

CITY OF UNALASKA
UNALASKA, ALASKA
ORDINANCE 2023-01

CREATING BUDGET AMENDMENT #5 TO THE FISCAL YEAR 2023 BUDGET, ACCEPTING THE ALASKA DEPARTMENT OF HEALTH AND SOCIAL SERVICES MOBILE INTEGRATED HEALTHCARE COMMUNITY PARAMEDICINE RURAL EXTENSION OF CARE GRANT \$166,666.66, TO FUND A MOBILE MEDICAL TRAILER; ACCEPTING THE BROWNSFIELD COMMUNITY WIDE ASSESSMENT GRANT \$500,000; AND INCREASING THE APPROPRIATIONS FOR GENERATOR FUEL IN THE ELECTRIC UTILITY FUND \$1,850,000

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 #5 to Ordinance #2022-10

	Current	Requested	Revised
I. OPERATING BUDGETS			
A. General Fund			
Sources:			
State of Alaska Grant	\$ -	\$ 166,667	\$ 166,667
Uses:			
State of Alaska - Mobile Medical Trailer Project		\$ 166,667	\$ 166,667
B. Proprietary Funds			
Electric Fund			
Sources:			
Electric Fund - Budgeted use of unrestricted net assets	\$ 4,404,814	\$ 1,850,000	\$ 6,254,814
Uses:			
Generator Fuel - Diesel	\$ 10,120,000	\$ 1,850,000	\$ 11,970,000
II. CAPITAL BUDGETS			
A. Governmental Project Budgets			
Sources:			
EPA Brownfields Grant	\$ -	\$ 500,000	\$ 500,000
Uses:			
EPA Brownfields Project		\$ 500,000	\$ 500,000

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on March 28, 2023.

Vincent M. Tutiakoff, Sr.
Mayor

ATTEST:

Marjie Veeder, CMC
City Clerk

City of Unalaska
Summary of Budget Amendment and Schedule of Proposed Accounts
Budget Amendment 5 to the FY23 Budget

- 1) Govt Fund - Capital Projects
 Add \$166,666.66 recognizing SOA DHHS Mobile Integrated Healthcare grant
 Add \$166,666.66 to SOA DHHS Mobile Integrated Healthcare grant expenditures
- 2) Electric Fund - Operating
 Add \$1,850,000 to Generator Fuel - Diesel
- 3) Govt Fund - Capital Projects
 Add \$500,000 recognizing EPA Brownfields Grant
 Add \$500,000 to EPA Brownfields project expenditures

	Org	Object	Project	Current	Requested	Revised
1) <u>General Fund - Operating Budget</u>						
Sources:						
Other Grants-DPS	1011041	42198		\$ -	\$ 166,667	\$ 166,667
Uses:						
Fire Machinery & Equipment	1021553	57400		\$ -	\$ 166,667	\$ 166,667
2) <u>Electric Fund - Operating Budget</u>						
Sources:						
Budgeted Use of Unrestricted Net Assets	50015049	49910		\$ 4,404,814	\$ 1,850,000	\$ 6,254,814
Uses:						
Generator Fuel - Diesel	50024152	56500		\$ 10,120,000	\$ 1,850,000	\$ 11,970,000
3) <u>Govt Fund - Capital Projects</u>						
<i>EPA Brownfields Project</i>						
Sources:						
EPA Grant Revenue	310A2341	42249	GR001	\$ -	\$ 500,000	\$ 500,000
Uses:						
Salaries & Wages	310A2353	51100	GR001	\$ -	\$ 23,800	\$ 23,800
Travel	310A2353	55903	GR001	\$ -	\$ 12,000	\$ 12,000
General Supplies	310A2353	56100	GR001	\$ -	\$ 1,500	\$ 1,500
Other Professional Svcs	310A2353	53300	GR001	\$ -	\$ 461,900	\$ 461,900
Other	310A2353	55999	GR001	\$ -	\$ 800	\$ 800

MEMORANDUM TO COUNCIL

To: Mayor and City Council Members
From: Ben Knowles, Interim Fire Chief
Through: Chris Hladick, Interim City Manager and Bil Homka, Acting City Manager
Date: March 9, 2023
Re: FY23 Budget Amendment #5 to accept a \$166,666.66 grant from the State of Alaska, Department of Health and Social Services, Mobile Integrated Healthcare, Community Paramedicine Rural Extension of Care

SUMMARY: Ordinance 2023-01 will accept State of Alaska Department of Health and Social Services, Mobile Integrated Healthcare, Community Paramedicine Rural Extension of Care Grant Funding of \$166,666.66. The grant funds will be used to cover the costs of design, build and implementation of a mobile medical trailer.

PREVIOUS COUNCIL ACTION: None

BACKGROUND & DISCUSSION: The Unalaska Fire Department (UFD) has been working with the State of Alaska Department of Health and Social Services, Section of Rural and Community Health Systems, to identify healthcare disparities to populations within the community. UFD has justified the need for a mobile medical trailer. The proposed medical trailer fills the voids in a number of different areas that will increase the level of care provided to the community and aid in our overall mission to increase access to healthcare in Unalaska.

The proposed medical trailer will allow for UFD to partner with Iliuliuk Family and Health Services (IFHS) on a new level and enhance the ability to offer vaccinations and general wellness check-ups in more centralized locations throughout the community. Additionally, the trailer will be designed with capabilities able to be deployed in emergency situations. The trailer will also be able to sustain care during a large-scale incident with mass casualties.

The trailer will carry all of the necessary medical equipment to execute events such as vaccination clinics to deployment at emergency incidents; this trailer will be self-sustainable and all-inclusive. The trailer will be designed to handle 4-6 patients at one time during emergency situations and 2-3 patients for community events. The total budget for the design, build, and implementation of this trailer is \$166,666.66. UFD currently has the majority of the necessary supplies in-stock and ready to be placed on the trailer with no impact to the FY23 operating budget. There will be \$10,000 allocated from the grant funds specifically to purchasing the remaining supplies needed to outfit the trailer fully. The construction of the trailer will be from the chassis up, making it truly unique to our needs.

UFD has also identified the absence of any medical facilities on Amaknak Island. The trailer will be housed at UFD Station #2 (Amaknak Fire Station) which is ideal in a situation or event that may render the South Channel Bridge impassable, cutting off access to the IFHS Clinic.

Long-term, this medical trailer creates bridges to gaps that have not yet been identified fully. It fosters the ability to create partnerships with outlying communities throughout the Aleutians. The vision is being able to utilize this trailer to provide medical care to those underserved populations

in neighboring communities with support from local shipping companies, state agencies and our local healthcare providers.

ALTERNATIVES: Accept the grant funding or choose to decline the grant funding.

FINANCIAL IMPLICATIONS:

Medical Supplies – 01021552-56100 Adequate funds in FY24 to cover additional costs of potentially expiring medical supplies

Preventative Maintenance – 01021552 – 54300 Adequate funds in FY24 (\$4,000) to cover PM costs associated with the ownership of the trailer.

LEGAL: None.

STAFF RECOMMENDATION: Accept the State of Alaska Department of Health and Social Services, Mobile Integrated Healthcare. Community Paramedicine Rural Extension of Care Grant Funding of \$166,666.66.

PROPOSED MOTION: First reading: I move introduce Ordinance 2023-01 and schedule it for Public Hearing and second reading on March 28, 2023. Second reading: I move to adopt Ordinance 2023-01.

CITY MANAGER COMMENTS: I concur with the Staff Recommendation.

MEMORANDUM TO COUNCIL

To: Mayor and City Council Members
From: William Homka, Acting Director of Planning
Through: Chris Hladick, Interim City Manager
Date: March 9, 2023
Re: FY23 Budget Amendment #5 to accept a \$500,000 Grant from the U.S. Environmental Protection Agency for the Brownfields Assessment Project

SUMMARY: Ordinance 2023-01 includes a request to accept \$500,000 from the U.S. Environmental Protection Agency (USEPA) and place it in the Brownfields Assessment Project budget. The City has received a grant from the USEPA for site inventory, identifying and testing properties for contamination and to assist with site remediation for future redevelopment. This Budget Amendment will allow the City to receive these funds. The total project budget was \$500,000, and receipt of these funds will enable the city to move forward with the project. Any excess funds beyond the original scope will be re-invested in the project to maximize effectiveness.

PREVIOUS COUNCIL ACTION: City Council funded the FY23 Operating Budget via Ordinance 2022-10, approved and adopted on June 28, 2022; and Council reviewed the proposed work plan in August 2022.

BACKGROUND: The Planning Department contracted with Stantec in 2022 to apply for a USEPA Brownfields Assessment Grant under a dual procurement proposal for grant writing and administration services. The City was awarded the maximum \$500,000 amount for assessment work. The USEPA took some time as part of a nation-wide investigation to review the procurement process of the City and Stantec. The USEPA investigation found no evidence of improper procurement on the City or Stantec's part. We are clear to draw down funds as the project progresses.

DISCUSSION: City Staff was approached by Stantec as a candidate to apply for an EPA Brownfields Assessment Grant. The application was a success and the City entered into an agreement with Stantec to conduct the assessment work under the administration of the City. If this budget amendment is approved, the City will be able to draw down the funds from the EPA to the grant fund on an as needed basis, prior to the expenditure of those funds. As the project is entirely funded by the EPA there is no impact to the City's General Fund.

The funds will be used for a contaminated sites inventory, Phase I & II Environmental Site Assessments (ESA), travel to the EPA Brownfields National Conference in August 2023, and some funding for administration of the grant. The initial inventory will guide the overall best use of Phase I & II ESAs; however, current areas of interest include Pyramid Valley, Strawberry Hill, Unalaska Lake, and our stock of WWII cabanas. The Assessment Program is designed to inform and conduct planning for future remediation and reuse of sites.

The following table shows the project budget summary:

Table A - Object Class Category (Non-Construction)	Total Approved Allowable Budget Period Cost
1. Personnel	\$23,800
2. Fringe Benefits	\$0
3. Travel	\$12,000
4. Equipment	\$0
5. Supplies	\$1,500
6. Contractual	\$461,900
7. Construction	\$0
8. Other	\$800
9. Total Direct Charges	\$500,000
10. Indirect Costs: 0.00 % Base	\$0
11. Total (Share: Recipient <u>0.00</u> % Federal <u>100.00</u> %)	\$500,000
12. Total Approved Assistance Amount	\$500,000
13. Program Income	\$0
14. Total EPA Amount Awarded This Action	\$0
15. Total EPA Amount Awarded To Date	\$500,000

ALTERNATIVES: Accept this grant award for the Brownfields Assessment Project or choose not to accept the award.

FINANCIAL IMPLICATIONS: There is no matching requirement for this award.

LEGAL: None.

STAFF RECOMMENDATION: Staff recommends approving receipt of these funds.

PROPOSED MOTION: First reading: I move introduce Ordinance 2023-01 and schedule it for Public Hearing and second reading on March 28, 2023. Second reading: I move to adopt Ordinance 2023-01.

CITY MANAGER COMMENTS: I concur with the Staff Recommendation.

ATTACHMENTS: None

MEMORANDUM TO COUNCIL

To: Mayor and City Council Members
From: Steve Tompkins, Director of Public Utilities
Through: Chris Hladick, Interim City Manager
Date: March 9, 2023
Re: FY23 Budget Amendment #5 increasing the Electric Fund Operating Expenses to Pay for Increased Fuel Costs

SUMMARY: Staff requests \$1.85 million to be transferred from the Electric Fund Unrestricted Net Position into the Generator Fuel line item of the Operating Budget of the Power Production Division of the Department of Public Utilities to avoid a budget shortfall.

PREVIOUS COUNCIL ACTION: City Council funded the FY23 Operating Budget via Ordinance 2022-10, approved and adopted on June 28, 2022.

BACKGROUND: Each budgeting cycle, staff estimates both power sales revenue and fuel expenses. Diesel fuel pricing has continued to be quite volatile due to world-wide fluctuating demand brought on by the Ukraine war and other world events. Since July 1, 2022, the price of diesel has varied between \$2.79 and \$4.98 per gallon. On February 28, 2023, Westward Seafoods experienced a generating equipment failure and fire which will require increased power purchased from the City while repairs are made. A portion of this budget amendment considers this additional power generation and corresponding diesel usage.

DISCUSSION: With five months left in the fiscal year, staff estimate the City will require 1.22 million more gallons of fuel at an estimated cost of \$4.05 per gallon. There is approximately \$3.1 million remaining in the Generator Fuel budget line item as of February 1, 2023 invoicing, with \$4.95 million required through the end of the fiscal year. The Cost of Power Adjustment (COPA) charge on customer utility bills recoups most of the generator fuel expense, depositing these funds back into the Proprietary Fund Balance as increased revenue. This budget amendment request will move some of these funds back into the Operating Budget of the Power Production Division to cover these increased fuel expenses.

ALTERNATIVES: The powerhouse Operating Budget must be able to purchase fuel; staff sees no other acceptable alternative to this Budget Amendment request. The increased fuel expenses will be recovered through COPA and be available for the next budget cycle.

FINANCIAL IMPLICATIONS: This Budget Amendment will move \$1.85 million from the Retained Earnings of the Electric Proprietary Fund into the Operating Budget of the Power Production Division

LEGAL: N/A

STAFF RECOMMENDATION: Staff recommends funding this Request with the Fund Balance of the Electric Proprietary Fund.

PROPOSED MOTION: First reading: I move introduce Ordinance 2023-01 and schedule it for Public Hearing and second reading on March 28, 2023. Second reading: I move to adopt Ordinance 2023-01.

CITY MANAGER COMMENTS: I concur with the Staff Recommendation.