

**CITY OF UNALASKA
UNALASKA, ALASKA
REGULAR MEETING
TUESDAY, AUGUST 26, 2014, 6:00 P.M.
UNALASKA CITY HALL COUNCIL CHAMBERS
AGENDA**

CALL TO ORDER

ROLL CALL

PLEDGE OF ALLEGIANCE

RECOGNITION OF VISITORS

ADDITIONS TO AGENDA

MINUTES: AUGUST 5, 2014

FINANCIAL REPORT:

BOARD/COMMISSION REPORTS

AWARDS/PRESENTATIONS: Randall White – 10 years of service

MANAGER'S REPORT

COMMUNITY INPUT/ANNOUNCEMENTS

PUBLIC INPUT ON AGENDA ITEMS

PUBLIC HEARING

1. **ORDINANCE 2014-24:** CREATING BUDGET AMENDMENT NO. 3 TO THE FY 15 OPERATING BUDGET TO INCREASE WAGES, FRINGE BENEFITS, AND ASSOCIATED STATE OF ALASKA PERS CONTRIBUTIONS FOR THE PORTS IBU CONTRACT AND PCR BARGAINING UNIT 302 MOU

WORK SESSION

1. **DISCUSSION: RESOLUTION 2014-64:** AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH NORTHERN ALASKA CONTRACTORS, LLC FOR THE CONSTRUCTION OF THE LANDFILL CELLS 2-I & 2-II EXPANSION PROJECT IN THE AMOUNT OF \$3,643,750
2. **DISCUSSION: RESOLUTION 2014-69:** IDENTIFYING THE CITY OF UNALASKA'S FEDERAL FUNDING PRIORITIES FOR FISCAL YEAR 2016 AS UNALASKA BAY ENTRANCE CHANNEL DREDGING, OCS REVENUE SHARING, UNALASKA MARINE CENTER POSITIONS 3 AND 4 DEMOLITION AND RENOVATION, LIQUID NATURAL GAS DEMONSTRATION PROJECT AND CAPTAINS BAY ROAD IMPROVEMENTS
3. **DISCUSSION: RESOLUTION 2014-70:** IDENTIFYING THE CITY OF UNALASKA'S STATE LEGISLATIVE FUNDING PRIORITIES FOR FISCAL YEAR 2016 AS UNALASKA MARINE CENTER POSITIONS 3 AND 4 DEMOLITION AND RENOVATION PROJECT, LNG DEMONSTRATION PROJECT, ROBERT STORRS BOAT HARBOR IMPROVEMENTS, AND CAPTAINS BAY ROAD IMPROVEMENTS
4. **DISCUSSION: RESOLUTION 2014-71:** AUTHORIZING AN INTER-FUND LOAN FROM THE GENERAL FUND TO THE ELECTRIC FUND FOR THE PURPOSE OF FINANCING THE ALYESKA TIE-IN PROJECT
5. **DISCUSSION: ORDINANCE 2014-23:** AMENDING UNALASKA CITY CODE CHAPTER 6.24.060 EXCEPTIONS TO AWARD OF CONTRACTS TO THE LOW BIDDER
6. **DISCUSSION: ORDINANCE 2014-25:** AMENDING THE SCHEDULE OF FEES AND CHARGES TO BE ASSESSED FOR CITY PROVIDED SERVICES – NOTARY FEES
7. **DISCUSSION:** POSSIBLE PAVING PROJECTS FOR THE SUMMER OF 2015
8. **DISCUSSION:** CITY COUNCIL TRAVEL POLICY

RECONVENE TO REGULAR SESSION

CONSENT AGENDA

UNFINISHED BUSINESS

1. **ORDINANCE 2014-24- SECOND READING:** CREATING BUDGET AMENDMENT NO. 3 TO THE FY 15 OPERATING BUDGET TO INCREASE WAGES, FRINGE BENEFITS, AND ASSOCIATED STATE OF ALASKA PERS CONTRIBUTIONS FOR THE PORTS IBU CONTRACT AND PCR BARGAINING UNIT 302 MOU

NEW BUSINESS

1. **RESOLUTION 2014-64:** AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH NORTHERN ALASKA CONTRACTORS, LLC FOR THE CONSTRUCTION OF THE LANDFILL CELLS 2-I AND 2-II EXPANSION PROJECTS IN THE AMOUNT OF \$3,643,750
2. **RESOLUTION 2014-69:** IDENTIFYING THE CITY OF UNALASKA'S FEDERAL FUNDING PRIORITIES FOR FISCAL YEAR 2016 AS UNALASKA BAY ENTRANCE CHANNEL DREDGING, OCS REVENUE SHARING, UNALASKA MARINE CENTER POSITIONS 3 AND 4 DEMOLITION AND RENOVATION, LIQUID NATURAL GAS DEMONSTRATION PROJECT AND CAPTAINS BAY ROAD IMPROVEMENTS

3. **RESOLUTION 2014-70:** IDENTIFYING THE CITY OF UNALASKA'S STATE LEGISLATIVE FUNDING PRIORITIES FOR FISCAL YEAR 2016 AS UNALASKA MARINE CENTER POSITIONS 3 AND 4 DEMOLITION AND RENOVATION PROJECT, LNG DEMONSTRATION PROJECT, ROBERT STORRS BOAT HARBOR IMPROVEMENTS, AND CAPTAINS BAY ROAD IMPROVEMENTS
4. **RESOLUTION 2014-71:** AUTHORIZING AN INTER-FUND LOAN FROM THE GENERAL FUND TO THE ELECTRIC FUND FOR THE PURPOSE OF FINANCING THE ALYESKA TIE-IN PROJECT
5. **ORDINANCE 2014-23 – FIRST READING:** AMENDING UNALASKA CITY CODE CHAPTER 6.24.060 EXCEPTIONS TO AWARD OF CONTRACTS TO THE LOW BIDDER
6. **ORDINANCE 2014-25 – FIRST READING:** AMENDING THE SCHEDULE OF FEES AND CHARGES TO BE ASSESSED FOR CITY PROVIDED SERVICES – NOTARY FEES

COUNCIL DIRECTIVES TO MANAGER

COMMUNITY INPUT
ANNOUNCEMENTS
ADJOURNMENT

**CITY OF UNALASKA
UNALASKA, ALASKA
REGULAR MEETING
TUESDAY, AUGUST 5, 2014**

The regular meeting of the Unalaska City Council was called to order by Mayor Marquardt at 6:00 p.m. on August 5, 2014 in the Unalaska City Hall council chambers. Roll was taken:

PRESENT: Zoya Johnson
Alejandro Tungul
David Gregory
Dennis Robinson
Shirley Marquardt, Mayor

ABSENT: Tom Enlow (Excused)
Roger Rowland (Excused)

PLEDGE OF ALLEGIANCE: Mayor Marquardt led the Pledge of Allegiance.

RECOGNITION OF VISITORS:

APPROVAL OF AGENDA: The agenda was adopted as presented.

MINUTES: The minutes of the July 22, 2014 regular Council meeting were approved as submitted.

FINANCIAL REPORT: None

BOARD/COMMISSION REPORTS: None

AWARDS/PRESENTATIONS: Amber Guitard received an award for 10 years of meritorious service to the City.

MANAGER'S REPORT: None

COMMUNITY INPUT/ANNOUNCEMENTS:

1. Dennis Robinson requested that people clean up after themselves and not leave trash on the beaches.
2. The Tundra Golf Classic will be on August 9-10.

PUBLIC INPUT ON AGENDA ITEMS: None

PUBLIC HEARING

Mayor Marquardt opened the public hearing on Ordinance 2014-17.

1. **ORDINANCE 2014-17:** BUDGET AMENDMENT NO. 2 TO THE FY15 OPERATING BUDGET TO CREATE NEW CAPITAL PROJECT "ALYESKA ELECTRICAL TIE-IN"

Hearing no testimony, Mayor Marquardt closed the public hearing on Ordinance 2014-17.

Mayor Marquardt opened the public hearing on Ordinance 2014-18.

2. **ORDINANCE 2014-18:** AMENDING THE SCHEDULE OF FEES AND CHARGES TO BE ASSESSED FOR CITY PROVIDED SERVICES – WASTEWATER

Hearing no testimony, Mayor Marquardt closed the public hearing on Ordinance 2014-18.

Johnson made a motion to move into a work session; Tungul seconded. Motion passed by consensus.

WORK SESSION

1. **PRESENTATION:** REPORT ON INVESTMENTS BY EVAN ROSE OF ALASKA PERMANENT CAPITAL MANAGEMENT
2. **PRESENTATION:** REPORT FROM CITY ATTORNEY BROOKS CHANDLER
3. **DISCUSSION:** PROPOSED CHANGES TO TITLE 8 OF THE CITY OF UNALASKA CODE OF ORDINANCES

RECONVENE TO REGULAR SESSION

CONSENT AGENDA

UNFINISHED BUSINESS

1. **ORDINANCE 2014-18 - SECOND READING:** AMENDING THE SCHEDULE OF FEES AND CHARGES TO BE ASSESSED FOR CITY PROVIDED SERVICES – WASTEWATER

Gregory made a motion to adopt Ordinance 2014-18; Robinson seconded.

VOTE: Unanimous

2. **ORDINANCE 2014-17 – SECOND READING:** BUDGET AMENDMENT NO. 2 TO THE FY15 OPERATING BUDGET TO CREATE NEW CAPITAL PROJECT "ALYESKA ELECTRICAL TIE-IN"

Johnson made a motion to adopt Ordinance 2014-17; Tungul seconded.

VOTE: Unanimous

NEW BUSINESS

1. **RESOLUTION 2014-59:** APPROVING THE GRANT OF AND TERMS FOR A NON-EXCLUSIVE EASEMENT IN CITY-OWNED RIGHT-OF-WAY AND FACILITIES TO DELTA WESTERN, INC. FOR THE INSTALLATION, OPERATION AND MAINTENANCE OF A FUEL PIPELINE

Robinson made a motion to adopt Resolution 2014-59; Gregory seconded.

VOTE: Unanimous

2. **RESOLUTION 2014-67:** AUTHORIZING THE MAYOR TO SIGN A NOVATION AGREEMENT BETWEEN THE CITY OF UNALASKA, THE CITY OF AKUTAN, AND THE UNITED STATES OF AMERICA, TO TRANSFER THE GRANT AWARD FOR THE MAKUSHIN GEOTHERMAL PROJECT TO THE CITY OF AKUTAN

Tungul made a motion to adopt Resolution 2014-67; Johnson seconded.

VOTE: Unanimous

3. **RESOLUTION 2014-68:** AUTHORIZING THE CITY MANAGER TO SIGN THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF UNALASKA AND THE IUOE LOCAL 302/PCR BARGAINING UNIT

Robinson made a motion to adopt Resolution 2014-68; Tungul seconded.

VOTE: Unanimous

4. **ORDINANCE 2014-24 – FIRST READING:** CREATING BUDGET AMENDMENT NO. 3 TO THE FY15 OPERATING BUDGET TO INCREASE WAGES, FRINGE BENEFITS, AND ASSOCIATED STATE OF ALASKA PERS CONTRIBUTIONS FOR THE PORTS IBU CONTRACT AND PCR BARGAINING UNIT 302 MOU

Robinson made a motion to adopt Resolution 2014-24; Tungul seconded.

VOTE: Unanimous

5. **MAYOR AND COUNCIL TRAVEL:** WASHINGTON DC

Gregory made a motion to send Marquardt, Enlow, Johnson and Robinson to Washington, DC; Tungul seconded.

VOTE: Unanimous

Robinson made a motion to move into executive session at 7:48 p.m.; Tungul seconded. Motion passed by consensus.

EXECUTIVE SESSION: TO DISCUSS THE LANDFILL CELL CONSTRUCTION CONTRACT

The executive session ended and the meeting adjourned at 8:20 p.m.

COUNCIL DIRECTIVES TO MANAGER

COMMUNITY INPUT

ANNOUNCEMENTS

ADJOURNMENT

*Manager's Report
Regular City Council Meeting
August 26th, 2014*

1. Projects:

- Paving of Airport Beach Road is progressing well. Knik is doing a great job, they are efficient and have a great traffic plan (compared to the last paving project). They are also working on improvements with various parking lots, the library preparation is almost done and ready for paving and the City Hall parking lot is scheduled for paving soon. Airport Beach Road should be done today. Knik will start on East Broadway next week.
- The WWTP is going to be delayed, which we expected due to the over-blasting, over-excavation and redesign issues. We are expecting a new schedule by the end of this week. This could possibly mean we won't meet a milestone for chlorination/de-chlorination in the Consent Decree. We are following the notification requirements in the Consent Decree by notifying the EPA of the possible delay. Brooks and I fought for extra time with EPA for just these kinds of unforeseen issues that come up on our projects.
- The Water Treatment Project is moving ahead and I believe that the contractor has finished a good portion of the foundation work.
- All of our projects have benefited from the good weather we have been having.
- The Summer Bay Bridge Project is progressing as well. Much of the piling work has been completed and the bridge deck is being constructed as we speak.
- The Port Lighting project is waiting on delivery of the light posts (a long lead item).
- The State hired a contractor to remove the loose boards from the Torpedo Building. The parking lot adjacent to the Torpedo Building has been paved.
- The waste heat recovery project is progressing smoothly.
- We are working with ADEC on the construction permit for the fourth engine but everything is ready to go for that project.

2. State Department Visit: Several representatives from the State Department in Washington, DC were here to scope out our facilities for a possible meeting of a subcommittee of the Arctic Council that deals with sustainable development. The Mayor and I spent the afternoon showing them our facilities and the community. The group is also looking at Kodiak, Barrow, Sitka and Seward. The United States assumes Chairmanship of the Arctic Council in 2016. That is the earliest this meeting could take place.

3. Murkowski Staffer Visit: Two staffers are visiting today from Senator Murkowski's office to learn more about our community and the fisheries. We will make sure they get some time with Frank Kelty to learn about the fisheries from our perspective.

4. **Finland Policy Tour:** The trip to Finland was amazing. We met with various representatives of the government to discuss Arctic issues, research and development, energy, education, ice breakers, ship design research, AMCHAM, Ministry of Oil and Gas in Norway, the Norwegian Shipping Association, VGT, and Tschudi Shipping. It was a meeting packed schedule over five days. I am developing a comprehensive trip report to include some of the written materials we received and will publish it on the city website. I also gained knowledge that will help me with as a member of the Alaska Arctic Policy Commission.
5. **Hospital Presentation by APIA:** On Wednesday, APIA and their consultants made a presentation to City Staff and the Mayor about the proposed hospital project. The project is in the early stages of development. They also met with the IFHS board on Thursday evening. At this point they are talking about developing a hospital for the region to include the Pribilofs, Aleutians East communities of Sand Point, King Cove, Cold Bay, False Pass, and Akutan, Nikolski, Adak and Atka. The next step is to develop a business plan. The City support will come when a full presentation is made to the City Council to include the business plan. The concept is great; the proof is in the details.
6. **Housing:** There is little housing available at this time. I have asked Administration to stop approval of travel for perspective applicants until we have places for them to live. It is not a good use of public funds to bring someone to Unalaska for an interview and then tell them there is no place to live. It is at a critical point right now and will only get worse if there is an oil boom realized here in Unalaska. Administration is looking at the development of employee housing right now. We have to figure out how to make land available.

CITY OF UNALASKA
UNALASKA, ALASKA

ORDINANCE NO. 2014-24

ORDINANCE 2014-24 CREATING BUDGET AMENDMENT NO. 3 TO THE FY15 OPERATING BUDGET TO INCREASE WAGES, FRINGE BENEFITS AND ASSOCIATED STATE OF ALASKA PERS CONTRIBUTION FOR THE PORTS IBU CONTRACT AND PCR BARGAINING UNIT 302 MOU.

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 FY14 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. 3 to Ordinance #2014-08

	<u>Current</u>	<u>Requested</u>	<u>Revised</u>
I. OPERATING BUDGET			
A. General Fund			
Revenues			
Current year budgeted surplus	9,382,523	38,531	9,343,992
Intergovernmental	15,163,492	2,993	15,166,485
Expenditures			
Parks, Culture & Recreation	2,809,989	41,524	2,851,513
B. Proprietary Funds			
Ports and Harbors Fund			
Revenues		1,691	1,691
Expenditures	7,010,699	21,548	7,032,247
Appropriated net assets		19,857	19,857

PASSED AND ADOPTED BY A DULY CONSTITUTED QUORUM OF THE UNALASKA CITY COUNCIL
THIS _____ DAY OF AUGUST 2014.

MAYOR

ATTEST;

CITY CLERK

**Summary of Budget Amendment
and Schedule of Proposed Accounts
Budget Amendment 3**

1) **IBU and IUOE-302** wage matrix increases and related personnel expense change to the budget.

	Org	Object	Current	Requested	Revised
<u>General Fund</u>					
Sources:					
Current year budgeted surplus			9,382,523	38,531.12	9,343,991.88
Other state revenue	0101 0041	42359	1,522,218	2,992.88	1,525,210.88
Uses:					
PCR					
Recreation Programs					
Salaries and wages	0102 3251	51100	300,591	12,628.62	313,219.62
FICA/Medicare Employer Match	0102 3251	52200	24,908	810.06	25,718.06
PERS	0102 3251	52300	137,634	2,329.58	139,963.58
Unemployment Insurance	0102 3251	52400	2,898	100.00	2,998.00
Workers Compensation Ins	0102 3251	52500	5,947	191.74	6,138.74
Community Center Operations					
Salaries and wages	0102 3351	51100	151,312	5,435.59	156,747.59
FICA/Medicare Employer Match	0102 3351	52200	12,150	342.03	12,492.03
PERS	0102 3351	52300	69,046	983.62	70,029.62
Unemployment Insurance	0102 3351	52400	1,752	36.00	1,788.00
Workers Compensation Ins	0102 3351	52500	684	18.76	702.76
Library					
Salaries and wages	0102 3451	51100	271,090	14,845.16	285,935.16
FICA/Medicare Employer Match	0102 3451	52200	21,120	929.32	22,049.32
PERS	0102 3451	52300	100,440	2,672.56	103,112.56
Unemployment Insurance	0102 3451	52400	2,424	150.00	2,574.00
Workers Compensation Ins	0102 3451	52500	1,218	50.96	1,268.96
<u>Ports and Harbors Operating Fund</u>					
Sources:					
Unrestricted Net Assets				19,857.00	(19,857.00)
Other state revenue	5401 7041	42359	203,369.00	1,690.70	205,059.70
Uses:					
Harbor Office					
Salaries and wages	5402 5051	51100	429,112.00	5,554.00	434,666.00
FICA/Medicare Employer Match	5402 5051	52200	32,931.00	424.88	33,355.88
PERS	5402 5051	52300	189,296.00	1,221.88	190,517.88
Workers Compensation Ins	5402 5051	52500	7,748.00	464.88	8,212.88
UMC					
Salaries and wages	5402 5151	51100	187,965.00	5,176.78	193,141.78
FICA/Medicare Employer Match	5402 5151	52200	16,541.00	396.03	16,937.03
PERS	5402 5151	52300	95,225.00	1,138.89	96,363.89
Workers Compensation Ins	5402 5151	52500	12,784.00	857.77	13,641.77
Split & Light Dock					
Salaries and wages	5402 5251	51100	58,096.00	1,129.48	59,225.48
FICA/Medicare Employer Match	5402 5251	52200	5,099.00	86.41	5,185.41
PERS	5402 5251	52300	29,318.00	248.49	29,566.49
Workers Compensation Ins	5402 5251	52500	3,940.00	77.98	4,017.98
Ports Security					
Salaries and wages	5402 5351	51100	6,801.00	470.62	7,271.62
FICA/Medicare Employer Match	5402 5351	52200	3,139.00	36.01	3,175.01
PERS	5402 5351	52300	18,060.00	103.54	18,163.54
Workers Compensation Ins	5402 5351	52500	1,881.00	77.98	1,958.98
CEM Small Boat Harbor					
Salaries and wages	5402 5451	51100	77,995.00	1,411.85	79,406.85
FICA/Medicare Employer Match	5402 5451	52200	6,970.00	108.01	7,078.01
PERS	5402 5451	52300	40,118.00	539.43	40,657.43
Workers Compensation Ins	5402 5451	52500	4,361.00	233.94	4,594.94
Bobby Storrs Small Boat Harbor					
Salaries and wages	5402 5551	51100	44,427.00	1,223.60	45,650.60
FICA/Medicare Employer Match	5402 5551	52200	3,915.00	93.61	4,008.61
PERS	5402 5551	52300	22,550.00	269.19	22,819.19
Workers Compensation Ins	5402 5551	52500	3,026.00	202.75	3,228.75

MEMORANDUM TO COUNCIL

TO: MAYOR AND CITY COUNCIL MEMBERS
FROM: PATRICK JORDAN, ASST. CITY MANAGER
THRU: CHRIS HLADICK, CITY MANAGER
FROM: DEPARTMENT OF ADMINISTRATION
DATE: AUGUST 1, 2014
RE: ADOPTING ORDINANCE **2014-XX:** AMMENDING THE BUDGET TO FUND THE PROPOSED WAGES CHANGES TO IBU PORTS AND 302 PCR EMPLOYEES

SUMMARY: This Budget Amendment will fully fund the proposed changes to the IBU and PCR wage matrices as shown in Resolution 2014-63 (IBU), adopted July 8, 2014, and Resolution 2014-68 (IUOE-302). The total cost to the City for this implementation is \$63,072 for both groups combined. The cost to each department is itemized on the attached Budget Amendment spreadsheet.

PREVIOUS COUNCIL ACTION: At the November 12, 2013 Council meeting, Council was presented with an implementation proposal from staff concerning the findings of the Compensation and Classification Study, conducted by Fox Lawson and Associates, presented at the October 21, 2013 Work Session. In addition to the overall findings of the study, a new wage matrix was also presented.

At the July 8, 2014 Council meeting, Council was presented with the 2014-2017 Collective Bargaining Agreement between the City of Unalaska and the Inland Boatmen's Union of the Pacific (IBU) that included a new wage matrix incorporating the findings of the Compensation and Classification Study.

BACKGROUND: After the October 21st work session, Council requested that the City Manager look into practical and cost effective methods to implementing the findings of the Classification and Compensation Study.

DISCUSSION: This budget amendment will fund the implementation plan proposed by the City Administration on November 12, 2013 and July 8, 2014, during the approval of the IBU-Ports 2014-2017 Collective Bargaining Agreement (Resolution 2014-63). This budget amendment will also fund the implementation of the MOU between the City of Unalaska and the International Union of Operating Engineers, Local 302/Parks, Culture and Recreation, Resolution 2014-68.

ALTERNATIVES:

1. Approve Ordinance **2014-24.**
2. Not approve Ordinance **2014-24**

FINANCIAL IMPLICATIONS: The total first-year cost to the City is: \$63,072.

LEGAL: No legal opinion is necessary for this item.

STAFF RECOMMENDATION: Staff recommends Council approve Ordinance **2014-24**.

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

CITY OF UNALASKA
UNALASKA, ALASKA

RESOLUTION 2014-64

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF UNALASKA AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH NORTHERN ALASKA CONTRACTORS, LLC FOR THE CONSTRUCTION OF THE LANDFILL CELLS 2-I & 2-II EXPANSION PROJECT IN THE AMOUNT OF \$3,643,750.

WHEREAS, the City of Unalaska has determined that, to promote the health and well-being of our community, expansion of the Solid Waste Landfill is necessary, and

WHEREAS, the City of Unalaska has adopted a Capital Budget which includes funding for the construction of the Landfill Expansion Phase II Project – Cells 2-I & 2-II Construction; and

WHEREAS, the project was advertised for over thirty days and five (5) bids were received; and

WHEREAS, Five bids were received, all less than the Engineer's estimate.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Unalaska authorizes the City Manager to enter into an agreement with the lowest bidder, Northern Alaska Contractors, LLC, for the construction of the Landfill Cells 2-I & 2-II Expansion Project in the amount of \$3,643,750.

PASSED AND ADOPTED BY A DULY CONSTITUTED QUORUM OF THE UNALASKA CITY COUNCIL THIS 26th DAY OF August, 2014.

MAYOR

ATTEST:

CITY CLERK

MEMORANDUM TO COUNCIL

TO: MAYOR AND CITY COUNCIL MEMBERS
THRU: CHRIS HLADICK, CITY MANAGER
FROM: TOM COHENOUR, DIRECTOR OF PUBLIC WORKS
DATE: AUGUST 26, 2014
RE: RESOLUTION 2014-64, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF UNALASKA AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH NORTHERN ALASKA CONTRACTORS, LLC FOR THE CONSTRUCTION OF THE LANDFILL EXPANSION PHASE 2 PROJECT IN THE AMOUNT OF \$3,643,750.

SUMMARY: Resolution 2014-64 authorizes the City Manager to enter into an agreement with Northern Alaska Contractors, LLC for the construction of the Landfill Expansion Phase 2 (Cells 2-I & 2-II) Project in the amount of \$3,643,750. The Engineer's Estimate for the project is \$4,927,000.

PREVIOUS COUNCIL ACTION: Council approved three budget amendment requests to fund this project and applied for, and accepted, a Loan from the Alaska Department of Environmental Conservation to help cover costs:

- Ordinance 2008-01, adopted January 29, 2008, authorized the transfer of \$350,000 from the Landfill Cell 4 Project K0501 into the Landfill Expansion Phase II Project SW801 for engineering and architectural services.
- Ordinance 2008-16, adopted September 9, 2008, authorized the transfer of \$250,000 from the Landfill Cell 4 Project K0501 to the Landfill Expansion Phase II Project SW801 for engineering & architectural services and travel & related costs.
- Ordinance 2010-04, adopted May 25, 2010, authorized the transfer of \$425,000 from the Solid Waste Enterprise Fund to the Landfill Expansion Phase II cell design.
- Resolution 2011-13, adopted March 8, 2011, authorized the City of Unalaska staff to prepare a loan application to the Alaska Department of Environmental Conservation Clean Water Fund for an amount not to exceed \$8,788,200 to construct the Landfill Expansion Phase II Project.
- Ordinance 2013-02, adopted May 28, 2014, authorized the FY2014 Capital and Operating Budgets for the City of Unalaska.
- Resolution 2013-81, adopted December 17, 2013, authorized the acceptance of an Alaska Department of Environmental Conservation loan in an amount not to exceed \$8,788,200 for the construction of the Landfill Expansion Phase II Project.
- Resolution 2014-12, adopted January 28, 2014, authorized the City Manager to enter into agreement with Northern Alaska Contractors, LLC for the construction of the Landfill Cells 2-I & 2-II Expansion Project in the amount of \$3,919,940.

BACKGROUND: Progress to date on the Landfill Expansion Phase II Project includes the completed realignment of Summer Bay Road, an analysis of permitting and other issues surrounding the Phase II expansion, development of a Phase I Closure Plan, development of a WWTP Facility Plan, development of a Leachate Management Plan, and the construction of the Leachate Management Facility. Construction of Cells 2-I and 2-II is the only remaining portion of the Landfill Expansion Phase II Project.

The City awarded the construction of Cell 2-I & 2-II to Northern Alaska Contractors, LLC (NAC) on January 28, 2014. A Notice to Proceed was issued on March 5, 2014. NAC commenced construction work on March 27, 2014. The first step in the construction consisted of relocating shot rock from the Wastewater Project to an area outside the footprint of the proposed landfill cells. The contractor found explosive wrappers in the rock pile and halted their work until a plan could be agreed to for safely handling the excavation of the rock pile. The City presented guidelines and asked the contractor for a cost proposal for the extra work. On April 8, 2014, the contractor submitted a Change Proposal Cost Letter for the amount of \$2,278,270, stating a change in site conditions. The City countered with a lower figure and the Contractor stayed firm on their costs. The City considered the monetary amount excessive for the extra work and terminated the contract with NAC on April 17, 2014.

The City rebid the construction portion of Cell 2-I & 2-II on May 28, 2014. On July 1, 2014, the City received 5 bids for the project. NAC was the lowest responsible bidder for the amount of \$3,643,750.

DISCUSSION: This final phase in the overall Landfill Expansion Phase 2 project is the culmination of years of effort on the part of the City of Unalaska. The proposed Resolution will award the construction of the two new cells to Northern Alaska Contractors, LLC.

Cells 2-I & 2-II will be constructed over the footprint that Summer Bay Road previously occupied before its realignment towards the beach. These cells will be located west of the existing Cells 1, 2, and 3 and north of the Baler Building.

This construction project consists of civil site work, drainage relocation, the installation of a non-penetration liner system, and the installation of dual submersible pumps which will pump the cell's leachate to the recently constructed Leachate Management Facility.

The estimated schedule for the construction of Cells 2-I and 2-II is as follows:

- Bid award on August 26, 2014.
- Cell excavation completion no later than July 1, 2015.
- Cell liner placement beginning July 1, 2015
- Substantial completion September 1, 2015.
- Final completion October 1, 2015.

The two new cells will have an estimated life of 19 years.

ALTERNATIVES: Council could choose to reject the bids and re-advertise the project, however, the awarded amount is under the Engineer's Estimate for the work and Staff does not deem this course of action prudent.

FINANCIAL IMPLICATIONS: The total budget for this project is \$9,290,095, leaving a significant budgetary surplus. Any loan funds not utilized may be returned to the ADEC.

The most recent engineer's cost estimate for constructing Cells 2-I and 2-II is \$4,927,000. With the addition of \$261,213 for design, \$25,825 for permitting, 15% for contingency, and 15% for construction engineering, inspection, and design services during construction, the total estimated cost for this project to date is \$6,692,138. With the addition of the loan amount of \$8,788,200 to the available revenue, this project's budget is estimated to have an excess of \$2,597,957 as illustrated below.

Project Costs:

Design	\$261,213	
Construction	\$4,927,000	
Permitting	\$25,825	
Contingency (15%)	\$739,050	
<u>CEI/Eng During Const. (15%)</u>	<u>\$739,050</u>	
TOTAL COST		\$6,692,138

Current Funding:

2009 State Grant	\$76,895	
2012 Legislative Grant	\$0	
DEC Loan	\$8,788,200	
*GF Designation	\$0	
<u>Enterprise Fund</u>	<u>\$425,000</u>	
TOTAL REVENUE		\$9,290,095

TOTAL PROJECT NEED: - \$2,597,957

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

STAFF RECOMMENDATION: Staff recommends Council approve the subject Resolution.

CITY MANAGER'S COMMENTS: I recommend approval

CITY OF UNALASKA, ALASKA
Department of Public Works & Department of Public Utilities
Landfill Cells 2-I & 2-II Expansion Project
July 1, 2014
2:00 p.m.

Contractor / Business Name	Bid Form Used?	Addenda Acknowledgement			Bid Bond	Licenses		Required EEO & DBE Forms, Appendix F	Item 1 Site Mob/Demob	Item 2 Site Prep & Earthwork	Item 3 Liner System	Item 4 Leachate Collection & Conveyance System	Item 5 Over Excavation & Backfill	Item 6 Site Restoration, Cleanup, Record Drawings	Item 7 Provide, Install, & Compact 2" to 8" Quarry Spalls	Total Bid
		No. 1	No. 2	No. 3		State Contractor	State Business									
Ridge General Contracting	X	X	X	X	X	X	X	X	\$ 875,000	\$ 1,500,000	\$ 1,075,000	\$ 950,000	\$ 63,750	\$ 60,000	\$ 161,500	\$ 4,685,250
Brice, Inc.	X	X	X	X	X	X	X	X	\$ 425,000	\$ 1,625,000	\$ 1,200,000	\$ 1,000,000	\$ 51,000	\$ 50,000	\$ 106,250	\$ 4,457,250
Advanced Blasting	X	X	X	X	X	X	X	X	\$ 486,400	\$ 1,555,600	\$ 1,164,000	\$ 862,200	\$ 61,200	\$ 38,000	\$ 131,750	\$ 4,299,150
Brechen	X	X	X	X	X	X	X	X	\$ 1,000,000	\$ 1,200,000	\$ 1,315,000	\$ 815,000	\$ 8,500	\$ 30,000	\$ 127,500	\$ 4,496,000
Northern Alaska Contractors	X	X	X	X	X	X	X	X	\$ 65,000	\$ 1,500,000	\$ 950,000	\$ 800,000	\$ 42,500	\$ 10,000	\$ 276,250	\$ 3,643,750
																\$ -
																\$ -
																\$ -

Lori Gregory
Witness

Robert Lund
Witness

Tom Regan
Witness

CITY OF UNALASKA
UNALASKA, ALASKA
RESOLUTION 2014-69

RESOLUTION 2014-69 IDENTIFYING THE CITY OF UNALASKA'S FEDERAL FUNDING PRIORITIES FOR FISCAL YEAR 2016 AS UNALASKA BAY ENTRANCE CHANNEL DREDGING, OCS REVENUE SHARING, UNALASKA MARINE CENTER POSITIONS 3 AND 4 DEMOLITION AND RENOVATION, LIQUID NATURAL GAS DEMONSTRATION PROJECT AND CAPTAINS BAY ROAD IMPROVEMENTS.

WHEREAS, the City of Unalaska is the number one fishing port in the United States and host to national and international shipping vessels; and

WHEREAS, the sand bar in the entrance to Unalaska Bay creates an impediment to container vessels entering the bay; and

WHEREAS, dredging the sand bar will contribute significantly to the navigational safety and security of vessels entering and leaving the port; and

WHEREAS, authorization is needed through the Water and Resource Development Act in order for the U. S. Army Corps of Engineers to move forward with the project; and

WHEREAS, the City of Unalaska will be impacted by oil exploration and drilling in the Beaufort and Chukchi seas because our port is the only port on the west coast of Alaska that is free of ice year round; and

WHEREAS, the sharing of federal revenues generated by activities on the Outer Continental Shelf with impacted communities is important to Unalaska; and

WHEREAS, the existing Unalaska Marine Center (UMC) dock is predominantly timber and does not fully utilize the available area between the U.S. Coast Guard dock and position 4; and

WHEREAS, constructing a sheet pile dock that follows the alignment of the U.S. Coast Guard dock and intersecting the end of Position 4 would create over 400 feet of useable dock and additional uplands; and

WHEREAS, the project would allow fish offloads to occur simultaneously with container ship offloads and would help with fuel barge deliveries which have precedence over many activities at the UMC; and

WHEREAS, more vessels are converting to LNG and the City is desirous of conducting a demonstration project to learn more about the fuel and its characteristics; and

WHEREAS, Captains Bay Road is heavily used by commercial traffic; and

WHEREAS, Future growth and business activity is expected to occur along Captains Bay Road requiring water sewer and electric utilities.

NOW THEREFORE BE IT RESOLVED that the Unalaska City Council, by this resolution, hereby identifies the following as its top federal priorities for FY2015:

Unalaska Bay Entrance Channel Dredging	Authorization
OCS Revenue Sharing	Initiative
Unalaska Marine Center Project	\$28 million
LNG Demonstration Project	\$5 million
Captains Bay Road Improvements Project	\$24 million

PASSED AND ADOPTED BY A DULY CONSTITUTED QUORUM OF THE UNALASKA CITY COUNCIL THIS 26TH DAY OF AUGUST 2014.

MAYOR

ATTEST:

CITY CLERK

MEMORANDUM TO COUNCIL

TO: MAYOR AND CITY COUNCIL MEMBERS

FROM: CHRIS HLADICK, CITY MANAGER

DATE: AUGUST 26, 2014

RE: RESOLUTION 2014-69 IDENTIFYING THE CITY OF UNALASKA'S FEDERAL FUNDING PRIORITIES FOR FISCAL YEAR 2016 AS UNALASKA BAY ENTRANCE CHANNEL DREDGING, OCS REVENUE SHARING, UNALASKA MARINE CENTER POSITIONS 3 AND 4 DEMOLITION AND RENOVATION, LIQUID NATURAL GAS DEMONSTRATION PROJECT AND CAPTAINS BAY ROAD IMPROVEMENTS

SUMMARY: Please find attached a resolution supporting our federal legislative priorities for the coming year. This is a traditional means of communicating our top projects or initiatives to our congressional delegation in Washington, D.C. We are adding one new request this year and are repeating requests for a few projects that have been on the radar for a couple of years. The projects are:

Unalaska Bay Entrance Channel Dredging	Authorization
OCS Revenue Sharing	Initiative
Unalaska Marine Center Project	\$28 million
LNG Demonstration Project	\$5 million
Captains Bay Road Improvements Project	\$24 million

PREVIOUS COUNCIL ACTION: This is a recurring council action in preparation for our representatives traveling to Washington, D.C. to lobby for our projects.

BACKGROUND: The situation in Washington, D.C. has not improved regarding availability of funding.

DISCUSSION: The following are my recommendations for federal priorities for the coming year.

Unalaska Bay Entrance Channel Dredging: We work with the Corps of Engineers to dredge the entrance channel because if the Corps completes the dredging, the Corps will maintain the entrance channel to a guaranteed depth for many years to come. The Corps will also pay for 80% of the cost of the dredging project. The need for increased depth is well documented. Ships are getting bigger, not smaller, and we want to be ahead of the curve because this could easily be a ten year project.

The recently enacted Water Resources Development Act legislation did not include the expected authorization process for Small, Rural, or Subsistence Harbors, which would have allowed the proposed dredging project to move forward quickly without further Act of Congress. We have researched the current options. Section 203 of the Rivers and Harbors Act permits a local project sponsor to conduct a feasibility study at its own expense. The Army Corps can then rely upon the feasibility study to determine whether to recommend the project to the Congress. Once the project is authorized, fifty percent of the cost of the feasibility study is credited back to the local project sponsor as part of the cost share. By going this route,

Unalaska can “jump the queue” and get to the Congressional authorization process ahead of other communities. The first step in the process is to petition the Army Corps of Engineers for a Section 203 Agreement that sets forth the responsibilities and obligations for the Corps and the City of Unalaska. We will then need to identify a third party contractor or contractors that have been successful in conducting Section 203 feasibility studies which were subsequently adopted by the Corps. NOAA has already given us the bathymetric soundings for the sand bar and that information has been provided to the Corps. This should allow the third party contractors to give us an accurate cost estimate for a feasibility study and an expedited time frame. The Council can make a determination at a later date about whether to move forward with the 203 Study. We need the Alaska Congressional Delegation’s assistance to obtain agreement from the Corps of Engineers to adopt this pathway.

OCS Revenue Sharing: Currently we are not included in the version of the Senate bill being considered by congress for Outer Continental Shelf Revenue Sharing. In a nutshell, this bill is about sharing federal revenue received from oil field activities with the state, which in turn could share the revenue with local governments. We would like language about sharing with local governments included in the bill so we would not have to fight for it every year. Unalaska will be impacted by Shell’s activity probably more than Barrow or Wainwright. I think it is a very good idea to make sure local governments are included in the revenue sharing bill. How much money could result? Tell me how much oil will be produced a year and I can give you a number. However, potentially the impact of the oil companies’ activities here in Unalaska could be great, so we should receive a portion of the revenue to compensate for those impacts. For example, our utilities could be too small to provide for the demand placed on them by oil companies. And if it happens, it will happen in a hurry.

Unalaska Marine Center (UMC) Positions 3 and 4 Demolition and Renovation Project: This proposed project provides 610 feet of new dock face with a minimum water depth of approximately 45 feet. The project will align roughly 390 feet of the new dock face with the current U.S. Coast Guard dock creating a total face length of about 730 feet for this section of the facility. The project will also provide approximately 220 feet of dock aligned with existing UMC positions 5-7, creating the added length needed for modern container ships that use the port. Additional optional work items could be added to the scope to extend the crane rails located on positions 5-7 through the expansion project, to provide concrete pavement in the back reach area, and to add 100-gauge rails. However, the additional cost for the crane rails is not included in the \$28 million dollar estimate as there are many questions that need to be answered first, such as the length of the rails; where to install; who will use it; and whether the City will buy and install a 100-gauge crane? After those and other questions are answered, then we can provide an estimate for the addition of crane rails. There is also the question of possible partners or tenants, and how do we finance a \$28 million project? We are still in the early stages of the planning process.

The replacement dock facility will include necessary appurtenances to meet both current and future needs of the port. Heavy-duty fenders, a concrete face beam, dock surface concrete paving, bull-rails, and heavy-duty bollards are planned along the entire face of the new structure. High-mast lights, utilities (fuel and water service lines), drainage structures, and dock anodes are also included. The proposed dock improvements have the added benefit of creating 1.8 acres of new uplands that can be utilized for container storage or other critical port activities.

LNG Demonstration Project: LNG is the fuel of the future. My concept is to look for grants to develop a demonstration project to learn more about the fuel and its characteristics and introduce the fuel to the community. We should start small. My concept is to grant fund the project as much as possible. As you know Unalaska has issues with permitting power plants. It is possible that no additional generators will be permitted

without SCR technology. Present issues include where to source the product and how to transport it here on a regularly scheduled basis. The concept is to purchase a CAT engine in a can (2MW turbine) and purchase or lease the necessary equipment to ship LNG to Unalaska in iso-tanks (40 foot thermos bottles), have a regasification unit on site and operate the turbine to augment our current configuration at the power house. We need a 2MW unit as a stair step for load sharing. So we would be getting into the use of LNG on a small scale and plan appropriately from there. Harvey Gulf ships are dual fuel and many other offshore vehicles are expected to convert to dual fuel. Container ships are also converting to LNG. We should be prepared for the future.

Captains Bay Road Improvements Project: This road serves as a primary transportation route for a great number of commercial enterprises located in Captains Bay. The section of road making up this project is a high traffic area for heavy vehicles that are used by the fishing and transshipment industries, which are vital to the community's economic welfare. During public meetings on the Unalaska Road Plan in 2011, both drivers and industry representatives spoke of the hazards of the high road crown that is necessary for adequate drainage. In winter months, this crown creates dangerous driving conditions for the large trucks and school buses traveling the road. The road cannot be paved without first completing drainage improvements. There is strong support from the public for improvements to Captains Bay Road. This project includes providing utilities to the end of the road. Currently electric is provided to Westward (of limited capacity) and less than adequate water is provided to the Crowley Dock. It is expected that with oil field development there will be an increased demand on our utilities in this area. This project will provide the necessary infrastructure to accommodate this economic activity.

FINANCIAL IMPLICATIONS: The dredging feasibility study would cost the City 50% of the total cost with the other 50% born by the Corps of Engineers.

OCS Revenue Sharing could have a big impact on our finances. State and federal government grants never provide the full amount of the request. The revenue sharing piece would bring in funding and while the amount is uncertain, it would be a very good thing to be included in that bill. Why? Unalaska is 1,000 miles away from the Chukchi Sea where oil fields are located. Congress will have to look at setting a precedent, but we will be impacted since Unalaska's port is the only ice free port on the west coast of Alaska. Failure to obtain funding will impact the timelines of some of our planned projects.

The UMC project should have been accomplished years ago and the City has attempted to get position 3 replaced for many years.

The LNG demonstration project would be grant funded but may require a City match.

Funding for the Captains Bay Road Improvements Project is not available from the State, and if the City were to fund the project with a bond initiative, with what we know now, there wouldn't be enough revenue generated through utility sales or property taxes to make the bond payments.

LEGAL: N/A.

PROPOSED MOTION: I move to approve Resolution 2014-69.

CITY MANAGER'S COMMENTS: Memo prepared by the City Manager.

CITY OF UNALASKA
UNALASKA, ALASKA

RESOLUTION 2014-70

A RESOLUTION OF THE UNALASKA CITY COUNCIL IDENTIFYING THE CITY OF UNALASKA'S STATE LEGISLATIVE FUNDING PRIORITIES FOR FISCAL YEAR 2016 AS UNALASKA MARINE CENTER POSITIONS 3 AND 4 DEMOLITION AND RENOVATION PROJECT, LNG DEMONSTRATION PROJECT, ROBERT STORRS BOAT HARBOR IMPROVEMENTS, AND CAPTAINS BAY ROAD IMPROVEMENTS

WHEREAS, the existing Unalaska Marine Center (UMC) dock is predominantly timber and does not fully utilize the available area between the U.S. Coast Guard dock and position 4; and

WHEREAS, constructing a sheet pile dock that follows the alignment of the U.S. Coast Guard dock and intersecting the end of Position 4 would create over 400 feet of useable dock and additional uplands; and

WHEREAS, the project would allow fish offloads to occur simultaneously with container ship offloads and would help with fuel barge deliveries which have precedence over many activities at the UMC; and

WHEREAS, more vessels are converting to LNG and the City is desirous of conducting a demonstration project to learn more about the fuel and its characteristics; and

WHEREAS, the Robert Storrs Boat Harbor, which was constructed in 1981, has served the community well for 32 years; and

WHEREAS, in order 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; and

WHEREAS, Captains Bay Road is heavily used by commercial traffic; and

WHEREAS, Future growth and business activity is expected to occur along Captains Bay Road requiring water sewer and electric utilities.

NOW THEREFORE BE IT RESOLVED that the City of Unalaska, by this resolution, hereby identifies its top state legislative priorities for FY16 and requests legislative appropriations as follows:

Unalaska Marine Center Project	\$28 million
LNG Demonstration Project	\$5 million
Robert Storrs Boat Harbor Improvements	\$9.5 million
Captains Bay Road Improvements Project	\$24 million

PASSED AND ADOPTED BY A DULY CONSTITUTED QUORUM OF THE CITY COUNCIL OF THE CITY OF UNALASKA THIS 26th DAY OF AUGUST 2014.

MAYOR

ATTEST:

CITY CLERK

MEMORANDUM TO COUNCIL

TO: MAYOR AND CITY COUNCIL MEMBERS

FROM: CHRIS HLADICK, CITY MANAGER

DATE: AUGUST 26, 2014

RE: RESOLUTION 2014-70 IDENTIFYING THE CITY OF UNALASKA'S STATE LEGISLATIVE FUNDING PRIORITIES FOR FISCAL YEAR 2016 AS UNALASKA MARINE CENTER POSITIONS 3 AND 4 DEMOLITION AND RENOVATION PROJECT, LNG DEMONSTRATION PROJECT, ROBERT STORRS BOAT HARBOR IMPROVEMENTS, AND CAPTAINS BAY ROAD IMPROVEMENTS

SUMMARY: Please find attached a resolution supporting our state legislative priorities for the coming year. The projects are:

Unalaska Marine Center Project	\$28 million
LNG Demonstration Project	\$5 million
Robert Storrs Boat Harbor Improvements	\$9.5 million
Captains Bay Road Improvements Project	\$24 million

PREVIOUS COUNCIL ACTION: This is a recurring council action to put into resolution the city's requests for capital projects funding from the State of Alaska for the coming fiscal year. The Legislature requests that projects be approved by city council via resolution.

BACKGROUND: There are outside influences on the city's capital projects, some of which are:

- The UMC project is in the early planning stages. The financing of this project is not going to be an easy task. Will Shell be successful next time around in the Beaufort and Chukchi Sea, thereby increasing vessel traffic in Unalaska? What kind of customers can we attract to the UMC that are not already utilizing the facility?
- LNG is the fuel of the future and many large marine vessels are beginning to convert to this type of fuel.
- Robert Storrs Boat Harbor improvements will be completely dependent on state funding and requires a 50/50 match.
- The Captains Bay Road project will only be accomplished if oil companies begin operations in Captains Bay due to the cost of utility extensions.

DISCUSSION:

Unalaska Marine Center (UMC) Positions 3 and 4 Demolition and Renovation Project: This proposed project provides 610 feet of new dock face with a minimum water depth of approximately 45 feet. The project will align roughly 390 feet of the new dock face with the current U.S. Coast Guard dock creating

a total face length of about 730 feet for this section of the facility. The project will also provide approximately 220 feet of dock aligned with existing UMC positions 5-7, creating the added length needed for modern container ships that use the port. Additional optional work items could be added to the scope to extend the crane rails located on positions 5-7 through the expansion project, to provide concrete pavement in the back reach area, and to add 100-gauge rails. However, the additional cost for the crane rails is not included in the \$28 million dollar estimate as there are many questions that need to be answered first, such as the length of the rails; where to install; who will use it; and whether the City will buy and install a 100-gauge crane? After those and other questions are answered, then we can provide an estimate for the addition of crane rails. There is also the question of possible partners or tenants, and how do we finance a \$28 million project? We are still in the early stages of the planning process.

The replacement dock facility will include necessary appurtenances to meet both current and future needs of the port. Heavy-duty fenders, a concrete face beam, dock surface concrete paving, bull-rails, and heavy-duty bollards are planned along the entire face of the new structure. High-mast lights, utilities (fuel and water service lines), drainage structures, and dock anodes are also included. The proposed dock improvements have the added benefit of creating 1.8 acres of new uplands that can be utilized for container storage or other critical port activities.

LNG Demonstration Project: LNG is the fuel of the future. My concept is to look for grants to develop a demonstration project to learn more about the fuel and its characteristics and introduce the fuel to the community. We should start small. My concept is to grant fund the project as much as possible. As you know Unalaska has issues with permitting power plants. It is possible that no additional generators will be permitted without SCR technology. Present issues include where to source the product and how to transport it here on a regularly scheduled basis. The concept is to purchase a CAT engine in a can (2MW turbine) and purchase or lease the necessary equipment to ship LNG to Unalaska in iso-tanks (40 foot thermos bottles), have a regasification unit on site and operate the turbine to augment our current configuration at the power house. We need a 2MW unit as a stair step for load sharing. So we would be getting into the use of LNG on a small scale and plan appropriately from there. Harvey Gulf ships are dual fuel and many other offshore vehicles are expected to convert to dual fuel. Container ships are also converting to LNG. We should be prepared for the future.

Robert Storrs Boat Harbor Improvement Project: The Robert Storrs Boat Harbor floats were originally constructed in 1981 at the location of the Light Cargo and Pot Dock on the Spit, but due to persistent storm damage, they were moved to their current location in Iliuliuk Harbor in 1985. The floats are concrete, which was a typical design in those years. As the concrete spalls off from exposure to the elements, allowing the rebar to be exposed and corrosion to develop, the structural integrity of the concrete will continue to deteriorate. Another problem with older floats is the loss of flotation which results in the float dropping lower in the water, thus submersing structural elements that are not designed to sit in the water. The electrical raceway was hung off of the side of the float connecting A and B floats which causes the floats to ride at a slant. At some point, an attempt was made to correct this condition by hanging weights off of the opposing side which just caused the whole float system to ride lower in the water. Some of the steel items, such as the piles and fabricated weldments, have lost their galvanizing and are rapidly losing base metal. Additional issues that are the result of age and continuous use cause the Robert Storrs Boat Harbor improvement project to move up in priority. Float replacement options range from \$6.6 million to \$12 million, which is more than double the original estimate. The program is administered by a division of ADOT that focuses on dock projects in the state. The state pays 50% and the City pays 50% of the capital costs. C float construction should commence in the summer of 2015. This request, if funded, would replace A and B floats. Lots of questions need to be answered this fall, such as will we simply replace what we have or reconfigure the floats?

And the issue of bathrooms is still looming, but we have no uplands so do we created uplands? Parking is also an issue. We cannot apply for this grant until the other project is completed. But we are keeping it on the radar for the legislature.

Captains Bay Road Improvements Project: This road serves as a primary transportation route for a great number of commercial enterprises located in Captains Bay. The section of road making up this project is a high traffic area for heavy vehicles that are used by the fishing and transshipment industries, which are vital to the community's economic welfare. During public meetings on the Unalaska Road Plan in 2011, both drivers and industry representatives spoke of the hazards of the high road crown that is necessary for adequate drainage. In winter months, this crown creates dangerous driving conditions for the large trucks and school buses traveling the road. The road cannot be paved without first completing drainage improvements. There is strong support from the public for improvements to Captains Bay Road. This project includes providing utilities to the end of the road. Currently electric is provided to Westward (of limited capacity) and less than adequate water is provided to the Crowley Dock. It is expected that with oil field development there will be an increased demand on our utilities in this area. This project will provide the necessary infrastructure to accommodate this economic activity.

FINANCIAL IMPLICATIONS: Failure to obtain funding will impact the timelines of some of our planned projects.

The UMC project should have been accomplished years ago and the City has attempted to get Position 3 replaced for many years.

The LNG demonstration project would be grant funded but may require a City match.

The Storrs harbor project is a matter of replacing what was given to us by the state over 20 years ago. The harbor was far from new at that time, and we are near the end of the useful life of this facility.

If the City were to fund Captains Bay Road Improvements Project with a bond initiative, with what we know now, there wouldn't be enough revenue generated through utility sales or property taxes to make the bond payments.

LEGAL: N/A.

PROPOSED MOTION: I move to approve Resolution 2014-70.

CITY MANAGER'S COMMENTS: Memo prepared by the City Manager.

CITY OF UNALASKA
UNALASKA, ALASKA

RESOLUTION NO. 2014-71

A RESOLUTION OF THE UNALASKA CITY COUNCIL AUTHORIZING AN INTER-FUND LOAN FROM THE GENERAL FUND TO THE ELECTRIC FUND FOR THE PURPOSE OF FINANCING THE ALYESKA TIE-IN PROJECT.

WHEREAS, Alyeska Seafood is interested in the City providing electricity during their off season; and

WHEREAS, the electrical equipment needed to connect Alyeska Seafood to the electric grid will cost \$341,200; and

WHEREAS, due to the installation of the 4th engine in the powerhouse it requires an increase in additional load growth to keep the electric fund solvent; and

WHEREAS, sales in the electricity from this connection will more than offset the loan repayment; and

WHEREAS, the general fund has the ability to loan the electric fund \$341,200 interest free for 5 years;

NOW THEREFORE BE IT RESOLVED that the Unalaska City Council hereby authorizes an inter-fund loan of \$341,200 for 5 years interest free from the general fund to the electric fund and to be repaid according to the attached loan schedule; and

PASSED AND ADOPTED BY A DULY CONSTITUTED QUORUM OF THE CITY COUNCIL OF

THE CITY OF UNALASKA THIS 26th DAY OF AUGUST 2014.

MAYOR

ATTEST:

CITY CLERK

Loan Schedule
General Fund Loan to Electric Fund

<u>Date</u>	<u>Payment Number</u>	<u>Principal</u>	<u>Interest</u>	<u>Payment</u>	<u>Outstanding Balance</u>
8/26/2014					341,200
5/1/2015	1	68240	-	68240	272,960
5/1/2016	2	68240	-	68240	204,720
5/1/2017	3	68240	-	68240	136,480
5/1/2018	4	68240	-	68240	68,240
5/1/2019	5	68240	-	68240	-

MEMORANDUM TO COUNCIL

TO: MAYOR AND CITY COUNCIL MEMBERS
THROUGH: CHRIS HLADICK, CITY MANAGER
FROM: PATRICIA SOULE, FINANCE DIRECTOR
DATE: AUGUST 26, 2014
RE: RESOLUTION 2014-71: AUTHORIZING AN INTER-FUND LOAN FROM THE GENERAL FUND TO THE ELECTRIC FUND FOR THE PURPOSE OF FINANCING THE ALYESKA ELECTRICAL TIE-IN.

SUMMARY: The Electric Fund is requesting a General Fund interest free 5 year loan to fund the Alyeska Electrical Tie-In Project. This project will provide an estimated 1,728,000 to 3,456,000 KWh of yearly electrical load increase which would result in a corresponding estimated increase in revenues of from \$200,133 to \$467,906. This increase is expected to cover the loan repayment of \$68,240 annually and meet the load growth needed to offset any potential losses to the electric fund.

PREVIOUS COUNCIL ACTION: Council approved the Alyeska Electrical Tie-In Project on August 5, 2014.

BACKGROUND: Mike Hubbard of The Financial Engineering Company conducted a rate study for the Electric Proprietary Fund and presented the study to council on February 25, 2014. In his analysis he determined that without additional load growth of over 2 million kWh there would be net operating losses of approximately \$492,631 in FY2016 and those losses would continue to grow.

Dan Winters contacted Alyeska and after negotiation they agreed to receive up to 800 kWh of power during their non-processing season, (approximately six months each year) and came to council for approval to install the necessary equipment for a total of \$341,200, Council approved the project on August 5, 2014.

The Electric Fund is in the 10th year of repayment on a 20 year loan of \$2,800,000 from the General Fund in 2004. This loan balance is currently \$1,400,000 with a yearly repayment of \$140,000 on May 1st each year, they loan will be repaid fully on May 1, 2024.

DISCUSSION: Mike Hubbard was contacted to determine the potential annual net revenues for the new service with Alyeska Seafoods. His memo outlining his finding is attached and details out the annual net revenue based upon electrical load used by Alyeska during their non-operating season. His analysis determined that the electric fund would have sufficient net-revenues to repay the annual loan payment of \$68,240 to the general fund, even at the lowest load potential of 1,728,000 annually and net revenue of approximately \$200,133.

If the Council chooses to approve a 5 year repayment to the General Fund it will allow the surplus above the loan payment to offset the deficit Mike Hubbard predicted in his Electric Rate Survey.

ALTERNATIVES: Adopt the resolution as presented or require different loan repayment terms.

FINANCIAL IMPLICATIONS: Annual payments to the general fund for a 5 year loan repayment term will be \$68,240 and with the additional electric load generated by the Alyeska usage will increase net revenue for the repayment of the loan and remainder of the surplus will be used to offset the additional expense expected in Mike Hubbard's Electric rate study.

LEGAL:

STAFF RECOMMENDATION: Staff recommends approving Resolution #2014-71

PROPOSED MOTION: I make a motion to approve Resolution #2014-71

CITY MANAGER'S COMMENTS: I recommend approval of the resolution.

August 4, 2014

Mr. Dan Winters, Electric Utilities Manager
City of Unalaska
PO Box 610
Unalaska, Alaska 99685

Dear Dan:

Subject: New Service to Alyeska Seafoods

At your request, I have investigated the potential benefits of adding Alyeska Seafoods as an Industrial customer while at the same time paying for the cost of interconnection with a loan from the General Fund. In preparing the analysis, certain assumptions were made which includes the following.

1. The cost of interconnection and loan amount is \$341,200.
2. The analysis is performed on a cash basis where depreciation is not included but recovery of the loan principal is included.
3. Other than fuel, the inclusion of the new load is assumed to not increase costs.
4. Alyeska Seafoods will be charged the full Industrial rate for six months of the year with no charges for the remaining six months.

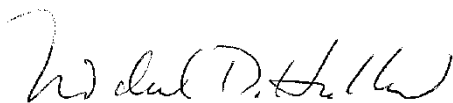
The analysis was performed by projecting the incremental net revenues to the Electric Department for a range of assumed average hourly usages. Net revenues are simply the non-COPA revenues gained over the six-month period less the repayment of the General Fund loan. The analysis is performed without COPA revenues since the additional fuel costs would be passed directly through via the COPA charge.

In the attached table, the addition of the Alyeska Seafood load is projected to add \$234,000 - \$502,000 of annual net revenues to the Electric Department for the ten-year repayment schedule and \$200,000 - \$468,000 for the five-year repayment schedule. These additional revenues could be used to lower rates or offset in part future rate increases.

If you have any questions, please do not hesitate to ask.

Very truly yours,

THE FINANCIAL ENGINEERING COMPANY



Michael D. Hubbard

Assumed Load Data			Non Fuel Revenues (Annual)				10-Year Loan Term		5-Year Loan Term	
Average Hourly (kW)	Energy (kWh)		Customer	Energy	Demand	Total	Loan Payment	Annual Net Revenues	Loan Payment	Annual Net Revenues
	Daily	Annual (180 Days)								
400	9,600	1,728,000	\$ 600	\$ 248,573	\$ 19,200	\$ 268,373	\$ 34,120	\$ 234,253	\$ 68,240	\$ 200,133
500	12,000	2,160,000	600	310,716	24,000	335,316	34,120	301,196	68,240	267,076
600	14,400	2,592,000	600	372,859	28,800	402,259	34,120	368,139	68,240	334,019
700	16,800	3,024,000	600	435,002	33,600	469,202	34,120	435,082	68,240	400,962
800	19,200	3,456,000	600	497,146	38,400	536,146	34,120	502,026	68,240	467,906

Existing Industrial Rates

Customer (\$/month) 100.00
Energy (\$/kWh) 0.14385
Demand (\$/kW-month) 8.00

Loan Amount \$ 341,200

CITY OF UNALASKA
UNALASKA, ALASKA

ORDINANCE 2014-23

AN ORDINANCE OF THE UNALASKA CITY COUNCIL AMENDING UNALASKA CITY CODE CHAPTER 6.24.060 EXCEPTIONS TO AWARD OF CONTRACTS TO THE LOW BIDDER

BE IT ENACTED by the City Council of the City of Unalaska:

Section 1: Form. This is a Code ordinance.

Section 2: Amendment of Section 6.24.060. Section 6.04.060 of the Unalaska Municipal Code is hereby amended to read as follows: [additions are underlined]

§ 6.24.060 AWARD OF CONTRACT TO LOWEST BIDDER; EXCEPTION.

(A) *LOWEST RESPONSIBLE BIDDER.* Contracts shall be awarded to the lowest responsible bidder. In determining the lowest responsible bidder, in addition to price, there shall be considered:

(1) The ability, capacity and skill of the bidder to perform the contract.

(2) Whether the bidder can perform the contract within the time specified, without delay or interference.

(3) The character, integrity, reputation, judgment, experience and efficiency of the bidder. When considering the character, integrity and reputation of the bidder the City Council or its delegate may consider any past conduct of the bidder which the City Council or its delegate in the exercise of their discretion determines is evidence of poor character, integrity or reputation sufficient to conclude that award of the contract to the low bidder is not in the best interest of the citizens of Unalaska. This would include past instances in which the bidder has submitted grossly inflated claims for additional compensation for work done on a city project either as a subcontractor or as a general contractor and past conduct of the bidder in meetings with city employees or consultants.

(4) The quality of performance of previous contracts. In considering the quality of performance of previous contracts the City Council or its delegate may consider any of the following factors:

a. Whether contracts were completed on time.

b. Whether the bidder promptly corrected defective work.

c. Whether the bidder fully performed the contract including submission of as built drawings.

d. The number and validity of claims for additional compensation submitted by the bidder.

e. The conduct of the bidder during meetings with city employees and consultants.

f. Previously completed evaluations of bidder performance by any city department.

(5) The previous and existing compliance by the bidder with laws and ordinances relating to the contract.

(6) The sufficiency of the financial resources and ability of the bidder to perform the contract.

(7) The number and scope of conditions attached to the bid.

(8) Whether there are any unresolved claims between the bidder and the City under any existing city contract in which the bidder is either a general contractor or a subcontractor.
Unresolved claims alone may be a sufficient basis for an award to other than the low bidder.

(B) *AWARD TO OTHER THAN LOW BIDDER.* When the award is given to other than the lowest bidder, a full and complete written statement of the reasons therefor shall be delivered to the unsuccessful low bidder or bidders and filed with the other papers relating to the transaction. The minutes of the Council relating to the matter may be used as the required written statement.

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

PASSED AND ADOPTED BY A DULY CONSTITUTED QUORUM OF THE UNALASKA CITY COUNCIL THIS ___TH DAY OF SEPTEMBER 2014.

Hon. Shirley Marquardt
MAYOR

ATTEST:

Catherine Hazen
CITY CLERK

MEMORANDUM TO COUNCIL

TO: MAYOR AND CITY COUNCIL MEMBERS
FROM: CHRIS HLADICK, CITY MANAGER
DATE: AUGUST 26TH, 2014
RE: ORDINANCE 2014-23 CHANGE TO UCO 6.24 PURCHASING

SUMMARY: This ordinance was prepared by City Attorney Brooks Chandler to address concerns brought by staff in regards to award of a contract to anyone but the low bidder. Nationwide there is a movement to evaluate contractors and to use that evaluation in the award of bids. The idea is that past performance can be considered along with price of the project to get the best use of public funds. The ordinance adds details to general terms like “quality of performance”, “character” and “reputation” to provide more guidance to Council and staff when considering awarding a bid to someone other than the lowest bidder. This ordinance will also put some pressure on contractors to work with the City to resolve disputes. This ordinance does not change the current requirement the City put into writing why they are not awarding to the lowest bidder.

PREVIOUS COUNCIL ACTION: There is language in UCO 6.24.060 currently but this strengthens and clarifies that language.

BACKGROUND:

DISCUSSION: The ordinance speaks for itself to some extent. There have been some complex issues arise on projects in the past. Often there are few bidders on projects. It is the right of a contractor to make claims for change of site conditions or for other reasons. It is in the best interest of the City to try and resolve those claims prior to awarding another contract. This ordinance spells out in more detail when the city can award a contract to someone other than the low bidder and adds having a pending unresolved claim with the City as one more reason not to make an award to the low bidder. Public Works is working on an evaluation worksheet and the idea is that this worksheet is completed prior to bid opening. It is hard to argue against using past performance as a tool to hold a contractor responsible for a project using public funds. And unresolved claims can be a reason not to award a bid. It can be awkward to be working with a contractor on one job while at the same time being in the middle of a dispute with the same contractor on another job. And unresolved disputes on one job can impact the approach to a second job in ways that are not good for staff, the contractor and the public.

ALTERNATIVES: Leave the language as is.

FINANCIAL IMPLICATIONS: This is a tool to take other circumstances into consideration when awarding a bid.

LEGAL: The ordinance was prepared by Brooks.

PROPOSED MOTION: I move to have Ordinance 2014-23 sent to second reading

CITY MANAGER'S COMMENTS: Memo prepared by the City Manager.

CITY OF UNALASKA
UNALASKA, ALASKA

ORDINANCE 2014-25

AN ORDINANCE OF THE UNALASKA CITY COUNCIL AMENDING THE SCHEDULE OF FEES AND CHARGES TO BE ASSESSED FOR CITY-PROVIDED SERVICES.

BE IT ENACTED BY THE UNALASKA CITY COUNCIL AS FOLLOWS:

Section 1: Form. This is a Non-Code ordinance.

Section 2: Adoption of a Schedule of Rates and Charges. The Council hereby amends the following schedule of rates and charges to be paid by consumers of the identified City-provided services, labor, and equipment. The schedules adopted are listed individually below and are attached hereto. Each schedule shall remain in effect until such time as it may be amended by subsequent ordinance.

◆ General Fees

Section 3. Effective Date. This ordinance shall take effect September 10, 2014.

PASSED AND ADOPTED BY A DULY CONSTITUTED QUORUM OF THE UNALASKA CITY COUNCIL
THIS 9th DAY OF SEPTEMBER, 2014.

MAYOR

ATTEST:

CITY CLERK

GENERAL FEE SCHEDULE

The following fees and services apply to all City of Unalaska departments unless stated in a Department's specific fee schedule.

Photocopies

1 st five copies	Free
Six or more copies	\$0.25 per copy
1 st two copies (11x17 / legal)	Free
Three or more copies (11x17 / legal)	\$0.50 per copy
Copies for non-profits	Free unless the document to be copied is available digitally and is over 25 pages in length, in which case, a charge of \$0.10 per page will be imposed for each page after the 25 th .

Digital copies of a meeting No charge; flash drive must be provided by patron

Notary Public Services	Free
<u>Simple notarizations</u>	<u>Free</u>
<u>Complex Notarizing (i.e. bank loan,</u>	
<u>real estate or mortgage closing documents</u>	<u>\$150.00</u>

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Non-Sufficient Funds (Bad Check) \$25.00

Interest Rate: Unless a different rate of interest is provided for by ordinance or by agreement, interest shall accrue on obligations owing to the city at the rate of 10.5% per annum from the date that they are due.

MEMORANDUM TO COUNCIL

TO: MAYOR AND CITY COUNCIL MEMBERS
FROM: CAT HAZEN, CITY CLERK
THRU: CHRIS HLADICK, CITY MANAGER
DATE: AUGUST 26, 2014
RE: AMENDING THE SCHEDULE OF FEES AND CHARGES BY ADDING A FEE FOR COMPLEX NOTARIZATION SERVICES, SUCH AS BANK LOAN, REAL ESTATE OR MORTGAGE CLOSING DOCUMENTS

SUMMARY: The City Manager's office is proposing a change to the FY15 Schedule of Fees and Charges to create a charge for notarizing complex documents, such as bank loan or mortgage closing documents, and other documents relating to the closing of real estate sales and transfers.

PREVIOUS COUNCIL ACTION: Council reviews the Fee Schedule annually, but has not previously considered the fee proposed in this Ordinance.

BACKGROUND & DISCUSSION: Local residents who are obtaining bank loans, or are buying, selling, or refinancing real estate, have reported that it is difficult or impossible to find anyone in Unalaska who is willing to notarize the closing documents for these types of transactions.

In the past staff would refer residents who needed this service to the city librarian, who would notarize real estate documents in exchange for a \$125 - \$150 donation to Friends of the Library. We would like to be able to refer people to another local individual or business for this notarization service, but we are not aware of anyone who is currently offering this service.

In order to meet the need for these complex notary services, the City Manager's office is proposing that a fee of \$150 for notarizing bank loan, real estate or mortgage closing documents, or other complex notary services, be added to the General Schedule of Fees and Charges. The notary service would be provided by the Administrative Coordinator in the City Manager's office.

ALTERNATIVES:

FINANCIAL IMPLICATIONS: The proposed fee would generate some additional General Fund revenue.

LEGAL:

STAFF RECOMMENDATION: Staff recommends Council adopt this proposed amendment to the Fee Schedule.

PROPOSED MOTION: I move to move Ordinance 2014-25 to public hearing and second reading on September 9, 2014.

CITY MANAGER'S COMMENTS:

CITY OF UNALASKA

CITY COUNCIL POLICY/PROCEDURE

Subject: Mayor and City Council Travel Policy	
Number: TBD	Reference:
Effective Date: January 2007	Re-evaluation Date: As Needed

STATEMENT OF POLICY: It is the policy of the City of Unalaska that Mayor and Council Member travel for official City business outside City of Unalaska is conducted in the most direct and economic manner possible to accomplish City business. The Mayor will be responsible for managing Council Member travel to ensure that guidelines and procedures are being followed and to ensure that travel remains within budget.

PURPOSE: The purpose of this policy is to establish policies and procedures for requesting and approving travel for the Mayor and Council Members.

SCOPE: This policy and procedure applies to the Mayor and all City Council Members.

DEFINITIONS:

Per Diem: The allowance for lodging, meals, and incidental expenses as defined by the Internal Revenue Service (IRS). This is the total amount paid to a traveler, including hotel costs, when on City business. If a traveler requests full per diem, that traveler is responsible for paying all lodging expenses, otherwise the per diem is for meals and incidental expenses only with lodging directly billed to the City.

Travel Criteria

Travel that is deemed beneficial to the City shall be authorized by the City Council when one or more of the following criteria are met:

- The travel is necessary to achieve operational and service objectives of the City of Unalaska;
- The travel is necessary to support state or federal efforts which are beneficial to the City of Unalaska;
- The travel is for specific training or attendance at a national or state board meeting, committee meeting, or conference at which the Mayor or Council Member is a

municipal representative or at which the exchange of information or participation could reasonably be expected to result in an economic or operational benefit to the City of Unalaska or its residents.

Travel Guidelines

The following travel guidelines will apply to travel for the purpose of conducting City business:

- The per diem allowance, including the rate for Meals and Incidental Expenses (M&IE) will be calculated based on the dates that the traveler will be conducting City-related business. An allowance will not be issued for non-essential travel days.
- Per diem rates, including full per diem and M&IE rates, for travel within Alaska will be based on the rates published by the Department of Defense Special Committee on per diem rates.
- Per diem rates, including full per diem and M&IE rates, for travel in the Continental United States will be based on the schedule published by the GSA for the IRS.
- Per diem rates, including full per diem and M&IE rates, for travel outside the United States will be based on the US Department of State rates published for non-US overseas locations, like Russia and Europe.
- Once an airline reservation has been made for Mayor and/or Council Member travel, all changes to the reservation are the responsibility of the traveler and must be relayed to the Administrative Coordinator in the City Manager's Office when finalized.
- All change fees or additional costs incurred as a result of altering airline reservations for personal reasons are the responsibility of the Mayor or Council Member for which the travel applies, such as meals, taxis and hotel accommodations for return travel for personal business.
- City staff will not be requested to make any personal travel arrangements for Mayor or City Council Member. This includes airline, hotel, and rental car reservations. Any and all personal travel will be arranged by the person to whom the personal travel applies.

Prohibited Travel

Travel under the following conditions shall not be approved when costs are at the expense of the City of Unalaska unless written justification has been prepared by the traveler, and the request is subsequently approved by the Council:

- Travel by first class air accommodations;
- Travel by more than three (3) Council Members to the same meeting or conference; or
- Travel by other than the most economic and direct route available for purchase.

PROCEDURE:

Mayor and Council Members will adhere to the following procedures when approving and requesting travel:

Mayor and Council Travel Policy
Adopted by Resolution 2007-03
January 30, 2007

- An annual travel calendar will be developed and approved by the City Council during the Mayor and Council's budget presentation. The purpose of developing the calendar will be to estimate the Council's travel expenses for the upcoming year.
- At a regular Council meeting at least twenty-one (21) days prior to an upcoming trip, the council will discuss the travel, identify the Council Members to travel, and approve the travel by motion. At this time, an estimate of costs will be provided by staff as well as the status of the travel budget. .
- Once Council approves travel by motion in a regular City Council meeting the names of the travelers will be forwarded to the city's Administrative Coordinator who will make the travel arrangements.
- Every attempt will be made to make Travel arrangements no later than twenty-one (21) days prior to departure.
- A trip report will be submitted to the City Clerk within fifteen (15) days upon return from each trip for posting on the City web site.

EXCEPTIONS:

Every effort will be made by the Mayor and Council to follow the policy and listed procedures to reduce costs and staff time. However, when it becomes known that travel which requires the Mayor and/or a Council Member to attend is received with less than 21 days notice and the procedures as outlined above cannot be followed, the Mayor will contact all available Council Members outlining the need for the travel and the timeline. The Mayor will obtain verbal or written approval of four Council Members approving the travel and forward to the Clerk and Administrative Coordinator.

In the event the Mayor is out of town, the Mayor Pro Tem will follow this procedure.

APPROVED


 Shirley Marquardt, Mayor


 Date

POLICY HISTORY

01-2007

Draft policy received legal review on 1/23/07. New policy adopted by Resolution 2007-03 on January 30, 2007.

02-2012

Reevaluation Date changed to As Needed. Minor corrections made to punctuation and language. Completed TA requirement removed from Procedure.