

CITY OF UNALASKA  
UNALASKA, ALASKA

RESOLUTION 2023-46

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

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

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

WHEREAS, in September, 2022 the City of Unalaska approved Resolution 2022-40 authorizing the City Manager to enter into an agreement with OptimERA Holdings, Inc., formerly OptimERA, Inc., to provide supervision, outage recovery, and all aspects of repairs and maintenance of the electrical distribution system at a cost not to exceed \$1,006,200; and

WHEREAS, the 2022 agreement expired in October, 2023 and this extension is proposed for one additional year at a cost not to exceed \$1,514,164; and

WHEREAS, the City needs OptimERA's electrical related services to maintain electrical service to the community and to provide it additional time to prepares a strategy for rebuilding its linemen program; and

WHEREAS, the City intends to issue a request for proposals (RFP) seeking these services in about April, 2024 for intervals ranging three to five years.

NOW THEREFORE BE IT RESOLVED that the Unalaska City Council approves a continued contract relationship between the City of Unalaska and OptimERA Holdings, Inc. as presented; agrees to fund the one-year agreement from Line Repair & Maintenance Operating Funds not to exceed 1,514,164; and authorizes the City Manager to sign the attached contract amendment on behalf of the City of Unalaska.

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

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Vincent M. Tutiakoff, Sr.  
Mayor

ATTEST:

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Estkarlen P. Magdaong  
City Clerk

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## MEMORANDUM TO COUNCIL

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To: Mayor and City Council Members  
From: William Homka, City Manager  
Date: November 28, 2023  
Re: Resolution 2023-46: Authorizing the City Manager to enter into an agreement extension with OptimERA Holdings Inc. for Electric Lineman Services

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**SUMMARY:** OptimERA Inc. first supplemented the City of Unalaska Line Crew in February, 2022, when Acting Lineman Chief Davlin Hall left on a 30-day vacation. Mr. Hall resigned in August, 2022 and the City needed to staff the position with qualified services to maintain the island's electric service. In October, 2022 Council adopted Resolution 2022-40 authorizing the City Manager to enter into an agreement with OptimERA for a period of one year or until such time the City hires a Utility Lineman Chief and at least one Utility Linemen to supplement the existing Lineman Apprentice. The one year expired in October, 2023 and the City Manager seeks approval to extend the contract period one year at a cost of \$1,514,164.

**PREVIOUS COUNCIL ACTION:** Resolution 2022-40 authorized the City Manager to enter into an agreement with OptimERA. Resolution 2022-25 authorized the City Manager to sign the negotiated Collective Bargaining Agreement (CBA) between the City of Unalaska and Public Works and Public Utilities Employees IUOE, Local 302.

**BACKGROUND:** Employee attrition in the Line Crew combined with unsuccessful recruitment has resulted in just an Apprentice remaining in the division. Starting in August, 2019, the Department of Public Utilities began losing Line Crew. By 2022 four linemen resigned and the vacancies were never filled. When the last lineman left in August, 2022 the City had no resources available internally to maintain the electric distribution system.

In February, 2022 the City learned it can supplement the Line Crew when necessary to maintain essential operations. We hired OptimERA to cover the Line Chief's vacation and provide continuous journeyman supervision of the apprentice per the City's Standards of Apprenticeship developed together with the U.S. Department of Labor. Additionally, the contract included On-Call/Standby to provide 24-hour coverage on outage recovery.

In May, 2022 the lineman resigned so the City again retained OptimERA to staff the Line Crew division and oversee the apprentice. The pricing increased significantly as any work exceeding \$25,000 had to comply with Laborers' and Mechanics' Minimum Rates of Pay as required by Title 36 AS 36.05 & AS 36.10 published by the Alaska Department of Labor. The contract was paid by transferring funds within the Line Repair & Maintenance Division FY22 Budget Salaries & Wages to Other Professional Services.

**DISCUSSION:** Over the past few months the City has been successful in filling many vacant positions. However, we have had no success in filling the Line Crew positions. The OptimERA contract provides the required services and assists the Department of Public Utilities with maintaining the electric distribution system. Two of OptimERA's employees are former City linemen employees.

Discussions to negotiate a new contract were initiated in August, 2022. At that time Matt Scott presented the City administration with OptimERA's request for a five-year contract period. OptimERA is having difficulty filling the positions due to the short contract period because most many do not want to travel so far to work for just 12 months or less. A longer contract term would widen the pool of candidates.

In response to OptimERA's five-year proposal, the City Manager proposed to extend the one-year contract that expired in October. We are on a month to month basis per that contract. The City desires to acquire Line Men services through the public bidding process. The 2022 contract was sole sourced due to the short notice caused from the Line Men resignation in August, 2022. We have not completed an assessment necessary to form a City rebuild plan for the Line Crew division.

The proposed contract price has increased \$508,564, from \$1,006,200 to \$1,514,165. The increased costs are associated with travel and housing for the employees as well as anticipated wage increases. OptimERA has experienced difficulty sourcing coverage for some of the same reasons the City experiences in recruiting, including the remote location and the weather. Other factors identified per OptimERA include:

- Filling positions has been difficult nationally, statewide, and particularly locally.
- Full staffing was achieved for only 1.5 months.
- Efforts to introduce rotational schedules increased administrative overheads.
- Short employment term creates doubt with potential candidates.

The City would like the one-year extension to allow more time to prepare an analysis of factors we need to overcome in order to rebuild its Line Crew. The results should help plan a strategy to lead us out of this situation. Information from the plan will assist our future recruiting efforts. The City will issue a Request for Proposals for three (3) and five (5) year terms to continue supplementing the Line Men division with external, professional services. During that time the City intends to rebuild the Line Man division.

**ALTERNATIVE:**

1. The City could disband the Line Crew Division and engage in long term contracting to deliver power distribution services to Unalaska. This is not recommended due to mandatory PERS contributions on behalf of the displaced employees.

**FINANCIAL IMPLICATIONS:** A fully staffed Line Crew Division under the new 302 Contract requires approximately \$1 million in annual funding. This contract extension will cost \$1,514,164.

**LEGAL:** Contract and Extension have been reviewed by the City Attorney.

**STAFF RECOMMENDATION:** Staff recommends Council pass and adopt Resolution 2023-46, authorizing the City Manager to enter into an agreement extension with OptimERA, Inc. for continued electric lineman services.

**PROPOSED MOTION:** I move to adopt Resolution 2023-46.

**CITY MANAGER COMMENTS:** I request approval of this resolution.

**ATTACHMENTS:**

Proposed Contract

OptimERA's Proposal

SECOND AMENDMENT TO  
JOURNEYMAN LINEMAN/CHIEF CONSTRUCTION ASSISTANCE AGREEMENT

This Second Amendment to Journeyman Lineman/Chief Construction Assistance Agreement amends DOL contract # 22-05-60304A, **JOURNEYMAN LINEMAN CHIEF CONSTRUCTION ASSISTANCE AGREEMENT (“Contract”)** signed on 05/04/2022 and Amended on 09/15/2022, attached for reference, between the City of Unalaska (“Utility” or “City”) and OptimERA Holdings, Inc. (“Contractor”). This Amendment shall become effective on the last date signed below (“Effective Date”).

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

**1. Services to be performed.**

- A. Subject to the terms of the Contract, Contractor shall provide its best efforts to provide Utility with supplement staffing necessary to maintain a total of **four (4)** full-time Linemen (*i.e.*, the total of full-time Contracted Linemen provided by Contractor in addition to Utility’s employee Lineman or Linemen or apprentices shall not exceed a total of four). Contractor may provide multiple part-time Contracted Linemen to equal a full-time lineman.
- B. Additional Contact employees may be added by addendum at any time during the Term, at the contract rate, either for the Term or for a negotiated period at the time of addition.
- C. Full-time is defined as forty (40) hours a week for each Contracted Lineman. Overtime must be approved and directed by Utility.
- D. Except as otherwise required by context, “Lineman” and “Linemen” shall include Line Chief, Lineman, and/or Apprentices.
- E. For all services performed under this Contract, Contractor shall comply with Laborers’ and Mechanics’ Minimum Rates of Pay as required by Title 36 AS 36.05 & AS 36.10 published by the Alaska Department of Labor.

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

**2. Compensation.**

- A. *Fees.* In consideration for the services to be performed by Contractor, City agrees to pay Contractor hourly wages based on the attached rate sheet, Appendix A, with hourly charges determined by the actual hours Contractor’s Linemen perform work for Utility:

***1. Applicable Hourly wages per attached Rate Sheet Appendix A “2023 Rate Sheet – OptimERA xG”***

2. On-Call work-\$950.00/week, per Lineman
3. Call-Outs shall incur charges for a minimum of two hours or actual hours worked, whichever is greater.
4. Certified payroll Fees - \$800.00/week
5. DOL Project Filing Fees – *N/A*
6. Travel – Expenses for rotational employees shall not exceed an average monthly cost of \$7,050/mo. per rotational position.
  - (i) Expenses shall be reimbursed at actual value.
  - (ii) Receipts shall be provided upon request.
  - (iii) Reimbursement shall include costs related to travel, hotels, per diem, utilities and other expenses directly related to the employment of rotation contract employees.
7. ***Consulting and Technical Service***
  - (i) ***Power and Utility Consulting and Technical Assistance – \$225/hr (~3 months or 480 hours) - \$110,000***
  - (ii) ***Electrical Technician—40/week @ \$150/hr for 48 Weeks Annually—\$290,000***
8. DOL Mandated Wage Increases – DOL wages may be adjusted, as applicable during the term of the contract to fulfill the mandatory wage adjustments per, Title 36 AS 36.05 & AS 36.10. Rates shall not be adjusted greater than the price difference of the current wage and new wage mandated by Title 36.
9. Total Compensation.
  - (i) The total compensation paid to Contractor annually under this Agreement shall not exceed ***\$1,514,164.***

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

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

The City of Unalaska may proceed with staffing and onboarding of new employees during the Term of this Contract. At no time shall a mandatory reduction in staffing, by the contractor, be required during the Term of the Contract.

~~Restaffing, by the Contractor, to fulfill the contract staffing levels, including Utility Employees shall be ongoing, as per the Contract Term.~~

~~A. City of Unalaska will continue to proceed with staffing and onboarding of new employees during the Term of this Contract which shall be one (1) year from the Effective Date of this Second Amendment (“Contract Term”).~~

~~B. During the Contract Term, any redundancy in staffing between Contractor provided staffing and Utility provided staffing shall be reduced, by the Contractor.~~

- ~~C. Reduction in staffing shall commence starting from the first (1st) day of work of the Utility employee, terminating twenty four (24) weeks thereafter or the last day of the month in which the twenty fourth (24th) week falls, whichever is later.~~
- ~~D. Any staffing reduction process shall finalize with Termination of the Contract or continue with any adopted extensions to the Contract Term, maintaining the original start date. Restaffing by the Contractor to accommodate contract staffing levels shall be ongoing for the Contract Term to fill all open positions.~~

IV. **Amendment to Article 9.** Article 9 of the Contract is hereby amended to read as follows:

**9. Contractor Staffing Qualifications & Restrictions.**

*A. Line Chief*

1. Maximum of one (1) full-time position
2. Must hold a current Journeyman Certificate of Fitness in the State of Alaska
3. Minimum 3 years supervisor role
4. Experience may be supplemented by practical experience of the local distribution system and applicable higher education.

*B. Lineman*

1. Maximum of ~~four~~ (4) full-time positions, including Utility Staffing
2. Must hold a current Journeyman Certificate of Fitness in the State of Alaska.
3. Experience with install and maintenance of municipal distribution systems

*C. Apprentices*

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

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

**V. Amendment to Article 10.** Article 10 of the Contract is hereby amended to read as follows:

**10. Work Week/Hours.**

- A. *Work Week.* The work week shall begin on Monday of each week through Sunday the same week.
- B. *Normal Work Hours.* Normal Work Hours are defined as Monday through Friday, 8:00 AM through 5:00 PM, not including holidays or approved leave.
- C. *Call-Out & On-Call.* Work performed outside of Normal Work Hours shall be classified as Call-Out and/or On-Call work, charged accordingly and subject to the following:
  - 1. On-Call status shall be requested no later than 48 hours before the start of the work week, for a period no less than 1 week, defined as 7 consecutive days, including holidays, starting on the Monday of the work week.
  - 2. On-Call availability is not guaranteed until requested and approved by both the Utility and Contractor.
  - 3. Call-Outs are defined as unscheduled work outside of Normal Work Hours that is not covered by On-Call status.
  - 4. Call-Out requests shall be made by Utility's POC to Contractor's POC, **with exception during an emergency outage or to restore services to normal operation.**
- D. *Leave.* Holidays, sick leave, vacation, and other time off shall be in accordance with the policies of the Lineman's employer. The POCs shall communicate all known Lineman requests for leave and time off at their soonest convenience, including requests prior to approval, sick leave, and emergency leaves of absence.
- E. *Overtime.* Overtime shall be approved by both parties, at their discretion, prior to work being performed with such approval acknowledged by both parties by written exchange, (e-mail) prior to work being performed.
- F. Any discrepancies on hours, clarification of rates, the State of Alaska DOL rules and Regulations as required by Title 36 AS 36.05 & AS 36.10 shall take precedent.

**VI. Amendment to Article 11.** Article 11 of the Contract is hereby amended to read as follows:

**11. Procurement and Approval Procedures.**

Contracted Linemen shall not act as agents of City for any approval or procurement process, **outside of the normal scope and job description for the position in which they are fulfilling**, including but not limited to:

- A. Request or approval of LPOs (Local Purchase Orders);



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

**Addition of Article 17.** Article 17 of the Contract is hereby added to read as follows:

**17. Term and Renewal**

The Term of the Contract shall begin on the Effective Date and extend for 12 months thereafter. Upon expiration of the current Term the contract shall remain in effect on a month-to-month basis, until an amended contract is put into place, or either party terminates their participation in the contract. Notice to terminate, after the initial 12-month term, shall be given no less than one month in advance for termination of the contract by either party. Additional billables shall be in addition to the Total Compensation of the Current Term and at the rates of the Current Term.

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

**OptimERA Holdings, Inc.**

**City of Unalaska, Alaska**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

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To: City of Unalaska, City Manager  
Date 8/10/2023  
Re: Second amendment to Electrical Support Contract # 22-05-60304A

## PROPOSAL

### 2023 CITY OF UNALASKA ELECTRICAL UTILITY SUPPORT CONTRACT

#### **1. BACKGROUND:**

Over the past 18 months, we've worked with the City of Unalaska Utility to provide emergency and supplemental staffing for the Electric Line Department. Our current 12-month contract aimed to offer two additional line positions. However, we've faced significant challenges:

- Filling positions has been difficult nationally, statewide, and particularly locally.
- Full staffing was achieved for only 1.5 months.
- Efforts to introduce rotational schedules increased administrative overheads.
- Uncertainty of employment term created doubt with potential labor pool.

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#### **2. PREVIOUS AGREEMENT:**

We initially provided emergency staffing with the understanding this was a short-term solution. We hoped to phase out as the Utility hired directly. This has yet to materialize, leading to operational inefficiencies in staffing. Currently though our spending still remains below budget (\$685,934 of a \$1,006,000 allocation).

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#### **3. CURRENT CHALLENGES:**

- Short contract term and fluctuating staffing levels complicate recruitment.
  - Too much time is spent hiring, detracting from project execution.
  - The uncertainty affects operational efficiency.
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#### 4. NEW PROPOSAL:

Based on our experiences, we propose the following changes to the contract:

- **Extended Term:** Move beyond a 12-month contract to a 5-year term.
- **Increased Staffing:** Raise line positions from 3 to 4, eliminating mandatory staff reductions.
- **Additional Roles:** Include staffing for the Electrical Technician position.
- **General Support & Consulting:** Offer broad support as needed and consulting for ongoing Utility projects.

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#### 5. FINANCIALS:

The proposed changes lead to:

- A prospective staffing increase of 112%.
- An annual budget increase of ~78%.
- A more significant labor pool will reduce recruitment effort and improve overall effectiveness.
- We offer labor rate discounts of 3-6% for lineman positions beyond the first hire.

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#### 6. CONCLUSION:

A longer, more stable contract term is critical for recruiting and retaining quality staff. This proposed contract provides the stability needed to optimize recruitment efforts, enhance operational efficiency, and better serve the City of Unalaska. With the utility's long-term goals focused on build up for the integration and distribution of generation from the geo-thermal development project at Makushin, this term will allow focus on creating a stable support platform for the construction leading up to, during and after the project operational date.

Thank you for your time and consideration of the proposed contract.

Matthew M Scott  
Chief Operations Officer, EA #132367  
OptimERA xG

## Annual Budget Overview

	<u>Line Item</u>	<u>QTY</u>	<u>Unit Rate</u>	<u>Budget</u>	<u>Description</u>
<b>NEW</b>	Consulting/Tech Services	1	\$ 225.00	\$ 108,000.00	Approx 480 Hours, NTE extend by addendum only
<b>NEW</b>	Engineer Technician	1	\$ 150.00	\$ 288,000.00	Approx 48 weeks @ 40hr/WK NTE extend by addendum only
No Change from 2022	Line chief	1	\$ 240.00	\$ 460,800.00	Annual Budget 48 weeks @ 40hr/WK
+ one from 2022	Lineman	2	\$ 195.00	\$ 748,800.00	Annual Budget 48 weeks @ 40hr/WK
No Change from 2022	ON-call	1	\$ 950.00	\$ 49,400.00	Annual Budget - On Call Service (optional)
No Change from 2022	Cert-Payroll	1	\$ 800.00	\$ 41,600.00	Annual Budget - Fixed cost Admin Fee
No Change from 2022	Travel/mo.	1	\$ 7,050.00	\$ 84,600.00	Annual Budget - NTE Billed at Actual Receipts

<u>Line Staffing Budget</u>	
\$1,385,200.00	Base Proposed 2023 Line Staffing Cost
\$ 78,036.00	Full Staffing discount 4 full position 6%
\$ 39,018.00	Partial Staffing discount 3 full positions 3%

<u>2022 to 2023 proposed comparison</u>	
\$1,391,764.00	Estimated Line expense
\$ 685,939.14	Actual to date 2022 Line Expense
\$1,006,200.00	2022 Budget

<u>Total Proposed Budget with additional consulting and staffing</u>	
<b>\$1,787,764.00</b>	Estimated Total Support
\$ 781,564.00	Increase from 2022 Budget
78%	% increase from 2022 Budget

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- B. Additional Contact employees may be added by addendum at any time during the Term, at the contract rate, either for the Term or for a negotiated period at the time of addition.
- C. Full-time is defined as forty (40) hours a week for each Contracted Lineman. Overtime must be approved and directed by Utility.
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- E. For all services performed under this Contract, Contractor shall comply with Laborers’ and Mechanics’ Minimum Rates of Pay as required by Title 36 AS 36.05 & AS 36.10 published by the Alaska Department of Labor.

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***1. Applicable Hourly wages per attached Rate Sheet Appendix A “2023 Rate Sheet – OptimERA xG”***

2. On-Call work-\$950.00/week, per Lineman
3. Call-Outs shall incur charges for a minimum of two hours or actual hours worked, whichever is greater.
4. Certified payroll Fees - \$800.00/week
5. DOL Project Filing Fees – *N/A*
6. Travel – Expenses for rotational employees shall not exceed an average monthly cost of \$7,050/mo. per rotational position.
  - (i) Expenses shall be reimbursed at actual value.
  - (ii) Receipts shall be provided upon request.
  - (iii) Reimbursement shall include costs related to travel, hotels, per diem, utilities and other expenses directly related to the employment of rotation contract employees.
7. ***Consulting and Technical Service***
  - (i) ***Power and Utility Consulting and Technical Assistance – \$225/hr (~3 months or 480 hours) - \$110,000***
  - (ii) ***Electrical Technician – 40/week @ \$150/hr for 48 Weeks Annually - \$290,000***
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  - (i) The total compensation paid to Contractor annually under this Agreement shall not exceed ***\$1,787,764.***

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

City of Unalaska may continue to proceed with staffing and onboarding of new employees during the Term of this Contract. At no time shall a mandatory reduction in staffing, by the contractor, be required during the Term of the Contract.

Restaffing, by the Contractor, to fulfill the contract staffing levels, including Utility Employees shall be ongoing, as per the Contract Term.

**IV. Amendment to Article 9.** Article 9 of the Contract is hereby amended to read as follows:

**9. Contractor Staffing Qualifications & Restrictions.**

*A. Line Chief*

1. Maximum of one (1) full-time position
2. Must hold a current Journeyman Certificate of Fitness in the State of Alaska
3. Minimum 3 years supervisor role
4. Experience may be supplemented by practical experience of the local distribution system and applicable higher education.

*B. Lineman*

1. Maximum of **four (4)** full-time positions, including Utility Staffing
2. Must hold a current Journeyman Certificate of Fitness in the State of Alaska.
3. Experience with install and maintenance of municipal distribution systems

*C. Apprentices*

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

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

**V. Amendment to Article 10.** Article 10 of the Contract is hereby amended to read as follows:

**10. Work Week/Hours.**

- A. Work Week.* The work week shall begin on Monday of each week through Sunday the same week.
- B. Normal Work Hours.* Normal Work Hours are defined as Monday through Friday, 8:00 AM through 5:00 PM, not including holidays or approved leave.
- C. Call-Out & On-Call.* Work performed outside of Normal Work Hours shall be classified as Call-Out and/or On-Call work, charged accordingly and subject to the following:

1. On-Call status shall be requested no later than 48 hours before the start of the work week, for a period no less than 1 week, defined as 7 consecutive days, including holidays, starting on the Monday of the work week.
  2. On-Call availability is not guaranteed until requested and approved by both the Utility and Contractor.
  3. Call-Outs are defined as unscheduled work outside of Normal Work Hours that is not covered by On-Call status.
  4. Call-Out requests shall be made by Utility's POC to Contractor's POC, *with exception during an emergency outage or to restore services to normal operation.*
- D. *Leave.* Holidays, sick leave, vacation, and other time off shall be in accordance with the policies of the Lineman's employer. The POCs shall communicate all known Lineman requests for leave and time off at their soonest convenience, including requests prior to approval, sick leave, and emergency leaves of absence.
- E. *Overtime.* Overtime shall be approved by both parties, at their discretion, prior to work being performed with such approval acknowledged by both parties by written exchange, (e-mail) prior to work being performed.
- F. Any discrepancies on hours, clarification of rates, the State of Alaska DOL rules and Regulations as required by Title 36 AS 36.05 & AS 36.10 shall take precedent.

**VI. Amendment to Article 11.** Article 11 of the Contract is hereby amended to read as follows:

**11. Procurement and Approval Procedures.**

Contracted Linemen shall not act as agents of City for any approval or procurement process, *outside of the normal scope and job description for the position in which they are fulfilling*, including but not limited to:

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

**VII. Article 12.**

**12. Chain of Command.**

- A. All normal day-to-day work direction and scheduling shall be at the direction of the City's POC or on-site designee.



- B. Notice of POC change shall be given no less than forty-eight (48) hours in advance of a change, under normal circumstances, excluding unforeseen staffing changes.
- C. POC's shall be named at the time of adoption of this Amendment and changed as required from time to time, via e-mail and acknowledged by both parties.
- D. At no time shall either party request direction or give direction outside of these channels.
- E. This does not include discussions or direction regarding individual contract employee(s), Human Resource Discussions, Wage, Invoicing and/or other contractual obligations outside of normal day to day operations.
- F. Point of Contact ("POC"):

For Utility:

For Contractor:

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

**VIII. Article 13.**

**13. Contract Employee Approval**

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

**IX. Article 14.**

**14. Non-solicitation.**

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

**X. Article 15.**

**15. Access to City Facilities.**

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

**XI. Article 16.**

**16. Relationship.**

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

**XII. Addition of Article 17.** Article 17 of the Contract is hereby added to read as follows:

**17. Term and renewal**

The Term of the Contract shall begin on the last date signed below and extend for 5 years thereafter. Upon expiration of the current Term the contract shall remain in effect under the current terms on a month-to-month basis, until an amended contract is put into place, or either party terminates their participation in the contract. Notice shall be given no less than one month in advance for termination of the contract by either party. The contract shall terminate on the date specified in the written notice, no earlier than 30 days from the date of notice. Termination of the contract, without cause or due to a breach of the terms of the contract shall constitute a financial responsibility of The Utility to compensate for the remainder of the contract term at the current contract levels being delivered at the time of contract termination.

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

**OptimERA Holdings, Inc.**

**City of Unalaska, Alaska**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_