

CITY OF UNALASKA
UNALASKA, ALASKA

ORDINANCE 2024-03

CREATING BUDGET AMENDMENT #4 TO THE FISCAL YEAR 2024 BUDGET, APPROPRIATING \$220,175 FROM THE GENERAL FUND TO CREATE THE HIGH SCHOOL BOILER REPLACEMENT PROJECT.

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 FY24 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 No. 4 to Ordinance 2023-03

	<u>Current</u>	<u>Requested</u>	<u>Revised</u>
I. OPERATING BUDGETS			
A. General Fund			
Sources:			
Appropriated Fund Balance	\$ 346,674	\$ 220,175	\$ 566,849
Uses:			
Transfer to Govt Capital Projects	\$ 1,597,780	\$ 220,175	\$ 1,817,955
II. CAPITAL BUDGETS			
A. Governmental Project Budgets			
High School Boiler Replacement Project			
Sources:			
Transfer from General Fund	\$ -	\$ 220,175	\$ 220,175
Uses:			
High School Boiler Replacement Project	\$ -	\$ 220,175	\$ 220,175

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on February 13, 2024.

Vincent M. Tutiakoff, Sr.
Mayor

Attest:

Estkarlen P. Magdaong
City Clerk

City of Unalaska
Summary of Budget Amendment and Schedule of Proposed Accounts
FY24 Budget Amendment 4

- 1) General Fund - Operating Budget
 - Add \$220,175 to Appropriated Fund Balance
 - Add \$220,175 to Transfers to Govt Capital Projects for High School Boiler Replacement Project
- 2) Governmental Fund Capital Projects Budgets
 - Add \$225,175 to Transfers from General Fund
 - Add \$220,175 to High School Boiler Replacement Project

	<u>Org</u>	<u>Object</u>	<u>Project</u>	<u>Current</u>	<u>Requested</u>	<u>Revised</u>
1) <u>General Fund - Operating Budget</u>						
Sources:						
Appropriated Fund Balance	01010049	49900		\$ 346,674.00	\$ 220,175.00	\$ 566,849.00
Uses:						
Transfer to Govt Capital Projects	01029854	59920		\$ 1,597,780.00	\$ 220,175.00	\$ 1,817,955.00
2) <u>Govt Fund - Capital Project Budgets</u>						
High School Boiler Replacement Project						
Sources:						
Transfer from General Fund	31019848	49100	SS24A	\$ -	\$ 220,175.00	\$ 220,175.00
Uses:						
Repair & Maintenance	31023053	54300	SS24A	\$ -	\$ 179,175.00	\$ 179,175.00
Contingency	31023053	55912	SS24A	\$ -	\$ 41,000.00	\$ 41,000.00

MEMORANDUM TO COUNCIL

To: Mayor and City Council Members
From: Scott Brown, Director of Public Works
Through: William Homka, City Manager
Date: January 23, 2024
Re: Highschool Boiler Replacement Project

SUMMARY:

This is a formal request for funds in the amount of \$220,175 for the critical replacement of three (3) boilers at our Unalaska City High School, Aquatic Center, and pool facilities.

PREVIOUS COUNCIL ACTION:

There have been no previous Council Actions.

BACKGROUND:

During the annual boiler inspection in April of 2023, it was determined that one of the boilers is unfit for service due to irreparable cracks. Consequently, our operational capacity has been reduced to two boilers, leaving the high school staff and students vulnerable to potential disruptions.

Presently, there are three boilers serving the heating requirements of the Unalaska City High School and Aquatic Center. Currently, two of the boilers are meeting the heat demand, with the third serving as a backup. However, in the event of a failure in one of the operational boilers, we risk being left with only a single operational boiler. While this may be sufficient for maintaining the school's heat requirements, it poses a significant challenge for adequately heating the Aquatic Center. In such a scenario, we would be compelled to suspend operations at the Aquatic Center until the boilers are back online.

Moreover, if the remaining operational boiler is unable to meet the school's heating requirements, we might be forced to suspend school operations until the heating system is restored.

DISCUSSION:

The urgency of this request stems from the need to undertake this project during the upcoming summer season when school is not in session. Due to time constraints imposed by the project timeline we are not pursuing a conventional CMMP process.

The decision to replace all three boilers simultaneously, at an estimated cost of \$220,175 is driven by the fact that the current boilers were installed in the 90s and are now approximately 34 years old. Despite undergoing overhauls during their operational lifespan, the age and condition of these boilers necessitate a comprehensive replacement strategy. Undertaking this approach will not

only streamline the mobilization process but also guarantee the uninterrupted provision of heat to both the school and the Aquatic Center during the school season.

City Code Title 22.98.090, the relationship between the School Board and the City Council mandates that the City Council, through the City Manager, is responsible for major rehabilitation, construction, and significant repairs of school buildings.

Given the urgency of this situation, we seek your support in deviating from the normal CMMP process to ensure the timely completion of this crucial project before the commencement of the next school year. We kindly request your support in securing the necessary funding for this critical infrastructure upgrade to the high school. This will not only ensure the safety and comfort of our students and staff but also contribute to the seamless operation of our educational and recreational facilities

ALTERNATIVES:

1. Approve ordinance.
2. Phase boiler replacement over mutable years.
3. Do not approve.

FINANCIAL IMPLICATIONS:

The amount of \$220,175 will come from the General Fund

LEGAL: N/A

STAFF RECOMMENDATION:

Staff recommends approval of the budget amendment in the amount of \$220,175 to replace all three (3) boilers simultaneously at the City of Unalaska High School and Aquatic Center.

PROPOSED MOTION:

I move to introduce Ordinance 2024-03 Budget Amendment #4 and schedule it for Public Hearing and Second Reading on February 13, 2024.

CITY MANAGER COMMENTS: I support staff's recommendation.

ATTACHMENTS: