

CITY OF UNALASKA
UNALASKA, ALASKA

RESOLUTION 2023-06

A RESOLUTION OF THE UNALASKA CITY COUNCIL ACKNOWLEDGING THE CLOSURE
AND COMPLETION OF VARIOUS CAPITAL PROJECTS AND PURCHASES

WHEREAS, Unalaska City Code Section 6.12.050(B) states: All appropriations lapse at the end of the budget year to the extent that they have not been expended or lawfully encumbered, except an appropriation for capital improvements or projects which shall not lapse until the purpose of the appropriation has been accomplished or abandoned; and

WHEREAS, the City of Unalaska has numerous capital projects and purchases which are deemed to be complete; and

WHEREAS, combined together, all projects deemed complete are under budget; and

WHEREAS, any unused monies in completed projects will be returned to the appropriate fund.

NOW THEREFORE BE IT RESOLVED that the Unalaska City Council acknowledges that the capital projects and purchases as outlined on the attached list are deemed complete for their intended purpose.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on January 24, 2023.

Vincent M. Tutiakoff, Sr.
Mayor

ATTEST:

Marjie Veeder, CMC
City Clerk

MEMORANDUM TO COUNCIL

To: Mayor and City Council Members
From: Clay Darnell, Interim Finance Director
Through: Chris Hladick, Interim City Manager
Date: January 24, 2023
Re: Resolution 2023-06: Acknowledging the closure and completion of various capital projects and purchases

SUMMARY: With adoption of this resolution, Council acknowledges that various capital projects and purchases are being closed out of the Capital Budget as of January 24, 2023. Periodically staff reviews capital projects and if a project is complete or no longer feasible, staff makes a recommendation to close that project. This recommendation includes projects in several funds and the projects are listed by fund.

PREVIOUS COUNCIL ACTION: Council reviews and acknowledges the closure of various capital projects annually.

BACKGROUND: UCO 6.12.050 (B) states that “All appropriations lapse at the end of the budget year to the extent that they have not been expended or lawfully encumbered, except an appropriation for capital improvements or projects which shall not lapse until the purpose of the appropriation has been accomplished or abandoned.”

DISCUSSION: Periodically, staff evaluates active capital projects to determine if the project is complete or should be closed for other reasons. The attached list includes three projects recommended for closure. The list includes one project where abandonment is recommended. More information is provided below.

- PH20A (UMC Cruise Ship Terminal Design) – This has a current budget of \$390,000 with no encumbrances. This project should be vetted with an Economic Study including a Cost Benefit Analysis and a Return on Investment prior to beginning design. Council could potentially remove this project from the closeout list and proceed with the project. At this time, Ports recommends removing this project from the CMMP and the Capital Project Budget.

ALTERNATIVES: 1) Accept staff recommendations to close identified capital projects by adopting Resolution 2023-06; or 2) Leave one or more projects open for additional work.

FINANCIAL IMPLICATIONS: Unused monies will be returned to the appropriate funds, as follows:

General Fund	\$ 8,143.47
Port Proprietary Fund	\$ <u>492,351.97</u>
Total	\$500,495.44

LEGAL: None

STAFF RECOMMENDATION: Staff recommends approval.

PROPOSED MOTION: I move to adopt Resolution 2023-06.

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

Resolution 2023-06 Closing Capital Projects

Project Number	Governmental	Budget	Project Costs To Date	Under/(Over)	Return to General Fund	Return to Spec. Revenue Fund 1% Sales Tax	Return to Other	Return to Proprietary Fund
PR19B	General Government Parks, Culture & Recreation SITKA SPRUCE PARK IMPROVEMENTS	878,185.00	870,041.53	8,143.47	\$8,143.47			
		878,185.00	870,041.53	8,143.47				
PH17D	Proprietary Funds Ports UMC EXPANSION CONSTRUCTION	37,467,858.00	37,365,506.03	102,351.97				\$102,351.97
PH20A	UMC CRUISE SHIP TERMINAL DESIGN	390,000.00		390,000.00				\$390,000.00
		37,857,858.00	37,365,506.03	492,351.97				Total Ports \$492,351.97
								Total Proprietary \$492,351.97
City Total		38,736,043.00	38,235,547.56	500,495.44	\$8,143.47	\$0.00	\$0.00	\$492,351.97