointed: October 2021, Affiliation: self –employed, artist	
Vice President:	Marie Machalek	experience: 1 year on Aleutian Arts Council Board
	Appointed: October 2021. Affiliation: self - employed	
Secretary/Treasurer:	Evie Dickerson	experience: Currently serving on UNFA as a secretary
	Appointed: October 2021, Affiliation: Raven Bay Seafoods	
Member/Director:	Barry Malpass	experience: 14 months on CVB Board
	Appointed October 2021, Affiliation Pacific Stevedoring	

I. Program Evaluation.

Direct success of program evaluation will be when our donation goal will be met based on successful fundraising in cooperation with all the donors and organizations reached by R.M.F.

In these five steps: 1/ sculpture work
2/ approaching funders
3/ mentoring
4/ work on the rest of Memorial
5/ unveiling

III. PROPOSAL.

J. Need:

R.M.F. main mission is to build Fishermen Memorial and promote art in rural Alaska especially among young people. Fishermen Memorial will be the big Thank You from the community to the fishermen lost to the sea and their families. This is what our community needed to do for a long time and it will bring the community together and the families of the fishermen will acknowledge our community gratefulness. Promoting art among young people in our community will enrich their lives and will teach them how to use recycled material to do art, as their mentor Karel Machalek does all the time and will reach to other Communities within Alaska.

K. Target Population:

Although R.M.F. targets young people to bring them to participate in arts through workshops and helping with Fishermen memorial, the whole community will benefit from beautiful new gigantic piece of art, where the families can gather for a nice viewing and understanding of sea danger and families and friends of missing fishermen can remember them and find peace of mind.

L. Proposal Description/Proposed Project:

R.M.F. proposes to build Fishermen Memorial for City of Unalaska/ Port of Dutch Harbor according to a model already constructed by Karel Machalek. Memorial will enrich our already beautiful community with stunning piece of art honoring fishermen lost to the sea.

There are 3 fishermen on Memorial, representing 3 fishing industries in our community: crab fisherman, trawl fisherman and long – liner fisherman. There will be names of boats lost at the sea, as well as names of all donors with significant amount of donations. Scenes from sea life and Aleut heritage will be decorating the Memorial around.

3 Fishermen Statues will be 7 feet tall, bronze casted in Czech Republic, mast will be 25 feet high, concrete base will be 5 feet by 5 feet.

M. Goals and Objectives:

R.M.F. will construct Fishermen Memorial which will be placed on designated place which will be either on City of Unalaska or Ounalashka Corporation land – to be determine in the future by one of these organizations. R.M.F. will keep maintenance of Memorial for one year, then it will be determine who or which organization will take over.

Time line for Memorial is as follows:

- Fundraising: 18 months, which already started by sending 54 donor’s packages to major in and out of state major seafood industries
-
- Bronze cast: 7 months, which will be done in Czech Republic
-
- Base construction: 4 months, which will be done in Dutch Harbor with a help from local companies
-
- Sea creatures, base mounting 3 months, which will be done with a help of another artists, volunteers and High School students
-
- Mast construction and mounting 2 months, which will be done with help of local company
-
- Gaff hook, crab pot, nets 2 months, which will be done by artist Karel Machalek
-
- Site work, mounting 1 month, which will be done with the help of local company
-
- End of Project: is right now estimated for December 2024, which can of course change due to enforceable circumstances.
-

N. Other Resources:

R.M.F. will have a large base of volunteers helping, as well as fellow artists volunteering and also help from some local companies, which already promised work as a part of donation.

O. Program Budget and Narratives:

No spread sheet available, since we are just starting.

Expenditures:

- There are no personnel salaries, benefits or payroll expenses, yet
- In the future, R.M.F. would like to hire a paid accountant/bookkeeper
- No facilities rent / lease expenses
- There are and will be postage fees for mailing donors materials
- Freight – there will be charge for container coming from Europe
- Model Building charge
- Supplies, printing brochures and calendars, advertising
- Designer Artist
- Telephone, internet expenses
- Local and European vendors expenses

P. Financial Management:

- R.M.F. is comprise of 4 community members and is the governing body of corporation.
- The Board has a regular meetings and will start working on and approving budget and create guidelines surrounding the budget
- When bookkeeper is hired, he or she will reconcile account monthly, will report to the Board the status of account balance, profit and loss, accounts receivable and accounts payable
- Invoices and payments information will be always presented during check signings and Board members will be encouraged to ask questions about organization spending
- Annual third party audit will be provided and presented to Board for approval.

IV. GOALS ANALYSIS/CAHNGES FROM PREVIOUS YEAR'S PROGRAM.

Q. Goals and Objectives: are not available, since R.M.F. is a brand new organization

R. Significant Changes from Previous Year: are not available, since R.M.F. is a brand new organization.

S. Summary Report of Actual Income: is not existing for previous years, since R.M.F. is a brand new organization.

As of today, this is where we are standing:

We are asking City of Unalaska for \$ 250,000, we already received \$ 5,000 form Norton Sound Economic Development Corporation and \$ 50,000 from Ounalashka Corporation.

T. Proof of Non Profit Status: see attached

V. Most Recent Audited Financial Statement: is not existing, R.M.F. is a brand new organization



DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
CINCINNATI OH 45999-0023

Date of this notice: 11-19-2021

Employer Identification Number:
87-3655994

Form: SS-4

Number of this notice: CP 575 E

RUSTING MAN FOUNDATION
% MARIE MACHALEK
877 EAST BROADWAY
UNALASKA, AK 99685

For assistance you may call us at:
1-800-829-4933

IF YOU WRITE, ATTACH THE
STUB AT THE END OF THIS NOTICE.

WE ASSIGNED YOU AN EMPLOYER IDENTIFICATION NUMBER

Thank you for applying for an Employer Identification Number (EIN). We assigned you EIN 87-3655994. This EIN will identify you, your business accounts, tax returns, and documents, even if you have no employees. Please keep this notice in your permanent records.

When filing tax documents, payments, and related correspondence, it is very important that you use your EIN and complete name and address exactly as shown above. Any variation may cause a delay in processing, result in incorrect information in your account, or even cause you to be assigned more than one EIN. If the information is not correct as shown above, please make the correction using the attached tear-off stub and return it to us.

When you submitted your application for an EIN, you checked the box indicating you are a non-profit organization. Assigning an EIN does not grant tax-exempt status to non-profit organizations. Publication 557, Tax-Exempt Status for Your Organization, has details on the application process, as well as information on returns you may need to file. To apply for recognition of tax-exempt status under Internal Revenue Code Section 501(c)(3), organizations must complete a Form 1023-series application for recognition. All other entities should file Form 1024 if they want to request recognition under Section 501(a).

Nearly all organizations claiming tax-exempt status must file a Form 990-series annual information return (Form 990, 990-EZ, or 990-PF) or notice (Form 990-N) beginning with the year they legally form, even if they have not yet applied for or received recognition of tax-exempt status.

Unless a filing exception applies to you (search www.irs.gov for Annual Exempt Organization Return: Who Must File), you will lose your tax-exempt status if you fail to file a required return or notice for three consecutive years. We start calculating this three-year period from the tax year we assigned the EIN to you. If that first tax year isn't a full twelve months, you're still responsible for submitting a return for that year. If you didn't legally form in the same tax year in which you obtained your EIN, contact us at the phone number or address listed at the top of this letter.

For the most current information on your filing requirements and other important information, visit www.irs.gov/charities.



Deposit Receipt for KEYBANK BASIC BUSINESS CHECKING

RUSTING MAN FOUNDATION
877 E BROADWAY AVE
UNALASKA, ALASKA 99685

We are pleased that you have selected KeyBank. The information below is a confirmation of your new account(s) with us and a commitment to provide you with the highest quality of service.

KEYBANK BASIC BUSINESS CHECKING

Account Number	720341012212	Date Opened	DEC 28, 2021
		VARIABLE Interest Rate	N/A %
Opening Deposit	\$500.00	Annual Percentage Yield	N/A %

This Account is governed by the provisions of the Deposit Account Agreement established by the Bank at which you opened your Account. Including but not limited to withdrawal; penalties for early withdrawal from Certificate of Deposit Accounts; variable rate determination and rate changes, where applicable; payment of interest; joint accounts; pledging the account as collateral; renewal; the transferability or non-transferability of the Account; taxpayer identification numbers and backup withholding; and by such Bank's Personal Deposit Account Fees and Disclosures. A Retirement Account opened in connection with a Bank retirement plan also is subject to such Bank's retirement plan agreement or plan document and the Retirement Account Deposit Disclosure. All Accounts are subject to applicable federal and state laws and regulations.

We have performed the following transactions for you:

- The statement for your KEYBANK BASIC BUSINESS CHECKING Account will be mailed to:
PO BOX 920605
DUTCH HARBOR, ALASKA 99692-0605
UNITED STATES
No checks will be enclosed within the statement.

Thank you for visiting the UNALASKA/DUTCH HARBOR
CHERRY MAE TAN
487 SALMON WAY SUITE 101
MAILING: PO BOX 77 UNALASKA AK 99685
DUTCH HARBOR AK 99692
907-581-1300

Key Center



KeyBank is:



Member FDIC

Key.com

1-800-KEY2YOU

Alaska Entity #10177784

State of Alaska
Department of Commerce, Community, and Economic Development
Corporations, Business, and Professional Licensing

Certificate of Incorporation

The undersigned, as Commissioner of Commerce, Community, and Economic Development of the State of Alaska, hereby certifies that a duly signed and verified filing pursuant to the provisions of Alaska Statutes has been received in this office and has been found to conform to law.

ACCORDINGLY, the undersigned, as Commissioner of Commerce, Community, and Economic Development, and by virtue of the authority vested in me by law, hereby issues this certificate to

RUSTING MAN FOUNDATION



IN TESTIMONY WHEREOF, I execute the certificate and affix the Great Seal of the State of Alaska effective October 14, 2021.

A handwritten signature in cursive script, appearing to read "Julie Anderson".

Julie Anderson
Commissioner

CITY OF UNALASKA
UNALASKA, ALASKA

RESOLUTION 2022-46
CORRECTING RESOLUTION 2021-38

A RESOLUTION OF THE UNALASKA CITY COUNCIL RENEWING THE CITY'S POLICY ON PARTICIPATION IN FUNDING ELECTRIC PRIMARY AND SECONDARY UTILITY LINE EXTENSIONS FOR A FOUR-YEAR PERIOD STARTING FISCAL YEAR 2022 AND ENDING FISCAL YEAR 2025

WHEREAS, there exists in the community the need for industrial, commercial and residential construction; and

WHEREAS, the costs of extension of electric utilities is often the deciding factor when determining the feasibility of a construction project; and

WHEREAS, the Unalaska City Council wishes to provide financial participation for each customer class at a level that makes the extension affordable for the customer, but also allows a reasonable return on investment for the utility; and

WHEREAS, the Unalaska City Council wishes to participate in funding of Industrial, Large General and Small General primary electrical line extensions; and

WHEREAS, the Unalaska City Council wishes to participate in funding of Residential primary and secondary electrical line extensions; and

WHEREAS, it is reasonable for the electric utility to invest in a service if the annual revenue raised from that service is equal to or greater than the City's investment; and

WHEREAS, the Unalaska City Council has determined that City funding shall not, in any event, exceed seventy-five percent (75%) of the cost of extension of primary and secondary electric lines and shall not exceed the following:

Industrial Primary Line Extension:	\$90,000.00
Large General Primary Line Extension:	\$36,000.00
Small General Primary Line Extension:	\$5,300.00
Residential Primary and Secondary Line Extension:	\$1,400.00
Subdivisions and Line Extensions:	Provide section cans and transformers free of charge

NOW THEREFORE BE IT RESOLVED that the Unalaska City Council approves the renewal of the City's policy on participation in funding electric primary and secondary utility line extensions for a four-year period starting July 1, 2021; and

BE IT FURTHER RESOLVED that this policy of funding utility extensions will continue until June 30, 2025, at which time the Unalaska City Council will reconsider whether to continue such funding.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on November 22, 2022.

Vincent M. Tutiakoff, Sr.
Mayor

ATTEST:

Marjie Veeder, CMC
City Clerk

MEMORANDUM TO COUNCIL

To: Mayor and City Council Members
From: Steve Tompkins, Director of Public Utilities
Through: Chris Hladick, Interim City Manager
Date: November 22, 2022
Re: Resolution 2022-46 (Correcting Resolution No. 2021-38) Renewing the City's policy on participation in funding electric primary and secondary utility line extensions for a four-year period starting July 1, 2021 and ending July 1, 2025

SUMMARY: Resolution 2021-38 authorized continuation of the City's policy of financial participation in electric primary and secondary utility line extensions. The resolution defined the City's policy on participation in the cost of the extension of primary Electric services for Industrial ratepayers, and for the extension of primary and secondary Electric lines for Residential ratepayers. Resolution 2022-46 corrects a typographical error discovered by Staff, and removes some wordage as advised by the Municipal Attorney. These corrections are highlighted below. In FY 2020, the City reimbursed four residential customers for utility line installations for a total amount of \$6,626.35. If adopted, these resolutions will expire on July 1, 2025.

PREVIOUS COUNCIL ACTION: Council first enacted the policy of financial participation in Water and Wastewater primary lines in FY1991.

In FY2000, Council expanded the policy to include Residential, Small General, Large General, and Industrial Electric primary line extensions.

Each year since their inception, Council has approved resolutions allowing the City to participate financially in Utility line extensions.

At the May 26, 2020 Council Meeting, Council adopted Resolutions 2020-31 and Resolution 2020-32, renewing the City's policy on participation in the cost of the extension of Electric, Water and Sewer services for residential and Industrial ratepayers. At this meeting, Council's general consensus was to explore ways to lengthen the time period of this program so the policy need not be revisited on an annual basis.

Council passed and adopted Resolution 2021-38 on June 8, 2021, renewing the City's policy on participation in funding electric primary and secondary utility line extensions for a four-year period starting July 1, 2021. This resolution contained a typographical error that was not detected until recently.

BACKGROUND: The City recognized that the extensions of primary and secondary line utilities are very expensive for property owners in Unalaska. These programs were designed to help defray these costs and encourage development.

DISCUSSION: These resolutions are brought forward for Council's consideration each Fiscal Year to identify the City's policy on financial participation in Electric utility extension costs. This resolution, if approved, will expire June 30, 2025. In keeping with Council's wishes to extend this

policy out more, this expiration date coincides with the end of the recent rates study implementation.

Through these resolutions, Council is approving financial participation in the funding of Electric utilities extension costs for primary lines for Industrial, Large General, and Small General ratepayers, and primary and secondary electrical service line extensions for Residential ratepayers.

City funding shall ~~be on a case by case basis and City funding shall~~ not, in any event, exceed seventy-five percent (75%) of the cost of extension of primary and secondary electric lines, and shall not exceed the following:

Industrial Primary Line Extension:	\$90,000.00
Large General Primary Line Extension:	\$36,000.00
Small General Primary Line Extension:	\$5,300.00
Residential Primary and Secondary Line Extension:	\$14,000.00 \$1,400.00

For all line extensions including subdivisions, the City will provide section cans and transformers free of charge.

Resolutions 2015-30, 2016-35, 2017-47 and 2018-44, are attached to this Memo to show historical background. Staff listened to the audio recording of the July 10, 2018, City Council meeting and there was no discussion about why the Residential Primary and Secondary Line Extension had been increased tenfold. Council member Gregory proposed an amendment to raise the amount higher than \$14,000 but did not get a second.

Staff also examined the original Word version of Resolution 2018-44 and the accompanying Memo that were provided to the City Clerk by DPU/DPW and found the typographical error present.

ALTERNATIVES: Council could choose to not adopt the wording deletion proposed by the Municipal Attorney. Council can elect to not correct the typographical error, or may amend the resolution to adopt a different amount.

FINANCIAL IMPLICATIONS: In Fiscal Year 2021, the City reimbursed two customers for extensions for the cost of installing utilities. The total cost of FY2021 reimbursements for utility installation is \$6,626.35, as Table 1 below depicts.

Table 1

FY2020 Utility Reimbursements		
Customer Name	Reimbursement Amount	Utility Dept.
McCracken	\$455.08	Electric
Optimera	\$6,171.27	Electric
Total	\$6,626.35	

LEGAL: Municipal Attorney Brooks Chandler has reviewed this proposed course of corrective action.

STAFF RECOMMENDATION: Staff recommends adopting Resolution 2022-46.

PROPOSED MOTION: Move to adopt Resolution 2022-46.

CITY MANAGER'S COMMENTS: I support staff's recommendation.

Attachments:

Resolution 2015-30 w/ Memo

Resolution 2016-35 w/ Memo

Resolution 2017-47 w/ Memo

Resolution 2018-44 w/ Memo

**CITY OF UNALASKA
UNALASKA, ALASKA
RESOLUTION NO. 2015-30**

**A RESOLUTION OF THE UNALASKA CITY COUNCIL DEFINING THE CITY'S
POLICY ON PARTICIPATION IN FUNDING OF ELECTRIC UTILITY EXTENSION
COSTS FOR PRIMARY AND SECONDARY LINE EXTENSIONS**

WHEREAS, there exists in the community the need for industrial, commercial, and residential construction; and

WHEREAS, the costs of extension of electric utilities is often the deciding factor when determining the feasibility of a construction project; and

WHEREAS, the Unalaska City Council wishes to provide financial participation for each customer class at a level that makes the extension affordable for the customer, but also allows a reasonable return on investment for the utility; and

WHEREAS, the Unalaska City Council wishes to participate in funding of Industrial, Large General and Small General primary electrical line extensions; and

WHEREAS, the Unalaska City Council wishes to participate in funding of Residential primary and secondary electrical line extensions; and

WHEREAS, it is reasonable for the electric utility to invest in a service if the annual revenue raised from that service is equal to or greater than the City's investment; and

WHEREAS, the Unalaska City Council has determined that City funding shall be on a case by case basis and City funding shall not, in any event, exceed 75% of the cost of extension of primary and secondary electric lines and shall not exceed the following:

Industrial Primary Line Extension:	\$90,000
Large General Primary Line Extension:	\$36,000
Small General Primary Line Extension:	\$ 5,300
Residential Primary and Secondary Line Extension:	\$ 1,400
Subdivisions and Line Extensions:	Provide section cans and transformers free of charge; and

WHEREAS, the City of Unalaska will participate in funding only those projects that are non-discriminatory in nature;

NOW THEREFORE BE IT RESOLVED that the Unalaska City Council will fund electric utility extensions, on a case-by-case basis, to a maximum of 75% of the cost of the extension of primary lines, not to exceed \$90,000 for each Industrial Service Connection, \$36,000 for each Large General Service Connection, and \$5,300 for each Small General Service Connection; for primary and secondary line extension to a maximum of 75%, not to exceed \$1,400 for each Residential Connection; and for subdivisions and line extensions, the section cans and transformers will be provided free of charge; and

BE IT FURTHER RESOLVED that this policy of funding utility extensions will continue until June 30, 2016, at which time the Unalaska City Council will reconsider whether to continue such funding on a year to year basis.

PASSED AND ADOPTED BY A DULY CONSTITUTED QUORUM OF THE UNALASKA CITY COUNCIL THIS 14th DAY OF APRIL 2015.

ATTEST:


CITY CLERK


MAYOR Pro Tem



MEMORANDUM TO COUNCIL

TO: MAYOR AND CITY COUNCIL MEMBERS
FROM: DAN WINTERS, DIRECTOR OF PUBLIC UTILITIES
THRU: DON MOORE, CITY MANAGER
DATE: APRIL 14, 2015
RE: RESOLUTION NO. 2015- 29: RENEWING THE CITY'S POLICY ON PARTICIPATION IN FUNDING WATER AND WASTEWATER PRIMARY AND SECONDARY UTILITY LINE EXTENSIONS.

RESOLUTION NO. 2015-30: RENEWING THE CITY'S POLICY ON PARTICIPATION IN FUNDING ELECTRIC PRIMARY AND SECONDARY UTILITY LINE EXTENSIONS.

SUMMARY: Resolutions 2015-29 and 2015-30 authorizes continuation of the City's policy of financial participation in Utility service extensions. They define the City's policy on participation in the cost for the extension of primary Electric, Water, and Sewer services for Industrial rate payers, and for the extension of primary and secondary Electric, Water, and Sewer lines for Residential rate payers. In FY 2015, the City has reimbursed four Residential customers and one Small General customer for utility line installations for a total amount of \$11,134.72.

PREVIOUS COUNCIL ACTION: Council first enacted the policy of financial participation in Water and Wastewater primary lines in FY1991.

In FY2000, Council expanded the policy to include Residential, Small General, Large General, and Industrial Electric primary line extensions.

Each year since its inception, Council has approved resolutions allowing the City to participate financially in Electric utility line extension program.

At the June 4, 2012 Council Meeting, Staff brought forward Resolution 2012-49, with a recommendation to not include Industrial customers in the primary or secondary line extension funding participation, and continue the funding participation for Residential primary line extension only. Council, however, rejected this recommendation and chose to continue the Industrial, Large General, and Small General funding participation for primary Electric line extensions, and to continue Residential funding participation for primary and secondary Electric line extensions.

BACKGROUND: The City recognized that the extensions of primary line utilities could be very expensive for property owners in Unalaska. These programs were designed to assist with these costs.

DISCUSSION: These resolutions are brought forward for Council consideration each year to identify the City's policy on financial participation in funding Water, Sewer, and Electric utility extension costs. These resolutions, if approved, will expire June 30, 2016.

Through these resolutions, Council is approving financial participation in funding of Electric utility extension costs for primary lines for Industrial, Large General, and Small General rate payers, and primary and secondary electrical utility line extensions for Residential rate payers.

ALTERNATIVES: Council could choose to not renew the policies, and allow them to expire on June 30, 2015.

FINANCIAL IMPLICATIONS: In Fiscal Year 2015, the City reimbursed customers for four Residential extensions and one Small General customer for the cost of installing utilities. The total cost of FY2015 reimbursements for utilities installation is \$11,134.72, as Table 1 below depicts.

Table 1
FY2015 Reimbursements

	Water	Sewer	Electrical	Totals
McLaughlin	\$ 1,082.95			\$ 1,082.95
Miranda			\$ 1,164.41	\$ 1,164.41
M&M Holdings	\$ 446.25		\$ 5,300.00	\$ 5,746.25
Nettleton			\$ 1,400.00	\$ 1,400.00
Whittern	\$ 341.11		\$ 1,400.00	\$ 1,741.11
TOTALS	\$ 1,870.31		\$ 9,264.41	\$ 11,134.72

LEGAL: The City Manager will determine whether a legal opinion is required.

STAFF RECOMMENDATION: Staff recommends adopting Resolutions 2015-29 and 2015-30.

PROPOSED MOTION: Move to adopt Resolutions 2015-29 and Resolution 2015-30.

CITY MANAGER'S COMMENTS:

CITY OF UNALASKA
UNALASKA, ALASKA
RESOLUTION NO. 2016-35

A RESOLUTION OF THE UNALASKA CITY COUNCIL DEFINING THE CITY'S POLICY ON PARTICIPATION IN FUNDING OF ELECTRIC UTILITY EXTENSION COSTS FOR PRIMARY AND SECONDARY LINE EXTENSIONS

WHEREAS, there exists in the community the need for industrial, commercial, and residential construction; and

WHEREAS, the costs of extension of electric utilities is often the deciding factor when determining the feasibility of a construction project; and

WHEREAS, the Unalaska City Council wishes to provide financial participation for each customer class at a level that makes the extension affordable for the customer, but also allows a reasonable return on investment for the utility; and

WHEREAS, the Unalaska City Council wishes to participate in funding of Industrial, Large General and Small General primary electrical line extensions; and

WHEREAS, the Unalaska City Council wishes to participate in funding of Residential primary and secondary electrical line extensions; and

WHEREAS, it is reasonable for the electric utility to invest in a service if the annual revenue raised from that service is equal to or greater than the City's investment; and

WHEREAS, the Unalaska City Council has determined that City funding shall be on a case by case basis and City funding shall not, in any event, exceed 75% of the cost of extension of primary and secondary electric lines and shall not exceed the following:

Industrial Primary Line Extension:	\$90,000
Large General Primary Line Extension:	\$36,000
Small General Primary Line Extension:	\$ 5,300
Residential Primary and Secondary Line Extension:	\$ 1,400
Subdivisions and Line Extensions:	
Provide section cans and transformers free of charge; and	

WHEREAS, the City of Unalaska will participate in funding only those projects that are non-discriminatory in nature;

NOW THEREFORE BE IT RESOLVED that the Unalaska City Council will fund electric utility extensions, on a case-by-case basis, to a maximum of 75% of the cost of the extension of primary lines, not to exceed \$90,000 for each Industrial Service Connection, \$36,000 for each Large General Service Connection, and \$5,300 for each Small General Service Connection; for primary and secondary line extension to a maximum of 75%, not to exceed \$1,400 for each Residential Connection; and for subdivisions and line extensions, the section cans and transformers will be provided free of charge; and

BE IT FURTHER RESOLVED that this policy of funding utility extensions will continue until June 30, 2016, at which time the Unalaska City Council will reconsider whether to continue such funding on a year to year basis.

PASSED AND ADOPTED BY A DULY CONSTITUTED QUORUM OF THE UNALASKA CITY COUNCIL THIS 24th DAY OF May 2016.

ATTEST:
CITY CLERK

MAYOR



MEMORANDUM TO COUNCIL

TO: MAYOR AND CITY COUNCIL MEMBERS
FROM: DAN WINTERS, DIRECTOR OF PUBLIC UTILITIES
THRU: DAVE MARTINSON, CITY MANAGER
DATE: MAY 24, 2016
RE: RESOLUTION NO. 2016-35: RENEWING THE CITY'S POLICY ON PARTICIPATION IN FUNDING ELECTRIC PRIMARY AND SECONDARY UTILITY LINE EXTENSIONS.

RESOLUTION NO. 2016-36: RENEWING THE CITY'S POLICY ON PARTICIPATION IN FUNDING WATER AND WASTEWATER PRIMARY AND SECONDARY UTILITY LINE EXTENSIONS.

SUMMARY: Resolutions 2016-35 and 2016-36 authorizes a continuation of the City's policy of financial participation in Utility service extensions. They define the City's policy on participation in the cost of the extension of primary Electric, Water, and Sewer services for Industrial ratepayers, and for the extension of primary and secondary Electric, Water, and Sewer lines for Residential ratepayers. In FY 2016, the City has reimbursed four Residential customers for utility line installations for a total amount of \$3,452.96.

PREVIOUS COUNCIL ACTION: Council first enacted the policy of financial participation in Water and Wastewater primary lines in FY1991.

In FY2000, Council expanded the policy to include Residential, Small General, Large General, and Industrial Electric primary line extensions.

Each year since its inception, Council has approved resolutions allowing the City to participate financially in Electric utility line extension program.

BACKGROUND: The City recognized that the extensions of primary line utilities could be very expensive for property owners in Unalaska. These programs were designed to assist with these costs.

DISCUSSION: These resolutions are brought forward for Council consideration each year to identify the City's policy on financial participation in funding Water, Sewer, and Electric utility extension costs. These resolutions, if approved, will expire June 30, 2017.

Through these resolutions, Council is approving financial participation in the funding of Electric utility extension costs for primary lines for Industrial, Large General and Small

General ratepayers, and primary and secondary electrical service line extensions for Residential ratepayers.

ALTERNATIVES: Council could choose to not renew the policies, and allow them to expire on June 30, 2016.

FINANCIAL IMPLICATIONS: In Fiscal Year 2016, the City reimbursed customers for four Residential extensions and one Small General customer for the cost of installing utilities. The total cost of FY2016 reimbursements for utility installation is \$3,452.96, as Table 1 below depicts.

Table 1

FY2016 Reimbursements		
Customer Name	Reimbursement Amount	Utility Dept.
1. Gregory, Dave	\$1,400.00	Electric
2. Holy Ascension Cathedral	\$1,400.00	Electric
3. Gilman, James	\$451.16	Water
4. Nettleton, Danielle	\$201.80	Water
Total	\$3,452.96	

LEGAL: The City Manager will determine whether a legal opinion is required.

STAFF RECOMMENDATION: Staff recommends adopting Resolutions 2016-35 and 2016-36.

PROPOSED MOTION: Move to adopt Resolutions 2016-35 and Resolution 2016-36.

CITY MANAGER'S COMMENTS: Recommend Council Approve both Resolutions.

CITY OF UNALASKA
UNALASKA, ALASKA
RESOLUTION NO. 2017-47

A RESOLUTION RENEWING THE CITY'S POLICY ON PARTICIPATION IN FUNDING ELECTRIC PRIMARY AND SECONDARY UTILITY LINE EXTENSIONS FOR FISCAL YEAR 2018.

WHEREAS, there exists in the community the need for industrial, commercial, and residential construction; and

WHEREAS, the costs of extension of electric utilities is often the deciding factor when determining the feasibility of a construction project; and

WHEREAS, the Unalaska City Council wishes to provide financial participation for each customer class at a level that makes the extension affordable for the customer, but also allows a reasonable return on investment for the utility; and

WHEREAS, the Unalaska City Council wishes to participate in funding of Industrial, Large General and Small General primary electrical line extensions; and

WHEREAS, the Unalaska City Council wishes to participate in funding of Residential primary and secondary electrical line extensions; and

WHEREAS, it is reasonable for the electric utility to invest in a service if the annual revenue raised from that service is equal to or greater than the City's investment; and

WHEREAS, the Unalaska City Council has determined that City funding shall be on a case by case basis and City funding shall not, in any event, exceed 75% of the cost of extension of primary and secondary electric lines and shall not exceed the following:

Industrial Primary Line Extension:	\$90,000
Large General Primary Line Extension:	\$36,000
Small General Primary Line Extension:	\$ 5,300
Residential Primary and Secondary Line Extension:	\$ 1,400
Subdivisions and Line Extensions:	Provide section cans and transformers free of charge;


NOW THEREFORE BE IT RESOLVED that the Unalaska City Council approves the renewal of City's policy on participation in funding electric primary and secondary utility line extensions for Fiscal Year 2018; and

BE IT FURTHER RESOLVED that this policy of funding utility extensions will continue until June 30, 2018, at which time the Unalaska City Council will reconsider whether to continue such funding on a year to year basis.

PASSED AND ADOPTED BY A DULY CONSTITUTED QUORUM OF THE UNALASKA CITY COUNCIL THIS 27th DAY OF June 2017.


MAYOR

ATTEST:


CITYCLERK



MEMORANDUM TO COUNCIL

TO: MAYOR AND CITY COUNCIL MEMBERS
FROM: DAN WINTERS, DIRECTOR OF PUBLIC UTILITIES
THRU: DAVE MARTINSON, CITY MANAGER
DATE: JUNE 27, 2017
RE: **RESOLUTION NO. 2017-47:** RENEWING THE CITY'S POLICY ON PARTICIPATION IN FUNDING ELECTRIC PRIMARY AND SECONDARY UTILITY LINE EXTENSIONS FOR FISCAL YEAR 2018.

RESOLUTION NO. 2017-48: RENEWING THE CITY'S POLICY ON PARTICIPATION IN FUNDING WATER AND WASTEWATER PRIMARY AND SECONDARY UTILITY LINE EXTENSIONS FOR FISCAL YEAR 2018.

SUMMARY: Resolutions 2017-47 and 2017-48 authorizes continuation of the City's policy of financial participation in Utility service extensions. They define the City's policy on participation in the cost of the extension of primary Electric, Water, and Sewer services for Industrial ratepayers, and for the extension of primary and secondary Electric, Water, and Sewer lines for Residential ratepayers. In FY 2017, the City reimbursed four Residential customers for utility line installations for a total amount of \$9,290.

PREVIOUS COUNCIL ACTION: Council first enacted the policy of financial participation in Water and Wastewater primary lines in FY1991.

In FY2000, Council expanded the policy to include Residential, Small General, Large General, and Industrial Electric primary line extensions.

Each year since their inception, Council has approved resolutions allowing the City to participate financially in Utility line extension.

BACKGROUND: The City recognized that the extensions of primary line utilities are very expensive for property owners in Unalaska. These programs were designed to help defray these costs.

DISCUSSION: These resolutions are brought forward for Council's consideration each Fiscal Year to identify the City's policy on financial participation in Water, Sewer, and Electric utility extension costs. These resolutions, if approved, will expire June 30, 2018.

Through these resolutions, Council is approving financial participation in the funding of Electric, Water, and Wastewater utilities extension costs for primary lines for Industrial,

Large General, and Small General ratepayers, and primary and secondary electrical service line extensions, for Residential ratepayers, and for Water and Wastewater primary and secondary services.

ALTERNATIVES: Council could choose to not renew either or both of the policies, and allow them to expire on June 30, 2017.

FINANCIAL IMPLICATIONS: In Fiscal Year 2017, the City reimbursed customers for four Residential extensions and one Small General customer for the cost of installing utilities. The total cost of FY2017 reimbursements for utility installation is \$9,290.92, as Table 1 below depicts.

Table 1

FY2017 Utility Reimbursements		
Customer Name	Reimbursement Amount	Utility Dept.
Jim Gilman	\$ 1,236.60	Electric
Billy Jo Deffendall	\$ 1,400.00	Electric
Pac Steve	\$ 3,383.01	Electric
Roger Deffendall	\$ 1,134.73	Water
Roger Deffendall	\$ 287.63	Water
Roger Deffendall	\$ 448.95	Water
Amy & NK Purevsuren	\$ 1,400.00	Water
Total	\$ 9,290.92	

LEGAL: The City Manager will determine whether a legal opinion is required.

STAFF RECOMMENDATION: Staff recommends adopting Resolutions 2017-47 and 2017-48.

PROPOSED MOTION: Move to adopt Resolutions 2017-47 and Resolution 2017-48.

CITY MANAGER'S COMMENTS: I recommend Council approve both resolutions.

CITY OF UNALASKA
UNALASKA, ALASKA

RESOLUTION NO. 2018-44

A RESOLUTION OF THE UNALASKA CITY COUNCIL RENEWING THE CITY'S POLICY ON PARTICIPATION IN FUNDING ELECTRIC PRIMARY AND SECONDARY UTILITY LINE EXTENSIONS FOR FISCAL YEAR 2019.

WHEREAS, there exists in the community the need for industrial, commercial, and residential construction; and

WHEREAS, the costs of extension of electric utilities is often the deciding factor when determining the feasibility of a construction project; and

WHEREAS, the Unalaska City Council wishes to provide financial participation for each customer class at a level that makes the extension affordable for the customer, but also allows a reasonable return on investment for the utility; and

WHEREAS, the Unalaska City Council wishes to participate in funding of Industrial, Large General and Small General primary electrical line extensions; and

WHEREAS, the Unalaska City Council wishes to participate in funding of Residential primary and secondary electrical line extensions; and

WHEREAS, it is reasonable for the electric utility to invest in a service if the annual revenue raised from that service is equal to or greater than the City's investment; and

WHEREAS, the Unalaska City Council has determined that City funding shall be on a case by case basis and City funding shall not, in any event, exceed seventy-five percent (75%) of the cost of extension of primary and secondary electric lines and shall not exceed the following:

Industrial Primary Line Extension:	\$90,000.00
Large General Primary Line Extension:	\$36,000.00
Small General Primary Line Extension:	\$5,300.00
Residential Primary and Secondary Line Extension:	\$14,000.00
Subdivisions and Line Extensions:	Provide section cans and transformers free of charge.

NOW THEREFORE BE IT RESOLVED that the Unalaska City Council approves the renewal of City's policy on participation in funding electric primary and secondary utility line extensions for Fiscal Year 2019; and

BE IT FURTHER RESOLVED that this policy of funding utility extensions will continue until June 30, 2019, at which time the Unalaska City Council will reconsider whether to continue such funding.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on July 10, 2018.



Frank Kelty
Mayor

ATTEST:



Marjie Veeder
City Clerk



MEMORANDUM TO COUNCIL

To: Mayor and City Council Members
From: Dan Winters, Director of Public Utilities
Through: Thomas Thomas, City Manager
Date: July 10, 2018

Re: Resolution No. 2018-44: A Resolution of the Unalaska City Council renewing the City's policy on participation in funding electric primary and secondary utility line extensions for Fiscal Year 2019

Resolution No. 2018-45: A Resolution of the Unalaska City Council renewing the City's policy on participation in funding water and sewer utility extension costs for primary and secondary line extension for Fiscal Year 2019

SUMMARY: Resolutions 2018-44 and 2018-45 authorize continuation of the City's policy of financial participation in Utility service extensions. The resolutions define the City's policy on participation in the cost of the extension of primary Electric, Water and Sewer services for Industrial ratepayers, and for the extension of primary and secondary Electric, Water and Sewer lines for Residential ratepayers. In FY 2018, the City reimbursed four residential customers for utility line installations for a total amount of \$5,917.22.

PREVIOUS COUNCIL ACTION: Council first enacted the policy of financial participation in Water and Wastewater primary lines in FY1991.

In FY2000, Council expanded the policy to include Residential, Small General, Large General, and Industrial Electric primary line extensions.

Each year since their inception, Council has approved resolutions allowing the City to participate financially in Utility line extension.

BACKGROUND: The City recognized that the extensions of primary line utilities are very expensive for property owners in Unalaska. These programs were designed to help defray these costs.

DISCUSSION: These resolutions are brought forward for Council's consideration each Fiscal Year to identify the City's policy on financial participation in Water, Sewer and Electric utility extension costs. These resolutions, if approved, will expire June 30, 2019.

Through these resolutions, Council is approving financial participation in the funding of Electric, Water and Wastewater utilities extension costs for primary lines for Industrial, Large General, and Small General ratepayers, and primary and secondary electrical service line extensions, for Residential ratepayers, and for Water and Wastewater primary and secondary services.

ALTERNATIVES: Council could choose to not renew either or both of the policies, and allow them to expire on June 30, 2018.

FINANCIAL IMPLICATIONS: In Fiscal Year 2018, the City reimbursed customers for four Residential extensions and one Small General customer for the cost of installing utilities. The total cost of FY2018 reimbursements for utility installation is \$5,917.22, as Table 1 below depicts.

Table 1

FY2018 Utility Reimbursements		
Customer Name	Reimbursement Amount	Utility Dept.
Killian Baker	\$ 805.32	Water
Enkhbat Purevsuren	\$ 458.11	Water
Pete Doctor	\$ 575.55	Water
Rod Hester	\$ 1,316.24	Electric
Blain Shaishnikoff	\$ 724.52	Water
Jamie Stippel	\$ 653.22	Water
Jamie Stippel	\$ 671.94	Electric
Rod Hester	\$ 712.32	Water

Total \$ 5,917.22

LEGAL: The City Manager will determine whether a legal opinion is required.

STAFF RECOMMENDATION: Staff recommends adopting Resolutions 2018-44 and 2018-45.

PROPOSED MOTION: Move to adopt Resolution 2018-44 and Resolution 2018-45.

CITY MANAGER'S COMMENTS: The City Manager recommends Council approval of these resolutions.

CITY OF UNALASKA
UNALASKA, ALASKA

RESOLUTION 2022-47

A RESOLUTION OF THE UNALASKA CITY COUNCIL SUPPORTING AN ALASKA ENERGY AUTHORITY RENEWABLE ENERGY FUND ROUND 15 GRANT APPLICATION IN THE AMOUNT OF \$4,000,000 FOR THE FINAL DESIGN AND CONSTRUCTION OF THE WIND ENERGY PROJECT

WHEREAS, the City of Unalaska has determined that it is in the best interests of the residents of the City of Unalaska to investigate alternative power sources; and

WHEREAS, the Wind Energy Project was funded as part of the approved FY2018 CMMP; and

WHEREAS, three Budget Amendment Ordinances have increased funding for the Project since its inception; and

WHEREAS, the December 14, 2021, Budget Amendment accepted an award of \$139,000 in Alaska Energy Authority Grant Funds from a previous round of funding; and

WHEREAS, the City of Unalaska has the opportunity to apply for Round 15 of the Alaska Energy Authority's Renewable Energy Fund Grant Program to continue the development of this project to Final Design and Construction; and

WHEREAS, City Council will be requested to accept grant funds and provide City funds to complete the project if the grant application is successful.

NOW THEREFORE BE IT RESOLVED that the Unalaska City Council supports the submission of an Alaska Energy Authority Renewable Energy Fund Round 15 Grant Application in the Amount of \$4,000,000 for the Final Design and Construction of the Wind Energy Project.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on November 22, 2022

Vincent M. Tutiakoff, Sr.
Mayor

ATTEST:

Marjie Veeder, CMC
City Clerk

MEMORANDUM TO COUNCIL

To: Mayor and City Council Members
From: Steve Tompkins, Director of Public Utilities
Bob Cummings, City Engineer
Through: Chris Hladick, Interim City Manager
Date: November 16, 2022
Re: Resolution 2022-47: Supporting an Alaska Energy Authority Renewable Energy Fund Round 15 Grant Application in the Amount of \$4,000,000 for the Final Design and Construction of the Wind Energy Project

SUMMARY: Resolution 2022-47 will approve the City submitting an application for an Alaska Energy Authority (AEA) Renewable Energy Fund (REF) Round 15 Grant Application for the Final Design and Construction of the Wind Energy Project. The amount of grant funding requested is \$4,000,000. The Grant Application will be prepared by the City Engineer, Bob Cummings, and the engineer of record for the City for this Project, Douglas Vaught of V3 Energy, LLC. The application deadline is December 5, 2022.

PREVIOUS COUNCIL ACTION: In 2003, Unalaska City Council approved the Wind Integration Assessment Project through Ordinance 2003-11. In FY2018, Council funded the Wind Energy Project through Capital Budget Ordinance 2017-07. In 2017, Council entered into an Agreement with V3 Energy, LLC to begin to perform Phase II – IV of the Project for \$48,481 via Resolution 2017-63, moving forward with Phase II work. Budget Amendment Ordinance 2018-12, approved and adopted October 23, 2018, added \$220,000 to the Engineering Services line item of the Project's budget to begin the Phase III work. Budget Amendment Ordinance 2019-17, approved and adopted on January 14, 2020, provided an additional \$75,000 for Phase III. Budget Amendment Ordinance 2021-16, approved December 14, 2021, accepted \$139,000 in Grant Funding from the Alaska Energy Authority Renewable Energy Fund, the same program Staff proposes to apply to for additional funding via Resolution 2022-47.

BACKGROUND: The Wind Energy Project will be comprised of 5 phases should this application be supported by Council and funded by AEA REF:

- Phase I: Past Assessments. Complete.
- Phase II: Pre-Design and Site Selection. Complete
- Phase III: Data Collection and Analysis. 90% complete
- Phase IV: Feasibility and Design. The feasibility study is currently in progress and is funded through the prior AEA Grant.
- Phase V: Construction (should funds be made available to proceed).

From 2003 to 2005, a Phase 1 analysis of the feasibility for wind energy in Unalaska was conducted by Northern Power Systems, however, Phase II of that project was not realized at that time. Local interest in renewable energy and the availability of new technology led the City of Unalaska Department of Public Utilities to issue a Request for Qualifications for Phase II – IV of the Wind Energy Project. V3 Energy, LLC was awarded the work.

MET towers were set up at four locations around Unalaska and Doug Vaught of V3 Energy analyzed the data collected from the towers and generated the *City of Unalaska Wind Power Development and Integration Assessment Project, Wind Resource Assessment Report* dated February 18, 2022, and presented to Council on November 10, 2022.

Resolution 2022-47 before the Council tonight will support the City's Grant Application for an additional round of AEA REF monies to fund the balance of Phase IV Final Design as well as Phase V Construction.

DISCUSSION: Staff believes requesting additional funding via this AEA REF Round 15 Grant Application to continue moving this project forward is in the best interests of the City and its residents and businesses. Preliminary analysis shows that grant monies along with production tax credits available through the Inflation Reduction Act of 2022 make a significant contribution to making wind power economically feasible in Unalaska. Staff feels this is a opportune time to attempt to obtain grant funds. When the grant awardees are announced (approximately in June, 2023), the feasibility study will be complete, and these results can inform future council action. At this time there is no financial commitment for the City by applying. If this grant effort is successful, City Council would be requested to approve the acceptance of grant funds and approve the City's contribution to the project.

ALTERNATIVES: Council could elect to not pursue this grant opportunity and wait until the feasibility study is complete before deciding to attempt to obtain grant funding. The risk with this approach is there may not be grant funding available at this time.

FINANCIAL IMPLICATIONS: At this time the only financial implication to the City related to the grant application is the fee from V3 Energy to assist staff to prepare the AEA REF15 grant application. This fee will be less than \$3,120. This project has \$67,119 of city appropriated funds (non-grant) available from which this grant preparation assistance fee could be paid from. If the grant is successful, City Council would then be requested to approve any City funds required for the project construction and to accept grant funds. Grants are awarded by the legislature in the State budget which is expected to be finalized in June of 2023.

LEGAL: Not applicable to this Resolution.

STAFF RECOMMENDATION: Staff recommends approval of Resolution 2022-47. A successful application would provide funds towards wind development in Unalaska with the potential to make wind development economically advantageous to the City and its residents.

PROPOSED MOTION: I move to approve Resolution 2022-47.

CITY MANAGER COMMENTS: I concur with the Staff Recommendation.

ATTACHMENTS:

V3 Energy PowerPoint presentation to City Council on November 10, 2022

Status of City of Unalaska Wind Power Development and Integration Assessment Project

Presentation to City Council

Douglas Vaught, P.E.

V3 Energy, LLC

November 10, 2022

History of project

- Wind energy feasibility study of Naknek and Unalaska
 - Dames and Moore, 1999, for Alaska Division of Energy
 - No data collected
- **Phase I**, wind integration assessment
 - Northern Power Systems, 2005, draft report
 - No data collected
- RFP for **Phase II to IV**
 - Awarded to V3 Energy, LLC, Aug. 2017
- **Phase II**, develop data collection plan
 - Site options, integration, historical, environmental, and permitting reviews, and data collection plan
 - Report Aug. 2018

History, continued

- **Phase III**, implement data collection plan
 - Install meteorological (met) towers
 - Collect wind data
 - Wind Resource Assessment report, Feb. 2022
- **Phase IV**, pre-development plan
 - Analyze effects on powerhouse
 - Assess development paths
 - Economic analyses
 - In progress

Phase II Site Options

- Unalaska terrain complex and constrained
- Airspace restrictions
- Limited electrical distribution network
- Lower Pyramid Valley obvious candidate
- Hog Island alternate relatively large area
- Ballyhoo has higher elevation access, but very high modeled wind speeds, icing, steep switchback road, WWII National Historic Area

Met towers (guyed, tubular)

- Lower Pyramid Valley (near Veronica Lake), 60 meter (197 ft.), 10/2018 to 8/2021
- Hog Island, 60 meter (197 ft.), 8/2019 to 4/2021
- Icy Creek Reservoir, 34 meter (112 ft.), 10/2018 to 10/2019
- Bunker Hill summit, 10 meter (33 ft.), 10/2018 to 6/2020

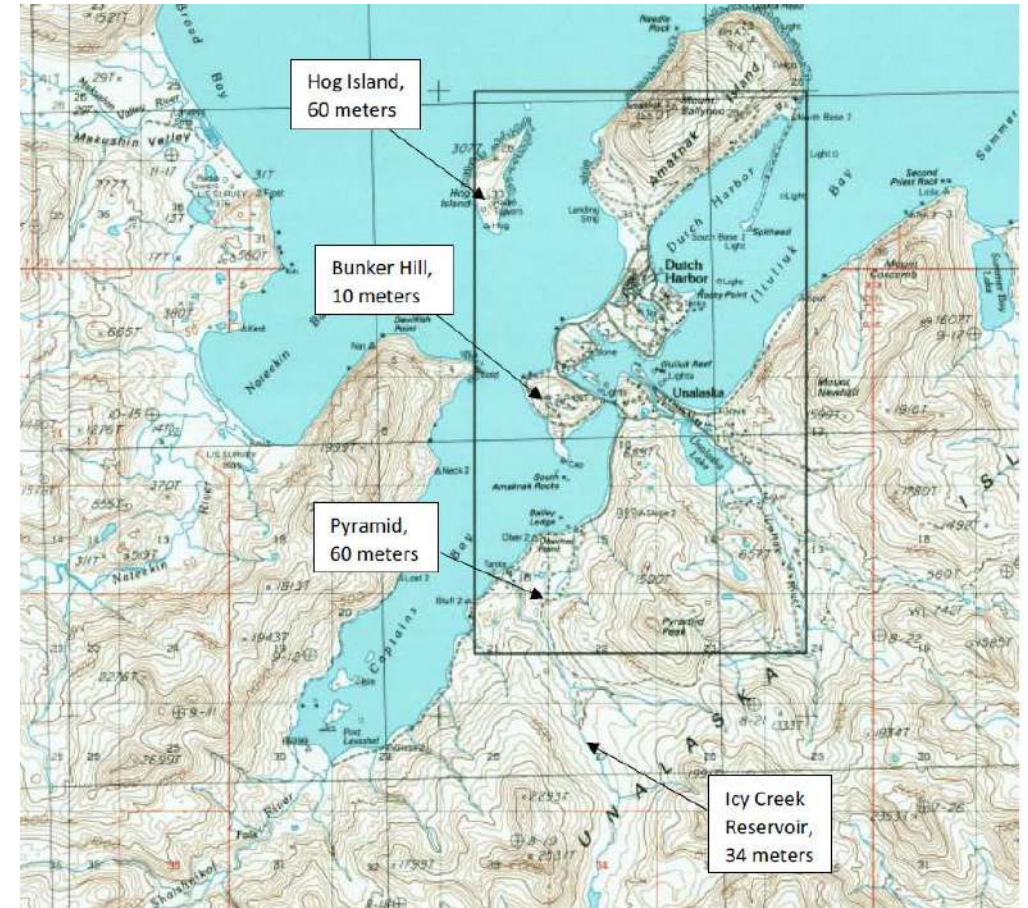
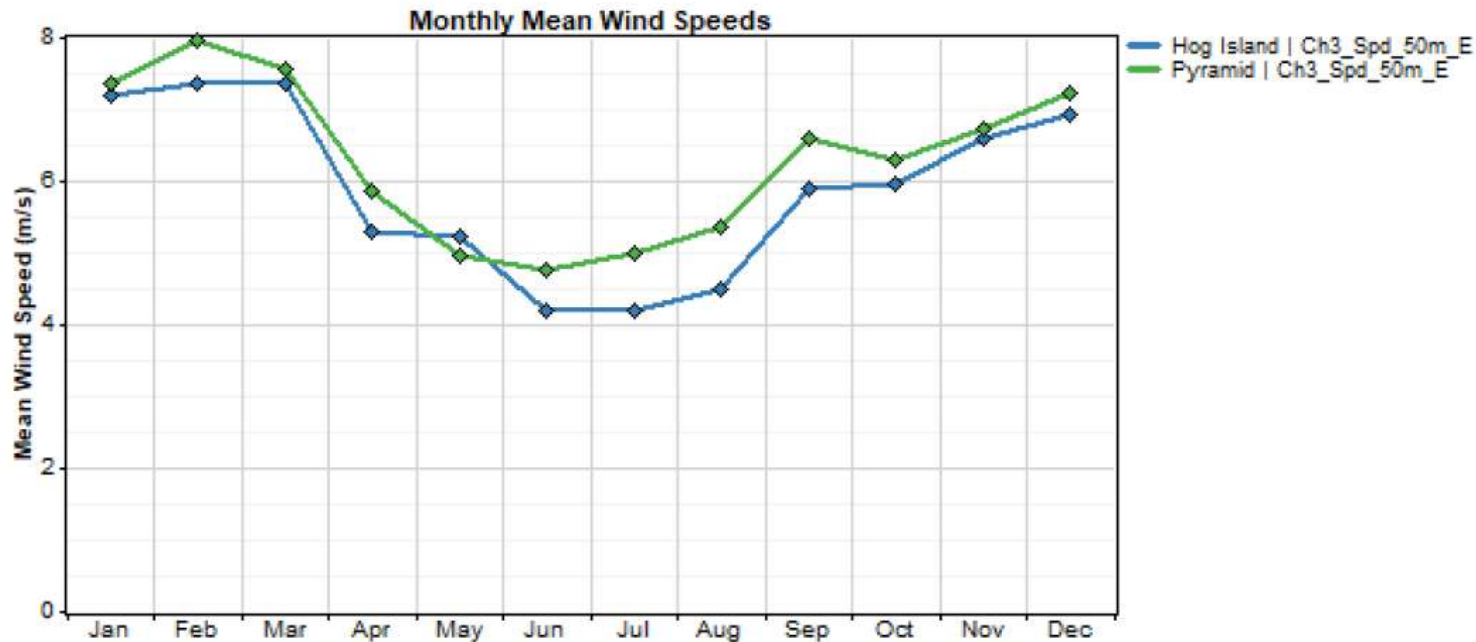




Figure 2: Pyramid 60-meter met tower (Andy Dietrich aerial photo)

Pyramid vs. Hog Island

- Pyramid Valley: 6.84 m/s (15.3 mph) mean speed at 60 m, wind power class 5 (of 7), 51.4 m/s (115 mph) max. gust
- Hog Island: 6.00 m/s mean wind speed at 60 m level, wind power class 3, 40.7 m/s (91 mph) gust, instrumentation problems



Pyramid wind summary

Data dates	10/16/2018 to 8/12/2021 (34 months)
Datalogger information	NRG Symphonie PRO, 26 channel, site no. 3550
Site coordinates	53.8496 North, 166.5625 West (WGS 84 datum)
Site elevation	103 meters (334 ft.)
Wind speed, mean annual, 60 m level	6.84 m/s corrected to Dutch Harbor Airport long-term weather station data; 6.39 m/s as measured
Wind power density, mean annual, 60 m	548 W/m ² when corrected to Dutch Harbor Airport long-term weather station data; 446 W/m ² as measured
Wind power class	5 (excellent), when corrected to Dutch Harbor Airport long-term weather station data) of 7 defined classifications; 4 (good) as measured
Maximum 10-min. avg wind speed	37.5 m/s (83.9 mph)
Maximum 3-sec. gust wind speed	51.4 m/s (115.0 mph)
Wind shear power law exponent	0.100 (low; 0.140 considered nominal)
Calm wind frequency (winds < 4 m/s)	Approx. 33%
Extreme wind probability (50-year period)	41.3 to 47.6 m/s
Turbulence intensity, 60 m level	0.120
IEC 61400-1 3 rd ed. classification	Class IIB

Alaska Energy Authority's Renewable Energy Fund (REF)

- Round 13 (2020) grant award (\$139K) to COU for wind power feasibility (signed 1/2022 due to appropriation delay)
- Remaining Phase III and IV tasks transferred to REF13 project
- Accomplished to date:
 - Site wind flow and power system modeling
 - Hired HDL 5/2022 to review WTP geotech studies for foundation design
 - Scope mod 6/2022 for pre-design to enable application for construction
 - Hired EPS 7/2022 to assess interconnection and powerplant integration
 - Hired STG 10/2022 to assess construction requirements and costs
 - Requested EWT turbine cost quote 9/2022

EWT DW58-1000

- Emergya Wind Technologies, The Netherlands
 - 58 m (190 ft.) rotor diameter, 1,000 kW capacity
 - Gearless/direct drive, synchronous generator, tubular tower
 - Tip heights of 250 ft./325 ft. (46 m/69 m hub hts.)
 - Designed for isolated grids (like Unalaska)
 - Survivability wind speed 59.5 m/s (133 mph)
 - Nine in rural Alaska (2 in Kotzebue, 2 in Nome, 2 in Delta Junction, 1 in Bethel, 1 in St. Mary's, 1 soon in Stebbins)
 - All are previous generation DW52-900 and DW54-900 models, (survivability of 59.5 and 52.5 m/s respectively)



EWT DW54-900 HH75 in Kotzebue
Packet Page Number 170

Possible Project

- One or two EWT 58-1000 wind turbines
 - COU land between WTP and Veronica Lake
 - Generate ~ 2,260 MWh/yr/turbine (approx. 4.8% of 2019-2022 electric load demand)
- Cost estimate
 - \$8.6M, AEA estimated cost for 1 MW wind
 - \$13.35M AEA estimated cost for 2 MW wind
 - Costs based on Alaska reference projects
 - Most are summer-only barge access on permafrost soils
 - Note lower cost/kW for 2+ turbines
- Working on Unalaska-specific price estimates and quotes

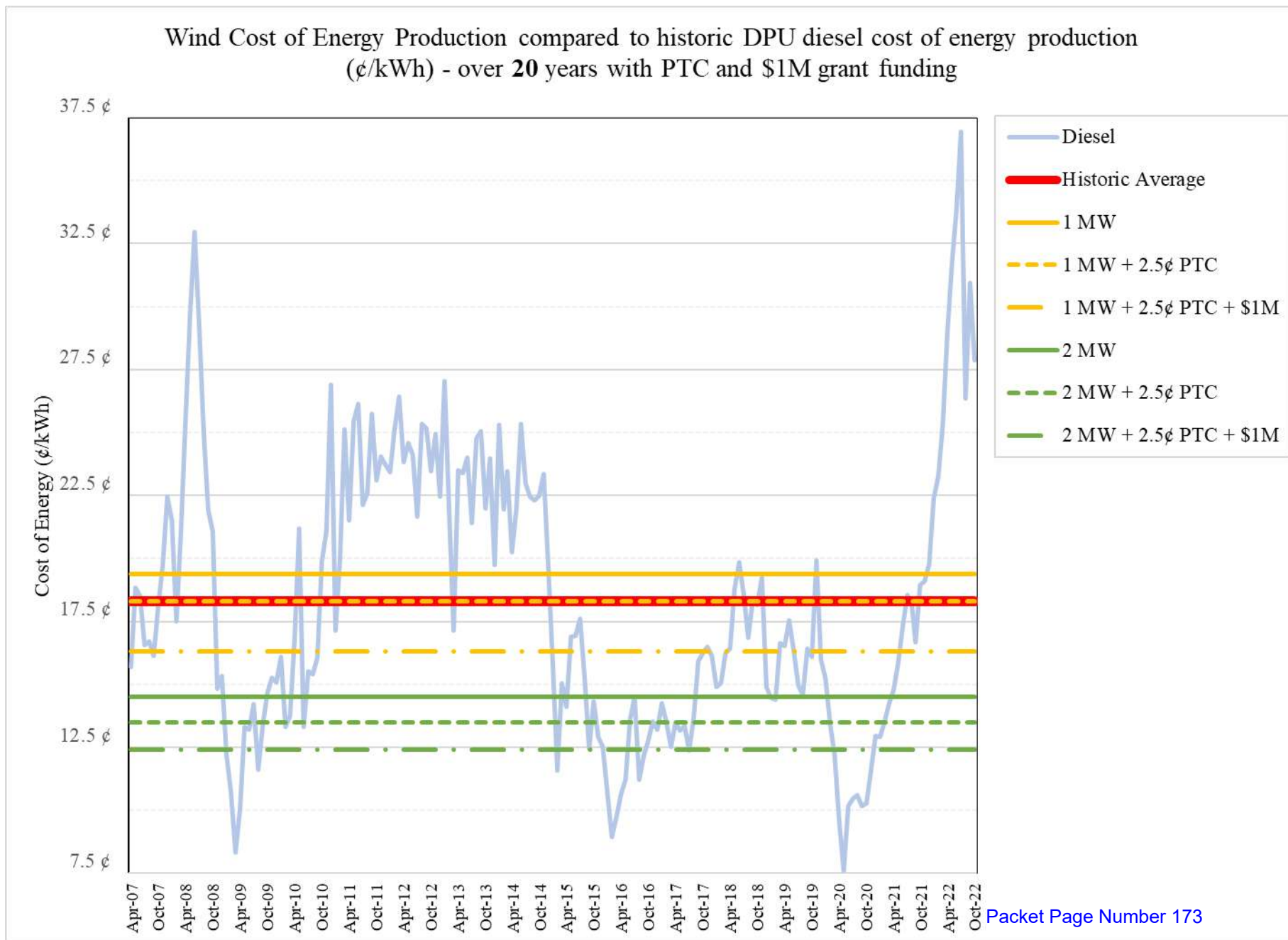
Funding Opportunities

- AEA Renewable Energy Fund Round 15
 - Applications due: 12/5/2022
 - AEA makes recommendations to legislature: 3/15/2023
 - Legislative approval and signed by governor: 6/30/2023
 - Award effective date: 7/1/2023
 - \$4M maximum award for design/construction project
- Inflation Reduction Act
 - 0.5¢-to-2.5¢/kWh production tax credit (PTC) for 10 years

Wind vs. Diesel Cost of Energy

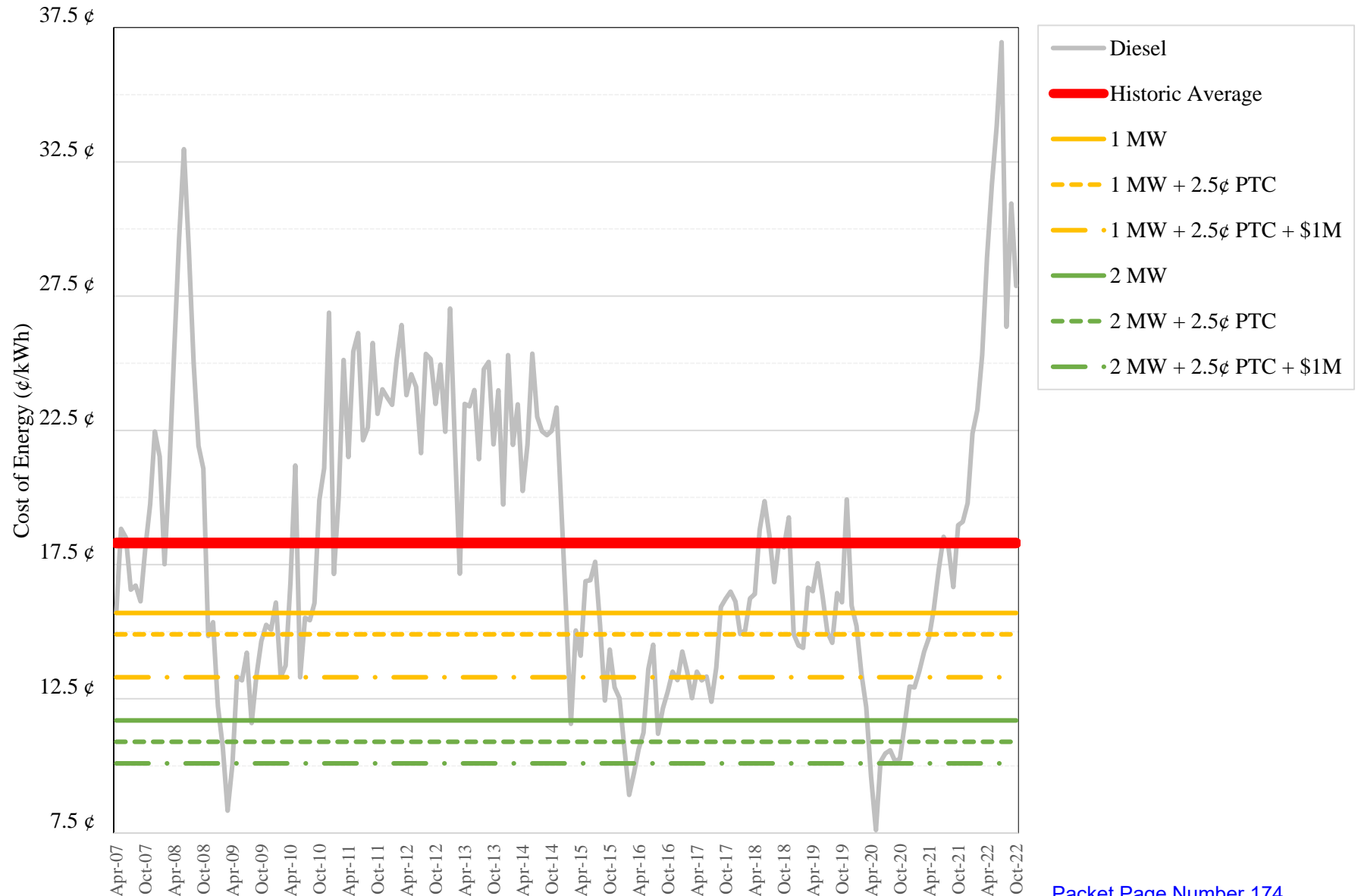
Assumptions:

- 20-yr project life
- 2.5¢ Production Tax Credit (PTC)
- \$1M grant



Wind vs. Diesel Cost of Energy

Wind Cost of Energy Production compared to historic DPU diesel cost of energy production (¢/kWh) - over 25 years with PTC and \$1M grant funding



Assumptions:

- 25-yr project life
- 2.5¢ Production Tax Credit (PTC)
- \$1M grant

Wind Project Cost Scenarios

Scenario	20 yr	Difference from Historic Average	25 yr	Difference from Historic Average	Capital Outlay (millions)
	¢/kWh		¢/kWh		
2007-2022 Avg DPU cost of energy production	18.3 ¢		18.3 ¢		
1 MW wind cost of energy	19.4 ¢	1.1 ¢	15.7 ¢	-2.6 ¢	\$ 8.6
1 MW + 2.5¢ PTC	18.3 ¢	0. ¢	14.9 ¢	-3.4 ¢	\$ 8.6
1 MW + 2.5¢ PTC + \$1M grant	16.3 ¢	-2. ¢	13.3 ¢	-5. ¢	\$ 7.6
1 MW + 2.5¢ PTC + \$2M grant	14.2 ¢	-4.1 ¢	11.6 ¢	-6.7 ¢	\$ 6.6
1 MW + 2.5¢ PTC + \$4M grant	10.1 ¢	-8.2 ¢	8.4 ¢	-9.9 ¢	\$ 4.6
2 MW wind cost of energy	14.5 ¢	-3.8 ¢	11.7 ¢	-6.6 ¢	\$ 13.3
2 MW + 2.5¢ PTC	13.5 ¢	-4.8 ¢	10.9 ¢	-7.4 ¢	\$ 13.3
2 MW + 2.5¢ PTC + \$1M grant	12.4 ¢	-5.9 ¢	10.1 ¢	-8.2 ¢	\$ 12.3
2 MW + 2.5¢ PTC + \$2M grant	11.4 ¢	-6.9 ¢	9.3 ¢	-9. ¢	\$ 11.3
2 MW + 2.5¢ PTC + \$4M grant	9.4 ¢	-8.9 ¢	7.6 ¢	-10.7 ¢	\$ 9.3