

**Regular Meeting**  
**Tuesday, August 25, 2020**  
**6:00 p.m.**



**Unalaska City Hall**  
**Council Chambers**  
**43 Raven Way**

**Council Members**  
Thomas D. Bell  
Darin Nicholson  
David M. Gregory

## **UNALASKA CITY COUNCIL**

P. O. Box 610 • Unalaska, Alaska 99685  
(907) 581-1251 • [www.ci.unalaska.ak.us](http://www.ci.unalaska.ak.us)

Vincent M. Tutiakoff Sr., Mayor  
Erin Reinders, City Manager

**Council Members**  
Dennis M. Robinson  
Alejandro R. Tungul  
Shari Coleman

Due to recommended social distancing measures to stop the spread of COVID-19 and the City Manager's Emergency Order suspending the provisions of UCO § 2.20.075, this meeting will be conducted via telephone conference and online with the ZOOM platform. A limited number of Council Members and City Staff will be in attendance. In order to provide for social distancing, we can accommodate eight (8) additional persons at the meeting. Seating is on a "first come-first served" basis. Coverings over nose and mouth are required to be worn upon entering the building and until seated; and again when exiting.

### **PARTICIPATION AND TESTIMONY OPTIONS**

- Attend in person, limited seating to allow for social distancing
- Listen to the meeting on KUCB TV Channel 8 or Radio Station 89.7
- Join online via ZOOM (link, meeting ID & password below); *notify Clerk if you wish to speak*
- Join by phone (toll free numbers, meeting ID & password below); *notify Clerk if you wish to speak*
- Email comments, testimony or questions to the City Clerk ([mveeder@ci.unalaska.ak.us](mailto:mveeder@ci.unalaska.ak.us)) no later than 5:00 p.m. on the day of the meeting, to be read into the record by the clerk

### **ZOOM MEETING LINK:**

<https://us02web.zoom.us/j/3547251432?pwd=Qkp3UDhqTElKWVZlbytYWlpCUmhyZz09>

Meeting ID: 354 725 1432 / Passcode: 8675309

### **TELEPHONE:**

TOLL FREE (833) 548-0276; or (833) 548-0282; or (877) 853-5247; or (888) 788-0099

Meeting ID: 354 725 1432 / Passcode: 8675309

## **AGENDA**

1. **Call to order**
2. **Roll call**
3. **Pledge of allegiance**
4. **Recognition of visitors**
5. **Adoption of agenda**
6. **Oath of Office** - Police Chief Jay E. King
7. **Awards and Presentations** - Recognize City Employee Anniversaries
  - a. Mayumi Conwell: 10 years with the Department of Parks, Culture & Recreation
  - b. Joseph Shaishnikoff: 20 years with the Department of Public Works
8. **Approve minutes of previous meeting - August 11, 2020**

## **9. City Manager's Report**

10. **Community Input & Announcements** *Members of the public may make announcements of interest to the community.*
11. **Public testimony on agenda items** *Time for members of the public to testify or provide information to Council regarding items on the agenda. Members of the public may also speak when the issue comes up on the regular agenda by signing up with the City Clerk.*
12. **Work session** *Work sessions are for planning purposes, or studying and discussing issues before the Council.*
- a. Presentation regarding a Qawalangin Tribe project: Civil Affairs Assessment through the IRT (Innovative Readiness Training) Program, Department of the Army Civil Affairs Command

### **b. City's CARES Grant Program Appeals**

- i. Review by Planning Director Bil Homka
  - ii. Opportunity for applicants to speak
13. **Regular agenda** *Persons wishing to speak on regular agenda items must sign up with the City Clerk.*
- a. Resolution 2020-54: Continuing measures to protect public health
  - b. Resolution 2020-55: Approving the Power Purchase Agreement with Ounalashka/Chena Power, LLC and authorizing the City Manager to enter into the agreement
  - c. Resolution 2020-56: Unalaska CARES Grant Program for Local Businesses and Non-Profit Organizations – Decisions on Appeals

## **14. Council Directives to City Manager**

15. **Community Input & Announcements** *Members of the public may make announcements of interest to the community.*
16. **Adjournment**

**Regular Meeting**  
**Tuesday, August 11, 2020**  
**6:00 p.m.**



**Unalaska City Hall**  
**Council Chambers**  
**43 Raven Way**

**Council Members**  
Thomas D. Bell  
Darin Nicholson  
David M. Gregory

## **UNALASKA CITY COUNCIL**

P. O. Box 610 • Unalaska, Alaska 99685  
(907) 581-1251 • [www.ci.unalaska.ak.us](http://www.ci.unalaska.ak.us)

**Council Members**  
Dennis M. Robinson  
Alejandro R. Tungul  
Shari Coleman

Vincent M. Tutiakoff Sr., Mayor  
Erin Reinders, City Manager

---

### **MINUTES**

**1. Call to order**

Mayor Tutiakoff called the regular meeting of the Unalaska City Council to order on Tuesday, August 11, 2020, at 6:03 pm in the Unalaska city council chambers.

**2. Roll call**

Present in Chambers:

Vincent Tutiakoff, Sr., Mayor  
Thomas Bell  
Shari Coleman

Present Via Telephone or Zoom:

Dennis Robinson  
Darin Nicholson  
Alejandro Tungul  
David Gregory

Absent:

None

**3. Pledge of allegiance** – Mayor Tutiakoff, Sr. led the Pledge of Allegiance

**4. Recognition of visitors** – Members of the Public

**5. Adoption of agenda** – Coleman made a motion to adopt agenda; Bell seconded  
Roll Call Vote: Gregory – yes; Coleman – yes; Tungul – yes; Nicholson – yes; Robinson – yes;  
Bell – yes  
Motion passed 6-0

**6. Approve minutes of previous meeting** – July 28, 2020

Coleman made a motion to approve the July 28, 2020 meeting minutes; Bell seconded.  
Roll Call Vote: Tungul – yes; Gregory – yes; Robinson – yes; Bell – yes; Nicholson – yes;  
Coleman – yes  
Motion passed 6-0

**7. City Manager Report** – In the packet

**8. Community Input & Announcements**

- 2020 Municipal Election - October 6, 2020; candidacy period ends August 24, 2020
- 2020 State Primary Election August 18, 2020
- 1<sup>st</sup> Installment Real Property and Personal Property tax due August 20, 2020
- 2020 Census
- City of Unalaska awarded \$50,000 from the Rasmuson Foundation matching amounts awarded to two organizations through the CARES Act Grant applications

- Museum of the Aleutians awarded \$30,000
- KUCB awarded \$20,000
- Unalaska City School opens for fall semester next week

## 9. Public testimony on agenda items

City Clerk read a letter submitted for public testimony by Daneen Looby regarding CARES Act Grant application appeals

## 10. Public hearing

Mayor Tutiakoff, Sr. opened the Public Hearing on Ordinance 2020-14. Hearing no testimony, the Public Hearing closed.

- a. Ordinance 2020-14: Amending Unalaska Code of Ordinances 13.08.010, Discharge of Firearms in the City

## 11. Work session

Coleman made a motion to move into Work Session; Bell seconded.  
Roll Call Vote: Tungul – yes; Gregory – yes; Bell – yes; Coleman – yes; Nicholson – yes; Robinson – yes.  
Motion passed 6-0.

### a. Essential Air Service Update

Peggy McLaughlin, Director of Ports & Harbors, presented an update and answered Council questions. The update included:

- Essential Air Service proposals for Unalaska
- Reestablishing commercial air service to Unalaska
- Servant Air proposal and FLOAT Alaska Proposal

### b. City's CARES Grant Program Appeals

- i. Planning Director Bil Homka presented an overview and update on the City's CARES Grant Program and answered Council questions.
- ii. The following CARES Grant applicants and community members provided testimony:
  - Jody Farmer, Only in Dutch
  - Jeff Hancock, ILWU
  - City Clerk read letters into the record submitted for public testimony from:
    - Daneen Looby, ILWU
    - Timothy and Apina Moyer, Alaskan Taxi
    - Carlin Enlow, UVB

## 12. Regular agenda

Coleman made a motion to adjourn to Regular Session; Bell seconded.  
Roll Call Vote: Nicholson – yes; Gregory – yes; Coleman – yes; Tungul – yes; Bell – yes; Robinson – yes.  
Motion passed 6-0.

### a. Unfinished Business

- i. Ordinance 2020-14: Amending Unalaska Code of Ordinances 13.08.010, Discharge of Firearms in the City

Coleman made a motion to adopt Ordinance 2020-14; Bell seconded.

Roll Call Vote: Tungul – yes; Robinson – yes; Nicholson – yes; Gregory – yes; Bell – yes; Coleman – yes.

Motion passed 6-0.

**b. New Business**

- i. Resolution 2020-50: Acknowledging the closure and completion of various capital projects and purchases

Coleman made a motion to adopt Resolution 2020-50; Bell seconded.

Roll Call Vote: Coleman – yes; Gregory – yes; Nicholson – yes; Robinson – yes; Tungul – yes; Bell – yes.

Motion passed 6-0.

- ii. Resolution 2020-51: Continuing measures to protect public health

Coleman made a motion to adopt Resolution 2020-51; Bell seconded.

Roll Call Vote: Bell – yes; Nicholson – yes; Gregory – yes; Robinson – yes; Coleman – yes; Tungul – yes.

Motion passed 6-0.

- iii. Resolution 2020-52: Unalaska CARES Grant Program for Local Businesses and Non-Profit Organizations – Decisions on Appeals

Coleman made a motion to adopt Resolution 2020-52; Bell seconded.

Coleman made a motion to amend Resolution 2020-52 to include late applicants:

- Harbor Rental \$5394.32
- Elizabeth Janitorial Services \$7038.36

Robinson seconded.

Roll Call Vote on motion to amend Resolution 2020-52: Bell – no; Coleman – yes; Nicholson – no; Robinson – yes; Tungul – yes; Gregory – no.

The vote resulted in a tie.

Chairman voted – yes.

Motion passed 4-3.

Coleman made a motion to amend Resolution 2020-52 to include new businesses that had a City of Unalaska business license by March 17, 2020 but no 2019 income tax returns, may qualify for CARES Grant program if they had 1<sup>st</sup> and 2<sup>nd</sup> quarter city sales tax returns to establish them in the tier program; Robinson seconded.

Roll Call Vote: Gregory – yes; Bell – yes; Coleman – yes; Nicholson – yes; Robinson – yes; Tungul – yes.

Motion passed 6-0.

Coleman made a motion to amend Resolution 2020-52 to include ILWU as a Non-Profit organization but grant only what they lost and use the 5% dues rate for calculation; Gregory seconded.

Roll Call Vote: Coleman – yes; Nicholson – yes; Tungul – yes; Gregory – yes. Council Members Robinson and Bell disclosed conflict of interest. Chairman excused Council Members Robinson and Bell from the vote.

Motion passed 4-0.

Roll Call Vote on main motion as amended: Coleman – yes; Bell – yes; Gregory – yes; Nicholson – yes; Robinson – yes; Tungul – yes.  
Motion passed 6-0.

- iv. Resolution 2020-53: Authorizing the City manager to sign a Memorandum of Understanding between the Qawalangin Tribe of Unalaska, the City of Unalaska and the Ounalashka Corporation regarding the U.S. Army's Innovative Readiness Training (IRT)

Coleman made a motion to adopt Resolution 2020-53; Bell seconded.  
Robinson – yes; Tungul – yes; Coleman – yes; Gregory – yes; Bell – yes; Nicholson – yes.  
Motion passed 6-0.

9:40 pm – Recess

9:50 pm – Back on record

The following disclosures were made on record:

- Vincent Tutiakoff, Sr., Mayor
  - Chair of the Ounalashka Corporation Board of Directors
  - Shareholder of Ounalashka Corporation stocks
  - Trustee and Beneficiary of the Ounalashka Settlement Trust
  - Do not serve on OCCP, LLC board
- Dennis Robinson, Vice Mayor
  - Member of Board of Directors of Ounalashka Corporation
  - Shareholder of Ounalashka Corporation stocks
  - Do not serve on OCCP, LLC board
- David Gregory, Council Member
  - Employee of Ounalashka Corporation
  - Spouse is a Member of Board of Directors of Ounalashka Corporation
  - Spouse is a shareholder of Ounalashka Corporation stock
  - Children are both shareholders of Ounalashka Corporation stock

### 13. Executive Session

9:51 pm

Coleman made a motion to go into Executive Session to discuss with the City Attorney the draft Power Purchase Agreement between the City of Unalaska and Ounalashka / Chena Power, LLC, a matter for proposed City Council action which has serious legal implications and the immediate public disclosure of which may adversely affect the legal positions of the City; Bell seconded.

Roll Call Vote: Gregory – yes; Bell – yes; Coleman – yes; Nicholson – yes; Robinson – yes.  
Motion passed 5-0. Tungul did not vote.

- a. Discuss Power Purchase Agreement between the City of Unalaska and Ounalashka/Chena Power, LLC

11:21 pm

Coleman made a motion to reconvene to Regular Session; Bell seconded.  
Motion passed by consensus.

11:23 pm

Bell made a motion to suspend the rules to allow the meeting to continue past 11:00 pm; Coleman seconded.

Roll Call Vote: Bell – yes; Coleman – yes; Nicholson – yes; Robinson – yes; Tungul – yes; Gregory – yes.

Motion passed 6-0.

#### **14. Council Directives to City Manager**

Robinson made a motion to direct staff to accept both the OCCP proposal to share in the upside and daily liquidated damages in the amount of \$20,000.00 per day with a cap of \$5 million. The heat pump contribution is to remain at \$10 million cost to OCCP. The Annual cost is to be \$16,300,000.00. The meter on the upside sharing starts at 100,000,000kwh. A minimum of two transmission lines to the delivery point of the City required; Coleman seconded.

Roll Call Vote: Gregory – yes; Bell – no; Coleman – yes; Nicholson – yes; Robinson – yes; Tungul – yes.

Motion passed 5-1.

#### **15. Adjournment**

Coleman made a motion to adjourn the meeting; Bell seconded.

Roll Call Vote: Bell – yes; Coleman – yes; Nicholson – yes; Robinson – yes; Tungul – yes; Gregory – yes.

Motion passed 6-0.

The meeting adjourned at 11:33 pm.

---

Marjie Veeder, CMC  
City Clerk

*rfw*

---

---

## MEMORANDUM TO COUNCIL

---

---

To: Mayor and City Council Members  
From: Erin Reinders, City Manager  
Date: August 25, 2020  
Re: City Manager Report

---

---

### Upcoming Dates to Note:

- September 6: Voter registration deadline for Municipal Election
- September 16: Absentee in person voting begins for Municipal Election
- October 6: Municipal Election (2 Council & 2 School Board seats)
- October 20: Second half property tax payment due
- November 3: State General Election

**State Primary Election – Early and Absentee Voting:** Some members of Council and the community may have questions about early and absentee voting for the state primary election. The City Clerk has provided the following information. The State of Alaska Division of Elections (DOE) is in charge of the State Primary Election. The City of Unalaska agreed to provide an Absentee Voting Official from the Clerk's Department to oversee in person Early and Absentee voting in Unalaska, and to provide the use of City Hall for that purpose. The State DOE handles early and absentee voting by mail and email. The DOE Region IV office in Nome supplies training, along with all materials needed including the voter register, ballots, instructions, ballot accountability materials and more. Early and Absentee Voting was scheduled to begin August 8, but the early and absentee voting materials never arrived. Materials were shipped with the U.S. Postal Service by Region IV DOE, who had confirmation that the materials had been shipped. City and Region IV DOE personnel were in regular communication with local post office personnel, and City personnel checked the post office daily. Unfortunately, the materials never arrived. No explanation as to the location of the missing early and absentee voting materials was ever provided to the City Clerk's Department. The City Clerk has no reason to believe that the missing early and absentee voting materials will have any impact on receipt of voting materials for the November General Election. Voting materials for in person voting on August 18 were timely received.

**Employee Awards:** In the midst of COVID-19 we are continuing our efforts to catch up on issuing well deserved employee awards and celebrating these awards in new ways. Giving a shout out to the award winners in the Manager's Report is one of those ways! Chris DiGiro, of the Parks, Culture and Recreation Department, has received a Rock Star Award for his hard work providing high quality sports programming leading to a better experience for all players. I would also add, for his creativity in providing programs in unique ways during the COVID-19 pandemic. Marjie Veeder, our City Clerk, has received a Gold Star Award for her work in going above and beyond as Public Information Officer during the COVID pandemic, including the countless hours keeping the public informed and safe. Congratulations to both Chris and Marjie! We have a great team in the City of Unalaska, and I am glad to have these two as part of that team.



**Innovative Readiness Training (IRT):** As a review, an IRT (Innovative Readiness Training) Program team from the Army's Civil Affairs Command is performing a Civil Affairs Assessment of Unalaska. The City met with team members on their first visit, and provided numerous studies and plans for background information. More recently, the City entered into a Memorandum of Understanding with the Tribe and OC in support of the IRT program and local efforts. The second visit from the IRT team is scheduled for August 22 – August 29, and IRT representatives have been invited to introduce themselves at the Work Session this evening. The team's ultimate goal is to build relationships with local stakeholders and to assess community needs and identify potential solutions. This report will be the final deliverable, which is expected to be complete by the end of September.

**Council's Legislative Priorities:** Both our State and Federal Lobbyists have been invited to participate in the Work Session on September 8. This will be an opportunity discuss past priorities, consider new priorities and potentially revise old ones. The Lobbyists can provide their perspectives on the priorities, provide associated updates and review how lobbying efforts might change this year. No formal action is anticipated to take place that evening.

**COVID-19 Unified Command:** The City of Unalaska remains in a state of emergency. City Staff and other members of Unalaska's Unified Command continue to work together to support the community during this time, including the passenger flow at the airport. Unalaska Unified Command continues our weekly meetings and regular news releases three times a week. We believe this is a sustainable approach, and one that can be adapted as the situation evolves.

**Air Service:** Port Director Peggy McLaughlin provided an update on Essential Air Service during the Work Session at the August 11 Council meeting. EAS proposals have been reviewed and the Port Director has since confirmed that Rav'n maintains its Part 121 certification EAS proposal and that Servant Air has a Part 135 certification. I will provide written feedback to USDOT by the August 25 deadline. As Council discussed during the August 11 Work Session, this will be in consideration to the type of aircraft available to service Unalaska, subsidy proposals, rates, certifications, and routes.

**Annual Financial Audit:** The Interim Finance Director and I have agreed with KPMG that a remote audit makes the most sense this year. This will reduce the need for travel and the risk of exposure to COVID-19. The audit is tentatively scheduled to be completed during the weeks of October 5 and October 12, 2020.

**Tsunami Sirens Repair Update:** Dan Winters, Public Utilities Director, has provided the following update regarding the siren electrical repairs. Aleutian Electric received a preliminary report back from the tsunami sirens manufacturer concerning electrical components that need to be replaced in the tsunami sirens control modules. Besides the issues with these electrical components that need replaced, a bigger issue is the analog radio receivers that each siren is equipped with. When our radio system was upgraded from analog to digital, the sirens radio system were not upgraded. In an ideal situation the old analog signal would be turned into a digital signal through our transmitter on Haystack. This does not seem to be happening. The best solution is to replace the old analog system with a digital system. The manufacturer is in the process of preparing a proposal to repair or replace the individual siren electrical components and upgrade the siren's radio system. Once we receive their proposal, staff will work together and determine how to proceed.

**Executive Level Searches:** We continue our efforts to fill the Finance Director role on a permanent basis with highly competent and qualified individual to effectively serve our organization and community. The Department of Administration has issued an RFP for an executive search firm to assist in our recruitment efforts. Jim Sharpe continues to serve as Interim Finance Director, and is participating in meetings telephonically and remains available for staff even while off island.

**Directives to the City Manager:** Three directives to the City Manager remain outstanding.

- *Options for Increased Tobacco Tax (11/27/18). Ongoing.* Council discussed this in detail at the July 9, 2019 Council Meeting. Future discussions will include additional information on Tobacco Excise Tax, a combination Tobacco Excise Tax with increased sales tax on alcohol and marijuana, fund dedication options, and potential rates. City Clerk, Marjie Veeder is working with our city attorneys and will bring additional information to Council in the coming months. We have tentatively scheduled this complex topic to be on a Council agenda in September.
- *Fiscal Sustainability Plan and Policy (5/14/19). Initiated.* Interim Finance Director Jim Sharpe began a discussion with City Council on sustainable long term planning at the December 12, 2019 Council meeting. He provided informational material for Council to review. This is in a holding pattern given our current state of emergency.
- *Directives Related to PPA Negotiation with OCCP (6/23/20 and 8/11/20). Complete.* The City Team continued to build on our effort that we have been undertaking for the past seven months. The PPA, developed in accordance with the direction provided by City Council, is under consideration on tonight's agenda.

CITY OF UNALASKA  
UNALASKA, ALASKA

RESOLUTION 2020-54

A RESOLUTION OF THE UNALASKA CITY COUNCIL CONTINUING MEASURES TO PROTECT PUBLIC HEALTH

WHEREAS, the COVID-19 pandemic has generated a public health emergency that threatens to overwhelm the City of Unalaska health system and the economy of our community, endangering the lives and wellbeing of our citizens; and

WHEREAS, on March 11, 2020, the World Health Organization (WHO) declared the virus a pandemic; and

WHEREAS, on March 11, 2020, the State of Alaska declared a public health emergency in response to the anticipated outbreak of the virus in Alaska and Governor Dunleavy implemented several health mandates and recommendations to help reduce the spread of COVID-19; and

WHEREAS, on March 13, 2020, President Donald J. Trump declared a national emergency in response to the virus pandemic; and

WHEREAS, on March 15, 2020, Mayor Vincent M. Tutiakoff, Sr. declared a local emergency in the City of Unalaska, authorizing the City Manager to take necessary actions to reduce the impact and spread of the coronavirus known as COVID-19 through the City of Unalaska; and

WHEREAS, on March 18, 2020, the Unalaska City Council passed Resolution 2020-16, declaring a local emergency to remain in effect for so long as the declaration of a Public Health Disaster in the State of Alaska Remains in effect; and

WHEREAS, beginning on March 24, 2020, the Unalaska City Council has passed resolutions instituting additional local public health protective measures; and

WHEREAS, the Centers for Disease Control and Prevention (CDC) have issued public health guidance, including the social distancing measures, the recommendation that everyone wear a cloth face covering when in public settings where social distancing measures are difficult to maintain, and that certain individual take greater precautions; and

WHEREAS, local health officials have advised that in addition to practicing social distancing and staying at home as much as possible, additional measures that include the covering of an individual's nose and mouth will prevent asymptomatic individuals with COVID-19 from unknowingly spreading the disease; and

WHEREAS, local health officials have advised that stronger protective measures are required given Unalaska's remoteness, lack of road access to the mainland, and the fact that the majority of our community's businesses are designated as essential, critical or support critical infrastructure; and

WHEREAS, local health officials have advised that stronger protective measures are required to conserve limited local healthcare resources, as they strive to meet the needs of all community members and essential workforce employees; and

WHEREAS, as of August 18, 2020, there were 4,371 cumulative known COVID-19 cases in the state, including travel-related cases in geographically isolated and remote communities; and

WHEREAS, there have been cases of seasonal non-resident workers throughout Alaska, including Unalaska, which have not been counted toward state totals, and which have been contained due to effective quarantine measures; and

WHEREAS, as of August 18, 2020, there were 98 patients who have tested positive locally in the Unalaska; and

WHEREAS, COVID-19 continues to pose a grave and imminent threat to the health, safety, order and welfare to the residents of the City; and

WHEREAS, this resolution shall have the same effect as a rule issued by the City Manager pursuant to Unalaska Code of Ordinances §2.96.040.

NOW THEREFORE BE IT RESOLVED:

**1. Governor Mandates.** Everyone in the City must follow all health mandates issued by the State of Alaska. Review local requirements carefully as some are more restrictive than state mandates.

**2. Face Coverings.** All customers and visitors of businesses and organizations that are open and operating must wear face masks covering their nose and mouth to provide additional protection for employees and customers. The face coverings need not be medical-grade masks or N95 respirators, but can be cloth face coverings. Face masks may be temporarily removed as necessary and incidental to utilizing the business or service.

A cloth face covering is a material that covers the nose and mouth. It can be secured to the head with ties or straps or simply wrapped around the lower face. It can be made of a variety of materials, such as cotton, silk, or linen. A cloth face covering may be factory-made or sewn by hand, or can be improvised from household items such as scarfs, T-shirts, sweatshirts or towels.

A business owner or operator may refuse admission or service to any individual who fails to wear a face covering as required by this resolution.

**3. Traveler Quarantine.** A person traveling into the City of Unalaska ("the city") by vessel or airplane, from another community or port, must self-quarantine for 14 days upon arriving at their destination and monitor for symptoms of illness. During travel and following the quarantine period, adherence to CDC guidance, State of Alaska mandates, and local orders and resolutions is required. This includes appropriate social distancing measures and adherence to face covering requirements. People traveling for critical business purposes are required to follow all State of Alaska health mandates including complying with their approved state plans.

- a. Critical workforce employees must self-quarantine immediately upon arrival. If their employer has filed the required protocol with the City as required at paragraph 4, critical workforce employees may work during their self-quarantine period in accordance with that protocol. All workers under the critical workforce exception are required to self-quarantine during non-work hours within the 14 day time period.

- b. Patients or travelers arriving in Unalaska/Dutch Harbor, whose final destination is not Unalaska/Dutch Harbor, are required to self-quarantine during their stopover, but not remain here for the entire 14 day time period. This includes, but is not limited to, air travel.
- c. For individuals arriving on a vessel, time spent at sea is credited to the 14 day quarantine period. The time at sea is counted from the time of departure from the last location at which a crew member disembarked the vessel, provided that no one has boarded the vessel in that time. Vessel captains shall maintain a ship's log or equivalent record demonstrating compliance with State Health Mandate 17, when applicable, and detailing all activities at port or contact with other vessels or personnel during the time for which they seek credit for time at sea. For vessels that have been at sea more than 14 days and no one has disembarked or boarded the vessel, no quarantine is required unless individuals are showing symptoms of COVID-19, including, but not limited to fever, chills, or respiratory symptoms. Vessels at sea for less than 14 days, where no one has disembarked or boarded the vessel, may complete their quarantine in port as long as quarantine is not broken for the remainder of the 14 days.
- d. Anyone who is required to self-quarantine must adhere to the following:
  - 1) You may leave your designated quarantine location for:
    - i. medical emergencies or to seek medical care;
    - ii. to travel in your personal vehicle or vessel, individually or with members of your household, without contacting others, so long as you go directly from the quarantine location to the vehicle or vessel and directly back to the quarantine location; and
    - iii. to participate in outdoor recreational activities (i.e. fishing, hiking) individually or with members of your household, without contacting others, so long as you go directly from the quarantine location to the recreational activity and directly back to the quarantine location.
  - 2) Do not visit any public spaces, including, but not limited to stores, pools, meeting rooms, fitness centers or restaurants.
  - 3) Do not allow visitors in or out of your designated quarantine location other than a physician, healthcare provider, or individual authorized to enter the designated quarantine location by Unified Command.
  - 4) Comply with all rules or protocols related to your quarantine as set forth by your hotel or rented lodging.
  - 5) If you are required to self-quarantine and there are other individuals in your residence, hotel room, or rented lodging, you are required to comply with social distancing guidelines, sanitize regularly touched surfaces, and follow CDC best practices for hand washing.

**4. Essential Services/Critical Infrastructure State Protocols.** Businesses identified as “essential services” or as “critical infrastructure” and operating in the City shall submit all protocols or plans required by State of Alaska Health Mandates to the City of Unalaska. These plans are to be submitted as soon as possible after filing these protocols or plans with the State of Alaska and regardless of whether the State review of those protocols or plans has been completed. Businesses shall also provide the City confirmation of the State’s approval of its plan or protocol no more than three days after receiving such approval. In the event a business plan or protocol requires amendment or is rejected by the State, the business submitting that plan or protocol must notify the City no more than 48 hours after receiving the State’s notification of deficiency. Such businesses shall submit their plans, protocols, or relevant notifications to the City of Unalaska by email to [COVID19PLANS@ci.unalaska.ak.us](mailto:COVID19PLANS@ci.unalaska.ak.us). The definitions of “essential services” and “critical infrastructure” may be found in the Alaska Essential Services and Critical Workforce Order, Amended May 5, 2020. The plan submission requirements and definitions in the May 5 Order apply to businesses doing business in Unalaska regardless of any modifications or revocations of the Order or State Health Mandates 10, 10.1 or 18.

**5. Business COVID-19 Protection Measures and Protocols.** All businesses and organizations open and operating within the City shall comply with all relevant State of Alaska Health Mandates. All businesses and organizations, other than state, federal or municipal government facilities, which are open to members of the public at a physical location within the City shall post “COVID-19 Protection Measures and Procedures” on all entrances to and exits from the business. The “COVID-19 Protection Measures and Procedures” shall include, at minimum:

- a. The sanitation measures taken by the business or organization to prevent the spread of COVID-19.
- b. The social distancing measures taken by the business or organization to prevent the spread of COVID-19.
- c. A description of a process for obtaining goods or services from the business or organization without entering the business, if such a process is at all feasible.
- d. A contact number for individuals to report any violations of these measures to the owner or designee.
- e. Clearly state that any person with symptoms consistent with COVID-19 may not enter the premises.
- f. Shuttles, van services and taxis shall clearly state that the total number of passengers shall be limited to three.

**6. Penalties.** Violation of this resolution is punishable as a misdemeanor under Unalaska Code of Ordinances § 2.96.090 and is a Public Nuisance, subject to the remedies in Unalaska Code of Ordinances, Title 11, Chapter 8, including prosecution as a minor offense.

**7. Effective Date; Expiration.** This resolution shall be effective at noon on August 26, 2020 and expires at noon on September 9, 2020. The City Council may extend it as necessary, or the City Manager may extend it or amend it pursuant to the emergency management powers under Unalaska Code of Ordinances § 2.96 and Resolution 2020-16.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on August 25, 2020.

---

Vincent M. Tutiakoff, Sr.  
Mayor

ATTEST:

---

Marjie Veeder, CMC  
City Clerk



---

---

## MEMORANDUM TO COUNCIL

---

---

To: Mayor and City Council Members  
From: Erin Reinders, City Manager  
Date: August 25, 2020  
Re: Resolution 2020-54: Continuing measures to protect public health

---

---

**SUMMARY:** Council has been considering resolutions instituting local measures to protect the public health. The first of these measures was approved on March 24, 2020. The measures continue to be evaluated as this situation unfolds.

**PREVIOUS COUNCIL ACTION:** Council approved Resolution 2020-17 on March 24, 2020. The focus of Resolution 2020-17 was on hunkering down, traveler quarantine and the closure of non-essential business. The resolution expired April 15. The date was set so that Council could reconsider the action at the April 14 Council Meeting.

Council approved Resolution 2020-19 on April 14, extending and clarifying the orders outlined in Resolution 2020-17, and instituted additional measures protecting the public health. The resolution expired April 29, 2020. The date was set so that Council could reconsider the action at the April 28 Council Meeting.

Council approved Resolution 2020-25 on April 28, extending the orders in Resolution 2020-19. This resolution expired May 13, 2020. The date was set so that Council could reconsider the action at the May 12 Council Meeting.

Council approved Resolution 2020-34 on May 12, extending the orders in Resolution 2020-25 and replacing the “Hunker Down” section with a “Social Distancing” section. This resolution expired May 27, 2020. The date was set so that Council could reconsider the action at the May 26 Council Meeting. Also on May 12, Council discussed the topic of Cruise Ships and the Alaska Marine Highway System passengers.

Council approved Resolution 2020-36 on May 26, extending and clarifying the orders in Resolution 2020-34 and specifically addressing the Alaska Marine Highway System. This resolution expired June 10, 2020. The date was set so that Council could reconsider the action at the June 9 Council Meeting.

Council approved Resolution 2020-38 on June 9, extending and clarifying the orders in Resolution 2020-36 and removed the reference to the Alaska Marine Highway System. This resolution expired June 24, 2020. The date was set so that Council could reconsider the action at the June 23 Council Meeting.

Council approved Resolution 2020-41 on June 23, extending the orders in Resolution 2020-38 and began allowing for individuals in traveler self-quarantine to go outside or in their personal vehicles and vessels with certain limitations. This resolution expired July 15, 2020. The date was set so that Council could reconsider the action at the July 14 Council Meeting.



Council approved Resolution 2020-45 on July 14, extending the orders in Resolution 2020-41 and clarified that time at sea counted toward the 14 traveler self-quarantine time period. This resolution expired July 29, 2020. The date was set so that Council could reconsider the action at the July 28 Council Meeting.

Council approved Resolution 2020-49 on July 28, extending the orders in Resolution 2020-45 and focus in on requirements to reduce the length of the document. This resolution expired August 12, 2020. The date was set so that Council could reconsider the action at the August 11 Council Meeting.

Council approved Resolution 2020-51 on August 11, extending the orders in Resolution 2020-49. This resolution expires August 26, 2020. The date was set so that Council could reconsider the action at the August 25 Council Meeting.

**BACKGROUND:** The nation, state and our city are in a state of emergency and in the midst of a public health crisis. The state continues to update its health mandates, though less frequently than it had previously. The State has eased back on a number of the state-wide restrictions.

State Health Mandate 10, regulating interstate and international travel, was updated on August 11. It applies to residents, nonresidents and critical infrastructure employees. Alaska residents now have four options when traveling to Alaska. Those include obtaining a negative test result if a test was taken within 72 hours of travel, taking a test within 72 hours of travel and then waiting in quarantine for the results, taking a test upon arrival (at no cost), or quarantining for 14 days upon arrival and not taking a test. Non-residents have similar options, with critical distinctions being that quarantine is not an alternative to testing, and that non-residents who opt not to take a test before traveling to Alaska must pay \$250 for the test upon arrival. Critical infrastructure workers must have a letter from their employer identifying the employee and containing details of their travel. They must also have their plan or protocol filed with the state. The plan must explain a protocol for testing and/or quarantine.

Health Mandate 10, Appendix 1 applies to all workers traveling into Alaska to work in a seafood processing plant, or onboard a processor or catcher-processor vessel. It provides six alternative methods to quarantine, depending, in part on whether the processing workers are shore-based or working on processor vessels. Appendix 1 contains detailed screening requirements for seafood processing workers, and also adopts by reference the CDC and OSHA requirements for Meat and Poultry Processing Workers and Employers.

Other State Health Mandates remain in effect as well:

- Health Mandate 15 regulates certain healthcare practices. It contains detailed guidance as to certain types of procedures and types of practices. It requires “universal masking procedures” and other strict testing, screening and distancing measures to protect providers and patients.
- Health Mandate 17 and Appendix 1 regulate independent commercial fishing vessels. Appendix 1 reiterates the 14-day quarantine requirement and outlines not just onboard conduct, but also contains a detailed list of requirements to limit interaction with the public at times when the fishing vessels are in communities. All fishing vessels should have a completed, signed acknowledgment of Health Mandate 17, which is found at Appendix 2.
- Health Mandate 18 governs intrastate travel. As a community on the Alaska Marine Highway system, there is essentially no restriction on travel to Unalaska. The mandate does expressly allow communities to enact local travel restrictions, but the local

restrictions cannot require “automatic” quarantine or measures that prevent travel for critical personal needs or conduct of essential services and critical infrastructure.

As with previous Council Resolutions addressing protective measures, this resolution addresses what is different locally from statewide mandates or additional protective measures specific to our community.

**DISCUSSION:** The resolution is set expire September 9, 2020 but may be amended or extended as necessary, and will be revisited at the Council Meeting on September 8, 2020.

The following protective measures from previous resolutions remain in Resolution 2020-54, with the revisions noted:

- **Face Coverings** - Customers and visitors of businesses and organizations must wear a covering over their nose and mouth (*no change*).
- **14 Day Traveler Self Quarantine** - Individuals traveling into the City by vessel or airplane must self-quarantine, with limited exceptions (*no change*).
- **State Approved Plan Submittal** - Business that are required to submit plans to the State, must submit those to the City (*no change*).
- **Protective Protocols** - All business open to the public must post their basic measures to protect the public health on their doors (*no change*).

As has been the case all along, additional local protective measures, such as business closures or gathering size limits, may be considered if the risk threshold increases locally.

City Staff and other members of Unalaska's Unified Command continue to work together to support the community and these protective measures.

**ALTERNATIVES:** Council may choose to approve, amend or disapprove this resolution.

**FINANCIAL IMPLICATIONS:** Unknown at this time.

**LEGAL:** This resolution, like all the other resolutions protecting public health that Council has considered during this pandemic, was drafted in close collaboration with Sam Severin, one of our City Attorneys.

**STAFF RECOMMENDATION:** With heavy consideration of our local health care professionals, the City Manager recommends approval.

**PROPOSED MOTION:** I move to approve Resolution 2020-54.

CITY OF UNALASKA  
UNALASKA, ALASKA

RESOLUTION 2020-55

A RESOLUTION OF THE UNALASKA CITY COUNCIL APPROVING THE POWER PURCHASE AGREEMENT WITH OUNALASHKA/CHENA POWER, LLC AND AUTHORIZING THE CITY MANAGER TO ENTER INTO THE AGREEMENT

WHEREAS, City of Unalaska operates a public utility to provide for and distribute electricity to customers;

WHEREAS, City Council supports efforts and programs for reliable and cost effective alternative energy sources, including geothermal; and

WHEREAS, Ounalashka/Chena Power, LLC (OCCP) seeks to construct a geothermal plant and sell power to the City of Unalaska; and

WHEREAS, OCCP requires a signed Power Purchase Agreement (PPA) with the City of Unalaska in order to obtain project financing; and

WHEREAS, City representatives have negotiated a PPA with OCCP on behalf of the City of Unalaska in a manner that is consistent with City Council Directives.

NOW THEREFORE BE IT RESOLVED that the Unalaska City Council approves the PPA, and authorizes the City Manager to enter into the agreement.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on August 25, 2020.

---

Vincent M. Tutiakoff, Sr.  
Mayor

ATTEST:

---

Marjie Veeder, CMC  
City Clerk

---

---

## MEMORANDUM TO COUNCIL

---

---

To: Mayor and City Council Members  
From: Erin Reinders, City Manager  
Date: August 25, 2020  
Re: Resolution 2020-55: Approving the Power Purchase Agreement with Ounalashka/Chena Power, LLC and authorizing the City Manager to enter into the agreement

---

---

**SUMMARY:** Ounalashka/Chena Power, LLC (OCCP) requires a Power Purchase Agreement (PPA) with the City of Unalaska to obtain financing for a geothermal project. Negotiations have been underway since early January between the City and OCCP. This memo provides some context of the PPA. The PPA before you this evening has been developed in accordance with Council Directives and is supported by OCCP. Resolution 2020-55 approves the PPA and authorizes the City Manager to sign the agreement.

**PREVIOUS COUNCIL ACTION:** The City continues to support efforts and programs for reliable and cost effective alternate energy sources, including geothermal. City Council has identified this support as a federal priority. To this end, during the fall lobbying trip to Washington DC in 2019, City representatives sat alongside representatives from the Q-tribe and OC in a meeting with the Department of Energy demonstrating support for a geothermal project on our island.

November 26, 2019

- Work Session, Presentation from OCCP regarding their Geothermal Project

January 30, 2020

- Special Meeting Work Session, Update from OCCP on their geothermal project (standalone meeting)

February 25, 2020

- Work Session, Report from OCCP regarding their Makushin geothermal project

March 10, 2020

- Reports, City Attorney conflict of interest opinion related to OCCP
- Executive Session
  - Discussion regarding potential Power Purchase Agreement between City of Unalaska and OCCP
  - Discussion regarding potential Power Sales Agreements between City of Unalaska and local seafood processing facilities

May 26, 2020

- Directive to the Manager, *“Report back to the City Council by June 16, 2020 for possible action committing to a PPA with OCCP at the Council Meeting on June 23, 2020 a cos/benefit/risk analysis for a potential Power Purchase Agreement concept that commits Unalaska for the purchase of 100MkWhr/year, at \$0.16/kWh, for 30 years taking into account the probability of securing sufficient load sources by fall of 2023 within the Unalaska City Limits.”*

June 23, 2020

- Work Session, presentation and discussion of the financial feasibility and potential risks and rewards related to OCCP’s proposed Makushin Geothermal Power Project
- Directive to the Manager, *“Negotiate and work cooperatively with OCCP LLC to develop a Power Purchase Agreement that enables the City Council to act on such agreement at the Council Meeting on July 14, 2020. Initial loads to be negotiated should be between 80mkwhr and 100mkwhr. Costs and rates to be negotiated within the Power Purchase Agreement.”*

July 21, 2020

- Special Meeting Work Session & Executive Session, Discussion of Power Purchase Agreement with OCCP

August 11, 2020

- Executive Session, Discussion of Power Purchase Agreement with OCCP
- Directive to the Manager, *“I move to direct staff to accept both the OCCP proposal to share in the upside and daily liquidated damages in the amount of \$20,000.00 per day with a cap of \$5 million. The heat pump contribution is to remain at \$10 million cost to OCCP. The Annual cost is to be \$16,300,000.00. The meter on the upside sharing starts at 100,000,000kwh. A minimum of two transmission lines to the delivery point of the City is required.”*

**BACKGROUND:** City staff began working with the OCCP team in late 2019 to address project planning and development questions and to draft a PPA. City staff team consisted of City Manager, Assistant City Manager JR Pearson, Public Utilities Director Dan Winters and Deputy Director Steve Tompkins. We enlisted the support of Mike Hubbard, long time City Consultant with a strong background in public utilities project and analysis. Our attorney was brought on to our City team as well. Both Brooks and Mike have been involved with previous Makushin geothermal efforts. We have the right people engaged to help position this project for success and to develop an agreement that is in the best interests of the citizens of Unalaska.

On January 15 and 16, 2020, the City team met with OCCP representatives for a working meeting in Anchorage. The initial focus of the meeting was to develop a conceptual framework that OCCP could take to its potential lenders to determine if financing can be obtained.

Following this meeting, discussions and work continued. Focus shifted to the PPA, understanding the project, identifying challenges, mitigating risks, expanding opportunities, identifying what would need to be done should the project move forward, and refining displaced costs. OCCP communicated that they planned to proceed with their fieldwork and research, which would help reduce the number of uncertainties and assumptions. We reached out to processors to garner their interest in the project and encourage them to attend the February 25, 2020 Council meeting, where OCCP would be presenting on their project. The City team, including Brooks Chandler and Mike Hubbard, met with the OCCP team while they were in town that week. Given travel and weather challenges, this meeting was not as in-depth as planned.

City staff met and talked with processors throughout March and April. At that time, processors were unable to make a long term commitment. Mike Hubbard followed up and had a teleconference with processors to ensure they had an understanding of the overall concept of the project and potential agreements. The City team held a conference call with OCCP on April 24, 2020 and communicated the feedback we were getting from the processors. This was not done in person due to COVID related challenges. We all agreed that the next step was for OCCP, along with the City, to meet with the processors.

Those meetings were never held, but OCCP provided a detailed document outlining several concepts for consideration to the City on May 19, 2020. We responded with some initial thoughts and questions in a timely fashion.

On May 26, 2020, City Council issued a directive to provide a report and cost/benefit/risk analysis regarding a PPA at a particular commitment level. Our focus then shifted to the Council Directive issued on May 26, 2020 to provide. Mike Hubbard prepared the formal report and analysis that included both cost risk and benefits. Brooks Chandler provided a memo related to non-recourse financing as another component of the risk assessment. This material was presented to Council at the June 23, 2020 Council Meeting. At the end of that meeting Council issued a directive to negotiate and work cooperatively with OCCP to develop a PPA for loads between 80mkwhr and 100mkwhr.

Given the complex nature of this topic and the time required to discuss it, City Council participated in a stand-alone Special Meeting and Executive Session on July 21, 2020. This date was selected in coordination with OCCP. City Council provided direction to the City Team for further negotiations with OCCP.

City Council participated in a follow-up Executive Session on August 11, 2020. The City Team provided an update on the continued negotiations. City Council then issued a formal directive for the continued negotiation. Since that time, the City team has been working in accordance with that direction.

**DISCUSSION:** OC has united forces with Chena Power to create OCCP. OCCP requires a PPA with the City of Unalaska to obtain financing for the Geothermal Project. There is much excitement and interest in the potential for a geothermal project and what it might

mean for our community. It could result in growth and the expansion of our economic base. Indeed, this is a very exciting opportunity, but not an opportunity that can be taken lightly.

A PPA is a comprehensive document with a magnitude of impacts. Throughout this process, Mike Hubbard has provided Council with detailed analysis and findings. Additionally, Brooks Chandler has provided Council with informational memos and guidance. Related materials may be found in previous Council Packets or were reviewed in executive session.

For the past 7 plus months, your City team representing the City of Unalaska has been doing its job in working to reach a tentative agreement to share with Council that we believe would be in the best interest of the community and the rate payers. We have made every effort to provide relevant, unbiased, and objective information to help you in this deliberative process. As always, it is the City Council's responsibly to evaluate this information, weigh the potential risks and benefits, and to ultimately make the decision you feel is best for the community as a whole.

The PPA before you this evening has been drafted based on City Council Directives, and has been agreed to by OCCP.

**ALTERNATIVES:** Council has three primary options on how to proceed with the Resolution 2020-55 and the PPA. These include:

1. Approve Resolution 2020-55, thereby approving the PPA and authorizing the City Manager to sign the agreement.
2. Disapprove Resolution 2020-55, thereby disapproving the PPA.
3. Table the consideration of Resolution 2020-55, thereby not acting on the PPA at this time. This would allow for time to engage in negotiations with self-generating processors in efforts to obtain written agreements with them prior to entering into a PPA with OCCP.

**FINANCIAL IMPLICATIONS:** Financial implications related to the details of the PPA, including commitments by both sides for additional studies and infrastructure improvements as well as payments, will vary based on the finalized PPA details.

Primary financial implications of signing a PPA with OCCP at this point relate to the cost of purchasing power and the financial benefits with purchasing power from a City perspective. Ultimately, these costs are passed along to the rate payers. Mike Hubbard has provided the following tables to touch on these implications in 5 different scenarios:

1. The City does not increase its base load of about 40 million kWh.
2. The City increased sales by 30 Million kWh for a total of 70 Million kWh, and everyone pays proportionate share.



3. The City increased sales by 30 Million kWh for a total of 70 Million kWh, and all new purchasers, self – generators, pay only the Makushin power purchase price with the City paying the difference.
4. The City increases sales by 60 Million kWh for a total of 100 Million kWh, and everyone pays proportionate share.
5. The City increases sales by 85 Million kWh (60 Million kWh from self-generating processors and 25 Million kWh from heat) for a total of 125 Million kWh, and everyone pays proportionate share.

**Cost.** One question is about the net cost of purchasing Makushin power from the City's perspective. This is important as Council considers entering into a 30-year agreement to purchase this power at a fixed rate. The top half of the table below is the estimated annual expenditures and the bottom half is the cumulative expenditures from the initial year.

Sales (Million kWh)			Year 1	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30
City	Other	Total	Total Annual City Expenditure						
40	0	40	\$ 16,300,000	\$ 16,961,845	\$ 17,827,070	\$ 18,736,430	\$ 19,692,176	\$ 20,696,675	\$ 21,752,413
40	30	70							
	Full Rate*		9,314,286	9,692,483	10,186,897	10,706,531	11,252,672	11,826,671	12,429,950
	Reduced Rate*		11,410,000	11,873,292	12,478,949	13,115,501	13,784,523	14,487,672	15,226,689
40	60	100	6,520,000	6,784,738	7,130,828	7,494,572	7,876,870	8,278,670	8,700,965
65	60	125	9,535,500	9,922,680	10,428,836	10,960,811	11,519,923	12,107,555	12,725,162
Total Cumulative (from Initial Year) City Expenditure									
40	0	40	\$ 16,300,000	\$ 83,146,382	\$ 170,534,064	\$ 262,379,397	\$ 358,909,765	\$ 460,364,152	\$ 566,993,732
40	30	70							
	Full Rate*		9,314,286	47,512,218	97,448,037	149,931,084	205,091,294	263,065,230	323,996,418
	Reduced Rate*		11,410,000	58,202,467	119,373,845	183,665,578	251,236,836	322,254,906	396,895,612
40	60	100	6,520,000	33,258,553	68,213,626	104,951,759	143,563,906	184,145,661	226,797,493
65	60	125	9,535,500	48,640,633	99,762,428	153,491,947	209,962,213	269,313,029	331,691,333

\* Full Rate assumes that costs of Makushin are shared proportionately among all users. Reduced Rate assumes that all sales above the City loads pay for Makushin based on 100 million kWh of sales.

NOTE: Sales in excess of 100 million kWh/year may result in the need to expand the Facility, and costs would increase from that shown.

**Savings.** The other related question is about the net benefits as compared to providing power without Makushin from the City's perspective. This accounts for financial benefits of reduced operating costs, minimal fuel costs, revenues from delivery charges from self-generating processors, and revenues from self-generating processors. The top half of the table below is the estimated annual savings (losses) and the bottom half of the cumulative savings (losses) from the initial year. These benefits are based on the oil price assumptions presented at the July 21 Council meeting.



Sales (Million kWh)			Year 1	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30
City	Other	Total	Total Annual Savings (Loss)						
40	0	40	\$ (10,467,964)	\$ (10,254,317)	\$ (10,270,823)	\$ (10,517,688)	\$ (10,732,979)	\$ (10,909,887)	\$ (11,040,645)
40	30	70							
	Full Rate*		(3,332,250)	(2,834,955)	(2,030,650)	(1,864,950)	(1,646,925)	(1,368,722)	(1,021,472)
	Reduced Rate*		(5,427,964)	(5,015,764)	(4,322,702)	(4,273,919)	(4,178,776)	(4,029,723)	(3,818,211)
40	60	100	(387,964)	222,790	1,625,419	1,969,850	2,375,426	2,850,441	3,404,224
65	60	125	2,301,536	3,021,494	4,566,885	5,061,361	5,624,635	6,265,393	6,993,372
Total Cumulative (from Initial Year) City Savings									
40	0	40	\$ (10,467,964)	\$ (52,325,166)	\$ (103,143,473)	\$ (155,249,563)	\$ (208,497,801)	\$ (262,710,250)	\$ (317,672,104)
40	30	70							
	Full Rate*		(3,332,250)	(15,941,003)	(27,507,445)	(37,183,071)	(45,876,177)	(53,301,958)	(59,133,348)
	Reduced Rate*		(5,427,964)	(26,631,252)	(49,433,253)	(70,917,565)	(92,021,718)	(112,491,635)	(132,032,542)
40	60	100	(387,964)	(937,337)	4,276,966	13,414,433	24,454,365	37,726,980	53,607,019
65	60	125	2,301,536	12,781,816	32,415,087	56,707,033	83,674,476	113,687,065	147,160,985

\* Full Rate assumes that costs of Makushin are shared proportionately among all users. Reduced Rate assumes that all sales above the City loads pay for Makushin based on 100 million kWh of sales.

\*\* Additional sales by City assumed to be for heating sales with customers fuel switching for heat. Heating customers are assumed to pay the full Makushin rate, and savings shown are for electric customers only and do not include savings or losses to heating customers.

NOTE: Sales in excess of 100 million kWh/year may result in the need to expand the Facility, and costs would increase from that shown.

**Impact to Ratepayers.** To provide an indication of how important these costs and benefits shown above are, the impacts on customers' monthly bills are shown below for the first ten years of operations. These impacts are based on:

- 1) The average user for each rate class;
- 2) The comparison of Makushin costs with costs associated with continued use of diesel; and
- 3) The oil price assumptions presented on July 21.

	kWh/month/cust	NOTE: Billing impacts for scenario with Heat sales is based on heating customers paying full Makushin rate. Impact to Monthly Bill is for electric bill only and does not reflect savings or losses incurred by heating customers.									
Residential	448										
Small General Service	1,634										
Large General Service	12,575										
Industrial	152,086										
		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Rate Increase (Decrease) from Continued Use of Diesel (\$/kWh)											
City Only		0.262	0.264	0.265	0.261	0.256	0.251	0.253	0.254	0.255	0.257
City + 30 million Full Rate		0.083	0.083	0.084	0.077	0.071	0.060	0.060	0.059	0.059	0.051
City + 30 million Reduced Rat		0.136	0.136	0.137	0.131	0.125	0.115	0.115	0.116	0.116	0.108
City + 60 million		0.010	0.009	0.009	0.002	(0.006)	(0.021)	(0.022)	(0.023)	(0.024)	(0.041)
City + 60 million + Heat		(0.058)	(0.059)	(0.060)	(0.068)	(0.076)	(0.091)	(0.093)	(0.095)	(0.097)	(0.114)
Monthly Bill Increase (Decrease)											
City Only											
Residential	\$	117.11	\$ 117.95	\$ 118.79	\$ 116.82	\$ 114.72	\$ 112.49	\$ 113.11	\$ 113.72	\$ 114.32	\$ 114.91
Small General Service		427.58	430.65	433.70	426.51	418.85	410.69	412.96	415.19	417.38	419.53
Large General Service		3,290.95	3,314.57	3,338.08	3,282.76	3,223.78	3,161.00	3,178.43	3,195.58	3,212.43	3,228.97
Industrial		39,800.85	40,086.49	40,370.80	39,701.85	38,988.53	38,229.27	38,440.04	38,647.40	38,851.20	39,051.29
City + 30 million kWh @ Full Rate											
Residential	\$	37.28	\$ 37.34	\$ 37.39	\$ 34.62	\$ 31.72	\$ 26.99	\$ 26.79	\$ 26.57	\$ 26.33	\$ 22.72
Small General Service		136.11	136.33	136.50	126.40	115.80	98.54	97.81	97.01	96.14	82.94
Large General Service		1,047.60	1,049.26	1,050.59	972.87	891.26	758.47	752.82	746.65	739.95	638.40
Industrial		12,669.74	12,689.77	12,705.82	11,765.92	10,778.94	9,172.98	9,104.58	9,029.99	8,949.03	7,720.85
City + 30 million kWh @ Reduced Rate											
Residential	\$	60.73	\$ 61.02	\$ 61.30	\$ 58.78	\$ 56.12	\$ 51.63	\$ 51.68	\$ 51.71	\$ 51.72	\$ 48.36
Small General Service		221.71	222.78	223.82	214.60	204.88	188.51	188.68	188.79	188.83	176.57
Large General Service		1,706.46	1,714.70	1,722.69	1,651.69	1,576.87	1,450.94	1,452.21	1,453.03	1,453.40	1,358.98
Industrial		20,637.97	20,737.69	20,834.22	19,975.61	19,070.72	17,547.67	17,563.02	17,573.02	17,577.49	16,435.59
City + 60 million kWh											
Residential	\$	4.34	\$ 4.09	\$ 3.82	\$ 0.73	\$ (2.49)	\$ (9.22)	\$ (9.75)	\$ (10.30)	\$ (10.88)	\$ (18.18)
Small General Service		15.85	14.92	13.94	2.68	(9.10)	(33.67)	(35.60)	(37.61)	(39.71)	(66.39)
Large General Service		121.97	114.84	107.30	20.62	(70.04)	(259.13)	(274.02)	(289.51)	(305.62)	(511.00)
Industrial		1,475.10	1,388.89	1,297.64	249.36	(847.08)	(3,133.93)	(3,313.99)	(3,501.36)	(3,696.23)	(6,180.10)
City + 60 million kWh + Heat											
Residential	\$	(25.75)	\$ (26.30)	\$ (26.88)	\$ (30.27)	\$ (33.80)	\$ (40.85)	\$ (41.69)	\$ (42.56)	\$ (43.46)	\$ (51.09)
Small General Service		(94.01)	(96.03)	(98.12)	(110.51)	(123.42)	(149.13)	(152.22)	(155.40)	(158.67)	(186.54)
Large General Service		(723.56)	(739.15)	(755.23)	(850.53)	(949.91)	(1,147.79)	(1,171.57)	(1,196.04)	(1,221.21)	(1,435.75)
Industrial		(8,750.80)	(8,939.27)	(9,133.80)	(10,286.40)	(11,488.20)	(13,881.46)	(14,168.99)	(14,464.91)	(14,769.41)	(17,364.02)

Additionally, there are known expenses the City is agreeing to contribute in this PPA:

- Up to \$5 million for upgrading the City distribution system, with OCCP committing up to \$7 million. We are agreeing to initially fund the integration and interconnection study, but will be reimbursed from OCCP after the fact.

**LEGAL:** City Attorney, Brooks Chandler, has been engaged in the PPA development and negotiations with OCCP from the beginning.

**STAFF RECOMMENDATION:** The City team remains supportive of this project and are excited about what it might mean for the future of our community. The PPA before you this evening has been prepared in accordance with City Council Directives.

As your City Manager, I do, however, recommend tabling Resolution 2020-55 and allowing for time to obtain written commitments from self-generating processors for the purchase of power. These commitments would significantly lessen the financial risk to the City, and the City would be better positioned to sell the power we are agreeing to purchase through the PPA with OCCP. This benefits all rate payers, and in the end, is beneficial to the entire project and community.

Mechanically, this would be accomplished by a Council member first moving to approve and then moving to postpone indefinitely. Council can only postpone to a date certain if that date is the very next meeting. The target date to have these commitments with self-generators and the PPA with OCCP appear before City Council could be the first meeting in January.

No matter what Council chooses to do this evening, my staff and I are ready to support the decision and move forward in accordance with Council's direction.

**PROPOSED MOTION:** I move to approve Resolution 2020-55.

**ATTACHMENTS:**

- Memo from City Attorney
- PPA between OCCP and City of Unalaska

**BOYD, CHANDLER, FALCONER & MUNSON, LLP**

Attorneys At Law  
Suite 302  
911 West Eighth Avenue  
Anchorage, Alaska 99501  
Telephone: (907) 272-8401  
Facsimile: (907) 274-3698  
bcf@bcfaklaw.com

**MEMORANDUM**

**TO:** Unalaska City Council



**FROM:** Brooks Chandler  
City Attorney

**DATE:** August 21, 2020

**RE:** Geothermal Power Purchase Agreement

---

At the August 11 city council meeting the city council directed staff to accept the OCCP proposal to share in the upside with the “meter” on the upside sharing starting at 100,000,000 kWh in annual sales. The OCCP proposal as described on page 3 item 5 in a letter to the City Council was “OCCP and City will split the upside for electrical sales above 100M kWh”. OCCP had not in fact proposed the “share in the upside” to start at 100,000,000 kWh per year but on a monthly basis so additional negotiations were required to translate a sharing in the upside to annual kWh sales.

Council also directed staff to negotiate for a daily rate of \$20,000 per day in liquidated damages and to require OCCP to promise to construct two subsea cables so as to provide greater system reliability.

Council’s goals have been accomplished as reflected in the final draft of the power purchase agreement. The two subsea cable requirement is contained in the definitions of “Facility” in Section 1(i) and “Interconnection Plan” in Section 1(m). Section 16 sets the daily liquidated damages amount at \$20,000.

The “split the upside” requirement is stated in Section 5 (h) and uses a mathematical formula set out in Exhibit F. Here is how it works using the 125,000,000 kWh in annual sales

that is the example in Exhibit F. This is a 50/50 split based on kWh sold above 100,000,000 as determined by the rate per kWh paid by the City. The additional payment to OCCP in the example is 2,037,500 an additional 12.5% of the annual 16,300,000 payment. 12.5% is a 50-50 split of the 25% increase in kWh sold above the 100,000,000 kWh threshold. OCCP gets 12.5% of this upside. The City gets 12.5% of the upside.

This provision will allow OCCP the opportunity to recover some, all or more than all of the additional \$5,000,000 they have promised to invest in heat pump infrastructure should the project exceed the point where the additional meter payment starts “running”. This clearly would generate a “win-win” for OCCP and city ratepayers.

Other provisions of the agreement and our assessment of risks have been described in our memoranda of March 10, 2020, July 17, 2020 and July 27, 2020 and are not repeated here.

# **POWER PURCHASE AGREEMENT**

**BETWEEN**

**CITY OF UNALASKA, a first-class Alaska municipal corporation**

**AND**

**OUNALASHKA CORPORATION/CHENA POWER, LLC, an Alaska limited liability company**

## **Parties**

This POWER PURCHASE AGREEMENT, dated \_\_\_\_\_, 2020 (Agreement) is made between the City of Unalaska, a first-class Alaska municipal corporation (Purchaser) and Ounalashka Corporation/Chena Power, LLC (Seller) a licensed Alaska limited liability company duly organized under the laws of the State of Alaska.

## **Recitals**

Whereas, the Purchaser owns and operates water, sewer and electric public utilities for the City of Unalaska;

Whereas, the Seller intends to develop and build a geothermal power system to generate electricity for sale to the Purchaser (Makushin Geothermal Project); and

Whereas, the Purchaser desires to purchase electric power from the Seller under the terms and conditions set forth herein; and

Whereas, upon complete satisfaction of the conditions precedent set forth in this Agreement, the Purchaser and Seller intend for this Agreement to become binding and fully enforceable on the Parties.

Now, therefore, the Purchaser and the Seller (jointly the Parties) in order to achieve the foregoing do agree and commit as follows.

## **Terms and Conditions**

### **1. DEFINITIONS**

- (a) **“Agreement”** means this Power Purchase Agreement.
- (b) **“Actual Project Capability”** means a Project Capability, as determined by an independent third-party engineer, that is less than the stated Project Capability and

such that the Purchaser is unable to meet 100% electrical demand with Energy from the Facility.

- (c) **“City Distribution System”** means all city-owned equipment interconnected with the City distribution and transmission lines up to the Delivery Point.
- (d) **“Commercial Operations Date”** means the date on which the last of the following events occurs: 1) construction of the Facility and the transmission lines from the Facility to the Delivery Point have been substantially completed in accordance with the terms and conditions of this Agreement and Applicable Laws and the Facility and transmission lines possess all the other material characteristics necessary for delivery of Energy to the Delivery Point pursuant to this Agreement; 2) the Facility has successfully completed all tests which must be performed prior to commercial operation as required by applicable laws, start up and testing procedures required by the Engineering Procurement Construction Contract between OCCP, LLC and its manufacturers and installers and has demonstrated as confirmed by an independent engineer retained by Seller in a written report consistent with Prudent Electrical Practices or the terms of the Interconnection/Integration Plan that the Facility is fully available to be operated and able to provide not less than the Project Capability to the Delivery Point and that output can be dispatched into the Purchaser’s system without disruption and on a commercial basis; 3) Seller has obtained all governmental approvals and Permits required to begin commercial operations and operate and maintain the Facility in accordance with this Agreement, and all such Permits and approvals are final and in full force and effect; and; 4) Seller and Purchaser have obtained the insurance specified in Section 18.
- (e) **“Commercial Operation Deadline”** means May 31, 2024 which is the date by which the Facility must have reached the Commercial Operations Date, or such other date as provided in this Agreement or as may be agreed to in a writing signed by both Parties.
- (f) **“Delivery Point”** means the interconnection point(s) between the Seller’s Facility and the City Distribution System. This may be comprised of a single point or points for transferring energy between the Seller’s Facility and the City Distribution System.
- (g) **“Energy”** means geothermal energy for electrical power generation expressed in kWh generated from the Facility and provided to Purchaser by Seller under this Agreement.

- (h) **“Equivalent Availability Factor”** means the ratio of hours the Facility is available for power generation at Project Capacity to the number of hours in a particular calendar month. The removal or derating of any operational component which would limit the ability to generate at Plant Capacity to the Delivery Point shall be considered Unavailable. An example of how Equivalent Availability Factor is calculated is attached as Exhibit D.
- (i) **“Facility”** means any Facility/facilities or component/components of/to the Makushin Geothermal Project used to produce Energy owned by the Seller including all electric power interconnection and transmission equipment located on Seller’s side of the Delivery Point. Transmission equipment shall include two subsea cables each capable of transmitting Energy to the Delivery Point. Facility includes an electric generating facility with a net output of 30 MVA at the Delivery Point, using geothermal fluid as the fuel source and located near the existing ST-1 well (“Project Site”). Additional capacity added to the Facility after the Commercial Operation Date shall not be subject to this Agreement unless the Parties have executed and approved an amendment to this Agreement.
- (j) **“Fixed Payment”** means the annual payment Purchaser and Seller agree will be paid for electrical energy which may be utilized during the initial Year of the Term and thereafter increased based on Section 5 requirements. The fixed payment shall be divided into 12 equal monthly payments.
- (k) **“Force Majeure”** means (a) any act of God, labor disturbance, act of the public enemy, war, insurrection, riot, civil disturbances, sabotage, blockade, expropriation, confiscation, fire, unusual or extreme adverse weather-related events or natural disasters (such as lightning, landslide, earthquake, tornado, hurricane, storm or flood), pandemic, epidemic or any order, regulation or restriction imposed by any Governmental Authority, or (b) any other event of circumstance, which, in each case of clauses (a) and (b), (i) prevents a Party from performing any of its obligations under this Agreement, (ii) could not reasonably be anticipated as of the date of this Agreement, (iii) is not within the reasonable control of, or the result of negligence, willful misconduct, breach of contract, intentional act or omission or wrongdoing on the part of the affected Party (or any subcontractor or Affiliate of that Party), and (iv) which by the exercise of due diligence the affected Party is unable to overcome or avoid or cause to be avoided; provided, nothing in this clause (iv) shall be construed so as to require either Party to accede or agree to any provision not satisfactory to it in order to settle and terminate a strike or labor dispute in which it may be involved. A Force Majeure does not include any of the following: (1) events arising from the failure by Seller to construct, operate or maintain the Facility in



accordance with this Agreement; (2) any increase of any kind in any cost; (3) delays in or inability of a Party to obtain financing or other economic hardship of any kind; or (4) any changes in the financial condition of Purchaser, Seller, or any subcontractor or supplier affecting the affected Party's ability to perform its obligations under this Agreement.

- (l) **“Initial Synchronization”** means the date upon which the Facility is first synchronized at the Delivery Point with Purchaser's system.
- (m) **“Interconnection / Integration Plan”** means the document agreed by the Parties that represents requirements for system interconnection and integration of power to the Purchaser's existing system. The plan shall include two subsea cables each capable of transmitting Energy to the Delivery Point and shall consider city, state, federal codes and standards, in conjunction with the geothermal plant design basis and shall incorporate Prudent Electrical practices to integrate the City Distribution System taking into account methodology to improve Purchaser's Electrical System Integrity to the extent agreed in Section 11, or as mutually agreed in the actual plan which is to be attached as Exhibit B, when completed.
- (n) **“kWh”** means a kilowatt-hour of electric energy.
- (o) **“Local Tax”** means ad valorem real and personal property taxes levied by the City of Unalaska on the Facility.
- (p) **“Metered Energy”** means the Energy delivered to Purchaser by Seller at the Delivery Point as measured by the Purchaser's supplied Meter at the Delivery Point.
- (q) **“Metering Equipment”** means equipment required to provide a complete metering circuit including; cabinets, potential transformers (PT's), current transformers (CT's), raceway and interconnection wiring.
- (r) **“Month”** means a calendar month.
- (s) **“Outage”** means a duration of time in which the facility cannot provide 100% of required demand, requiring the Purchaser or self-generators to run additional generation, interrupt loads, or reduce loads. Outages shall be measured in hours. An outage of any period of time up to 60 minutes shall be equal to 1 hour. A sum of all single outages less than 60 minutes, in a 24-hour period shall be a maximum of 24 hours.
- (t) **“Peak Capacity”** has been reached when a measurement of power in MVA or KW has exceeded 1.5% for any duration of time, i.e., 30 MVA Peak Capacity = 30.405 MVA.

- (u) **“Permits”** means all applications, permits, licenses, franchises, certificates, concessions, consents, authorizations, approvals, registrations, orders, filings, entitlements, and similar requirements of whatever kind and however described that are required to be obtained from a Governmental Authority with respect to the development, siting, design, acquisition, construction, equipping, financing, ownership, possession, start-up, testing, operation or maintenance of the Facility, the production and delivery of Energy or any other transactions or matter contemplated by this Agreement (including those pertaining to electrical, building, zoning, environmental, and occupational safety and health requirements).
- (v) **“Plant Availability”** means that the Facility is operating at a capacity such that all power requirements of the Purchaser are met up to the Project Capability.
- (w) **“Plant Reliability”** is defined as the Facility’s ability to load follow demand, up to Project Capability.
- (x) **“Project Capability”** means the installed capability of the Facility to maintain Plant Reliability at the Delivery Point at Peak Capacity.
- (y) **“Project Finance”** means a loan from the Department of Energy or third-party lender sufficient to pay for and/or reimburse Seller for construction and initial operations costs and expenses associated with the Makushin Geothermal Project.
- (z) **“Project Site”** means the real property shown on the attached Exhibit A.
- (aa) **“Prudent Electrical Practices”** means those standards of design, engineering, construction, workmanship, operation, care and diligence normally practiced by internationally recognized engineering and construction firms and prudent operators of electric generation facilities similar to the Facility and electrical transmission systems in the Western United States during the relevant time period, which practices, methods and acts, in the exercise of prudent and responsible professional judgment in the light of the facts known at the time the decision was made, could reasonably have been expected to accomplish the desired result consistent with good business practices, reliability and safety. Prudent Electrical Practice is not intended to be the optimum practice, method or act to the exclusion of all others, but rather is intended to be any of the practices, methods and/or actions generally accepted in the Western United States during the relevant time period. Prudent Electrical Practice includes taking reasonable steps to ensure that: (a) equipment, materials, resources, and supplies are available to meet the Party’s needs; (b) sufficient operating personnel or control procedures are available at all times and are adequately

experienced, trained and licensed as necessary to operate the Facility or Purchaser's system properly and efficiently, and are capable of responding to reasonably foreseeable emergency conditions; (c) preventive, routine, and non-routine maintenance and repairs are performed on a basis that ensures reliable long-term and safe operation, and are performed by knowledgeable, trained, and experienced personnel utilizing proper equipment and tools; and (d) appropriate monitoring and testing are performed to ensure equipment is functioning as designed.

- (bb) **“Purchaser”** means the City of Unalaska through its Public Utilities Department.
- (cc) **“Purchaser’s Electric System Integrity”** means operation of Purchaser’s electric power and transmission system in a manner that minimizes risks of injury or damage to persons and/or property and enables Purchaser to provide reliable electric power service to its customers.
- (dd) **“Seller”** means the Ounalashka Corporation/Chena Power, LLC, an Alaska limited liability company.
- (ee) **“Startup Period”** means the period that begins at Initial Synchronization and ends at the Commercial Operations Date.
- (ff) **“Year”** means each twelve (12) month period during the Term commencing on the Commercial Operation Date or the anniversary of such date.

## 2. GENERAL

- (a) During the Startup Period and continuing through the term of this Agreement, Seller shall deliver to Purchaser, and Purchaser shall receive from Seller electric energy output from the project Facility/facilities in accordance with the terms and conditions of this Agreement.
- (b) Subject to 2 (c) and (d) below, Seller shall sell exclusively to Purchaser; provided, however, that minimum payments are made by the Purchaser, as described in Section 5 of this Agreement.
- (c) Purchaser shall have the exclusive right to provide electric service to all new and existing customers within Purchaser’s existing service area at the City’s then existing tariff rates. Purchaser shall have the right of first refusal to provide electric service to all new customers located outside Purchaser’s existing service area that

may request electric service from the Project, including to any operations owned and/or controlled by Seller and new customers owned in whole or in part by Ounalashka Corporation, Chena Power LLC or any subsidiary or affiliated entity at a rate equal to the City's cost of city purchased or city generated power plus applicable standard customer charges. The first right of refusal period shall expire thirty (30) days after Purchaser is provided written notice of such new customer ("Refusal Period"). At the expiration of the Refusal Period Seller shall have the exclusive right, in its sole discretion, to provide electrical service to new customer(s) under a separate agreement, the terms of which shall be negotiated exclusively between Seller and such third-party(ies). Any such Agreement between Seller and such third party(ies) shall not reduce Seller's obligation to provide 30 MVA to the Purchaser at the Delivery Point.

- (d) Seller shall convey title to and risk of loss of all energy delivered to the Purchaser at the Delivery Point.

### **3. FACILITY CONSTRUCTION AND COMMERCIAL OPERATION**

- (a) Seller shall use reasonable commercial efforts to construct the Facility and achieve the Commercial Operation Date by the Commercial Operation Deadline. Seller shall provide Purchaser with periodic reports about the progress of the Facility construction and completion.
- (b) Seller shall provide Purchaser with at least 70 days advance notice of the date when Seller anticipates achieving Initial Synchronization.
- (c) Seller shall provide Purchaser with at least 45 days advance notice of when Seller anticipates beginning to demonstrate Commercial Operation has been achieved. Purchaser shall be allowed to observe the Facility during demonstration or testing required to establish Commercial Operation. Purchaser shall accommodate or allow reasonable correspondence and collaboration with Purchaser customers to facilitate adequate loading of Facility to allow completion of all tests required to complete the "start-up" process.
- (d) Energy exchange during the Start-Up Period shall be at no cost to the Purchaser or customers of the Purchaser.
- (e) Seller shall provide Purchaser written certification of Commercial Operations when Seller believes that all requirements under this Agreement for achieving

Commercial Operation Date of the Facility, including the conditions precedent specified in the definition of “Commercial Operation Date” in Section 1, have been satisfied. If Purchaser rejects certification of Commercial Operations, Purchaser shall state in detail the reasons for its rejection. The Parties shall immediately meet and confer to address Purchaser’s concerns. Commercial Operation shall be deemed to have occurred on the date that the requirements for Commercial Operation are satisfied, which date may be earlier or later than the date on which Purchaser accepts Seller’s certification that Commercial Operation has occurred and/or the date on which any concerns that Purchaser expresses in connection with Seller’s notice are resolved; provided the Parties acknowledge or are deemed to have acknowledged, or it is determined through dispute resolution, that all such requirements for Commercial Operation have been satisfied on such earlier date.

- (f) Seller shall provide Purchaser with as built drawings of the Facility and all equipment placed at the Delivery Point within sixty (60) days after the date of Commercial Operations.
- (g) Purchaser may inspect the Facility during the term hereof upon reasonable advance notice to Seller.

#### **4. TERM**

- (a) Subject to Sections 4 (b) and (c) below, this Agreement shall become effective on the date it is executed and delivered by both Parties and shall continue in effect for a period of thirty (30) years after the Commercial Operation Date (Term).
- (b) The Term of this Agreement may be extended by mutual agreement of the Parties for an additional period, provided that the Purchaser or the Seller request in writing an extension of this Agreement not less than eighteen (18) months prior to the expiration of the initial Term. In the event an extension request is submitted by either party, Purchaser and Seller shall each negotiate in good faith using commercially reasonable efforts to agree on the terms, conditions, and length of an extended term.
- (c) Seller and Purchaser agree that the purpose and intent of this Agreement is dependent on the successful completion of the construction of the Facility/Facilities and the related achievement of the Commercial Operation Date by the Commercial Operation Deadline. As such, in the event that either; 1) Seller fails to obtain Project Financing by June 10, 2021; or 2) construction of the Facility/Facilities is

at any time discontinued, abandoned or otherwise terminated by Seller in its sole discretion , or 3) Seller fails to provide written assurances to Purchaser that the Commercial Operation Deadline will be achieved in a form consistent with Prudent Utilities Practices, or 4) the Project fails to reach Commercial Operation by the Commercial Operation Deadline, then either Party may terminate this Agreement upon thirty (30) day's prior written notice to the other party. In the event that a party elects to terminate this Agreement pursuant to this Section 4 (c), neither Seller nor Purchaser shall have any further liability and/or obligations to the other hereunder after the termination date, except for obligations, liabilities and/or duties that accrued prior to such termination or that survive such termination by the terms of this Agreement.

## **5. FIXED PAYMENT**

- (a) The Seller agrees to sell and the Purchaser agrees to purchase electrical energy which may be utilized immediately for a Fixed Payment of sixteen million three hundred thousand dollars per year (\$16,300,000.00). Each successive Year during the Term the Fixed Payment shall increase; 1) by one per cent (1%) plus; 2) by an amount equal to the total amount of Local Tax paid by Seller during the previous Year.
- (b) If Seller elects to construct the Project at a different location than the Project Site which decreases construction and operating costs by more than five per cent (5%), prices shall be revised downward to reflect the decreased construction and operating costs.
- (c) If Purchaser requests Seller to increase the generating capacity of the Facility above the Project Capability, the Fixed Payment shall be increased, via an addendum to this PPA in an amount to be negotiated by the Parties.
- (d) In the event the Facility fails to deliver Plant Availability at Project Capability the following adjustment to pricing and Seller actions are agreed. The intent of these adjustments are not to act as a penalty to the Seller, but to reduce Purchaser's actual financial hardship and to place Purchaser in the same position as if the Facility delivered Plant Availability at Project Capability as agreed. Purchaser and Seller recognize that determination of the actual financial impact to Purchaser in such circumstances is not easily capable of precise calculation and have adopted these provisions for that reason. This subsection does not supersede Purchaser's or Seller's rights to declare a Default under section 15.

- (e) If in any month during the Term the Seller cannot provide the Plant Availability at the Delivery Point for reasons other than limitations within the Purchaser's Electric System Integrity and the Purchaser must either operate its generation equipment or generate power from its own facilities or purchase power from other sources to meet its load obligations or allow customers to self-generate power they otherwise would have been supplied by Purchaser or reimburse customers for their cost of fuel used to self-generate power, Seller shall reimburse the Purchaser the sum of the following : ("Reimbursement Payment"):

- 1) the cost of Purchaser's fuel
- 2) the cost of fuel of customers who self-generate
- 3) one cent (.01) per kilowatt hour for each kWh of energy generated by Purchaser and self-generators that would have been supplied by the Facility ("Administrative Charge"). Each successive Year during the Term the Administrative Charge shall increase by one per cent (1%).

The Reimbursement Payment or Increased Reimbursement Payment shall be treated as a deduction to the Fixed Price Payment made by the Purchaser in the following month.

- (f) If at any period during the Term, Seller cannot provide the Project Capability at the Delivery Point for either a period of three consecutive calendar months, or six or more months in any Year, the Actual Project Capability will be determined and the Administrative Charge for those months shall be increased by .02 per kWh beginning with the next monthly payment ("Increased Reimbursement Payment").
- (g) After Actual Project Capability has been determined, Seller shall then undertake the necessary means and methods to restore the Facility to Project Capability. The applicable Increased Reimbursement Payment shall continue until Seller has restored Project Capability. However, if instead of restoring Project Capability Seller negotiates lower Project Finance payments the Fixed Price shall be reduced in proportion to Seller's lower Project Finance payments.
- (h) If Metered Energy delivered in any Year exceeds 100,000,000 kWh Purchaser shall make an additional payment to Seller calculated as set forth in Exhibit F ("Additional Payment"). The Additional Payment shall be paid in the first month of the following Year.

## 6. METERING AND PAYMENT OF INVOICES

- (a) Meters shall be owned and operated per city code. Purchaser shall read Purchaser's meter at the Delivery Point on the last day of each month after Initial Synchronization and continuing through the month following the end of the Term, unless otherwise mutually agreed to by the Parties. Purchaser shall prepare and render to Seller within five (5) business days after the end of each month a statement detailing daily and hourly records of Metered Energy during the preceding month. Seller shall have the right to monitor and witness such readings at its own cost and expense. Within five (5) business days after receipt of the statement of Metered Energy Seller shall prepare and render to Purchaser an invoice for Seller's calculation of the payments due to Seller for such month.
- (b) Each Year, monthly payments due shall be equal to one-twelfth of the Base Price (less applicable credits)
- (c) Purchaser shall pay the undisputed amount of Seller's invoices within thirty (30) days after receipt of the invoice. If either the invoice date or payment date is not a Business Day, then such invoice or payment shall be provided on the next following Business Day. Payment shall be made at the office of the Seller, as designated in writing by the Seller. If Purchaser disputes the accuracy of an invoice, or Seller disputes the accuracy of the statement of Metered Energy, the Parties shall use commercially reasonable efforts to resolve the dispute. Any adjustments which the Parties may subsequently agree to make regarding any such invoice shall be made by a credit or additional charge on the next invoice submitted.
- (d) If any payment due from either party under this Agreement shall not be paid when due and payable to the other party, the offending party agrees to compensate the harmed party at the amount in arrears times a rate equal to two percent (2%) over the prime rate as published by the "Money Rates" section of the New York City edition of the *Wall Street Journal*, or mutually agreed upon alternative ("Interest Rate").
- (e) At any time during normal business hours, either party shall have the right, upon reasonable prior notice to the other party, to examine and /or make copies of the records and data of the other party relating to this Agreement (including all records and data relating to or substantiating any charges paid by or to either party and including without limitation metering records of energy delivered) for the period such records and data are required to be maintained. All such records and data shall



be maintained for a minimum of seven (7) years after the creation of such records for data.

## **7. METER AND SUBSTATION LOCATION AND PROCEDURES**

- (a) As a condition precedent the Parties agree to establish a mutually acceptable location for a new terminal switching station taking the undersea cable and fiber and converting to power acceptable for tie into the City Distribution System.
- (b) As a condition precedent the Parties agree to establish mutually acceptable locations for Metering Equipment locations.
- (c) Supply, operation, maintenance and ownership of revenue meters and all Metering Equipment shall be in accordance with paragraph 7(e), and the Interconnection/Integration Plan and Operating Procedures adopted as required by Section 11.
- (d) Purchaser and Seller shall supply each other with easements as needed for installation, operation and maintenance of equipment by the responsible party.
- (e) After the date of Commercial Operations meters shall be maintained and read by the Purchaser. Purchaser shall maintain the Meter according to the manufacturer's suggested maintenance and testing recommendations. The manufacturer's maintenance recommendations and Purchaser's maintenance records for the Meter will be made available to Seller upon reasonable written request. Meters shall be furnished and installed by Purchaser.
- (f) Purchaser shall test and calibrate the meters by comparison with accurate standards at intervals satisfactory to the Parties. Purchaser shall make special meter tests at any time at Seller's request using an independent party selected by Purchaser. The costs of all tests shall be borne by Purchaser; provided however, that if any special meter test made at Seller's request discloses that the meters are reading accurately, Seller shall reimburse Purchaser for the cost of such test. Meters registering no more than two percent (2%) above or below normal shall be deemed to be accurate. The readings of any meter which shall have been disclosed by the test to be inaccurate shall be corrected, based on the inaccuracy at the time of testing, for the shorter of (1) the number of days since the meter being tested was installed, (2) the number of days since the last test indicating that such meters were performing properly, or (3)

the one hundred eighty (180) days prior to the current test, in accordance with the percentage of inaccuracy found by such test.

- (g) To the extent that the adjustment period covers a period of deliveries for which payment has been made by Purchaser, Seller shall use the corrected measurements to re-compute the amount due (which amount shall not include interest) for the period of the inaccuracy and shall subtract the previous payments by Purchaser for such period from such re-computed amount. If the difference is a positive number, such difference shall be paid by the Purchaser to the Seller, and if the difference is a negative number, such difference shall be paid by the Seller to the Purchaser. Payment of such difference shall be made by means of a credit or an additional charge on the next statement rendered.

## **8. HEATING SYSTEM**

Within one (1) month of executing this PPA, Seller will commission a feasibility study, at its cost, to survey Unalaska homes and business for conversion and use of air source heat pump (ASHP) technology. Assuming feasibility proven to the mutual satisfaction of Seller and Purchaser (metrics for feasibility are less greenhouse gas emissions and air pollution to the community, and less net cost to consumers for heating), Seller will design, procure, and install to entities who wish to convert their homes and business to ASHP at no cost to consumers. Seller shall pay for all design and installation costs up to a maximum of ten million dollars.

## **9. DISPATCH, OPERATIONS AND MAINTAINENCE.**

- (a) After the Commercial Operation Date, Purchaser (or a designee on behalf of Purchaser) shall dispatch the Facility as necessary to meet Purchaser's need for electrical energy, up to the Project Capability.
- (b) Seller (or a designee on behalf of Seller) shall operate and maintain the Facility in accordance with Prudent Electrical Practices, Applicable Laws and Permits and in a manner that does not materially adversely affect Purchaser's Electric System Integrity. It shall be Seller's responsibility to provide suitable protective equipment as it concerns the Facility, such as fuses, circuit breakers, and relays, to adequately protect the Facility's and Purchaser's electric power equipment, and to ensure that the electric power interconnection for the Facility complies with all applicable legal, safety, and electrical code requirements.
- (c) To the extent not inconsistent with Prudent Electrical Practices and manufacturers' guidelines and recommendations generally applicable to the Facility, Seller shall

cause the Facility to promptly comply with all dispatch orders issued by Purchaser or on behalf of Purchaser.

- (d) At least sixty (60) days prior to the estimated date of Initial Synchronization, Seller shall provide Purchaser with a maintenance schedule for the Facility for the Facility's first year of operation. Thereafter, Seller shall submit to Purchaser annual maintenance schedules for the Facility no later than October 1 of each year that cover the twelve (12) month period starting January 1 and ending December 31 of the succeeding year and a long-term maintenance schedule that will encompass the immediately ensuing four (4) maintenance years. Purchaser shall provide written notice of any reasonable objections to the proposed then applicable annual maintenance schedule within ten (10) Business Days of Purchaser's receipt thereof. Seller shall furnish Purchaser with reasonable advance notice of any change in the annual maintenance schedule. Reasonable advance notice of any change in the annual maintenance schedule involving any shutdown of the entire Facility is as follows:

Scheduled Outage	Expected Duration	Advance Notice to Purchaser
------------------	-------------------	-----------------------------

(1)	Less than 2 days	At least 24 hours
-----	------------------	-------------------

(2)	2 to 5 days	At least 7 days
-----	-------------	-----------------

(3)	Major overhauls (over 5 days)	At least 30 days
-----	-------------------------------	------------------

- (e) The Facility shall be designed to operate with 100% Plant Availability and 100% Plant Reliability.
- (f) The Facility shall obtain and maintain an average Equivalent Availability Factor of ninety-five percent (95%).
- (g) Outages shall not exceed more than 87 hours in a 365-day period. If the number of Outages is exceeded, the Seller shall be required to install equipment to limit outages to less than 87 hours, provided same outages are a result of Facility.
- (h) Subject to the foregoing, Seller shall have the right to interrupt the supply of electrical power and energy for reasonable maintenance of lines, generation equipment and other facilities. Seller shall have no obligation or responsibility to Purchaser to provide standby generation in the event power delivery from the Facility is interrupted.
- (i) If either Seller's ability to supply available electric power and energy from the Facility or Purchaser's ability to receive and transmit available electrical power and energy from the Facility shall fail, be interrupted, or become defective through an act of Force Majeure, the affected party shall be excused from performance of obligations under this Agreement to the extent such performance is prevented or

delayed by such event or circumstance and the affected party shall not be liable therefore for damages caused thereby, provided the Party, as soon as practicable after becoming aware of the Force Majeure, declares the Force Majeure by giving a written notice (the "Force Majeure Notice") to the other Party and upon request by the other Party furnishes the other Party with a detailed description of the full particulars of the Force Majeure reasonably promptly (and in any event within fourteen (14) days after the request therefor), which shall include information with respect to the nature, cause and date and time of commencement of such event, and the anticipated scope and duration of the delay. The Party providing the Force Majeure Notice shall be excused from fulfilling its obligations under this Agreement until such time as the Force Majeure has ceased to prevent performance or other remedial action is taken, at which time the Party shall promptly notify the other Party of the resumption of its obligations under this Agreement. The relief provided by this section shall only apply if the affected party is taking commercially reasonable efforts to remedy such situation and such situation was not the result of the negligence or fault of the affected party. No event or circumstance shall be considered to excuse a party's obligations under this Agreement to the extent such event or circumstance could have been prevented, overcome or remedied if the affected party had exercised commercially reasonable efforts to do so, and shall expressly exclude a party's financial inability to perform.

- (j) **Operations Log.** Seller shall maintain an operations log, which shall include information on the actual average hourly, monthly and annual electric power output of the Facility, well availability and output, planned and unplanned maintenance outages, circuit breaker trip operations requiring a manual reset, partial de-ratings of equipment, and any other significant event related to the operation of the Facility. The operations record shall be available for inspection by Purchaser upon reasonable advance written request, and Seller shall make the data available on a real-time basis by remote access to Purchaser if Purchaser acquires the necessary equipment and software license to process the data by remote access.
- (k) **Monthly Reports.** If requested in writing by Purchaser, Seller shall provide to Purchaser an electronic monthly report, no later than thirty (30) days after the end of each calendar month identified in the written request, regarding the operations of the Facility that shall include: all reporting information maintained in the operations record and hourly electric power output of the Facility. The monthly report shall also include an estimate of monthly electric power output for the calendar year and such other information related to the operation of the Facility that Purchaser reasonably requests in writing.

## **10. OPERATING COMMITTEE AND OPERATING PROCEDURES**

- (a) Purchaser and Seller shall each appoint one delegate and one alternate delegate to act on matters relating to the operation of the Facility under this Agreement. Such

delegates shall constitute the “Operating Committee”. The Parties shall notify each other in writing of such appointments and any changes thereto. The Operating Committee shall have no authority to modify the terms or conditions of this Agreement.

- (b) The Operating Committee shall, acting reasonably, establish mutually agreeable written operating procedures (“Operating Procedures”) in draft form no later than the Commercial Operations Date. Operating Procedures shall include: the method of day-to-day communications; metering, telemetering, telecommunications, and data acquisition procedures; operating and maintenance scheduling and reporting; operations log; and such other matters as may be mutually agreed upon by the Parties.

## **11. SYSTEMS INTERCONNECTION AND INTEGRATION**

- (a) Within twenty months (20) of executing this Agreement, the Parties shall agree to the Interconnection/Integration Plan a copy of which shall be attached to this Agreement by reference as Exhibit B.
- (b) The Seller shall bear all cost of outside engineering, design and installation costs associated with the Interconnection and Integration requirements with the City Distribution System. The equipment necessary to interconnect at Project Capacity with the City system shall be approved by the City consistent with Prudent Electrical Practice.
- (c) Purchaser shall commission an engineering study to determine reliability upgrades required for the City Distribution System to accept Energy from the Facility. The first two million dollars, (\$2,000,000.00) in cost, for the engineering study and resulting reliability upgrades to the City Distribution System identified in the Interconnection/Integration Plan will be borne solely by the Seller. The next ten million dollars (\$10,000,000) in cost for reliability upgrades identified in the Interconnection/Integration Plan, will be shared equally by Purchaser and Seller. Seller’s obligation to share costs are in addition to Seller’s cost obligations under paragraph 11(b).
- (d) All equipment interconnected with the City Distribution System shall be installed in accordance with applicable City of Unalaska ordinances and the Interconnection/Integration Plan including but not limited to installation of a revenue grade meter(s) approved, installed and maintained by Purchaser, in equipment provided by the Seller at each Point of Delivery.

## 12. TAXES

The Parties shall pay to the appropriate taxing authority when due all sales, use and similar taxes levied on Seller's sales, and Purchaser's purchase from or use, occupancy, or operation of the Facility/facilities during or for any part of the Term.

## 13. COMPLIANCE WITH APPLICABLE LAW

The Parties shall comply with all local, state and federal laws, statutes, ordinances, rules, regulations, decrees, injunctions, orders and codes now or hereafter applicable to the Facility/facilities, regardless of whether they are of legislative, administrative or judicial origin or implement a new or changed governmental policy, including all of those which address planning, zoning, use, subdivision, occupancy, building, construction, maintenance, repair, health, safety, insurance, environmental conservation, environmental pollution and/or hazardous substances.

## 14. RIGHT OF ACCESS

Duly authorized representatives of either party shall be permitted entry and/or access to premises, facilities and property of the other party, to the extent related to the Facility/Facilities, at all reasonable times in order to carry out the provisions of this Agreement.

## 15. DEFAULT

- (a) Seller Events of Default. The following shall constitute an event of default on the part of Seller under this Agreement: 1) Seller shall fail to comply with any material provision of this Agreement, and such failure shall continue uncured for thirty (30) days after notice thereof by Purchaser, provided that if such failure is not capable of being cured within such period with the exercise of reasonable diligence, then such cure period shall be extended for an additional reasonable period of time (not to exceed one hundred and eighty (180) days) so long as Seller is exercising reasonable diligence to cure such failure; 2) Seller fails to achieve Commercial Operation by the Commercial Operation Deadline and such failure is not cured within ninety (90) Business Days after Notice from Purchaser; or 3) Seller abandons the Facility (i.e., ceased construction or operation of the Facility or the Facility has ceased production and delivery of the Energy for a consecutive sixty (60) day period and such cessation is not a result of an event of weather or Force Majeure) and such abandonment is not cured within sixty (60) Business Days after Notice from Purchaser.
- (b) Purchaser Events of Default. The following shall constitute events of default on the part of Purchaser under this Agreement:

- (i) Purchaser shall fail to make payments for undisputed amounts due under this Agreement to Seller within ten (10) days after notice from Seller that such payment is unpaid when due;
  - (ii) Purchaser shall fail to comply with any material provision of this Agreement (other than the obligation to pay money when due), and such failure shall continue uncured for thirty (30) days after notice thereof by Seller, provided that if such failure is not capable of being cured within such period of thirty (30) days with the exercise of reasonable diligence, then such cure period shall be extended for an additional reasonable period of time (not to exceed one hundred and eighty (180) days) so long as Purchaser is exercising reasonable diligence to cure such failure.
- (c) With Respect to Either Party. The following shall constitute events of default on the part of either Party under this Agreement: 1) a Party assigns this Agreement or any of its rights hereunder for the benefit of creditors other than a collateral assignment by Seller with respect to the financing of the Facility; 2) a petition in bankruptcy or insolvency or for reorganization or arrangement under the bankruptcy laws of the United States or under any insolvency act of any state if filed against a Party and is not dismissed within sixty (60) days of such filing, or the Party voluntarily taking advantage of any such law or act by answer; or 3) a Party consolidates or amalgamates with, or merges with or into, or transfers all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting, surviving or transferee entity fails to assume all the obligations of such Party under this Agreement to which it or its predecessor was a party by operation of law or pursuant to an agreement reasonably satisfactory to the other Party;
- (d) Remedies for Default. If an event of Default occurs there will be no opportunity for cure except as specified in Sections 15 (a) and 15(b). The Party claiming Default may, for so long as the Event of Default is continuing, (i) deliver a written notice which establishes a date (which date shall be no earlier than thirty (30) days after the Non-Defaulting Party delivers notice) on which this Agreement shall be terminated (Termination Date), (ii) withhold any payments due under this Agreement, (iii) seek recovery of liquidated damages to the extent allowed under Section 16; and (iv) pursue any other remedies available at law or in equity, except to the extent such remedies are expressly limited by this Agreement.
- (e) Survival. Expiration or termination of this Agreement shall not affect any rights or obligations which have arisen or accrued prior to such expiration or termination. In addition, all rights and obligations for indemnity under Section 17 shall survive termination of this Agreement.



## **16. LIQUIDATED DAMAGES**

Seller and Purchaser recognize that delivery of Energy is the essence of this Agreement and that the Purchaser will suffer financial loss if Energy is not delivered as promised in accordance with the Agreement. These losses include employee overtime hours, additional wear and tear on Purchaser's generation equipment, actual and estimated future expense of procuring an alternate supply of electricity, lost sales to customers who return to self-generating, lost opportunities for sales to prospective customers and general public inconvenience. They also recognize that such losses multiply over time and that there is significant difficulty and expense in proving in a legal proceeding the actual loss suffered by Purchaser if Energy is not delivered as promised. Accordingly, instead of requiring such proof, Seller and Purchaser agree that as liquidated damages for failure to supply Energy (but not as a penalty) Seller shall pay Purchaser Twenty Thousand Dollars ( \$20,000) for each day a Seller Event of Default as described in Paragraph 15(a) exists up to a maximum of five million dollars (\$5,000,000).

## **17. INDEMNIFICATION**

- (a) Each Party shall indemnify, defend and hold the other and its officers, directors, affiliates, agents, employees, contractors and subcontractors, harmless from and against any and all Claims, to the extent caused by the negligence or willful misconduct of the indemnifying Party or the indemnifying Party's own officers, directors, affiliates, agents, employees, contractors or subcontractors. In the event that any loss or damage with respect to any Claim is caused by the negligence or willful misconduct of both Seller and Purchaser, including their respective officers, directors, affiliates, agents, employees, contractors or subcontractors, such loss or damage shall be borne by Seller and Purchaser in the proportion that their respective negligence or willful misconduct bears to the total negligence or willful misconduct causing such loss or damage.
- (b) An Indemnitee seeking indemnification under this Section 16 shall give notice to the Indemnitor within twenty (20) days of receipt of notice of the assertion of any action or claim (including discovery of any loss, damage or injury giving rise to any claim by the Indemnitee), or the commencement of any action, suit, or proceeding, in respect of which indemnity may be sought hereunder. Failure to give such notice shall not relieve the Indemnitor of any liability hereunder, except that the Indemnitor shall be entitled to relief from its obligations under this Section 17 to the extent such failure to give such timely notice materially prejudiced the Indemnitor. The Indemnitee shall give the Indemnitor such information regarding the claim, action or proceeding as the Indemnitee may reasonably request. If a claim for indemnification arises from any action, suit or proceeding, the Indemnitor shall, at its expense assume the defense of such action, suit or proceeding, with counsel of its choice, reasonably satisfactory to the Indemnitee and the Indemnitor shall conduct the defense actively and diligently. The Indemnitee shall have the right, but not the duty, to participate in its own defense and to employ at its own expense counsel separate from counsel



employed by the Indemnitor. The Indemnitor shall be liable for the fees and expenses of counsel employed by the Indemnitor if the Indemnitor has not assumed the defense thereof. Whether or not the Indemnitor chooses to defend or prosecute any claim, the Indemnitor and the Indemnitor shall cooperate in the defense or prosecution thereof and shall furnish such records, information and testimony, and attend such conferences as are reasonably required. The Indemnitor will not consent to the entry of any judgment on or enter into any settlement with respect to a claim without the prior written consent of the Indemnitor, which shall not be unreasonably delayed, conditioned or withheld, unless the judgment or proposed settlement involves only the payment of money damages by the Indemnitor and does not impose an injunction or other equitable relief upon the Indemnitor. The Indemnitor shall not consent to the entry of any judgment on or enter into any settlement with respect to any claim without the prior written consent of the Indemnitor, which shall not be unreasonably delayed, conditioned or withheld.

## **18. INSURANCE**

Within ten (10) days from the date of Seller's notice pursuant to section 3(b) and continuing through the entire Term, Seller shall obtain and maintain in force, insurance coverage in accordance with the requirements stated in Exhibit C, Insurance Requirements, which is attached hereto and incorporated into this Agreement.

Within ten (10) days from the date of receipt of notice from Seller pursuant to section 3(b) and continuing until the Commercial Operations Date, Purchaser shall obtain and maintain in force, insurance coverage in accordance with the requirements stated in Exhibit C, Insurance Requirements, which is attached hereto and incorporated into this Agreement.

Each party shall deliver to the other party an insurance certificate evidencing the required coverage, limits and additional insured provisions as required by Exhibit C.

## **19. REPRESENTATIONS and WARRANTIES**

On the Effective Date, each Party represents, warrants and covenants to the other Party that:

- (a) It has or will timely acquire all regulatory authorizations necessary for it to legally perform its obligations under this Agreement;
- (b) There is not pending, or to its knowledge, threatened against it or, in the case of Seller, any of its Affiliates, any legal proceedings that could materially adversely affect its ability to perform under this Agreement;
- (c) No Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its

obligations under this Agreement;

- (d) It is acting for its own account and its decision to enter into this Agreement is based upon its own judgment, not in reliance upon the advice or recommendations of the other Party and it is capable of assessing the merits of and understanding, and understands and accepts the terms, conditions and risks of this Agreement.
- (e) It has not relied upon any promises, representations, statements or information of any kind whatsoever that are not contained in this Agreement in deciding to enter into this Agreement;
- (f) It has entered into this Agreement in connection with the conduct of its business and it has the capacity or ability to make or take delivery of the Energy as contemplated in this Agreement; and
- (g) It shall act in good faith in its performance under this Agreement.

## **20. CONDITIONS PRECEDENT**

This Agreement is subject to the following conditions precedent, which shall be fully satisfied on or before the dates identified for each condition precedent:

- (a) Seller shall obtain a written commitment for Project Financing, by 6/10/2021.
- (b) The Parties shall negotiate in good faith to establish the Interconnection / Integration Plan” no later than 20 months after contract execution. The Interconnection/Integration Plan shall include but not be limited to; 1) a mutually acceptable Delivery Point; 2) a location for new distribution and transmission equipment required to connect to the Purchasers existing City Distribution System at Project Capacity, and 3) locations for metering equipment.
- (c) Seller shall have provided Purchaser a utility easement allowing placement, maintenance and operation of all equipment and connections at 1) the Delivery Point and 2) a location for new distribution and transmission equipment required to connect to the Purchasers existing City Distribution System at Project Capacity in a form reasonably satisfactory to Purchaser at no cost to Purchaser by 20 months after contract execution.
- (d) Seller shall have provided Purchaser fully executed Member Guarantees in the form attached hereto as Exhibit E no later than September 1, 2020.
- (e) The Parties have required insurance in place by the dates specified in Section 18.

Termination Caused by Failure to Satisfy Conditions Precedent. This Agreement may be terminated by either party due to the failure of any such condition precedent to timely or fully occur through no fault on the part of such Party. If and when such a termination should occur neither Purchaser nor Seller shall have any further claims, rights or remedies against each other under this Agreement except for obligations, liabilities and/or duties that accrued prior to such termination or that survive such termination by the terms of this Agreement.

## **21. Dispute Resolution**

The Parties shall attempt in good faith to resolve all disputes arising out of or related to or in connection with this Agreement promptly by negotiation, as follows. Any Party may give the other Party written notice of any dispute not resolved in the normal course of business. Senior executives of both Parties shall meet at a mutually acceptable time and place within ten (10) days after delivery of such notice, and thereafter as often as they mutually agree, to attempt to resolve the dispute. The Parties further agree to provide each other with reasonable access during normal business hours to any and all non-privileged records, information and data pertaining to any such dispute. If the matter has not been resolved within thirty (30) days from the referral of the dispute to the Parties' senior executives, or if no meeting of the Parties' senior executives has taken place within fifteen (15) days after such referral, either Party may initiate legal action for resolution of the dispute. All negotiations pursuant to this Section 21 are deemed confidential hereunder. Transfers or assignments of the Facility shall not relieve Seller of any obligation hereunder except to the extent agreed to in writing by Purchaser.

## **22. GENERAL PROVISIONS.**

- (a) Time of Performance. Time is of the essence of this Agreement. It is the express intention of all of the parties to this Agreement that no extensions or grace periods beyond the deadlines set forth in this Agreement shall be provided, because all intended extensions and grace periods have been taken into consideration in establishing such deadlines.
- (b) Parties Bound and Benefitted. The covenants, terms and conditions contained in this Agreement shall be binding upon and inure to the benefit of the assigns and successors of the respective parties hereto.
- (c) Amendment and Novation. No amendment or novation to or of this Agreement shall be effective unless it is completely and unambiguously contained in a writing executed by all of the parties to this Agreement. No such amendment or novation shall be effective unless and until it is supported by a resolution of the board of directors of each corporation, the council of each municipal corporation or the

policy-making authority of each other entity that is a party or a successor or assign of a party to this Agreement, which has expressly approved such amendment or novation.

- (d) Marginal Titles and Headings. The marginal titles, subtitles, headings and subheadings of the paragraphs, subparagraphs, sections and subsections herein are intended to be for reference and for the sake of convenience only and shall not be construed to narrow or broaden the scope of or affect whatever interpretation or construction would otherwise be given to the plain and ordinary meanings of the words herein.
- (e) Entire Agreement. This written Agreement is fully integrated, constitutes the entire agreement between the parties with respect to the subject matter hereof, and supersedes all other prior and contemporaneous agreements, contracts, representations, promises, acknowledgments, warranties and covenants, oral or written, by and between the parties with respect to such subject matter which are not expressly included herein. In the case of any conflict or inconsistency between this Agreement and any other prior agreement between the parties relating to any property or easement conveyed or exchanged herein, this Agreement shall prevail.
- (f) Applicable Law. This Agreement and the respective rights and obligations of the parties hereunder shall be construed and interpreted as a contract under the laws of the State of Alaska, without regard to its conflicts of law principles.
- (g) Exclusive Jurisdiction/Venue. In the event that a question, dispute or requirement for interpretation or construction should arise with respect to this Agreement, the jurisdiction and venue therefor shall lie exclusively with the courts for the Third Judicial District for the State of Alaska, or, alternatively, with the United States District Court for the District of Alaska, at Anchorage, Alaska, unless a nonwaivable federal or Alaska state law should require to the contrary.
- (h) Limited Waivers. Any failure or delay by any party to object to a default or exercise any rights or remedies under this Lease shall not constitute a waiver of the right to do so in the future, unless such failure is accompanied by an express written waiver by such party.
- (i) Interpretation. The language in all parts of this Agreement shall be construed (a) according to its fair meaning and common usage and (b) not strictly for or against any party to this Agreement.

- (j) Counterparts. This Agreement may be executed in counterparts, so long as each of the parties to this Agreement executes at least one counterpart; and all such executed counterparts shall collectively constitute one and the same original document
- (k) Warranties of Authority. Each party and each natural person who executes this Agreement on behalf of such party acknowledges, warrants and represents for the benefit of the other party(ies) to this Agreement: (a) that such person is duly authorized and empowered to execute this Agreement on behalf of such party; (b) that, if a corporation, limited liability company, joint venture, trust, partnership, limited liability partnership or other entity (i) such party has been duly formed and organized and is in good standing and (ii) all necessary and appropriate resolutions and actions by such party's board of directors, general partner(s), manager(s), members or other policy-making authority authorizing such party to enter into, execute and perform this Agreement and the transactions contemplated by this Agreement have been obtained; and (c) that all steps have been taken and acts performed that are conditions precedent to making this Agreement valid, enforceable and binding against such party in accordance with its terms and conditions.
- (l) Independent Counsel. Each party to this Agreement acknowledges that it has enjoyed the advice and representation of competent independent legal counsel in negotiating, entering into and executing this Agreement or waived its right to do so. The fact that this Agreement may have been drafted in whole or in part by one such party's counsel shall not cause any part of this Agreement to be construed against such party.
- (m) Severability. In the event that any term or condition of this Agreement is declared by a court of competent jurisdiction to be void or unenforceable, the remaining terms and conditions shall nevertheless be valid and enforceable; and such void or unenforceable term shall be modified to the minimum extent necessary to be valid and enforceable to the fullest extent permitted by applicable law and enforced as such.
- (n) Survival. All of the representations, warranties and covenants of the parties shall survive any and all deadlines contemplated by this Agreement and shall remain in full force and effect unless and until otherwise satisfied, terminated or discharged.
- (o) Attorneys Fees and Legal Costs. All of the attorneys fees and legal costs incurred by the respective parties in negotiating and forming this Agreement shall be borne by the respective parties. All legal costs and attorneys fees actually incurred by any

party to this Agreement to enforce any obligations of any other party under this Agreement or any instruments executed in connection herewith shall be paid to the prevailing party by the other party and shall bear interest at the legal rate.

- (p) No Third Party Beneficiaries. Nothing in this Agreement shall be construed to create any rights in, or grant remedies to, any third party as a beneficiary of this Agreement or of any duty, covenant, obligation or understanding established under this Agreement. Neither Party, by this Agreement, dedicates any part of the Facility to the public or to the service provided under this Agreement, nor affects the status of Purchaser as an unregulated utility enterprise of a municipal corporation, or Seller as an individual or entity.

### **23. NOTICES AND DEMANDS**

Each notice required under this Agreement or by law shall: (a) be in writing; (b) contain a clear and concise statement setting forth the subject and substance thereof and the reasons therefor; and (c) be personally delivered, electronically transmitted (Email), or duly mailed by certified mail, return receipt requested, to each party to this Agreement at its address set forth below or to such other address as that party may have most recently given notice of to all of the other parties. All such notices shall be effective (a) when actually received by the recipient or an authorized representative or agent of the recipient or (b) three (3) business days after they are mailed, whichever occurs earlier.

### **24. MAILING ADDRESSES/POINTS OF CONTACT**

**OC/CP, LLC:**

Attn: Natalie A. Cale  
P. O. Box 149  
Unalaska, Alaska 99685  
Tel. No. (907) 581-1276

**City:**

City of Unalaska  
Attn: City Manager  
P. O. Box 610  
Unalaska, Alaska 99685  
Tel. No. (907) 581-1251

with a copy to:

Boyd, Chandler, Falconer & Munson  
Attn: Brooks W. Chandler  
911 West Eighth Avenue, Suite 302  
Anchorage, Alaska 99501  
Tel. No. (907) 272-8401

### Formation

In witness whereof, Seller and Purchaser have duly executed, delivered and formed this Agreement through their authorized representatives, the effective date of which is \_\_\_\_\_, 2020 (“Effective Date”).

OC/CP, LLC:

By: OUNALASHKA CORPORATION, an  
Alaska business corporation  
Its Managing Member

Dated: \_\_\_\_\_, 2020

By \_\_\_\_\_  
Christopher P. Salts  
Its Chief Executive Officer

Dated: \_\_\_\_\_, 2020

By \_\_\_\_\_  
Margaret A. Lekanoff  
Its Secretary

CITY OF UNALASKA:

Dated: \_\_\_\_\_, 2020

By \_\_\_\_\_  
Erin Reinders  
Its City Manager

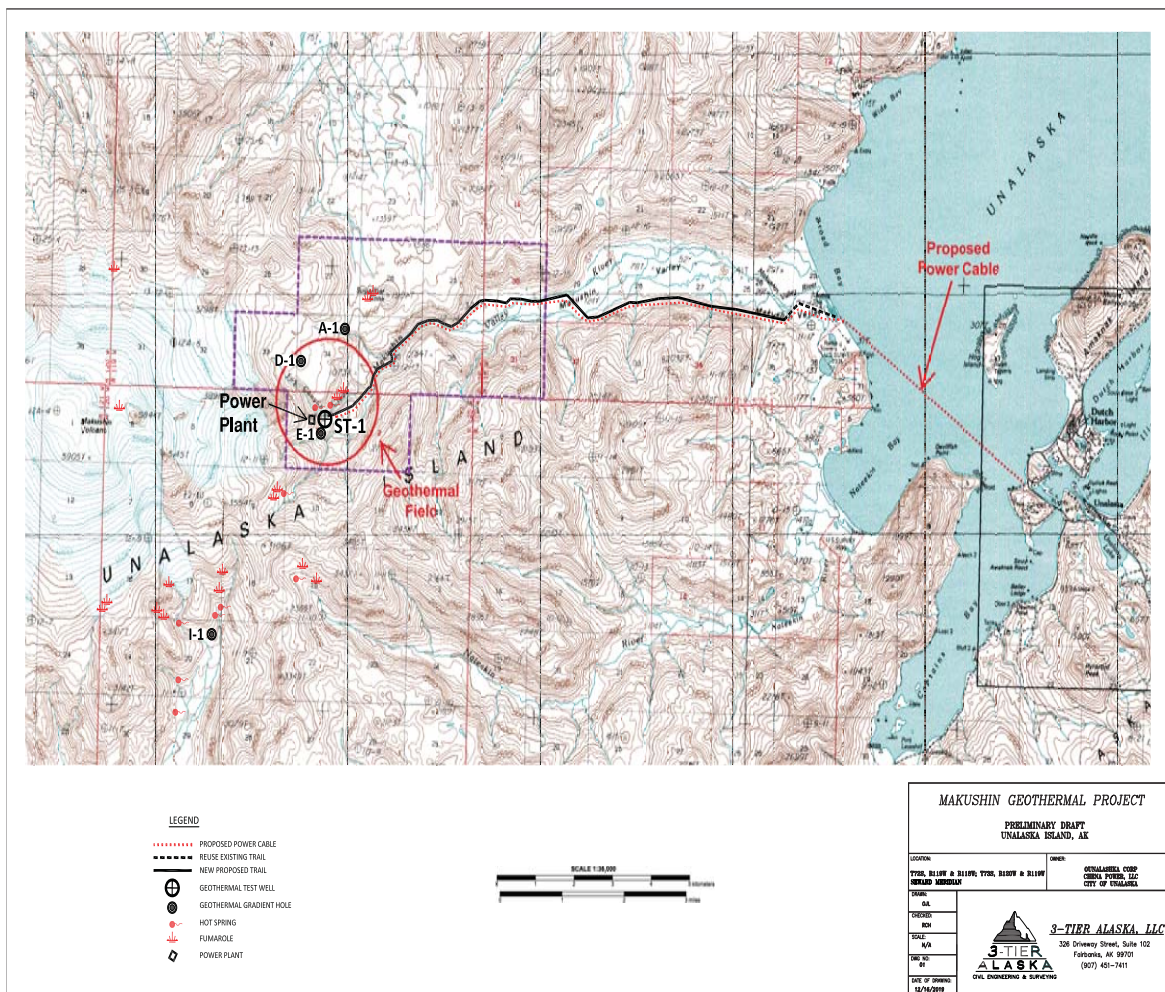


## Exhibit A

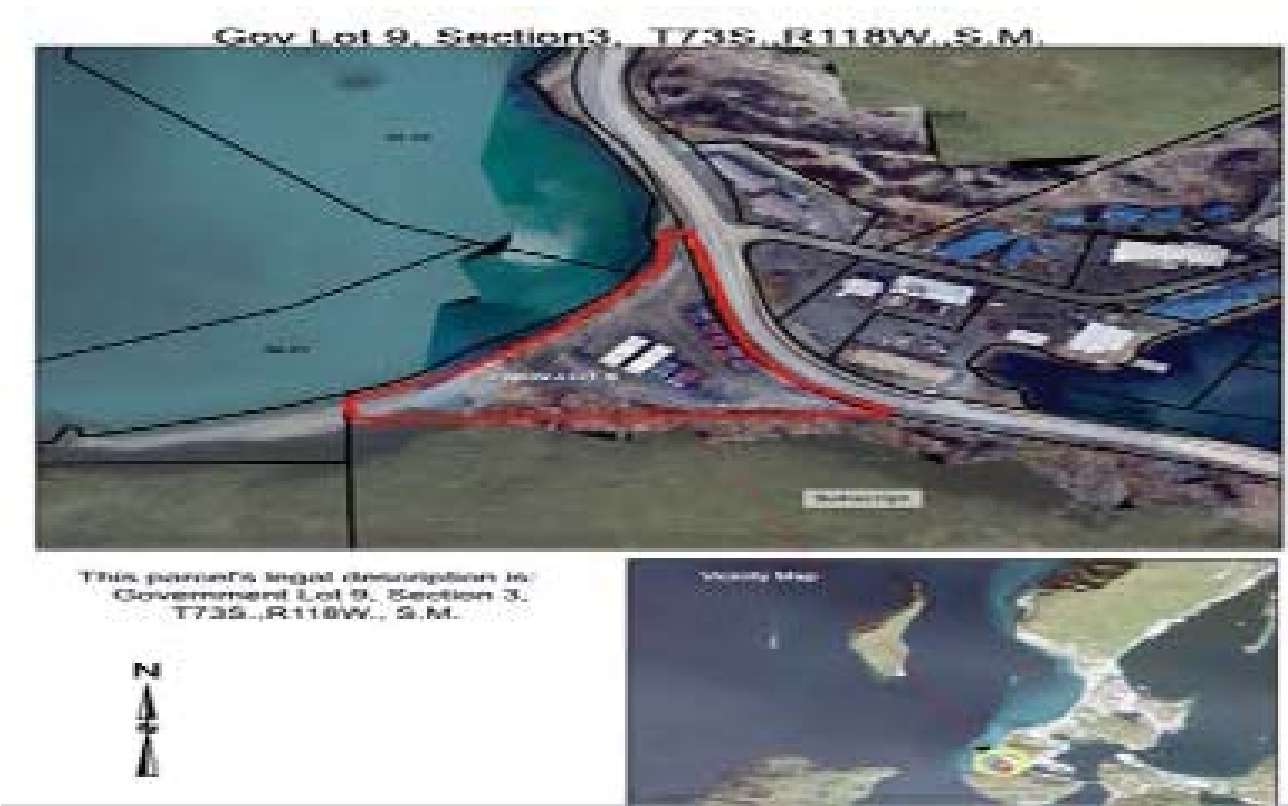
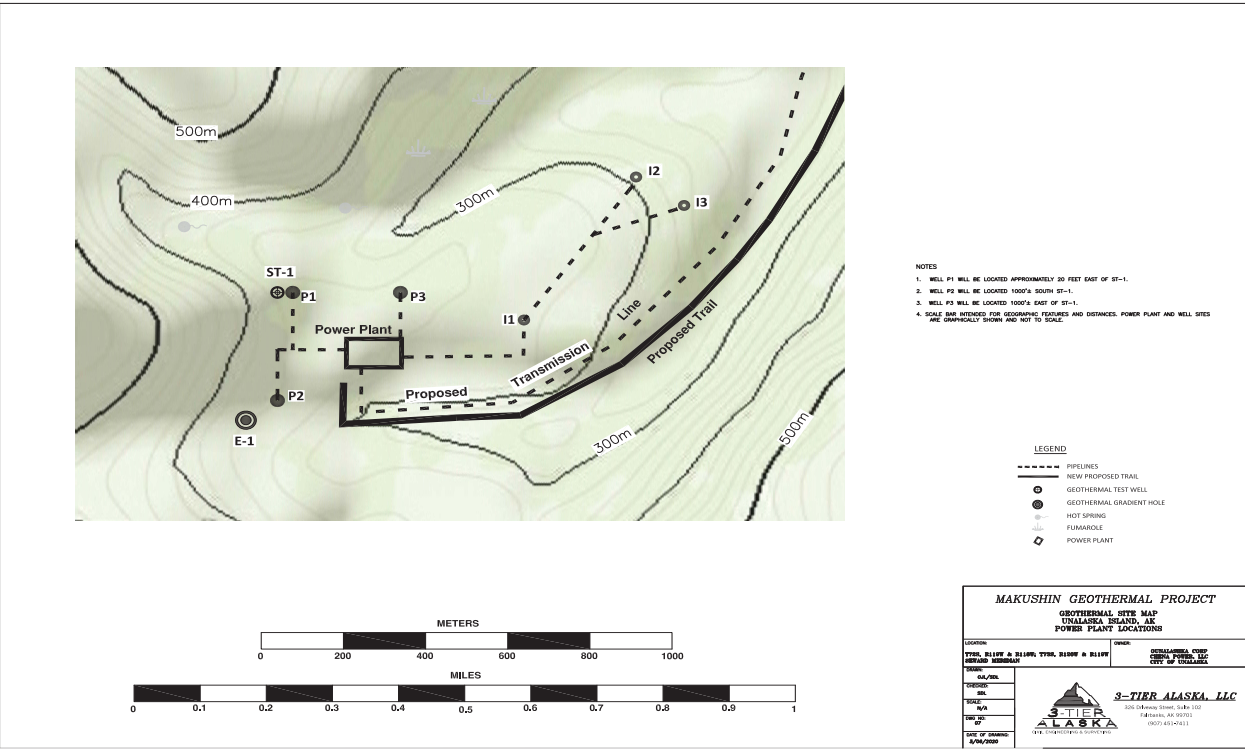
### Project Site

The project site is as generally depicted on the attached maps and drawings. Actual project site will be updated to reflect the as-built status when development is complete. Specifically, the Project Site or Project is the Facility described in this PPA and is included within the following legal boundaries:

“All of the area located in Sections 30 and 31, Township 72 South, Range 118 West (Unsurveyed), Seward Meridian; Sections 25, 26, 27, 33, 34, 35, and 36, Township 72 South, Range 119 West, Seward Meridian; Sections 2 and 3, Township 73 South, Range 120 West, Seward Meridian; located within the Records of the Aleutian Island Recording District, Third Judicial District, State of Alaska and more particularly shown cross-hatched in the attached.”







**Exhibit B**

**Interconnection / Integration Plan**

**[to be provided by the Parties within 20 months of Agreement]**

## **Exhibit C**

### **Insurance Requirements**

1. Within ten (10) days from the date of Seller's notice pursuant to section 3(b), Seller and Purchaser shall secure and maintain all insurance required.

2. Seller and Purchaser shall maintain in effect at all times specified by Section 18, insurance in accordance with the applicable laws relating to workers' compensation and employers' liability insurance, regardless of whether such coverage or insurance is mandatory or merely elective under the law.

3. Insurance coverage and limits shall be at a level as reflected in Paragraph 8 for the risks associated with the Facility contemplated by this Agreement. Required insurance coverages are to be purchased by respective Seller and Purchase at their sole expense. Purchaser may increase the limits of required coverage each five (5) years during the term of the Agreement provided the increased limits are commercially reasonable coverage limits.

4. Seller and Purchaser shall notify one or the other of any reduction of the aggregate limits under any of the required insurance policies, and if requested in writing, purchase additional limits of coverage as may be deemed appropriate by Purchaser in order to satisfy Seller's insurance obligations.

a. Seller and Purchaser shall maintain such insurance in full force and effect at all times specified by Section 18 of the Agreement. Seller shall maintain completed operations coverage, for two (2) years after the expiration or termination of this Agreement.

5. Seller and Purchaser shall ensure that any policies of insurance that Seller/Purchaser or any of its subcontractors and suppliers are required to carry as insurance by this Agreement) shall:

a. Be placed with such insurers and under such forms of policies as may be reasonably acceptable to Seller/ Purchaser.

b. With the exception of workers' compensation and employers' liability,

(i) be endorsed to name Purchaser/Seller as an additional insured; and

(ii) apply severally and not collectively to each insured against whom claim is made or suit is brought, except that the inclusion of more than one insured shall not operate to increase Seller's / Purchaser's limits of liability as set forth in the insurance policy.

c. Include within automobile coverage(s), owned, non-owned, hired and borrowed vehicles.

d. Be primary insurance with respect to the interest of Seller/ Purchaser respectively as an additional insured with any insurance maintained by Seller / Purchaser as excess and not contributory insurance with the insurance required under this Agreement.

e. Include a waiver of the insurer's right of subrogation against Seller/ Purchaser. Seller/Purchaser also hereby waives all rights of subrogation against Purchaser/Seller.

f. Provide that the policies will not be cancelled, or their limits or coverage reduced or restricted without at least thirty (30) days prior written notice to Seller / Purchaser.

6. Seller / Purchaser shall instruct and require its insurance agent/broker to complete and return an insurance certificate, in an ACORD form, as evidence that insurance policies providing the required coverage, limits and additional insured provisions as outlined within this Exhibit C are in full force and effect. Seller / Purchaser shall be fully responsible for all deductibles and self-insured retention's related to their respective insurance provided herein. At least sixty (60) days prior to the Startup Period, the completed insurance certificate form is to be returned to Seller/ Purchaser in accordance with the notice provisions included in the Agreement.

7. The insurance requirements of the Agreement and acceptability to Seller / Purchaser of insurers and insurance to be maintained by Seller/Purchaser, its subcontractors/suppliers, are not intended to and shall not in any manner limit or qualify the liabilities and obligations assumed by the insured under the Agreement. Seller /Purchaser is fully and solely responsible for the level of insurance coverage it requires of its subcontractors and suppliers. Purchaser/Seller will look to Seller/Purchaser and thereby Seller's /Purchaser's insurer for coverage for claims arising from the negligent acts or omissions of Seller/Purchaser or any subcontractor/supplier of Seller's /Purchaser's choosing.

8. Evidence of the following coverages shall be provided on an ACCORD Form or equivalent:

\$5,000,000 General Liability

\$10,000,000 Aggregate Liability

\$1,000,000 Automobile Liability

Statutory Worker's Compensation

## Exhibit D

### Equivalent Availability Factor

Availability measures are concerned with the fraction of time in which a unit is capable of providing service and accounts for outage frequency and duration. Equivalent Availability Factor (EAF) shows the percentage of capacity that could be delivered if it had to be dispatched. The EAF metric takes into account both scheduled maintenance and unplanned outages.

Equivalent Availability Factor (EAF) definition from IEEE Std 762-2006: "Equivalent availability factor (EAF): The fraction of a given operating period in which a generating unit is available without any outages and equipment or seasonal deratings."

The geothermal power plant will consist of a number of independent units composed of steam screw expanders, wet steam ORCs and low and high temperature brine ORCs. Each unit can be operated separately.

Each unit is capable of operating separately, and if any unit is operating and not derated, or capable of being operated, though it might not be in operation, and no matter its output and power delivered, the EAF for that unit is 100% for that time period. If all units are in the state described above the geothermal plant is at 100% EAF. Scheduled and unscheduled maintenance/outage, are also components of EAF.

It is agreed for illustrative purposes that:

1. Total equipment hours available (TEHA) per year = 5 ORCs x 24 hours/day x 365 days = 43,800 hours
2. Twelve 4-hour monthly maintenance checks (MMC) will be performed in a year (final number of hours or frequency may be different)
3. Four 12-hour quarterly maintenance checks (QMC) will be performed in a year (final number of hours or frequency may be different)
4. An annual 48-hour service check (ASC) will be performed (final number of hours may be different)
5. Unplanned failures (UF) may occur and are calculated as: number of ORC's down \* number of repair hours
6. A unit may be derated (UD) for a period of time. Downtime is calculated as: derating fraction \* number of days derated \* 24 hours in a day

Total hours unavailable (THU) = MMC+QMC+ASC+UF+UD

Then EAF (%) =  $1.0 - (THU/TEHA) * 100$

If MMC = 240, QMC = 240, and QMC = 240, then EAF (%) =  $1.0 - (720 + UF + UD)/TEHA * 100$

## Exhibit E

### Member Guaranty

**THIS GUARANTEE** (this “Guarantee”) is made and entered into this \_\_\_ day of August, 2020, by and among Ounalashka Corporation, an Alaska Native Claims Act corporation organized under the laws of the State of Alaska, Chena Power LLC, an Alaska limited liability corporation (collectively the “Guarantor”), and the City of Unalaska an Alaska municipal corporation ( “Purchaser”). Guarantor and Purchaser are each referred to herein as a “Party” and collectively as the “Parties.” Capitalized terms used but not defined in this Guarantee shall have the meanings ascribed to them in the PPA (as defined below).

### RECITALS

A. Guarantors are members of, Ounalashka Corporation/ Chena Power LLC, a limited liability company organized under the Laws of the State of Alaska (“Seller”). Seller has, as of the date hereof, entered into that certain Power Purchase Agreement (the “PPA”) with the Purchaser, for the purchase by Purchaser of Energy.

B. Guarantor, directly or indirectly, owns all of the equity interests in Seller.

C. As a condition precedent to the execution of the PPA, the Purchaser requires the execution of this Guarantee.

NOW, THEREFORE, in order to induce the Purchaser to buy Energy from Seller as provided in the PPA, in consideration of the foregoing recitals, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Guarantor agrees as follows:

**1. Guarantee.** Guarantor hereby unconditionally and irrevocably guarantees to the Purchaser the prompt, punctual and full payment and performance of (a) the obligations and covenants of Seller under the PPA to pay when due any amounts owing under the PPA for Liquidated Damages under the terms of the PPA, as now or hereafter amended, in accordance with the terms and conditions thereof (the “Obligation”).

**2. Term.** This Guarantee is a continuing guarantee of payment. This Guarantee shall remain in full force and effect until the earlier to occur of (a) the termination of the PPA in accordance with its terms and (b) the date Seller has fully discharged the Obligation.

**3. Enforcement.** Guarantor’s obligations are primary obligations and independent of all of Seller’s obligations to the Purchaser. Upon default by Seller with respect to the Obligation, the Purchaser shall have no obligation to proceed against Seller, and may proceed directly against Guarantor without proceeding against Purchaser or any other person or pursuing any other remedy. Guarantor agrees to reimburse the Purchaser for all costs and expenses (including, without limitation, court and arbitration costs and reasonable attorneys’ fees) incurred by the Purchaser in connection with the enforcement of the Purchaser’s rights under this Guarantee.

**4. Invalidation of Payments.** Guarantor’s obligations hereunder shall not be affected by the commencement of any proceedings by or against Seller under the Bankruptcy Code (U.S.C. Title

11) or any other liquidation, conservatorship, bankruptcy, moratorium, rearrangement, receivership, insolvency, reorganization or similar debtor relief laws affecting the rights of creditors generally, any stay or ruling thereunder, or the disallowance of any claim thereunder. If all or any part of any payment to or for the benefit of the Purchaser in respect of the Obligations shall be invalidated, declared to be fraudulent or preferential, set aside or required for any reason to be repaid or paid to a trustee, receiver or other third party, then any Obligation that otherwise would have been satisfied by that payment or partial payment shall be revived and continue in full force and effect as if that payment had not been made. Guarantor shall be fully and primarily liable for such Obligation and as set forth in this Guarantee.

**5. Waiver of Defenses.** The Purchaser may, without notice to or consent of Guarantor (a) extend or, with the prior written consent of Seller, alter, the time, manner, place or terms of payment or performance of the Obligations, or (b) waive, or, with the prior written consent of Seller, amend any terms of the PPA or any other agreement executed pursuant to the PPA, without in any way changing, releasing or discharging Guarantor from liability hereunder. Guarantor hereby waives any defenses which Seller or any other person liable for the Obligation may have or assert regarding (i) the insolvency, bankruptcy, liquidation or dissolution of Seller or such other person or (ii) the invalidity, illegality, voidability or unenforceability of all or any portion of the Obligation as a result of ultra vires or other lack of authority, defective formation or other organizational deficiencies or similar types of defenses. Guarantor further waives notice of the acceptance of this Guarantee, presentment, demand, protest, and notices of protest, nonpayment, default or dishonor of the Obligation, and all other notices or demands of any kind or nature whatsoever with respect to the Obligation. Nothing in this Guarantee shall limit or otherwise affect the rights of Purchaser under the terms of the PPA.

**6. Representation and Warranties.** Each Guarantor represents and warrants to the Purchaser that: (a) Guarantor has received, or will receive, direct or indirect benefit from the making of this Guarantee; (b) Guarantor is a corporation duly organized, validly existing and in good standing under the Laws of the State of Alaska; (c) Guarantor has the requisite corporate power to enter into this Guarantee and to perform its obligations hereunder; (d) the execution, delivery and performance of this Guarantee have been duly and validly authorized by all necessary corporate action on the part of Guarantor; (e) this Guarantee has been duly executed and delivered by Guarantor and constitutes the valid and binding obligation of Guarantor, enforceable against Guarantor in accordance with its terms; (f) the execution, delivery and performance of this Guarantee will not (i) violate any provision of the certificate of incorporation or bylaws (or other governing instruments) of Guarantor or (ii) violate any judgment, order, ruling, or regulation applicable to Guarantor; (g) the execution, delivery and performance of this Guarantee by Guarantor will not be subject to any consent, approval or waiver from any Governmental Body or other third Person; (h) Guarantor possesses the necessary financial capability to fulfill the Obligation; and (i) there are no bankruptcy, insolvency, reorganization or receivership proceedings pending against, being contemplated by or, to Guarantor's knowledge, threatened against Guarantor.

**7. Assignment.** This Guarantee and the rights and obligations hereunder shall not be assignable or transferable by Guarantor except with the prior written consent of the Purchaser.

**8. Amendments and Waivers.** No amendment, modification or waiver in respect of this Guarantee shall be effective unless, in the case of an amendment or modification, such

amendment or modification shall be in writing and signed by Guarantor and the Purchaser, and, in the case of a waiver, such waiver shall be in writing, specifically refer to this Guarantee and be signed by the Person against which such waiver is sought to be enforced.

**9. Notices.** All notices and other communications shall be in writing and shall be delivered by hand or sent, postage prepaid, by express mail or reputable overnight courier service to the address for the Sellers set forth in Section 23 of the PPA or, in the case of Guarantor Chena Power LLC, to the following address:

Chena Power LLC  
PO Box 58740  
Fairbanks, Alaska 99711  
Attn: Bernie Karl

Each Party may change its address for notice by notice to the other in the manner set forth above. All notices shall be deemed to have been duly given at the time of receipt by the Party to which such notice is addressed.

**10. Governing Law.** This Guarantee and the legal relations between the Parties shall be governed by and construed in accordance with the Laws of the State of Alaska, without regard to principles of conflicts of Laws that would direct the application of the Laws of another jurisdiction.

**11. Counterparts.** This Guarantee may be executed in counterparts, each of which shall be deemed an original instrument, but all such counterparts together shall constitute but one agreement.

**12. Entire Agreement.** This Guarantee constitutes the entire agreement between the Parties pertaining to the subject matter hereof, and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties pertaining to the subject matter hereof.

**13. Severability.** If any term or other provision of this Guarantee is held invalid, illegal or incapable of being enforced under any rule of law, all other conditions and provisions of this Guarantee shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in a materially adverse manner with respect to either Party.

IN WITNESS WHEREOF, the Parties have executed this Guarantee on the day and year first written above.

*[Signature page follows]*



GUARANTOR:

OUNALASHKA CORPORATION

By: /s/

Name: Christopher P. Salts

Title: Chief Executive Officer

GUARANTOR:

CHENA POWER, LLC

By: /s/

Name: Bernie Karl

Title: Chief Executive Officer

PURCHASER:

CITY OF UNALASKA

By: /s/

Name: Erin Reinders

Title: City Manager

## Exhibit F

### Additional Payment

The formula for the Additional Payment only applies when Metered Energy for a Year exceeds 100,000,000 kWh. If that occurs, an Additional Payment is due calculated as follows:

**Additional Payment = Facility Rate x (kWh through Meter for Year) – Fixed Payment**

$$\text{Facility Rate} = \frac{\text{Fixed Payment}}{100 \text{ million kWh}} - \frac{\frac{\text{Fixed Payment}}{100 \text{ million kWh}} - \frac{\text{Fixed Payment}}{\text{kWh through Meter for the Year}}}{2}$$

### EXAMPLE

Year 1- Fixed Payment = \$16,300,000

kWh through meter = 125,000,000

Facility Rate = 16,300,000/ 100 million kWh – [(16,300,000/ 100 million kWh) – (16,300,000/125 million kWh) / 2]

Facility Rate = .163-[(.163-.1304)/2]

.163-(.0326/2)= .1467

Additional Payment = (.1467 X 125,000,000)-\$16,300,000

18,337,500-16,300,000 =2,037,500

Additional Payment is 2,037,500

CITY OF UNALASKA  
UNALASKA, ALASKA

RESOLUTION 2020-56

A RESOLUTION OF THE UNALASKA CITY COUNCIL REGARDING THE UNALASKA CARES  
GRANT PROGRAM FOR LOCAL BUSINESSES AND NON-PROFIT ORGANIZATIONS –  
DECISIONS ON APPEALS

WHEREAS, the Unalaska City Council adopted Resolution 2020-37 accepting Coronavirus Relief Funds in the amount of \$13,453,952 for costs that are for necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19); and

WHEREAS, the City Council adopted Resolutions 2020-42 and 2020-46 establishing a CARES Act Grant Program, setting forth formulas to calculate awards to essential and nonessential businesses for the 80 day time period between March 17 and May 30, 2020 as well as a Stratified Tier Schedule for all businesses from June 1 and December 31, 2020; and

WHEREAS, Resolution 2020-46 also set an application deadline at 12:00 noon on July 24, 2020 for businesses and nonprofits to apply to the City for CARES Act Grant Program funding; and

WHEREAS, the City Council adopted Resolution 2020-47 determining the overall spending plan for Unalaska's CARES Act funds as follows: 40% (\$5,072,066.39) for grants to support businesses and nonprofit organizations, 50% (\$6,726,976) for the City's response and prevention, and 10% (\$1,345,395.20) to be set aside for potential grant usage if the need arises. If not used for grants prior to September 30, 2020, this amount becomes available to address any other of the City's response and prevention efforts; and

WHEREAS, the City Council adopted Resolution 2020-52 on August 11, 2020, after hearing from applicants who desired to appeal decisions on applications for the City's CARES Act Grant Program; and

WHEREAS, on August 25, 2020, the City Council heard from grant applicants seeking funds, or additional funds from the CARES ACT Grant Program, who were unable to call into the meeting on August 11, 2020 due to incorrect call-in information supplied to them.

NOW THEREFORE BE IT RESOLVED that the Unalaska City Council decides as follows:

- 1.
- 2.
- 3.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on August 25, 2020.

---

Vincent M. Tutiakoff, Sr.  
Mayor

ATTEST:

---

Marjie Veeder, CMC  
City Clerk

---

---

## MEMORANDUM TO COUNCIL

---

---

To: Mayor and City Council Members  
From: William Homka, Planning Director  
Through: Erin Reinders, City Manager  
Date: August 25, 2020  
Re: Resolution 2020-56: Unalaska Cares Grant Program – Decisions on Appeals

---

---

**SUMMARY:** The City is eligible to receive up to \$13,453,952 in CARES Act monies from the Federal Government and has received over \$5,477,777 million thus far. The City can use money it received from the CARES Act to financially assist local nonprofits and businesses that have or will be impacted by the coronavirus disease 2019 (COVID-19). Council allocated \$5,381,580.80 (40%) of Unalaska's CARES Act money for use as a grant program for local businesses and nonprofit organizations. It designated 50% (\$6,726,976) for City needs, and set aside 10% (\$1,345,395.20) for a later decision about how to spend it. The City's CARES Act Grant Program has awarded a total of \$4,961,084.40 per City Council directives and formulas. This does not include any awards the Council may approve per this Resolution.

### **PREVIOUS COUNCIL ACTION:**

- May 26, 2020, approved Resolution 2020-37 authorizing the City Manager to sign a Grant Agreement with the State of Alaska DCCED and accepting Coronavirus Relief Funds in the amount of \$13,453,952 for costs that are for necessary expenditures due to the Public Health Emergency with respect to COVID-19.
- June 15, 2020, held a special meeting to discuss CARES Act funding and ways it can assist local non-profits and businesses.
- June 26, 2020, approved Resolution 2020-42 establishing a formula to compensate nonessential businesses mandated to close for an 80 day period of time between March 17 and May 30, 2020.
- July 14, 2020, approved Resolution 2020-46 establishing a formula to compensate essential businesses for an 80 day period of time between March 17 and May 30, 2020 and approving funds for 11 nonprofit organizations and a Stratified Tier schedule of awards for the period between June 1 and December 31, 2020.
- July 14, 2020, approved Resolution 2020-47 allocating Unalaska's CARES Act Spending Plan as follows: 40% (\$5,072,066.39) for grants to support businesses and nonprofit organizations, 50% (\$6,726,976) for the City's response and prevention, and 10% (\$1,345,395.20) to be set aside for potential grant usage if the need arises. If not used for grants prior to September 30, 2020, this amount becomes available to address any other of the City's response and prevention efforts.
- August 11, 2020, approved Resolution 2020-52 accepting two late applications with awards totaling \$12,432.88; awarding the ILWU Unit 223 - \$29,567.89; and new

businesses with zero income in 2018 and 2019 the opportunity to receive CARES money if they reported any city sales tax in the first or second quarter of 2020. This granted \$10,465.71 to two startup businesses. City Council denied the other applications.

**BACKGROUND:** The City of Unalaska allocated 40% of the \$13,453,952 in CARES Act money from the State of Alaska to fund a grant program to help local businesses and nonprofit organizations. It set aside 50% for the City's response to COVID, with the remaining 10% held separately in case the grant program exceeded \$5,381,580.80 (40%) The City received about 100 applications and 10 were denied for various reasons. The City Council meeting on August 11, 2020 was intended to serve as an appeal opportunity for businesses to speak with Council about their request, denied or otherwise, if they were dissatisfied with the funding award resulting from their application.

**DISCUSSION:** At the August 11, 2020 meeting, City Council discussed the CARES Act grant program and heard from several applicants concerning respective applications. A few applicants informed the Planning Department they intended to call into the meeting and participate. Two applicants reported they had trouble calling into the meeting. Reviewing the information provided to applicants, it was discovered that the Planning Department sent an email to applicants with incorrect meeting information. It was unaware each Council meeting used a new zoom.com meeting identification code. Although the correct information was provided on the City Council agenda and meeting materials posted online, a few people tried to use the misinformation provided in the Planning Department email.

The City Administration, Clerk's Office and Planning Department believe it is necessary to include another appeal opportunity on this City Council meeting agenda to maintain the City's integrity in providing due process, transparent decision making and fair public participation opportunities.

## Program Status

The Planning Department received 99 applications. It processed disbursements for the 80 Day Period from March 17 – May 31, 2020 totaling \$2,701,516.51. The Tier Schedule commits another \$2,230,000.00 to the applicants for the period between June 1 and December 31, 2020. There were 48 essential businesses, 29 nonessential, and 12 nonprofit organizations. City Council Resolution 2020-52 assisted five of ten applications that were denied. As it stands the program has committed a total of \$4,961,084.40 which leaves \$420,496.40 remaining of the initial 40% set aside of \$5,381,580.80 for the grant program. See table below for a breakdown.

UNALASKA CARES ACT APPLICATIONS & AWARDS TRACKING			
SUMMARY PAGE			
	80 DAY PERIOD	PENDING TIER	TOTAL
Essential Businesses	\$ 686,726.52	\$ 1,705,000.00	\$ 2,391,726.52
Nonessential Businesses	\$ 1,075,389.36	\$ 525,000.00	\$ 1,600,389.36
DISAPPROVED	\$ 2,950,000.00	-	\$ 2,950,000.00
NONPROFITS	\$ 968,968.51	-	\$ 968,968.51
TOTAL APPROVED AND PAID	\$ 2,731,084.40	\$ 2,230,000.00	\$ 4,961,084.40

**Denied**

The remaining applications include:

New Businesses (no tax returns or income prior to 2020)

1. Aleutian Excursions, nonessential – Andy Dietrich
2. Fish On Charters, nonessential – Nick Tutiakoff
3. Runs Silent, Runs Deep, nonessential – Rick Fehst

**ALTERNATIVES:** City Council can decide to award funds based on hearing testimony from applicants seeking an appeal of the denial or an increase in their award.

**FINANCIAL IMPLICATIONS:** At this time the total amount to be spent on Unalaska's CARES Act Grant Program is \$4,931,516.51.

**STAFF RECOMMENDATION:** Approve Resolution 2020-56 with funding awards specifically for each company should the Council determine situation(s) exist to warrant such decision based on appeals from company owners or representatives.

**PROPOSED MOTION:** I move to adopt Resolution 2020-56. This motion will put the resolution before council for discussion. If council chooses to make any awards, this will be done by amending the motion to include applicant names and award amounts, if any.

**CITY MANAGER COMMENTS:** Staff has processed these applications consistent with Council direction. As in the August 11<sup>th</sup>, meeting, if Council wishes to grant any of these appeals this will be addressed through a resolution outlining Council's decisions. As we previously mentioned, if grant funding remains after all the awards are distributed, City staff will discuss alternative support programs for Council to consider, and bring those forward at a future meeting.

**ATTACHMENTS:**

- Application Summary
- Paid applications – Essential Businesses
- Paid applications – Nonessential Businesses
- Denied applications list
- Denied applications back up documentation
- Resolution 2020-42 establishing pre-application 80 day formula
- Resolution 2020-46 establishing the funding formulas and Stratified Tier Schedule for Unalaska's grant program
- Resolution 2020-47 spending guidelines for Unalaska's CARES Act funds
- Resolution 2020-52 regarding appeals from local businesses and nonprofit organizations

## UNALASKA CARES ACT APPLICATIONS & AWARDS TRACKING

### SUMMARY PAGE

	80 DAY PERIOD	PENDING TIER	TOTAL
Essential Businesses	\$ 686,726.52	\$ 1,705,000.00	\$ 2,391,726.52
Nonessential Businesses	\$ 1,075,389.36	\$ 525,000.00	\$ 1,600,389.36
DISAPPROVED	\$ 2,950,000.00	-	\$ 2,950,000.00
NONPROFITS	\$ 968,968.51	-	\$ 968,968.51
TOTAL APPROVED AND PAID	\$ 2,731,084.40	\$ 2,230,000.00	\$ 4,961,084.40



# UNALASKA CARES ACT APPLICATIONS & AWARDS TRACKING REGISTER

Unalaska Business Number	Business Name	Contact Name	Amount Requested	Gross income in 2018/2019	Daily rate from 2019 IRS FORM	Daily Rate x 80 Days	10% daily rate & Amount paid	TIER	TOTAL	COMMENTS	Date Paid
ESSENTIAL BUSINESS PAID APPLICATIONS											
1590	Alaska Marine Safety	Mark W. Miller and Zelma Simmons	\$ 100,000.00	\$ 525,556.00	\$ 1,439.88	\$ 115,190.36	\$ 11,519.04	\$ 60,000.00	\$ 71,519.04		
718	Alaskan Taxi	Timothy and Apinya Moyer	\$ 15,000.00	\$ 36,238.00	\$ 99.28	\$ 7,942.58	\$ 794.26	\$ 5,000.00	\$ 5,794.26		
656	Aleutian Biological Services	Kenneth J. Reeves	\$ 55,000.00	\$ 173,153.00	\$ 474.39	\$ 37,951.34	\$ 3,795.13	\$ 25,000.00	\$ 28,795.13		
1654	Aleutian Expeditors	Mike Lloyd	\$ 300,000.00	\$ 909,569.00	\$ 2,491.97	\$ 199,357.59	\$ 19,935.76	\$ 100,000.00	\$ 119,935.76		
2367	Aleutian Family Dentistry, Inc	Robert MacArthur	\$ 123,554.36	\$ 728,014.35	\$ 1,994.56	\$ 159,564.79	\$ 15,956.48	\$ 80,000.00	\$ 95,956.48		
2058	Aleutian Taxi	Thoa Tran	\$ 27,000.00	\$ 23,323.00	\$ 63.90	\$ 5,111.89	\$ 511.19	\$ 5,000.00	\$ 5,511.19		
689	Aleutian Taxi #1	Kimberly E. Yang	\$ 51,000.00	\$ 90,286.00	\$ 247.36	\$ 19,788.71	\$ 1,978.87	\$ 15,000.00	\$ 16,978.87		
27	Alpha Welding and Boat Repair Inc	Karolyn Wolfram	\$ 923,487.78	\$ 4,735,373.00	\$ 12,973.62	\$ 1,037,889.97	\$ 103,789.00	\$ 100,000.00	\$ 203,789.00		
1377	Anchor Auto Services	Ha Tran	\$ 40,000.00	\$ 134,529.00	\$ 368.57	\$ 29,485.81	\$ 2,948.58	\$ 25,000.00	\$ 27,948.58		
1856	Arctic Chiropractic and Massage Therapy Unalaska LLC	Walter Campbell (Owner) or Laura Homacki (Clinic Director)	\$ 98,948.49	\$ 864,525.00	\$ 2,368.56	\$ 189,484.93	\$ 18,948.49	\$ 80,000.00	\$ 98,948.49		
755	BC Vehicle Rental & Sale	Son Hoai Nguyen	\$ 500,000.00	\$ 120,067.00	\$ 328.95	\$ 26,316.05	\$ 2,631.61	\$ 25,000.00	\$ 27,631.61		
2518	Bering Sea Taxi	Thu McConnell	\$ 80,000.00	\$ 19,639.00	\$ 53.81	\$ 4,304.44	\$ 430.44	\$ 5,000.00	\$ 5,430.44		
2121	Bering Shai Marine, LLC	Bill or Diane Shaishnikoff	\$ 133,000.00	\$ 54,884.00	\$ 150.37	\$ 12,029.37	\$ 1,202.94	\$ 15,000.00	\$ 16,202.94		
2464	Bering Shai Pedwell Transportation LLC	Keith G Pedwell	\$ 119,653.00	\$ 147,047.00	\$ 402.87	\$ 32,229.48	\$ 3,222.95	\$ 25,000.00	\$ 28,222.95		
1300	Bering Shai Rock & Gravel, LLC	Bill or Diane Shaishnikoff	\$ 483,393.00	\$ 520,503.00	\$ 1,426.04	\$ 114,082.85	\$ 11,408.28	\$ 60,000.00	\$ 71,408.28		

Unalaska Business Number	Business Name	Contact Name	Amount Requested	Gross income in 2018/2019	Daily rate from 2019 IRS FORM	Daily Rate x 80 Days	10% daily rate & Amount paid	TIER	TOTAL	COMMENTS	Date Paid
2451	Blue Checker	Linda Preabutra	\$ 10,515.00	\$ 37,162.00	\$ 101.81	\$ 8,145.10	\$ 814.51	\$ 5,000.00	\$ 5,814.51		
166	Blue Checker Taxi	Kim Hong T Nguyen	\$ 15,000.00	\$ 17,856.00	\$ 48.92	\$ 3,913.64	\$ 391.36	\$ 5,000.00	\$ 5,391.36		
2377	Blunt Construction	Kyle Eby	\$ 20,000.00	\$ 60,366.00	\$ 165.39	\$ 13,230.90	\$ 1,323.09	\$ 15,000.00	\$ 16,323.09		
1584	Chava Auto Repair	Gilbert Chavarria	\$ 7,000.00	\$ 36,317.00	\$ 99.50	\$ 7,959.89	\$ 795.99	\$ 5,000.00	\$ 5,795.99		
N/A	D&G Fishing, Inc DBA Raven Bay Seafoods	Dustan and Evelyn Dickerson	\$ 140,000.00	\$ 695,611.00	\$ 1,905.78	\$ 152,462.68	\$ 15,246.27	\$ 60,000.00	\$ 75,246.27		
1595	Elizabeth Janitorial Services	Lindsay M. Escalante	\$ 20,000.00	\$ 18,600.00	\$ 50.96	\$ 4,076.71	\$ 2,038.36	\$ 5,000.00	\$ 7,038.36	late applicant	
210	Grand Aleutian Hotel	Brett Richardson	\$100,000.00	\$ 3,398,862.36	\$ 9,311.95	\$ 744,956.13	\$ 74,495.61	\$ -	\$ 74,495.61	All of Unisea's hospitality is under one license, only one tiered check.	
967	Harbor Rental	Efren Fernandez	\$ 10,000.00	\$ -	\$ -	\$ -	\$ -	\$ 5,000.00	\$ 5,000.00	late applicant	
2179	Hester Enterprises, LLC.	Rodnir R Hester	\$ 9,000.00	\$ 22,748.00	\$ 62.32	\$ 4,985.86	\$ 498.59	\$ 5,000.00	\$ 5,498.59		
1259	Hyrda-Pro	Tim Tilleman	\$ 150,000.00	\$ 2,691,563.00	\$ 7,374.15	\$ 589,931.62	\$ 50,000.00	\$ 100,000.00	\$ 150,000.00		
1505	Island Taxi	Ny Vo (duaghter)	\$ 26,800.00	\$ 67,041.00	\$ 183.67	\$ 14,693.92	\$ 1,469.39	\$ 15,000.00	\$ 16,469.39		
972	Joe Henning Construction Inc.	Lance Henning	\$ 129,000.00	\$ 374,495.00	\$ 1,026.01	\$ 82,081.10	\$ 8,208.11	\$ 40,000.00	\$ 48,208.11		
2195	K Taxi	Maura C. Kim	\$ 12,000.00	\$ 12,542.00	\$ 34.36	\$ 2,748.93	\$ 274.89	\$ 5,000.00	\$ 5,274.89		
2178	Knight Services of Unalaska	Devin Knight	\$ 30,000.00	\$ 136,403.00	\$ 373.71	\$ 29,896.55	\$ 2,989.65	\$ 25,000.00	\$ 27,989.65		
2495	Longo Shark	Anthony Longo	\$ 5,500.00	\$ 1,500.00	\$ 4.11	\$ 328.77	\$ 32.88	\$ 5,000.00	\$ 5,032.88		
330	Lunde Marine	Mike Day	\$ 73,000.00	\$ 547,506.00	\$ 1,500.02	\$ 120,001.32	\$ 12,000.13	\$ 60,000.00	\$ 72,000.13		
292	Mac Enterprises Inc - Primary Business (diving, welding)	Alyssa McDonald	\$ 150,000.00	\$ 937,585.00	\$ 2,568.73	\$ 205,498.08	\$ 20,549.81	\$ 100,000.00	\$ 120,549.81	See recalculations tab. Original check was for ???	

Unalaska Business Number	Business Name	Contact Name	Amount Requested	Gross income in 2018/2019	Daily rate from 2019 IRS FORM	Daily Rate x 80 Days	10% daily rate & Amount paid	TIER	TOTAL	COMMENTS	Date Paid
2143	Magdas Janitorial Services	Magda Alonso	\$ 30,000.00	\$ 91,077.00	\$ 249.53	\$ 19,962.08	\$ 1,996.21	\$ 15,000.00	\$ 16,996.21		
2456	Marjies Notary Signing	Marjorie Veeder	\$ 5,500.00	\$ 4,478.00	\$ 12.27	\$ 981.48	\$ 98.15	\$ 5,000.00	\$ 5,098.15		
1703	Michelle Taxi	Nga Ngoc Nguyen	\$ 25,000.00	\$ 50,064.00	\$ 137.16	\$ 10,972.93	\$ 1,097.29	\$ 15,000.00	\$ 16,097.29		
1602	Morris Health & Wellness Associates LLC, DBA Aleutian Chiropractic Health Center	James Morris	\$ 40,000.00	\$ 1,086,636.00	\$ 2,977.08	\$ 238,166.79	\$ 23,816.68	\$ 100,000.00	\$ 123,816.68		
665	North Port Ventures, Inc.	Dean DeCuir	\$ 135,816.56	\$ 628,382.00	\$ 1,721.59	\$ 137,727.56	\$ 13,772.76	\$ 60,000.00	\$ 73,772.76		
2155	Optimera Inc	Emmet Fitch	\$ 221,923.66	\$ 5,562,767.00	\$ 15,240.46	\$ 1,219,236.60	\$ 121,923.66	\$ 100,000.00	\$ 221,923.66		
482	Radiant Heating Fuel Service	Dalibor Machalek	\$ 131,629.15	\$ 1,443,080.00	\$ 3,953.64	\$ 316,291.51	\$ 31,629.15	\$ 100,000.00	\$ 131,629.15		
2124	Resolve Alaska Holdings, Inc	AW McAfee, General Manager	\$ 50,000.00	\$ 4,231,481.00	\$ 11,593.10	\$ 927,447.89	\$ 50,000.00	\$ -	\$ 50,000.00	Request was \$50k, no tiered support because 10% rate covers request amount	
2095	Rheas Cleaning Services	Rhea Shaishnikoff	\$ 30,000.00	\$ 159,160.00	\$ 436.05	\$ 34,884.38	\$ 3,488.44	\$ 25,000.00	\$ 28,488.44		
2429	Riverside Chalet	Kenneth J. Reeves	\$ 5,500.00	\$ 2,346.00	\$ 6.43	\$ 514.19	\$ 51.42	\$ 5,000.00	\$ 5,051.42		
2453	Star Taxi	Loan Ngoc Le & Anh Ngoc Ho	\$ 20,000.00	\$ 18,409.00	\$ 50.44	\$ 4,034.85	\$ 403.48	\$ 5,000.00	\$ 5,403.48		
2083	Swan Taxi	Hien Tran	\$ 68,000.00	\$ 63,192.00	\$ 173.13	\$ 13,850.30	\$ 1,385.03	\$ 15,000.00	\$ 16,385.03		
2379	The Bookkeeper Inc.	Daneen Looby	\$ 56,071.16	\$ 182,552.00	\$ 500.14	\$ 40,011.40	\$ 4,001.14	\$ 25,000.00	\$ 29,001.14		
2020	The Friendly Broom	James Morrison	\$ 30,000.00	\$ 39,435.00	\$ 108.04	\$ 8,643.29	\$ 864.33	\$ 5,000.00	\$ 5,864.33		
1151	The Reefer Guy	Stacey Bausman Alvarado	\$ 48,000.00	\$ 271,166.00	\$ 742.92	\$ 59,433.64	\$ 5,943.36	\$ 25,000.00	\$ 30,943.36		
1095	The Tire Center	Dalibor Machalek	\$ 20,000.00	\$ 50,999.00	\$ 139.72	\$ 11,177.86	\$ 1,117.79	\$ 15,000.00	\$ 16,117.79		
2326	Unalaska Auto & Truck Parts	Son Hoai Nguyen	\$ 150,000.00	\$ 1,553,606.00	\$ 4,256.45	\$ 340,516.38	\$ 34,051.64	\$ 100,000.00	\$ 134,051.64		

Unalaska Business Number	Business Name	Contact Name	Amount Requested	Gross income in 2018/2019	Daily rate from 2019 IRS FORM	Daily Rate x 80 Days	10% daily rate & Amount paid	TIER	TOTAL	COMMENTS	Date Paid
2298	Van Dee Rentals	Steve and Jennigfer Van Deventer	\$ 10,000.00	\$ 23,400.00	\$ 64.11	\$ 5,128.77	\$ 512.88	\$ 5,000.00	\$ 5,512.88		
2480	Aleutian Excursions LLC	Andy Dietrick	\$ 10,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Per City Council Resolution 2020-52	
2500	Only in Dutch	Jody Farmer	\$ 25,000.00	\$ 16,947.95	\$ 46.43	\$ 3,714.62	\$ 371.46	\$ 5,000.00	\$ 5,371.46	Per City Council Resolution 2020-52	

TOTALS

AMOUNT REQUESTED \$ 5,070,292.16

\$ 686,726.52 \$ 1,705,000.00 \$ 2,391,726.52

# UNALASKA CARES ACT APPLICATIONS & AWARDS TRACKING REGISTER

Unalaska Business Number	Business Name	Contact Name	Amount Requested	Gross income in 2018/2019	Daily rate from 2019 IRS FORM	Daily Rate x 80 Days	50% daily rate & Amount paid	TIER	TOTAL	COMMENTS	Date Paid
NON-ESSENTIAL PAID APPLICATIONS											
1386	AIRPORT RESTAURANT, LLC	LISA TRAN	\$ 290,000.00	\$ 1,064,855.00	\$ 2,917.41	\$ 233,392.88	\$ 116,696.44		\$ 116,696.44		
2334	Aleutian Aerial LLC	Andy Dietrick	\$ 25,000.00	\$ 90,655.00	\$ 248.37	\$ 19,869.59	\$ 9,934.79	\$ 15,000.00	\$ 24,934.79		
2447	Aleutian Life Studios	Lynda Lyback Robison	\$ 23,000.00	\$ 22,975.00	\$ 62.95	\$ 5,035.62	\$ 2,517.81	\$ 5,000.00	\$ 7,517.81		
676	Amelias Restaurant & Eagle INN	Edelmira Cortez	\$ 580,000.00	\$ 870,498.00	\$ 2,384.93	\$ 190,794.08	\$ 95,397.04	\$ 80,000.00	\$ 175,397.04		
108	Carolyn E.S. Reed	Carolyn Reed	\$ 65,000.00	\$ 50,349.00	\$ 137.94	\$ 11,035.40	\$ 5,517.70	\$ 15,000.00	\$ 20,517.70		
2437	DD Sports Clothing Store	Tacko Diakhite	\$ 10,000.00	\$ 18,815.00	\$ 51.55	\$ 4,123.84	\$ 2,061.92	\$ 5,000.00	\$ 7,061.92		
1749	gSalon	Kristy Chavarria	\$ 8,000.00	\$ 18,729.00	\$ 51.31	\$ 4,104.99	\$ 2,052.49	\$ 5,000.00	\$ 7,052.49		
2449	Hair Plus Beauty Salon	Rosa and Efrain Chavez-leon	\$ 10,000.00	\$ 39,408.00	\$ 107.97	\$ 8,637.37	\$ 4,318.68	\$ 5,000.00	\$ 9,318.68		
1635	J & J Boutique General Merchandising and Video Rental	Elizabeth Magpantay	\$ 25,000.00	\$ 89,147.00	\$ 244.24	\$ 19,539.07	\$ 9,769.53	\$ 15,000.00	\$ 24,769.53	see recalculations tab	
2393	Keepin It Reel Charters Unlimited, LLC.	Asia Vernon	\$ 35,000.00	\$ 44,478.00	\$ 121.86	\$ 9,748.60	\$ 4,874.30	\$ 5,000.00	\$ 9,874.30		
2180	Linda Nails Care	Linda Preabutra	\$ 9,000.00	\$ 6,364.00	\$ 17.44	\$ 1,394.85	\$ 697.42	\$ 5,000.00	\$ 5,697.42		
2172	M&M Holdings, LLC DBA The Norwegian Rat Saloon	Bookkeeper Daneen Looby	\$933,937.55	\$ 1,812,425.00	\$ 4,965.55	\$ 397,243.84	\$ 198,621.92	\$ 100,000.00	\$ 298,621.92		
292	Mac Enterprise Charter	Alyssa McDonald	\$ 250,000.00	\$249,582.51	\$ 683.79	\$ 54,703.02	\$ 27,351.51	-	\$ 27,351.51	see recalculations tab - Tier award combined with single business license - Mac split between essential & nonessential	
2486	Mari in the Sky LLC	Mariza Ryce Aparacio Tovar	\$ 24,000.00	\$ 21,553.25	\$ 59.05	\$ 4,724.00	\$ 2,362.00	\$ 5,000.00	\$ 7,362.00		
369	Marilyn's Hair Salon	Marilyn McCracken	\$ 85,080.00	\$ 127,390.00	\$ 349.01	\$ 27,921.10	\$ 13,960.55	\$ 25,000.00	\$ 38,960.55		

Unalaska Business Number	Business Name	Contact Name	Amount Requested	Gross income in 2018/2019	Daily rate from 2019 IRS FORM	Daily Rate x 80 Days	50% daily rate & Amount paid	TIER	TOTAL	COMMENTS	Date Paid
1998	Red Fish Electronics	Victor Fisher	\$ 25,000.00	\$ 86,750.00	\$ 237.67	\$ 19,013.70	\$ 9,506.85	\$ 15,000.00	\$ 24,506.85		
2249	Spoiled Rotten Dog Grooming	William D. Brown	\$ 10,000.00	\$ 9,698.00	\$ 26.57	\$ 2,125.59	\$ 1,062.79	\$ 5,000.00	\$ 6,062.79		
2384	The Pirate Chef	Carlos Tayag	\$ 19,528.00	\$ 5,755.00	\$ 15.77	\$ 1,261.37	\$ 630.68	\$ 5,000.00	\$ 5,630.68		
2455	Unalaska Brewing Company	Josh Good	\$ 6,000.00	\$ 1,624.00	\$ 4.45	\$ 355.95	\$ 177.97	\$ 5,000.00	\$ 5,177.97		
2131	Unalaska Gift Shop	Kim Hong T. Nguyen	\$ 21,000.00	\$ 51,755.00	\$ 141.79	\$ 11,343.56	\$ 5,671.78	\$ 15,000.00	\$ 20,671.78		
1531	Unalaska/Dutch Harbor Immigration Consulting	Conrado Magpantay	\$ 21,000.00	\$ 54,561.48	\$ 149.48	\$ 11,958.68	\$ 5,979.34	\$ 15,000.00	\$ 20,979.34		
210	UniSea, Banquet	Brett Richardson	\$ 196,348.00	\$ 196,348.00	\$ 537.94	\$ 43,035.18	\$ 21,517.59	\$ -	\$ 21,517.59	All of Unisea's hospitality is under one license, only one tiered check.	
210	UniSea, Cape Cheerful	Brett Richardson	\$ 674,190.00	\$ 674,190.00	\$ 1,847.10	\$ 147,767.67	\$ 73,883.84	\$ -	\$ 73,883.84	All of Unisea's hospitality is under one license, only one tiered check.	
210	UniSea, Chart Room	Brett Richardson	\$ 864,784.00	\$ 864,784.00	\$ 2,369.27	\$ 189,541.70	\$ 94,770.85	\$ -	\$ 94,770.85	All of Unisea's hospitality is under one license, only one tiered check.	
210	UniSea, Harbor Sushi	Brett Richardson	\$ 474,766.00	\$ 474,766.00	\$ 1,300.73	\$ 104,058.30	\$ 52,029.15	\$ -	\$ 52,029.15	All of Unisea's hospitality is under one license, only one tiered check.	
210	UniSea, Harbor View Bar & Grill	Brett Richardson	\$ 1,748,996.00	\$ 1,748,996.00	\$ 4,791.77	\$ 383,341.59	\$ 191,670.79	\$ 100,000.00	\$ 291,670.79	All of Unisea's hospitality is under one license, only one tiered check.	
210	UniSea, Mag Bay Café	Brett Richardson	\$ 419,444.00	\$ 419,444.00	\$ 1,149.16	\$ 91,932.93	\$ 45,966.47	\$ -	\$ 45,966.47	All of Unisea's hospitality is under one license, only one tiered check.	
210	UniSea, Pyramid Coffee	Brett Richardson	\$ 133,640.00	\$ 133,640.00	\$ 366.14	\$ 29,290.96	\$ 14,645.48	\$ -	\$ 14,645.48	All of Unisea's hospitality is under one license, only one tiered check.	
2272	Vys Café	Lee Hang	\$ 45,225.10	\$ 184,554.00	\$ 505.63	\$ 40,450.19	\$ 20,225.10	\$ 25,000.00	\$ 45,225.10		
2512	Fish On Charters	Nicholai Tutiakoff	\$ 35,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Per City Council Resolution 2020-52	
	Aleutian Fresh Seafoods	Mike Barber	\$ 100,000.00	\$ 204,200.70	\$ 559.45	\$ 44,756.32	\$ 22,378.16	\$ 25,000.00	\$ 47,378.16	applicant tried filing application online. Planning was notified of the problem post deadline. E. Reinders Approved it for processing via email from JR Pierson	

Unalaska Business Number	Business Name	Contact Name	Amount Requested	Gross income in 2018/2019	Daily rate from 2019 IRS FORM	Daily Rate x 80 Days	50% daily rate & Amount paid	TIER	TOTAL	COMMENTS	Date Paid
2507	runs Silent runs Deep LLC	Rick Fehst	\$ 18,000.00	\$ 860.00	\$ 2.36	\$ 188.49	\$ 94.25	\$ 5,000.00	\$ 5,094.25	Per City Council Resolution 2020-52	
2418	Willow Bean Coffee	Julie Guitard	\$ 50,000.00	\$ 173,778.00	\$ 476.10	\$ 38,088.33	\$ 19,044.16	\$ 25,000.00	\$ 44,044.16		
Total Paid			\$ 7,235,938.65				\$ 1,075,389.36	\$ 525,000.00	\$ 1,600,389.36		

UNALASKA CARES ACT APPLICATIONS & AWARDS TRACKING REGISTER

Unalaska Business Number	Business Name	Contact Name	Amount Requested	Gross income in 2018/2019	Daily rate from 2019 IRS FORM	Daily Rate x 80 Days	% of daily rate & Amount paid	Essential or Non-Essential	TIER	TOTAL
DISAPPROVED APPLICATIONS										
2220	Dutch Harbor Restaurant	Loi Ma	\$ 40,000.00	\$ 379,707.00	\$ 1,040.29	\$ 83,223.45	\$ 41,611.73	Non-Essential	\$ 40,000.00	\$ 81,611.73
1824	Jerry's Housing	Jerry Khongsuk	\$ 2,750,000.00	\$ 40,000.00	\$ 109.59	\$ 8,767.12	\$ -	N/A	\$ 15,000.00	\$ 15,000.00
6/22/2020	F/V Aleutian Spirit Inc.	Jason Miller	\$ 160,000.00	\$ -	\$ -	\$ -	\$ -	Essential	\$ -	\$ -
Totals			Disapproved Request	\$2,950,000.00			\$41,611.73		\$55,000.00	\$96,611.73





**Comments**

sold in march-reopened june
not CARES Act Related
Obtained City Business License in June 2020

## Aleutian Excursions LLC

Andy Dietrick



Amount Requested	\$10,000.00
2019 Gross Income	\$ 0.00

2019 Daily Rate	81 Days	33%	50%
\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

### Questions:

1. This is a new business, hasn't had a tax year prior. Business plan calls for a seasonal business offering van and skiff tours catering to the cruise ships scheduled for Unalaska. All of the scheduled cruise ships have been cancelled. **Do we reimburse for lost income to a new business that has the equipment already on hand? There does not appear to be any hard costs lost.**

*Disapproved. No business in 2019  
Dil*

*Bill - 2020 City Council Approved Resolution 2020-52  
(11/22/20) <sup>2020</sup>  
allowing city sales tax payment to be used to  
collocate.*

# **Unalaska CARES Act Business Grant Pre-Application**

Submitted Time: 06/22/2020 9:41 AM

## **Applicant Information**

### **1. Business Name**

Aleutian Excursions LLC

### **2. Unalaska Business Number**

2480

### **3. Physical Address of Business**

208 Bayview Avenue Unalaska, Alaska 99685

### **4. Contact Information**

Andy Dietrick

PO Box 53

Unalaska, Alaska 99685

### **Phone Number**

907-957-1680

### **Email Address**

info@aleutianexcursions.com

## **Grant Request Information**

**5. Is your business considered essential or non-essential?**

Non-Essential

**6. What is the grant amount you are requesting?**

10000

**7. Supporting Documents**

ALEUTIAN\_EXCURSIONS\_DIRECTORY\_LISTING.pdf

**8. What was your business's gross income in 2019?**

0

**9. Please explain how your business has been impacted, or will be impacted, by COVID-19.**

Aleutian Excursions LLC is an Unalaska based tourism and excursion business that my wife and I started organizing in 2019 for the Summer 2020 tourism season. We operate a 12-passenger van and 18' skiff for van tours and harbor tours/sightseeing in Unalaska Bay. Assuming a 20 boat cruise ship season in Unalaska, we had projected successfully operating tours on 10 of those days due to weather or boat cancellations. At \$150/person for a van tour, 2 tours a day, 10 people per tour, we had estimated gross receipts at \$3,000 per cruise ship day. This would be a seasonal total of \$30,000 in gross receipts specifically for the van tour portion of this business on cruise ship days only.

**10. How many full-time equivalent (FTE) employees does your business have in Unalaska?**

1

**11. Is your business a publicly traded corporation or owned by one?**

No

**12. Does your business have a City lien or is it in violation of a payment agreement with the City?**

No

**13. Do you understand that an award from the City of Unalaska may affect your eligibility for a grant through the AK CARES Small Business Directed Grant Program, as well as others?**

Yes

**Signature**

Andy Dietrick

## Fish On Charters

Nicholai Tutiakoff



<b>Amount Requested</b>	\$35,000.00
<b>2019 Gross Income</b>	

<b>2019 Daily Rate</b>	<b>81 Days</b>	<b>33%</b>	<b>50%</b>
\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

### Questions:

- New business with no tax return
- With out seeing how active this business was in prior years, its difficult to know if the proposed number of bookings is reasonable or not.



# **Unalaska CARES Act Business Grant Pre-Application**

Submitted Time: 06/26/2020 9:21 AM

## **Applicant Information**

### **1. Business Name**

Fish On Charters

### **2. Unalaska Business Number**

2512

### **3. Physical Address of Business**

32 Bayview Ave Unalaska, AK 99685

### **4. Contact Information**

Nicholai Tutiakoff

PO Box 51

Unalaska, AK 99685

### **Phone Number**

9073592212

### **Email Address**

Fishoncharters907@gmail.com

## **Grant Request Information**

**5. Is your business considered essential or non-essential?**

~~Non-Essential~~ *Essential*

**6. What is the grant amount you are requesting?**

35000 *P&L says 30,500?!*

**7. Supporting Documents**

Profit\_Loss\_Statement.pdf

**8. What was your business's gross income in 2019?**

**9. Please explain how your business has been impacted, or will be impacted, by COVID-19.**

Have lost clients and lost revenue for past couple months. And expect to lose more these coming months. Having invested thousands into equipment and supplies is going to severely impact our business. Supplies and time cleaning my business is critical and cost money. We started our business plan back in December 2019 before any idea of a pandemic was to take over our lives.

**10. How many full-time equivalent (FTE) employees does your business have in Unalaska?**

2

**11. Is your business a publicly traded corporation or owned by one?**

No



**12. Does your business have a City lien or is it in violation of a payment agreement with the City?**

**13. Do you understand that an award from the City of Unalaska may affect your eligibility for a grant through the AK CARES Small Business Directed Grant Program, as well as others?**

Yes

**Signature**

Nicholai Tutiakoff

# **Unalaska CARES Act Business Grant Pre-Application**

Submitted Time: 06/22/2020 10:18 AM

## **Applicant Information**

### **1. Business Name**

runs Silent runs Deep LLC

### **2. Unalaska Business Number**

2507

### **3. Physical Address of Business**

M/Y Serious Freedom, awaiting transit to Dutch Harbor, AK from Seattle, WA

### **4. Contact Information**

Captain Rick Fehst

PO Box 920911

Dutch Harbor, AK 99692

### **Phone Number**

9073595171

### **Email Address**

myseriousfreedom@gmail.com

## **Grant Request Information**

**5. Is your business considered essential or non-essential?**

Non-Essential

**6. What is the grant amount you are requesting?**

18000

**7. Supporting Documents**

0765\_001.pdf

**8. What was your business's gross income in 2019?**

0

**9. Please explain how your business has been impacted, or will be impacted, by COVID-19.**

Runs Silent runs Deep LLC is a new, seasonal charter boat business which plans on providing cruise ship passengers day trips locally on the vessel Serious Freedom with former Deadliest Catch Captain Rick Fehst. In addition, charters for local residents and visitors were planned for June-September 2020. A permanent moorage was planned in Dutch Harbor. However, we are unable to deliver the boat to Alaska as scheduled this May. Canadian waters have been closed to public transit. Cruise ships have cancelled. This represents a loss of income for Captain Rick Fehst, who averages a daily rate of approximately \$500.00 per day. It also represents an increased moorage cost in the state of Washington where she remains until Canadian waters open to public transit. The non-local mooring expenses are not being claimed from this program at this time.

**10. How many full-time equivalent (FTE) employees does your business have in Unalaska?**

1

**11. Is your business a publicly traded corporation or owned by one?**

No

**12. Does your business have a City lien or is it in violation of a payment agreement with the City?**

No

**13. Do you understand that an award from the City of Unalaska may affect your eligibility for a grant through the AK CARES Small Business Directed Grant Program, as well as others?**

Yes

**Signature**

Paper Application - See Attachment

CITY OF UNALASKA  
UNALASKA, ALASKA

RESOLUTION 2020-42

ESTABLISHING THE FORMULA TO CALCULATE PRE-APPLICATION AMOUNTS TO BE MADE AVAILABLE TO NON-ESSENTIAL BUSINESSES THAT WERE FORCED TO CLOSE DUE TO COVID-19

WHEREAS, the City of Unalaska adopted Resolution 2020-37 on May 26, 2020, accepting Coronavirus Relief Funds made available by the Department of the Treasury to the State of Alaska, to be passed through to the City of Unalaska through the CARES Act; and

WHEREAS, the City of Unalaska wishes to provide initial financial support to qualifying commercial businesses in Unalaska that have been negatively impacted by COVID-19; and

WHEREAS, the City of Unalaska requested preliminary applications from commercial businesses seeking funds from the Unalaska Cares Grant Program for local businesses; and

WHEREAS, the City of Unalaska's online pre-application portal opened on June 17 at 8:00 a.m. and closed on June 22 at noon; and

WHEREAS, the City Council finds that it is important to immediately provide initial financial support to businesses deemed "non-essential" by State or Local COVID-19 Health Mandates, which businesses were negatively impacted due to COVID-19.

NOW THEREFORE BE IT RESOLVED the Unalaska City Council sets out the following formula by which initial grant amounts are to be calculated:

Business daily gross sales revenue amount  
(Based on 2019 filed tax returns; if 2019 is not available then 2018 tax returns)  
Multiplied by 80 days (the duration of the required closures for non-essential businesses)  
That result then multiplied by 0.50  
Result equals the Pre-Application Disbursement

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on June 26, 2020.

  
Vincent M. Tutiakoff, Sr.  
Mayor

ATTEST:

  
Marjie Veeder, CMC  
City Clerk



CITY OF UNALASKA  
UNALASKA, ALASKA

RESOLUTION 2020-46

ESTABLISHING THE FORMULAS TO BE USED IN AWARDING THE UNALASKA CARES GRANT FUNDS FOR LOCAL BUSINESSES AND NON-PROFIT ORGANIZATIONS WHO HAVE EXPERIENCED ECONOMIC IMPACTS DUE TO COVID-19.

WHEREAS, the City of Unalaska adopted Resolution 2020-37 on May 26, 2020, accepting Coronavirus Relief Funds made available by the Department of the Treasury to the State of Alaska, to be passed through to the City of Unalaska through the CARES Act; and

WHEREAS, the City of Unalaska adopted Resolution 2020-42 on June 26, 2020, establishing the formula to calculate pre-application amounts to be available to nonessential businesses that were forced to close due to COVID19; and

WHEREAS, the City of Unalaska is also eligible to use CARES Act funding to prepare for future COVID-19 related response as well as past related expenses;

WHEREAS, based on the information provided about the total number of essential and non-essential business licenses estimated to be on-island, the City Council sets out the following award formulas for non-essential and essential businesses for the March – May, 2020 mandated closure period,

**Formula for Non-Essential Businesses**

*Business daily gross sales revenue amount (based on 2019 filed tax returns; if 2019 is not available then 2018 tax returns); Multiplied by 80 days (the duration of the required closures for non-essential businesses); That result then multiplied by 0.50 Result equals the Disbursement – or the requested amount – whichever is less.*

**Formula for Essential Businesses**

*Business daily gross sales revenue amount (based on 2019 filed tax returns; if 2019 is not available then 2018 tax returns); Multiplied by 80 days (the duration of the required closures for non-essential businesses); That result then multiplied by 0.10 Result equals the Disbursement – or the requested amount – whichever is less.*

WHEREAS, for the period commencing on June 1 and ending December 31, 2020 all awards to all approved business applicants are to follow the Stratified Schedule that is attached as Exhibit 'A';

WHEREAS, based on the applications received from nonprofit organizations the City Council awards the total sum of \$909,832.73 per the attached Exhibit 'B';

WHEREAS, the deadline for the grant program is set for noon on July 24, 2020 and awards will be issued pursuant to the CARES Act spending plan approved by City Council, or reduced proportionately if the cumulative application requests exceed the spending cap.

NOW THEREFORE BE IT RESOLVED that the Unalaska City Council approves the grant program and awarding the amounts of CARES Act funding to approved business applicants per the above.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on July 14, 2020.



Dennis M. Robinson  
Vice Mayor

ATTEST:



Marjie Veeder, CMC  
City Clerk



## EXHIBIT A

### Stratified Schedule

<i>Annual Revenue of Businesses</i>	<i>Funding Support</i>
<\$50,000	\$5,000
\$50,000-\$100,000	\$15,000
\$100,000-\$300,000	\$25,000
\$300,000-\$500,000	\$40,000
\$500,000-\$700,000	\$60,000
\$700,000-\$900,000	\$80,000
>\$900,000	\$100,000



## EXHIBIT B

### Nonprofit Organization Request Schedule

<b><i>Non Profit</i></b>	<b><i>Contact</i></b>	<b><i>Funding Support</i></b>
<i>Iliuliuk Family and Health Services, Inc.</i>	<i>Melanee Tiura</i>	<i>\$500,000.00</i>
<i>Unalaska Visitors Bureau</i>	<i>Carlin Enlow</i>	<i>\$132,500.00</i>
<i>Unalaska Community Broadcasting</i>	<i>Lauren Adams</i>	<i>\$71,820.00</i>
<i>Unalaska Christian Fellowship</i>	<i>John Honan</i>	<i>\$47,830.56</i>
<i>Museum of the Aleutians</i>	<i>Virginia Hatfield</i>	<i>\$64,495.00</i>
<i>United Methodist Church of Unalaska</i>	<i>Matt Reinders</i>	<i>\$30,500.00</i>
<i>USAFV</i>	<i>M. Lynn Crane</i>	<i>\$21,418.80</i>
<i>Unalaska Senior Citizens</i>	<i>Daneen Looby</i>	<i>\$14,660.92</i>
<i>Alexandria House Inc.</i>	<i>Susan Honan</i>	<i>\$11,657.45</i>
<i>Russian Orthodox Church</i>		<i>\$6,500.00</i>
<i>Saint Christopher by the Sea</i>	<i>Deacon Dan Winters</i>	<i>\$8,450.00</i>
	<b><i>Total</i></b>	<b><i>\$909,832.73</i></b>

CITY OF UNALASKA  
UNALASKA, ALASKA

RESOLUTION 2020-47

A RESOLUTION OF THE UNALASKA CITY COUNCIL PROVIDING SPENDING GUIDELINES  
FOR CARES ACT FUNDS

WHEREAS, the City of Unalaska adopted Resolution 2020-37 on May 26, 2020, accepting Coronavirus Relief Funds in the amount of \$13,453,952, made available by the Department of the Treasury to the State of Alaska, to be passed through to the City of Unalaska through the CARES Act; and

WHEREAS, on June 4, 2020, the City received \$5,477,777 in CARES Act funding and must spend at least 80% to receive the second disbursement; and

WHEREAS, the City must spend all of the first disbursement and 80% of the second disbursement to be eligible to receive the third disbursement; and

WHEREAS, any CARES Act monies received and not spent by December 30, 2020, must be returned to the funding agency; and

WHEREAS, the City has incurred costs in their response to the Coronavirus pandemic and has identified projects to assist in limiting the spread and impact of the Coronavirus; and

WHEREAS, certain projects identified to assist in the future protective measures require lead time for completion.

NOW THEREFORE BE IT RESOLVED that the Unalaska City Council approves the following allocations of CARES Act spending:

- Grants to support Businesses and Non-Profit Organizations – 40%
- City's Response and Prevention – 50%
- The remaining 10% shall be set aside for potential grant usage if the need arises. If not used for grants prior to September 30, 2020, the amount becomes available to address any other of the City's response and prevention efforts.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on July 14, 2020.



Dennis M. Robinson  
Vice Mayor

ATTEST:



Marjie Veeder, CMC  
City Clerk



CITY OF UNALASKA  
UNALASKA, ALASKA

RESOLUTION 2020-52

A RESOLUTION OF THE UNALASKA CITY COUNCIL REGARDING THE UNALASKA CARES GRANT PROGRAM FOR LOCAL BUSINESSES AND NON-PROFIT ORGANIZATIONS – DECISIONS ON APPEALS

WHEREAS, the Unalaska City Council adopted Resolution 2020-37 accepting Coronavirus Relief Funds in the amount of \$13,453,952 for costs that are for necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19); and

WHEREAS, the Unalaska City Council adopted Resolutions 2020-42 and 2020-46 establishing a CARES Act Grant Program, setting forth formulas to calculate awards to essential and nonessential businesses for the 80 day time period between March 17 and May 30, 2020 as well as a Stratified Tier Schedule for all businesses from June 1 and December 31, 2020; and

WHEREAS, Resolution 2020-46 also set an application deadline at 12:00 noon on July 24, 2020 for businesses and nonprofits to apply to the City for CARES Act Grant Program funding; and

WHEREAS, the Unalaska City Council adopted Resolution 2020-47 determining the overall spending plan for Unalaska's CARES Act funds as follows: 40% (\$5,072,066.39) for grants to support businesses and nonprofit organizations, 50% (\$6,726,976) for the City's response and prevention, and 10% (\$1,345,395.20) to be set aside for potential grant usage if the need arises. If not used for grants prior to September 30, 2020, this amount becomes available to address any other of the City's response and prevention efforts; and

WHEREAS, the City Council set August 11, 2020 as the Council meeting to hear from any applicants who desired to appeal decisions on applications for the City's CARES Act Grant Program; and

WHEREAS, the Unalaska City Council has listened to the appeals from nonprofit and business organizations seeking funds, or additional funds from the CARES ACT Grant Program.

NOW THEREFORE BE IT RESOLVED that the Unalaska City Council decides as follows:

1. Late Applications: The two (2) late applications received from Elizabeth Janitorial Services, nonessential, Lindsay M. Escalante, \$7,038.36; and Harbor Rental, nonessential, Efren Fernandez, \$5,394.52, are allowed;
2. New Businesses (no tax returns or income prior to 2020): New businesses that had City businesses licenses but no tax returns or income prior to 2020, qualify for City CARES grants if they submitted City sales tax reports showing income during the first and second quarter of 2020, and that income will be used to establish the business in the "Stratified Schedule" set out in Resolution 2020-46; and
3. Not in CARES scope: A City CARES Grant is awarded to ILWU Unit 223, as a nonprofit organization, for unrealized, uncollected or lost membership dues in the amount of five percent (5%) of the requested grant amount, \$29,567.89.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on August 11, 2020.

  
\_\_\_\_\_  
Vincent M. Tutiakoff, Sr.  
Mayor

ATTEST:

  
\_\_\_\_\_  
Marjie Veeder, CMC  
City Clerk



---

---

## MEMORANDUM TO COUNCIL

---

---

To: Mayor and City Council Members  
From: William Homka, Planning Director  
Through: Erin Reinders, City Manager  
Date: August 11, 2020  
Re: Resolution 2020-52: Unalaska Cares Grant Program – Decisions on Appeals

---

---

**SUMMARY:** The City is eligible to receive up to \$13,453,952 in CARES Act monies from the Federal Government and has received over \$5,477,777 million thus far. The City can use money it received from the CARES Act to financially assist local nonprofits and businesses that have or will be impacted by the coronavirus disease 2019 (COVID-19). Council allocated \$5,381,580.80 (40%) of Unalaska's CARES Act money for use as a grant program for local businesses and nonprofit organizations. It designated 50% (\$6,726,976) for City needs, and set aside 10% (\$1,345,395.20) for a later decision about how to spend it. The City's CARES Act Grant Program has awarded a total of \$5,072,066.39 per City Council directives and formulas. This does not include any increases the Council may approve per this Resolution.

### **PREVIOUS COUNCIL ACTION:**

- May 26, 2020, approved Resolution 2020-37 authorizing the City Manager to sign a Grant Agreement with the State of Alaska DCCED and accepting Coronavirus Relief Funds in the amount of \$13,453,952 for costs that are for necessary expenditures due to the Public Health Emergency with respect to COVID-19.
- June 15, 2020, held a special meeting to discuss CARES Act funding and ways it can assist local non-profits and businesses.
- June 26, 2020, approved Resolution 2020-42 establishing a formula to compensate nonessential businesses mandated to close for an 80 day period of time between March 17 and May 30, 2020.
- July 14, 2020, approved Resolution 2020-46 establishing a formula to compensate essential businesses for an 80 day period of time between March 17 and May 30, 2020 and approving funds for 11 nonprofit organizations and a Stratified Tier schedule of awards for the period between June 1 and December 31, 2020.
- July 14, 2020, approved Resolution 2020-47 allocating Unalaska's CARES Act Spending Plan as follows: 40% (\$5,072,066.39) for grants to support businesses and nonprofit organizations, 50% (\$6,726,976) for the City's response and prevention, and 10% (\$1,345,395.20) to be set aside for potential grant usage if the need arises. If not used for grants prior to September 30, 2020, this amount becomes available to address any other of the City's response and prevention efforts.

**BACKGROUND:** On March 27, 2020 Congress passed the federal act known as the Coronavirus Aid Relief and Economic Security Act (CARES Act). Section 601 of this Act established the

Coronavirus Relief Fund (CRF) with the stated purpose of distributing \$150,000,000,000 to states for “necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19)”.

The State of Alaska subsequently announced it would distribute CARES Act money to communities throughout the state, and proposed Unalaska would receive \$13,453,952. The money can be used for COVID-19 related expenses or damages resulting from responding to the disease, preparing for the disease, and for lost revenues and income streams caused to non-profits and businesses as a result of COVID.

**DISCUSSION:** At its meeting on June 15, 2020 Council decided to seek applications from Unalaska non-profit organizations and businesses to assist in its determination about how to best use CARES Act funding. The funds are unique because a broad range of uses are eligible as long as they relate to. Many nonprofits and businesses were impacted by public health measures aimed at reducing risks of COVID-19 starting around March 17, 2020. Some declarations effectively closed, minimized or cancelled various fundraising and commercial activities which created financial hardships for affected businesses and non-profit organizations.

The City developed an online application portal to expedite pre-applications for CARES Act funds to quickly ascertain the local impact on businesses and nonprofits. On June 26, 2020 the City Council decided a formula to fund non-essential businesses based on their most recent IRS tax filing for the 80 days of mandatory shutdown; using a daily average calculated across 365 days. The result was then awarded at 50%. At its meeting on July 24, 2020 the Council decided a formula to fund essential businesses during that same period and using the same formula except for a 10% award of the calculation. It also established a Stratified Tier Schedule for awards for the remainder of the calendar year, June 1 through December 31, 2020.

## Program Status

The Planning Department received 98 applications. It processed disbursements for the 80 Day Period from March 17 – May 31, 2020 totaling \$2,468,916.90. The Tier Schedule commits another \$2,425,000 to the applicants for the period between June 1 and December 31, 2020. There were 48 essential businesses, 29 nonessential, and 11 nonprofit organizations. There were an additional 10 applications that were denied. As it stands the program has committed a total of \$5,072,066.39, which would increase if Council awards additional CARES Act money as part of Resolution 2020-52 Appeals. The following table illustrates a summary of the applications:

UNALASKA CARES ACT APPLICATIONS & AWARDS			
Summary Page			
	80 DAY PERIOD	TIER SCHEDULE	TOTAL
Essential Businesses	\$ 1,217,810.28	-	\$ 1,217,810.28
Nonessential Businesses	\$ 475,506.48	-	\$ 475,506.48
DISAPPROVED	\$ 3,659,357.76	-	\$ 3,659,357.76
NONPROFITS	\$ 909,832.73	-	\$ 909,832.73
PENDING	\$ 43,916.90	\$ 2,425,000.00	\$ 2,468,916.90
<b>TOTAL APPROVED AND PAID</b>	<b>\$ 2,647,066.39</b>	<b>\$ 2,425,000.00</b>	<b>\$ 5,072,066.39</b>

## Appeals

Ten applications were denied. Four are new businesses in 2020 and did not have a tax return or income in 2019. Two applications were late, the deadline was Friday July 24, 2020 at 12:00 noon. One was received later that Friday and the other on the morning of Monday July 27, 2020. One application did not have a business license prior to March 17, rather obtained the license on June 21, 2020. Two applications fall outside the parameters of the CARES Act intent locally. One requested \$2.7 million to develop housing for the island. The other application is from the ILWU Unit 223 and requested \$591,357.76 to pay its 137 members about \$4,316 each for 14 days of quarantine. And finally, one business sold before the March 17 date and reopened under a new owner after June 1, 2020.

Staff informed all of the applicants about approvals and denials. Many had questions about who they could discuss their application with in order to be reconsidered, and were told to attend the City Council meeting on August 11, 2020. As of writing this report staff knows of one applicant, Bering Shai - Pedwell Transportation, that wants to appeal the amount awarded. To prepare Council for some of these "appeals" staff has listed the denied applications as well as any it is aware of that had particular issues in case an applicant attends the meeting.

## Denied

### Late Applications

1. Elizabeth Janitorial Services, nonessential – Lindsay M. Escalante, \$7,038.36
2. Harbor Rental, nonessential – Efren Fernandez, \$5,394.32

### New Businesses (no tax returns or income prior to 2020)

3. Aleutian Excursions, nonessential – Andy Dietrich
4. Fish On Charters, nonessential – Nick Tutiakoff
5. Only In Dutch, essential– Jody Farmer
6. Runs Silent, Runs Deep, nonessential – Rick Fehst

### Sold

7. Dutch Harbor Restaurant, nonessential – Loi Ma, \$81,611.73  
This business transferred owners in March. It was already closed by March 17, 2020. The new owners opened as Vy Pho in June 2020.

### Not in CARES scope

8. Jerry's Housing, Jerry Khongsuk. Seeking \$2.7M for housing project
9. ILWU Unit 223, Daneen Looby. Seeking \$591,357.76 for 137 union members

### No Unalaska Business License Prior to March 17, 2020

10. F/V Aleutian Spirit, Jason Miller, Seeking \$160,000.00. This business is a commercial fishing vessel. It has been operating in Unalaska since 2016 but only obtained a business license on June 21, 2020.

## Other

11. Bering Shai Pedwell Transportation Inc. (BSPT) Keith Pedwell, Steve Shaishnikoff. BSPT bought Island Transportation in 2019. The business plan provides school bus service for Unalaska City School students (essential service) and transportation for cruise ship tourists (nonessential service). In 2019 BSPT earned \$97,041.59 which qualifies for



\$16,114.74 CARES grant funds. BSPT did not have a contract for the tourism transportation services, but is eligible to receive a \$25,000 award from the TIER portion of Unalaska's CARES grant program.

According to Unalaska Visitors Bureau, BSPT could have earned \$97,041.59 if the 22 cruise ships scheduled for summer 2020 all came to the island. BSPT did not have a contract with UVB nor any cruise ships for tourism transportation services. The difference between the potential earnings this summer and the TIER award is \$72,041.59.

**ALTERNATIVES:** City Council can decide to award funds based on hearing testimony from applicants seeking an appeal of the denial or an increase in their award.

**FINANCIAL IMPLICATIONS:** At this time the total amount to be spent on Unalaska's CARES Act Grant Program is \$5,072,066.39.

**STAFF RECOMMENDATION:** Approve Resolution 2020-52 with funding awards specifically for each company should the Council determine situation(s) exist to warrant such decision based on appeals from company owners or representatives.

**PROPOSED MOTION:** I move to adopt Resolution 2020-52. This motion will put the resolution before council for discussion. If council chooses to make any awards, this will be done by amending the motion to include applicant names and award amounts, if any.

**CITY MANAGER COMMENTS:** Staff has processed these applications consistent with Council direction. As this memo and Bil Homka explains, if Council wishes to grant any of these appeals this will be addressed through a resolution outlining Council's decisions. If grant funding remains after all the awards are distributed, City staff will discuss alternative support programs for Council to consider, and bring those forward at a future meeting.

**ATTACHMENTS:**

- Application Summary
- Paid applications – Essential Businesses
- Paid applications – Nonessential Businesses
- Pending application list
- Denied applications list
- Denied applications back up documentation
- Resolution 2020-46 establishing the funding formulas and Stratified Tier Schedule for Unalaska's grant program
- Resolution 2020-47 spending guidelines for Unalaska's CARES Act funds



## UNALASKA CARES ACT APPLICATIONS & AWARDS TRACKING

### Summary Page

	80 DAY PERIOD	TIER SCHEDULE	TOTAL
Essential Businesses	\$ 633,273.98	-	\$ 633,273.98
Nonessential Businesses	\$ 1,048,042.66	-	\$ 1,048,042.66
DISAPPROVED	\$ 3,659,357.76	-	\$ 3,659,357.76
NONPROFITS	\$ 909,832.73	-	\$ 909,832.73
PENDING	\$ 55,917.03	\$ 2,425,000.00	\$ 2,480,917.03
<b>TOTAL APPROVED AND PAID</b>	<b>\$ 2,647,066.39</b>	<b>\$ 2,425,000.00</b>	<b>\$ 5,072,066.39</b>

# UNALASKA CARES ACT APPLICATIONS & AWARDS TRACKING REGISTER

Unalaska Business Number	Business Name	Contact Name	Amount Requested	Gross income in 2018/2019	Daily rate from 2019 IRS FORM	Daily Rate x 80 Days	10% daily rate & Amount paid	TIER	TOTAL	COMMENTS	Date Paid
ESSENTIAL BUSINESS PAID APPLICATIONS											
718	Alaskan Taxi	Timothy and Apinya Moyer	\$ 15,000.00	\$ 36,238.00	\$ 99.28	\$ 7,942.58	\$ 794.26	\$ 5,000.00	\$ 5,794.26		
656	Aleutian Biological Services	Kenneth J. Reeves	\$ 55,000.00	\$ 173,153.00	\$ 474.39	\$ 37,951.34	\$ 3,795.13	\$ 25,000.00	\$ 28,795.13		
27	Alpha Welding and Boat Repair Inc	Karolyn Wolfram	\$ 923,487.78	\$ 4,735,373.00	\$ 12,973.62	\$ 1,037,889.97	\$ 103,789.00	\$ 100,000.00	\$ 203,789.00		
755	BC Vehicle Rental & Sale	Son Hoai Nguyen	\$ 500,000.00	\$ 120,067.00	\$ 328.95	\$ 26,316.05	\$ 2,631.61	\$ 15,000.00	\$ 17,631.61		
2326	Unalaska Auto & Truck Parts	Son Hoai Nguyen	\$ 100,000.00	\$ 1,553,606.00	\$ 4,256.45	\$ 340,516.38	\$ 34,051.64	\$ 100,000.00	\$ 134,051.64		
1300	Bering Shai Rock & Gravel, LLC	Bill or Diane Shaishnikoff	\$ 483,393.00	\$ 520,503.00	\$ 1,426.04	\$ 114,082.85	\$ 11,408.28	\$ 60,000.00	\$ 71,408.28		
2451	Blue Checker	Linda Preabutra	\$ 10,515.00	\$ 37,162.00	\$ 101.81	\$ 8,145.10	\$ 814.51	\$ 5,000.00	\$ 5,814.51		
166	Blue Checker Taxi	Kim Hong T Nguyen	\$ 15,000.00	\$ 17,856.00	\$ 48.92	\$ 3,913.64	\$ 391.36	\$ 5,000.00	\$ 5,391.36		
2429	Riverside Chalet	Kenneth J. Reeves	\$ 3,000.00	\$ 2,346.00	\$ 6.43	\$ 514.19	\$ 51.42	\$ 5,000.00	\$ 5,051.42		
2179	Hester Enterprises, LLC.	Rodnir R Hester	\$ 9,000.00	\$ 22,748.00	\$ 62.32	\$ 4,985.86	\$ 498.59	\$ 5,000.00	\$ 5,498.59		
665	North Port Ventures, Inc.	Dean DeCuir	\$ 135,816.56	\$ 628,382.00	\$ 1,721.59	\$ 137,727.56	\$ 13,772.76	\$ 60,000.00	\$ 73,772.76		
292	Mac Enterprises Inc - Primary Business (diving, welding)	Alyssa McDonald	\$ 150,000.00	\$ 937,585.00	\$ 2,568.73	\$ 205,498.08	\$ 20,549.81	\$ 100,000.00	\$ 120,549.81	See recalculations tab	
2121	Bering Shai Marine, LLC	Bill or Diane Shaishnikoff	\$ 133,000.00	\$ 54,884.00	\$ 150.37	\$ 12,029.37	\$ 1,202.94	\$ 15,000.00	\$ 16,202.94		
1377	Anchor Auto Services	Ha Tran	\$ 40,000.00	\$ 134,529.00	\$ 368.57	\$ 29,485.81	\$ 2,948.58	\$ 25,000.00	\$ 27,948.58		
2518	Bering Sea Taxi	Thu McConnell	\$ 5,000.00	\$ 19,639.00	\$ 53.81	\$ 4,304.44	\$ 430.44	\$ 5,000.00	\$ 5,430.44		

Unalaska Business Number	Business Name	Contact Name	Amount Requested	Gross income in 2018/2019	Daily rate from 2019 IRS FORM	Daily Rate x 80 Days	10% daily rate & Amount paid	TIER	TOTAL	COMMENTS	Date Paid
972	Joe Henning Construction Inc.	Lance Henning	\$ 129,000.00	\$ 374,495.00	\$ 1,026.01	\$ 82,081.10	\$ 8,208.11	\$ 40,000.00	\$ 48,208.11		
1602	Morris Health & Wellness Associates LLC, DBA Aleutian Chiropractic Health Center	James Morris	\$ 40,000.00	\$ 1,086,636.00	\$ 2,977.08	\$ 238,166.79	\$ 23,816.68	\$ 100,000.00	\$ 123,816.68		
2083	Swan Taxi	Hien Tran	\$ 68,000.00	\$ 63,192.00	\$ 173.13	\$ 13,850.30	\$ 1,385.03	\$ 25,000.00	\$ 26,385.03		
2495	Longo Shark	Anthony Longo	\$ 5,500.00	\$ 1,500.00	\$ 4.11	\$ 328.77	\$ 32.88	\$ 5,000.00	\$ 5,032.88		
210	Grand Aleutian Hotel	Brett Richardson	\$100,000.00	\$ 3,398,862.36	\$ 9,311.95	\$ 744,956.13	\$ 74,495.61	\$ -	\$ 74,495.61	All of Unisea's hospitality is under one liscence, only one tiered check.	
2124	Resolve Alaska Holdings, Inc	AW McAfee, General Manager	\$ 50,000.00	\$ 4,231,481.00	\$ 11,593.10	\$ 927,447.89	\$ 50,000.00	\$ -	\$ 50,000.00	Request was \$25k, no tiered support because 10% rate covers request amount	
1505	Island Taxi	Ny Vo (duaghter)	\$ 26,800.00	\$ 67,041.00	\$ 183.67	\$ 14,693.92	\$ 1,469.39	\$ 15,000.00	\$ 16,469.39		
N/A	D&G Fishing, Inc DBA Raven Bay Seafoods	Dustan and Evelyn Dickerson	\$ 140,000.00	\$ 695,611.00	\$ 1,905.78	\$ 152,462.68	\$ 15,246.27	\$ 60,000.00	\$ 75,246.27		
2178	Knight Services of Unalaska	Devin Knight	\$ 30,000.00	\$ 136,403.00	\$ 373.71	\$ 29,896.55	\$ 2,989.65	\$ 25,000.00	\$ 27,989.65		
689	Aleutain Taxi #1	Kimberly E. Yang	\$ 51,000.00	\$ 90,286.00	\$ 247.36	\$ 19,788.71	\$ 1,978.87	\$ 15,000.00	\$ 16,978.87		
2298	Van Dee Rentals	Steve and Jennigfer Van Deventer	\$ 10,000.00	\$ 23,400.00	\$ 64.11	\$ 5,128.77	\$ 512.88	\$ 5,000.00	\$ 5,512.88		
1703	Michelle Taxi	Nga Ngoc Nguyen	\$ 25,000.00	\$ 50,064.00	\$ 137.16	\$ 10,972.93	\$ 1,097.29	\$ 15,000.00	\$ 16,097.29		
1259	Hyrda-Pro	Tim Tilleman	\$ 150,000.00	\$ 2,691,563.00	\$ 7,374.15	\$ 589,931.62	\$ 50,000.00	\$ 100,000.00	\$ 150,000.00		
2195	K Taxi	Maura C. Kim	\$ 12,000.00	\$ 12,542.00	\$ 34.36	\$ 2,748.93	\$ 274.89	\$ 15,000.00	\$ 15,274.89		
1590	Alaska Marine Safety	Mark W. Miller and Zelma Simmons	\$ 40,000.00	\$ 525,556.00	\$ 1,439.88	\$ 115,190.36	\$ 11,519.04	\$ 60,000.00	\$ 71,519.04		
2155	Optimera Inc	Emmet Fitch	\$ 22,000.00	\$ 5,562,767.00	\$ 15,240.46	\$ 1,219,236.60	\$ 121,923.66	\$ 100,000.00	\$ 221,923.66		
2377	Blunt Construction	Kyle	\$ 15,000.00	\$ 60,366.00	\$ 165.39	\$ 13,230.90	\$ 1,323.09	\$ 15,000.00	\$ 16,323.09		

Unalaska Business Number	Business Name	Contact Name	Amount Requested	Gross income in 2018/2019	Daily rate from 2019 IRS FORM	Daily Rate x 80 Days	10% daily rate & Amount paid	TIER	TOTAL	COMMENTS	Date Paid
2143	Magdas Janitorial Services	Magda Alonso	\$ 12,000.00	\$ 91,077.00	\$ 249.53	\$ 19,962.08	\$ 1,996.21	\$ 15,000.00	\$ 16,996.21		
2379	The Bookkeeper Inc.	Daneen Looby	\$ 56,071.16	\$ 182,552.00	\$ 500.14	\$ 40,011.40	\$ 4,001.14	\$ 25,000.00	\$ 29,001.14		
1654	Aleutian Expeditors	Mike Lloyd	\$ 300,000.00	\$ 909,569.00	\$ 2,491.97	\$ 199,357.59	\$ 19,935.76	\$ 100,000.00	\$ 119,935.76		
1584	Chava Auto Repair	Gilbert Chavaria	\$ 7,000.00	\$ 36,317.00	\$ 99.50	\$ 7,959.89	\$ 795.99	\$ 5,000.00	\$ 5,795.99		
482	Radiant Heating Fuel Service	Dalibor Machalek	\$ 50,000.00	\$ 1,443,080.00	\$ 3,953.64	\$ 316,291.51	\$ 31,629.15	\$ 100,000.00	\$ 131,629.15		
1095	The Tire Center	Dalibor Machalek	\$ 10,000.00	\$ 50,999.00	\$ 139.72	\$ 11,177.86	\$ 1,117.79	\$ 15,000.00	\$ 16,117.79		
2095	Rheas Cleaning Services	Rhea Shaishnikoff	\$ 25,000.00	\$ 159,160.00	\$ 436.05	\$ 34,884.38	\$ 3,488.44	\$ 25,000.00	\$ 28,488.44		
1151	The Reefer Guy	Stacey Bausman Alvarado	\$ 48,000.00	\$ 271,166.00	\$ 742.92	\$ 59,433.64	\$ 5,943.36	\$ 25,000.00	\$ 30,943.36		
2020	The Friendly Broom	James Morrison	\$ 30,000.00	\$ 39,435.00	\$ 108.04	\$ 8,643.29	\$ 864.33	\$ 5,000.00	\$ 5,864.33		
2456	Marjies Notary Signing	Marjorie Veeder	\$ 2,500.00	\$ 4,478.00	\$ 12.27	\$ 981.48	\$ 98.15	\$ 5,000.00	\$ 5,098.15		

TOTALS

AMOUNT REQUESTED \$ 4,033,083.50

\$ 633,273.98 \$ 1,445,000.00 \$ 2,078,273.98

# UNALASKA CARES ACT APPLICATIONS & AWARDS TRACKING REGISTER

Unalaska Business Number	Business Name	Contact Name	Amount Requested	Gross income in 2018/2019	Daily rate from 2019 IRS FORM	Daily Rate x 80 Days	50% daily rate & Amount paid	TIER	TOTAL	COMMENTS	Date Paid
NON-ESSENTIAL PAID APPLICATIONS											
1386	AIRPORT RESTAURANT, LLC	LISA TRAN	\$ 190,000.00	\$ 1,064,855.00	\$ 2,917.41	\$ 233,392.88	\$ 116,696.44	\$ 100,000.00	\$ 216,696.44		
676	Amelias Restaurant & Eagle INN	Edelmira Cortez	\$ 580,000.00	\$ 870,498.00	\$ 2,384.93	\$ 190,794.08	\$ 95,397.04	\$ 80,000.00	\$ 175,397.04		
1635	J & J Boutique General Merchandising and Video Rental	Elizabeth Magpantay	\$ 20,000.00	\$ 89,147.00	\$ 244.24	\$ 19,539.07	\$ 9,769.53	\$ 15,000.00	\$ 24,769.53	see recalculations tab	
2180	Linda Nails Care	Linda Preabutra	\$ 9,000.00	\$ 6,364.00	\$ 17.44	\$ 1,394.85	\$ 697.42	\$ 15,000.00	\$ 15,697.42		
2172	M&M Holdings, LLC DBA The Norwegian Rat Saloon	Bookkeeper Daneen Looby	\$933,937.55	\$ 1,812,425.00	\$ 4,965.55	\$ 397,243.84	\$ 198,621.92	\$ 100,000.00	\$ 298,621.92		
2418	Willow Bean Coffee	Julie Guitard	\$ 50,000.00	\$ 173,778.00	\$ 476.10	\$ 38,088.33	\$ 19,044.16	\$ 25,000.00	\$ 44,044.16		
1749	gSalon	Kristy Chavarria	\$ 5,000.00	\$ 18,729.00	\$ 51.31	\$ 4,104.99	\$ 2,052.49	\$ 15,000.00	\$ 17,052.49		
2449	Hair Plus Beauty Salon	Rosa and Efrain Chavez-leon	\$ 6,000.00	\$ 39,408.00	\$ 107.97	\$ 8,637.37	\$ 4,318.68	\$ 15,000.00	\$ 19,318.68		
2486	Mari in the Sky LLC	Mariza Ryce Aparacio Tovar	\$ 24,000.00	\$ 21,553.25	\$ 59.05	\$ 4,724.00	\$ 2,362.00	\$ 15,000.00	\$ 17,362.00		
369	Marilyn's Hair Salon	Marilyn McCracken	\$ 85,080.00	\$ 127,390.00	\$ 349.01	\$ 27,921.10	\$ 13,960.55	\$ 25,000.00	\$ 38,960.55		
1998	Red Fish Electronics	Victor Fisher	\$ 12,000.00	\$ 86,750.00	\$ 237.67	\$ 19,013.70	\$ 9,506.85	\$ 15,000.00	\$ 24,506.85		
2384	The Pirate Chef	Carlos Tayag	\$ 19,528.00	\$ 5,755.00	\$ 15.77	\$ 1,261.37	\$ 630.68	\$ 15,000.00	\$ 15,630.68		
1531	Unalaska/Dutch Harbor Immigration Consulting	Conrado Magpantay	\$ 10,000.00	\$ 54,561.48	\$ 149.48	\$ 11,958.68	\$ 5,979.34	\$ 25,000.00	\$ 30,979.34		
210	UniSea, Cape Cheerful	Brett Richardson	\$ 674,190.00	\$ 674,190.00	\$ 1,847.10	\$ 147,767.67	\$ 73,883.84	\$ 100,000.00	\$ 173,883.84	All of Unisea's hospitality is under one liscence, only one tiered check.	

Unalaska Business Number	Business Name	Contact Name	Amount Requested	Gross income in 2018/2019	Daily rate from 2019 IRS FORM	Daily Rate x 80 Days	50% daily rate & Amount paid	TIER	TOTAL	COMMENTS	Date Paid
210	UniSea, Chart Room	Brett Richardson	\$ 864,784.00	\$ 864,784.00	\$ 2,369.27	\$ 189,541.70	\$ 94,770.85	\$ -	\$ 94,770.85	All of Unisea's hospitality is under one liscence, only one tiered check.	
210	UniSea, Mag Bay Café	Brett Richardson	\$ 419,444.00	\$ 419,444.00	\$ 1,149.16	\$ 91,932.93	\$ 45,966.47	\$ -	\$ 45,966.47	All of Unisea's hospitality is under one liscence, only one tiered check.	
210	UniSea, Harbor View Bar & Grill	Brett Richardson	\$ 1,748,996.00	\$ 1,748,996.00	\$ 4,791.77	\$ 383,341.59	\$ 191,670.79	\$ -	\$ 191,670.79	All of Unisea's hospitality is under one liscence, only one tiered check.	
210	UniSea, Harbor Sushi	Brett Richardson	\$ 474,766.00	\$ 474,766.00	\$ 1,300.73	\$ 104,058.30	\$ 52,029.15	\$ -	\$ 52,029.15	All of Unisea's hospitality is under one liscence, only one tiered check.	
210	UniSea, Pyramid Coffee	Brett Richardson	\$ 133,640.00	\$ 133,640.00	\$ 366.14	\$ 29,290.96	\$ 14,645.48	\$ -	\$ 14,645.48	All of Unisea's hospitality is under one liscence, only one tiered check.	
210	UniSea, Banquet	Brett Richardson	\$ 196,348.00	\$ 196,348.00	\$ 537.94	\$ 43,035.18	\$ 21,517.59	\$ -	\$ 21,517.59	All of Unisea's hospitality is under one liscence, only one tiered check.	
108	Carolyn E.S. Reed	Carolyn Reed	\$ 65,000.00	\$ 50,349.00	\$ 137.94	\$ 11,035.40	\$ 5,517.70	\$ 25,000.00	\$ 30,517.70		
2437	DD Sports Clothing Store	Tacko Diakhite	\$ 10,000.00	\$ 18,815.00	\$ 51.55	\$ 4,123.84	\$ 2,061.92	\$ 15,000.00	\$ 17,061.92		
2334	Aleutian Aerial LLC	Andy Dietrick	\$ 15,000.00	\$ 90,655.00	\$ 248.37	\$ 19,869.59	\$ 9,934.79	\$ 15,000.00	\$ 24,934.79		
292	Mac Enterprise Charter	Alyssa McDonald		\$249,582.51	\$ 683.79	\$ 54,703.02	\$ 27,351.51	-	\$ 27,351.51	see recalculations tab	
2131	Unalaska Gift Shop	Kim Hong T. Nguyen	\$ 10,000.00	\$ 51,755.00	\$ 141.79	\$ 11,343.56	\$ 5,671.78	\$ 25,000.00	\$ 30,671.78		
2455	Unalaska Brewing Company	Josh Good	\$ 3,000.00	\$ 1,624.00	\$ 4.45	\$ 355.95	\$ 177.97	\$ 15,000.00	\$ 15,177.97		
2249	Spoiled Rotten Dog Grooming	William D. Brown	\$ 10,000.00	\$ 9,698.00	\$ 26.57	\$ 2,125.59	\$ 1,062.79	\$ 15,000.00	\$ 16,062.79		
2272	Vys Café	Lee Hang	\$ 45,225.10	\$ 184,554.00	\$ 505.63	\$ 40,450.19	\$ 20,225.10	\$ 25,000.00	\$ 45,225.10		
2447	Aleutian Life Studios	Lynda Lyback Robison	\$ 23,000.00	\$ 22,975.00	\$ 62.95	\$ 5,035.62	\$ 2,517.81	\$ 15,000.00	\$ 17,517.81		
Total Paid			\$ 6,637,938.65				\$ 1,048,042.66	\$ 710,000.00	\$ 1,758,042.66		

## UNALASKA CARES ACT APPLICATIONS & AWARDS TRACKING REGISTER

Unalaska Business Number	Business Name	Contact Name	Amount Requested	Gross income in 2018/2019	Daily rate from 2019 IRS FORM	Daily Rate x 80 Days	% daily rate & Amount paid	Essential or Non-Essential	TIER	TOTAL	Comments
PENDING APPLICATIONS											
2393	Keepin It Reel Charters Unlimited, LLC.	Asia Vernon	\$ 35,000.00	\$ 44,478.00	\$ 121.86	\$ 9,748.60	\$ 4,874.30	Non-Essential	\$ 5,000.00	\$ 9,874.30	probably appeal
2058	Aleutian Taxi	Thoa Tran	\$ 27,000.00	\$ 23,323.00	\$ 63.90	\$ 5,111.89	\$ 511.19	Essential	\$ 15,000.00	\$ 15,511.19	
1856	Arctic Chiropractic and Massage Therapy Unalaska LLC	Walter Campbell (Owner) or Laura Homacki (Clinic Director)	\$ 90,000.00	\$ 864,525.00	\$ 2,368.56	\$ 189,484.93	\$ 18,948.49	Essential	\$ 80,000.00	\$ 98,948.49	
2464	Bering Shai Pedwell Transportation LLC	Keith G Pedwell	\$ 119,653.00	\$ 147,047.00	\$ 402.87	\$ 32,229.48	\$ 3,222.95	Essential	\$ 25,000.00	\$ 28,222.95	will probably want to appeal
2367	Aleutian Family Dentistry, Inc	Robert MacArthur	\$ 123,554.36	\$ 728,014.35	\$ 1,994.56	\$ 159,564.79	\$ 15,956.48	Essential	\$ 80,000.00	\$ 95,956.48	
330	Lunde Marine	Mike Day	\$ 12,000.00	\$ 547,506.00	\$ 1,500.02	\$ 120,001.32	\$ 12,000.13	Essential	\$ 60,000.00	\$ 72,000.13	
2453	Star Taxi	Loan Ngoc Le & Anh Ngoc Ho	\$ 20,000.00	\$ 18,409.00	\$ 50.44	\$ 4,034.85	\$ 403.48	Essential	\$ 5,000.00	\$ 5,403.48	

Total Pending

\$ 427,207.36

\$ 55,917.03

\$ 270,000.00 \$ 325,917.03

# UNALASKA CARES ACT APPLICATIONS & AWARDS TRACKING REGISTER

Unalaska Business Number	Business Name	Contact Name	Amount Requested	Gross income in 2018/2019	Daily rate from 2019 IRS FORM	Daily Rate x 80 Days	% of daily rate & Amount paid	Essential or Non-Essential	TIER	TOTAL	Comments
DISAPPROVED APPLICATIONS											
967	Harbor Rental	Efren Fernandez	\$ 10,000.00	\$ 18,000.00	\$ 49.32	\$ 3,945.21	\$ 394.52	Essential	\$ 5,000.00	\$ 5,394.52	late applicant
2220	Dutch Harbor Restaurant	Loi Ma	\$ 40,000.00	\$ 379,707.00	\$ 1,040.29	\$ 83,223.45	\$ 41,611.73	Non-Essential	\$ 40,000.00	\$ 81,611.73	sold in march-reopened june
1595	Elizabeth Janitorial Services	Lindsay M. Escalante	\$ 20,000.00	\$ 18,600.00	\$ 50.96	\$ 4,076.71	\$ 2,038.36	Non-Essential	\$ 5,000.00	\$ 7,038.36	late applicant
1824	Jerry's Housing	Jerry Khongsuk	\$ 2,750,000.00	\$ 40,000.00	\$ 109.59	\$ 8,767.12	\$ -	N/A	\$ 15,000.00	\$ 15,000.00	not CARES Act Related
6/22/2020	F/V Aleutian Spirit Inc.	Jason Miller	\$ 160,000.00	\$ -	\$ -	\$ -	\$ -	Essential	\$ -	\$ -	City Business License in June 2020
2480	Aleutian Excursions LLC	Andy Dietrick	\$ 10,000.00	\$ -	\$ -	\$ -	\$ -	Essential	\$ -	\$ -	no 2019 income
2512	Fish On Charters	Nicholai Tutiakoff	\$ 35,000.00	\$ -	\$ -	\$ -	\$ -	Essential	\$ -	\$ -	no 2019 income
	ILWU UNIT 223	Daneen Looby	\$ 591,357.76	\$ -	\$ -	\$ -	\$ -	Non-Profit	\$ -	\$ -	not appropriate, Non-profit, no tier
2500	Only in Dutch	Jody Farmer	\$ 25,000.00	\$ -	\$ -	\$ -	\$ -	Essential	\$ -	\$ -	no income in 2019
2507	runs Silent runs Deep LLC	Rick Fehst	\$ 18,000.00	\$ -	\$ -	\$ -	\$ -	Essential	\$ -	\$ -	appeal

Totals	Disapproved Request	\$3,659,357.76	\$44,044.60	\$65,000.00	\$109,044.60
--------	---------------------	----------------	-------------	-------------	--------------



## Unalaska CARES Business Grant Application

This application is for businesses within the City of Unalaska to apply for financial support through the City's CARES Act funding. **If you already submitted a Pre-Application, you do not need to apply again.**

**Applications are at due noon on July 24th.**

Lindsay M. Escalante  
Elizabeth Janitorial Serv

07/24/2020

For any questions, please contact the Planning Department:  
(907)581-3100  
[caresgrant@ci.unalaska.ak.us](mailto:caresgrant@ci.unalaska.ak.us)

# Unalaska CARES Business Grant Application

## Applicant Information

### 1. Business Name\*

Elizabeth Janitorial Services

### 2. Unalaska Business License Number\*

1595

### 3. Did you have an Unalaska Business License prior to March 12, 2020?\*



Yes



No

### 4. Physical Address of Business

15 Ptarmigan Rd.  
P.O. Box 920613  
Dutch Harbor  
Alaska 99692

1000

### 5. Contact Information

#### Contact Name\*

Lindsay M. Escalante

#### Mailing Address\*

P.O. Box 920613  
Dutch Harbor AK  
99692

## Unalaska CARES Business Grant Application

### Grant Request Information

#### 6. What is the grant amount you are requesting?\*

Allowable requests may include, but are not limited to, loss of revenue due to mandatory shutdown measures, and additional operating expenses of reopening and protecting staff and the public.

Requests may include both funds already spent for those purposes and revenue already lost, as well as anticipated costs and losses due to COVID-19 through December 31.

12<sup>3</sup> \$20,000

#### 7. Supporting Documents\*

Please attach your business's most recent tax return.

#### 8. Please explain how your business has been impacted, or will be impacted, by COVID-19.\*

We dont have any more  
Places to Cleand.  
and the Bussines I have  
we have todo extra cleaning<sup>1000</sup> to make  
sure All the Areas is cleand an  
disinfected.

#### 9. Is your business based in Unalaska?\*

☒ Yes

☐ No

City\*

State\*

Zip\*

Phone Number\*

Email Address

10. Does your business have a City lien or is it in violation of a payment agreement with the City?\*

<input type="radio"/> Yes	<input checked="" type="radio"/> No
---------------------------	-------------------------------------

**Signature\***

As an official signer for the applicant, I certify that the information provided in this application is true and accurate. I agree to assist in the verification of information provided in this application and to provide additional information to the City, if requested.



Rec'd 7-28-2020  
MKU Bal

## Unalaska CARES Act Business Grant Pre-Application

This pre-application is for businesses within the City of Unalaska to apply for financial support through the City's CARES Act funding. The pre-application is offered as a means to expedite the process for City Council to consider requests and deliver funds to affected businesses. Businesses that do not apply during this pre-application period will still be eligible for funds at a later date.

**Pre-Applications are due by 12PM Monday, June 22.** City Council will consider applications at its meeting 6PM Tuesday, June 23.

### IMPORTANT

Receiving a grant from this program may impact your eligibility for the [AK CARES Small Business Directed Grant Program](#).

Before you apply for support from the City of Unalaska, ensure that it will not affect your eligibility for AK CARES or other grant programs. However, if you have already received a grant from AK CARES or another program, you are still eligible for City of Unalaska assistance.

For any questions, please contact the Planning Department:  
(907)581-3100

[caresgrant@ci.unalaska.ak.us](mailto:caresgrant@ci.unalaska.ak.us)

### Applicant Information

1. Business Name: Harbor Rental
2. Unalaska Business Number: Business # 967
3. Physical Address of Business: 63 Makushin Drive  
Dutch Harbor, AK 99692
4. Contact Information
  - Contact Name: Efrén A. Fernandez
  - Mailing Address: PO Box 920143
  - City: Dutch Harbor
  - State: Alaska
  - Zip: 99692
  - Phone Number: (907) 359-5701
  - Email Address: tessie.h.fernandez@gmail.com

Denied - Late Entry

## Grant Request Information

### 5. Is your business considered essential or non-essential?

Non-essential businesses were required to close per Alaska State Health Mandate 11 issued on March

27. Essential businesses were allowed to remain open with restrictions.

Essential

Non-Essential

### 6. What is the grant amount you are requesting?

Allowable requests may include, but are not limited to, loss of revenue due to mandatory shutdown measures, and additional operating expenses of reopening and protecting staff and the public, including funds already spent for those purposes.

Requests may include both funds already spent for those purposes and revenue already lost, as well as anticipated costs and losses due to COVID-19 through December 31.

\$ 10,000.<sup>00</sup> (excluding \$2,000.<sup>00</sup> in utility bills)

### 7. Supporting Documents

Please attach your business's **2019 Tax Return**. If you did not file taxes in 2019, you may alternatively submit a profit and loss statement or business plan.

Enclosed

### 8. What was your business's gross income in 2019?

\$ 18,000.<sup>00</sup>

### 9. Please explain how your business has been impacted, or will be impacted, by COVID-19.

LOSS from monthly rental income since the month of March, 2020.

10. How many full-time equivalent (FTE) employees does your business have in Unalaska? None (myself as owner/landlord).

11. Is your business a publicly traded corporation or owned by one?

Yes

No

12. Does your business have a City lien or is it in violation of a payment agreement with the City?

Yes

No

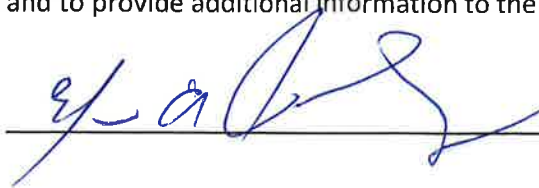
13. Do you understand that an award from the City of Unalaska may affect your eligibility for a grant through the AK CARES Small Business Directed Grant Program, as well as others?

Yes

No

#### 14. Signature

As an official signer for the applicant, I certify that the information provided in this application is true and accurate. I agree to assist in the verification of information provided in this application and to provide additional information to the City, if requested.





# **Unalaska CARES Act Business Grant Pre-Application**

Submitted Time: 06/22/2020 9:41 AM

## **Applicant Information**

### **1. Business Name**

Aleutian Excursions LLC

### **2. Unalaska Business Number**

2480

### **3. Physical Address of Business**

208 Bayview Avenue Unalaska, Alaska 99685

### **4. Contact Information**

Andy Dietrick

PO Box 53

Unalaska, Alaska 99685

### **Phone Number**

907-957-1680

### **Email Address**

info@aleutianexcursions.com

## **Grant Request Information**

**5. Is your business considered essential or non-essential?**

Non-Essential

**6. What is the grant amount you are requesting?**

10000

**7. Supporting Documents**

ALEUTIAN\_EXCURSIONS\_DIRECTORY\_LISTING.pdf

**8. What was your business's gross income in 2019?**

0

**9. Please explain how your business has been impacted, or will be impacted, by COVID-19.**

Aleutian Excursions LLC is an Unalaska based tourism and excursion business that my wife and I started organizing in 2019 for the Summer 2020 tourism season. We operate a 12-passenger van and 18' skiff for van tours and harbor tours/sightseeing in Unalaska Bay. Assuming a 20 boat cruise ship season in Unalaska, we had projected successfully operating tours on 10 of those days due to weather or boat cancellations. At \$150/person for a van tour, 2 tours a day, 10 people per tour, we had estimated gross receipts at \$3,000 per cruise ship day. This would be a seasonal total of \$30,000 in gross receipts specifically for the van tour portion of this business on cruise ship days only.

**10. How many full-time equivalent (FTE) employees does your business have in Unalaska?**

1

**11. Is your business a publicly traded corporation or owned by one?**

No

**12. Does your business have a City lien or is it in violation of a payment agreement with the City?**

No

**13. Do you understand that an award from the City of Unalaska may affect your eligibility for a grant through the AK CARES Small Business Directed Grant Program, as well as others?**

Yes

**Signature**

Andy Dietrick



# **Unalaska CARES Act Business Grant Pre-Application**

Submitted Time: 06/26/2020 9:21 AM

## **Applicant Information**

### **1. Business Name**

Fish On Charters

### **2. Unalaska Business Number**

2512

### **3. Physical Address of Business**

32 Bayview Ave Unalaska, AK 99685

### **4. Contact Information**

Nicholai Tutiakoff

PO Box 51

Unalaska, AK 99685

### **Phone Number**

9073592212

### **Email Address**

Fishoncharters907@gmail.com

## **Grant Request Information**

**5. Is your business considered essential or non-essential?**

Non-Essential — *Essential*

**6. What is the grant amount you are requesting?**

35000      *P&L says 30,500?!*

**7. Supporting Documents**

Profit\_Loss\_Statement.pdf

**8. What was your business's gross income in 2019?**

**9. Please explain how your business has been impacted, or will be impacted, by COVID-19.**

Have lost clients and lost revenue for past couple months. And expect to lose more these coming months. Having invested thousands into equipment and supplies is going to severely impact our business. Supplies and time cleaning my business is critical and cost money. We started our business plan back in December 2019 before any idea of a pandemic was to take over our lives.

**10. How many full-time equivalent (FTE) employees does your business have in Unalaska?**

2

**11. Is your business a publicly traded corporation or owned by one?**

No

**12. Does your business have a City lien or is it in violation of a payment agreement with the City?**

**13. Do you understand that an award from the City of Unalaska may affect your eligibility for a grant through the AK CARES Small Business Directed Grant Program, as well as others?**

Yes

**Signature**

Nicholai Tutiakoff

# **Unalaska CARES Act Business Grant Pre-Application**

Submitted Time: 06/22/2020 11:16 AM

## **Applicant Information**

### **1. Business Name**

Only in Dutch

### **2. Unalaska Business Number**

2500

### **3. Physical Address of Business**

253 Dutton, Unalaska

### **4. Contact Information**

Jody Farmer

PO Box 921394

Dutch Harbor, AK 99692

### **Phone Number**

9073598296

### **Email Address**

onlyindutch@gmail.com

## **Grant Request Information**

**5. Is your business considered essential or non-essential?**

Non-Essential

**6. What is the grant amount you are requesting?**

25000

**7. Supporting Documents**

OnlyInDutch.pdf

**8. What was your business's gross income in 2019?**

0

**9. Please explain how your business has been impacted, or will be impacted, by COVID-19.**

We had to shut down due to loss of business for short time & continue working at less than expected or normal levels.

**10. How many full-time equivalent (FTE) employees does your business have in Unalaska?**

1.5

**11. Is your business a publicly traded corporation or owned by one?**

No

**12. Does your business have a City lien or is it in violation of a payment agreement with the City?**

No



**13. Do you understand that an award from the City of Unalaska may affect your eligibility for a grant through the AK CARES Small Business Directed Grant Program, as well as others?**

Yes

**Signature**

Paper Application - See Attachment

## Bil Homka

---

**Subject:** FW: Forms requested  
**Attachments:** image003.jpg

**From:** Jody Farmer Onlyindutch [mailto:onlyindutch@gmail.com]  
**Sent:** Saturday, August 1, 2020 12:08 PM  
**To:** Bil Homka  
**Subject:** Re: Forms requested

Ok I understand. Is there a form i need to complete to appeal the process. My business is eligible and im operating. It's up to the council to find a way to determine a formula that allows all eligible businesses to be awarded assistance. I pay city taxes and then that is the only data available to me for this year.

Jody Farmer | Owner  
ONLY IN DUTCH EXPEDITORS  
OnlyInDutch.com  
907.359.8296

On Thu, Jul 30, 2020, 10:41 AM Bil Homka <[bhomka@ci.unalaska.ak.us](mailto:bhomka@ci.unalaska.ak.us)> wrote:

Good morning Jody.

The 1040 you submitted lacked a Schedule C that would indicate any income from your business, which makes sense since you already indicated you didn't have any. The gross receipts on the Schedule C is the amount we use to determine eligibility for the program. I have to follow the city council resolution for how and who I may approve CARES grant funds.

Now please read the next few sentences together carefully:

Your application is denied based on the program requirements.

City Council will hear from people who are denied at their August 11, 2020 meeting.

Please email me by 5:00pm August 5, 2020 if you want City Council to consider your application. Submit any additional information you want them to consider as well.

This would also include a statement in your email about how you believe you are non-essential vs. essential. We are using the state Mandate 11 language to determine that particular designation, not what people 'think' they might be. So please familiarize yourself with that information. If you need it please let me know.

This way we can get the information to them ahead of the meeting so they have time to review everything.

I apologize for not being able to help you further.

Regards, Bil

**From:** Jody Farmer Onlyindutch [mailto:[onlyindutch@gmail.com](mailto:onlyindutch@gmail.com)]  
**Sent:** Thursday, July 30, 2020 6:55 PM  
**To:** Bil Homka  
**Subject:** Re: Forms requested

I sent you the 1040 on Friday did you get it? My 1040 shows income and should have at least landed me on the map? It reflects at least some pay and shows you I have income. Something to at least get us some help. Tammy who works with Daneen Looby is the person working with my wife Jennifer on the P & L. but its difficult because she works and had challenges tracking down expenses from starting our business to get up and running last December . If we dont get even the basic grant my business wont even be open a year. ously in jeopardy. I qualify as a business within the guidelines. It doesnt seem fair that i have not even been given a call for someone to at least help me with Someone should have called or addressed my concerns by now because of the way the city chose to calculate the numbers. NOT my fault that I am new and havent had the data to support your formula. Im still conducting business here in the city. I meet the criteria, and not sure who changed my category to essential but I am not. my business category on the city business license should show that. Mostly the warehousing and inventory at this point, considered non essential.. Could you please tell me who I can talk to to address this before tomorrow.

On Thu, Jul 23, 2020 at 7:26 PM Bil Homka <[bhomka@ci.unalaska.ak.us](mailto:bhomka@ci.unalaska.ak.us)> wrote:

Hi Jody:

Just so we get the forms by Monday July 27 at 5:00 pm. Your application is already in and we are in follow up mode. However we will have a lot of work to do next week with all the new applications so the sooner you get the information to us the better please.

Regards. Bil

Sent from my iPhone

On Jul 23, 2020, at 11:34 AM, Jody Farmer Onlyindutch <[onlyindutch@gmail.com](mailto:onlyindutch@gmail.com)> wrote:

I asked my accountant for the 1040 and the other documents you requested. Should have them by today. Not by noon. Since we applied it said we did not have to reapply. If we get the docs you need will that suffice.?

Jody Farmer | Owner  
ONLY IN DUTCH EXPEDITORS  
[OnlyInDutch.com](http://OnlyInDutch.com)  
907.359.8296

# **Unalaska CARES Act Business Grant Pre-Application**

Submitted Time: 06/22/2020 10:18 AM

## **Applicant Information**

### **1. Business Name**

runs Silent runs Deep LLC

### **2. Unalaska Business Number**

2507

### **3. Physical Address of Business**

M/Y Serious Freedom, awaiting transit to Dutch Harbor, AK from Seattle, WA

### **4. Contact Information**

Captain Rick Fehst

PO Box 920911

Dutch Harbor, AK 99692

### **Phone Number**

9073595171

### **Email Address**

myseriousfreedom@gmail.com

## **Grant Request Information**

**5. Is your business considered essential or non-essential?**

Non-Essential

**6. What is the grant amount you are requesting?**

18000

**7. Supporting Documents**

0765\_001.pdf

**8. What was your business's gross income in 2019?**

0

**9. Please explain how your business has been impacted, or will be impacted, by COVID-19.**

Runs Silent runs Deep LLC is a new, seasonal charter boat business which plans on providing cruise ship passengers day trips locally on the vessel Serious Freedom with former Deadliest Catch Captain Rick Fehst. In addition, charters for local residents and visitors were planned for June-September 2020. A permanent moorage was planned in Dutch Harbor. However, we are unable to deliver the boat to Alaska as scheduled this May. Canadian waters have been closed to public transit. Cruise ships have cancelled. This represents a loss of income for Captain Rick Fehst, who averages a daily rate of approximately \$500.00 per day. It also represents an increased moorage cost in the state of Washington where she remains until Canadian waters open to public transit. The non-local mooring expenses are not being claimed from this program at this time.

**10. How many full-time equivalent (FTE) employees does your business have in Unalaska?**

1

**11. Is your business a publicly traded corporation or owned by one?**

No

**12. Does your business have a City lien or is it in violation of a payment agreement with the City?**

No

**13. Do you understand that an award from the City of Unalaska may affect your eligibility for a grant through the AK CARES Small Business Directed Grant Program, as well as others?**

Yes

**Signature**

Paper Application - See Attachment

# Unalaska CARES Business Grant Application

## Applicant Information

### 1. Business Name\*

DUTCH HARBOR RESTAURANT

### 2. Unalaska Business License Number\*

2220

### 3. Did you have an Unalaska Business License prior to March 12, 2020?\*

☒ Yes

☐ No

### 4. Physical Address of Business

11 NORTH 12 Ave.  
UNALASKA

1000

### 5. Contact Information

#### Contact Name\*

LOI MA

#### Mailing Address\*

PO BOX 1294

City\*

UNALASKA

State\*

AK

Zip\*

99685

Phone Number\*

(907)359-1539

Email Address

☒ Luat\_n\_98@yahoo.com



# Unalaska CARES Business Grant Application

## Grant Request Information

### 6. What is the grant amount you are requesting?\*

Allowable requests may include, but are not limited to, loss of revenue due to mandatory shutdown measures, and additional operating expenses of reopening and protecting staff and the public.

Requests may include both funds already spent for those purposes and revenue already lost, as well as anticipated costs and losses due to COVID-19 through December 31.

12<sup>3</sup> 40,000.00

### 7. Supporting Documents\*

Please attach your business's most recent tax return.

2018 TAX RETURN ~~2019~~

### 8. Please explain how your business has been impacted, or will be impacted, by COVID-19.\*

SALES ARE REDUCED AND FORCED TO SHUT DOWN.

1000

### 9. Is your business based in Unalaska?\*

<input checked="" type="radio"/> Yes	<input type="radio"/> No
--------------------------------------	--------------------------

**10. Does your business have a City lien or is it in violation of a payment agreement with the City?\***

<input type="radio"/> Yes	<input checked="" type="radio"/> No
---------------------------	-------------------------------------

**Signature\***

As an official signer for the applicant, I certify that the information provided in this application is true and accurate. I agree to assist in the verification of information provided in this application and to provide additional information to the City, if requested.



## Unalaska CARES Act Business Grant Pre-Application

This pre-application is for businesses within the City of Unalaska to apply for financial support through the City's CARES Act funding. The pre-application is offered as a means to expedite the process for City Council to consider requests and deliver funds to affected businesses. Businesses that do not apply during this pre-application period will still be eligible for funds at a later date.

Pre-Applications are due by 12PM Monday, June 22. City Council will consider applications at its meeting 6PM Tuesday, June 23.

### IMPORTANT

Receiving a grant from this program may impact your eligibility for the AK CARES Small Business Directed Grant Program.

Before you apply for support from the City of Unalaska, ensure that it will not affect your eligibility for AK CARES or other grant programs. However, if you have already received a grant from AK CARES or another program, you are still eligible for City of Unalaska assistance.

For any questions, please contact the Planning Department:

(907)581-3100

[caresgrant@ci.unalaska.ak.us](mailto:caresgrant@ci.unalaska.ak.us)

### Applicant Information

1. Business Name: Jerry's Housing
2. Unalaska Business Number: 1824
3. Physical Address of Business: 107, 109 Patarmigan Rd Unalaska, AK 99685
4. Contact Information
  - Contact Name: Jerry Khongsuk
  - Mailing Address: P.O. Box 371
  - City: Unalaska,
  - State: AK
  - Zip: 99685
  - Phone Number: 907 359 4414
  - Email Address: kasemwham@yahoo.com

## Grant Request Information

### 5. Is your business considered essential or non-essential?

Non-essential businesses were required to close per Alaska State Health Mandate 11 issued on March 27. Essential businesses were allowed to remain open with restrictions.

**Essential**

**Non-Essential**

### 6. What is the grant amount you are requesting?

Allowable requests may include, but are not limited to, loss of revenue due to mandatory shutdown measures, and additional operating expenses of reopening and protecting staff and the public, including funds already spent for those purposes.

Requests may include both funds already spent for those purposes and revenue already lost, as well as anticipated costs and losses due to COVID-19 through December 31.

\$2,750,000.00

### 7. Supporting Documents

Please attach your business's **2019 Tax Return**. If you did not file taxes in 2019, you may alternatively submit a profit and loss statement or business plan.

### 8. What was your business's gross income in 2019?

\$44,000.00

### 9. Please explain how your business has been impacted, or will be impacted,

by COVID-19. Need to build affordable Housing for essential workers.

10. How many full-time equivalent (FTE) employees does your business have in Unalaska? 1

11. Is your business a publicly traded corporation or owned by one?

Yes

☒ No

12. Does your business have a City lien or is it in violation of a payment agreement with the City?

Yes

☒ No


13. Do you understand that an award from the City of Unalaska may affect your eligibility for a grant through the AK CARES Small Business Directed Grant Program, as well as others?

Yes

☒ No

#### 14. Signature

As an official signer for the applicant, I certify that the information provided in this application is true and accurate. I agree to assist in the verification of information provided in this application and to provide additional information to the City, if requested.

 06/18/20

# **Unalaska CARES Act Nonprofit Grant Pre-Application**

Submitted Time: 07/24/2020 10:43 AM

## **Applicant Information**

### **1. Nonprofit Name**

ILWU Unit 223

### **2. Unalaska Business Number**

2408

### **3. IRS Tax Identification Number (TIN)**

92-0127164

### **4. Physical Address of Nonprofit**

2029 Airport Beach Rd Suite 34 Dutch Harbor, AK 99692

### **5. Contact Information**

Daneen Looby

PO Box 921059

Dutch Harbor, AK 99692

581-2639

bookkeeper@ilwu-unit223.org

## **Grant Request Information**

### **6. What is the grant amount you are requesting?**

591357.76

### **7. Supporting Documents**



2020-06 June Membership List.pdf

### **8. Is your nonprofit directed by a board of directors or a local advisory board?**

Yes

### **9. Which IRS certification does your nonprofit hold?**

501(c)(5) Labor, agricultural or horticultural organization

### **10. Briefly describe how your nonprofit's services have been affected.**

To help enforce the City's travel quarantine mandated the ILWU requires documentation of when members return to the island and does not let them go to work until they have completed a 14 day quarantine period. This has created a hardship on our members losing 2 weeks pay during B-Season. This is the time they make their money. The ILWU has 137 members and would like to issue each member a check for 8 hrs. of straight time pay for 14 days to help them and their families with this loss of income. It allows our members to leave for medical care and other family matters and not face a 2 week loss of income.

### **Signature**

Daneen Looby

# **Unalaska CARES Act Business Grant Pre-Application**

Submitted Time: 06/21/2020 6:03 PM

## **Applicant Information**

### **1. Business Name**

F/V Aleutian Spirit Inc.

### **2. Unalaska Business Number**

In Process

### **3. Physical Address of Business**

230 Mitkof Highway ; Petersburg, AK 99833

### **4. Contact Information**

Jason Miller

PO Box 1473 ; Petersburg, AK 99833

Petersburg, AK 99833

### **Phone Number**

9075184400

### **Email Address**

jlmiller1@gci.net

## **Grant Request Information**



**5. Is your business considered essential or non-essential?**

Essential

**6. What is the grant amount you are requesting?**

160000

**7. Supporting Documents**

ASI Business Plan and Economic Losses.docx

**8. What was your business's gross income in 2019?**

2918000

**9. Please explain how your business has been impacted, or will be impacted, by COVID-19.**

Prices of sablefish have plummeted, lost our tender contract with processor due to price of salmon and cost cutting measures by them. Initial loss of revenue from tender contract is \$160,000, and unknown from harvest of sablefish as we haven't gone fishing yet. I'm currently unable to provide our company 2019 tax return or documents as we are in the process of completing our taxes with our CPA, and have provided Business Plan and Explanation of Losses.

**10. How many full-time equivalent (FTE) employees does your business have in Unalaska?**

3

**11. Is your business a publicly traded corporation or owned by one?**

No

**12. Does your business have a City lien or is it in violation of a payment agreement with the City?**

No

**13. Do you understand that an award from the City of Unalaska may affect your eligibility for a grant through the AK CARES Small Business Directed Grant Program, as well as others?**

Yes

**Signature**

Jason L. Miller

**Bil Homka**

---

**Subject:** FW: ASI Application

-----Original Message-----

From: Jason Miller [mailto:jlmiller1@gci.net]

Sent: Monday, June 29, 2020 9:00 AM

To: Cameron Dean

Cc: Bil Homka; Rick Fehst

Subject: Re: ASI Application

Cameron,

Thank you for the quick response, we consider ourselves a local boat and do all of our repairs and maintenance in Unalaska/Dutch, and we also employ locals, I wasn't sure what I should provide regarding confidentiality for locals, as they may not appreciate us sharing without their permission.

Bil,

I would like to request consideration or reconsideration for the opportunity to participate in the Unalaska Cares Grant since we have operated our business out of Unalaska/Dutch Harbor since 2016, and when Rick Fehst, let me know there was an opportunity to, I read that there was an Unalaska Business License requirement on the application, I didn't even know there was one when I read that so I applied immediately, and in the application it did not state the mandate requirement, just that a an Unalaska business license was required, it wasn't until I listened to the meeting minutes before the work session I heard about the mandate. Either way our business will continue to operate and support Unalaska, we would just ask for an opportunity to participate since we've been here since 2016. And I can provide additional proof of our business activity and mooring our vessel with Rick in Dutch/Unalaska if needed.

Thank you,

Jason Miller, President  
F/V Aleutian Spirit Inc.

Sent from my iPhone

> On Jun 29, 2020, at 8:43 AM, Cameron Dean <cdean@ci.unalaska.ak.us> wrote:

>

> Hi Jason,

>

> We do have your supporting documents - we omitted them all from the public packet because many applicants included confidential information with them.

>

> For the business license though, it was decided that applicants must have a local business license prior to the beginning of the COVID shutdown. I'm sorry if that wasn't made more clear on the application. If you have questions about that policy, you can contact Bil Homka, Planning Director. He's CC'd on this.

>

> Thanks,

>

>

> Cameron Dean

>  
>  
> -----Original Message-----  
> From: Jason Miller <jlmiller1@gci.net>  
> Sent: Friday, June 26, 2020 8:46 PM  
> To: Cameron Dean <cdean@ci.unalaska.ak.us>  
> Subject: Re: ASI Application  
>  
> Hi Cameron,  
>  
> Did you receive the back up data regarding our business operation working with vendors in Unalaska/Dutch Harbor as I see that wasn't included and on the file presented to City Council tonight.  
>  
> It stated my application may not qualify due to not having an Unalaska Business License by mandate 11, which I had no idea that there was even an Unalaska business license until I read the online application so I applied to meet the requirement on the application as well as we operate our business in Unalaska/Dutch Harbor and have since 2016.  
>  
> I read the analysis of my application presented to the Council and hope that's taken into consideration as now I just learned we needed to have a Unalaska business license before Mandate 11 according to analysis, even though we've been operating out of Unalaska since 2016.  
>  
> Thank you for the help and opportunity to apply for the grant and I hope the council weighs the benefit we bring to Unalaska as we've been operating out of Unalaska longer than the mandate and if I need to provide more vendor expenses to prove that if it helps our success in this process please let me know.  
>  
> Jason  
>  
>  
>> On Jun 25, 2020, at 8:15 AM, Cameron Dean <cdean@ci.unalaska.ak.us> wrote:  
>>  
>> Hi Jason,  
>>  
>> If you'd like to provide more information, by all means, but I wouldn't say it's necessary to get everything in before City Council picks this up again tomorrow. With the tax extension this year, a lot of businesses are in a similar position.  
>>  
>> Thanks,  
>>  
>> Cameron Dean  
  
>> -----Original Message-----  
>> From: Jason Miller <jlmiller1@gci.net>  
>> Sent: Wednesday, June 24, 2020 5:27 PM  
>> To: Cameron Dean <cdean@ci.unalaska.ak.us>  
>> Subject: ASI Application  
>>  
>> Hi Cameron,  
>>  
>> After listening to the audio file on the Unalaska Council Meeting and tabling for a work session regarding prioritizing applications with non essential and essential business and non profit applications.  
>>

>> As of this time I can provide the 2019 1099 from Trident for April Lane' Tendering Service as well as Our 2019 1099 to Captain Rick Fehst, and associated expenses for our Unalaska harvest operation in terms of vendors we buy groceries, fuel, bait, repair and maintenance, etc locally for the 2019 season, since we're still in the process of working on 2019 taxes with our CPA firm.

>>

>> We appreciate the opportunity in the application process.

>>

>> Thanks,

>>

>> Jason

>>

>>

>

# **Unalaska CARES Act Business Grant Pre-Application**

Submitted Time: 06/29/2020 12:02 PM

## **Applicant Information**

### **1. Business Name**

Bering Shai Pedwell Transportation LLC

### **2. Unalaska Business Number**

2464

### **3. Physical Address of Business**

25 Ptarmigan Rd Unalaska Alaska 99685

### **4. Contact Information**

Keith G Pedwell

PO Box 196 Unalaska, Alaska

Unalaska Alaska, --AK 99685

### **Phone Number**

4034777197

### **Email Address**

kgpedwell@hotmail.com

## **Grant Request Information**

**5. Is your business considered essential or non-essential?**

Non-Essential

**6. What is the grant amount you are requesting?**

119653

**7. Supporting Documents**



Bering Shai Pedwell Transportation LLC Tourism Loses.docx

**8. What was your business's gross income in 2019?**

120000

**9. Please explain how your business has been impacted, or will be impacted, by COVID-19.**

The business is providing tourism buses for ships arriving in Dutch Harbor. All tourism ships were cancelled or are anticipated to be cancelled this year. 20 ships had been booked prior to the crisis with all 20 cancelling. Other bookings were anticipated but never made.

**10. How many full-time equivalent (FTE) employees does your business have in Unalaska?**

3

**11. Is your business a publicly traded corporation or owned by one?**

No

**12. Does your business have a City lien or is it in violation of a payment agreement with the City?**

No

**13. Do you understand that an award from the City of Unalaska may affect your eligibility for a grant through the AK CARES Small Business Directed Grant Program, as well as others?**

Yes

**Signature**

Keith Pedwell



Bering Shai Pedwell Transportation LLC

Business Plan

Anticipated Revenues

30 Ship over the season @ \$5000.00 per ship	\$150,000.00
@ \$5,000.00/ship equivalent of 3 buses for 4.5 hours	

Anticipated Expenses Avoided

Driver Costs

30 Ships at 13.5 Driver hours per ship	
Hourly Rate (with burden) \$36.40	\$14,742.00

Equipment Operation Costs

Fuel/Maintenance/Tires etc	
\$8.90/hour *3 buses*4.5 hours	\$3605.00

Insurance Cost Not Paid

Estimated at 30,000 down to 18,000	\$12,000.00
------------------------------------	-------------

Other Expenses

No reduction in other Expenses

<u>Net Loss Incurred</u>	<u>119,653.00</u>
--------------------------	-------------------

Cancellations of Tour Ship Bookings as compiled by Anntouza Sedjo

At the start of the COVID 19 Crisis it was estimated that 30 ships would arrive. However, 20 ships had been booked and subsequently cancelled for a total booked revenue of 97,041.59.

Statement of Tour ship Cancellations and Revenue Losses t

2020 Cruise ship season, 20 ships scheduled and booked

Total potential loss of revenue for BSPT LLC 97,041.59

Silver Muse, May 13, 596 passenger capacity

2 buses 9-1, 1 buses 9-12

$3,630.91 + 1,394.64 = 5,025.55$

Viking Orion, May 26, 930

3 buses 9-12, 1 bus 12-4

$4,321.92 + 1,816.61 = 6,138.53$

Oceania Insignia, June 22, 684

Best guess: 3 buses for 5 hours each

6,934.15

Bremen, June 24, 155

2 buses, 8 hours each

7,001.98

Nat Geo, June 29, 100

3 buses, 3.5 hours each

4,074.62

Nat Geo, July 11, 100

3 buses, 3.5 hours each

4,074.62

Le Soleal, July 16, 264

1 bus, 7-11

1,816.61

Silver Explorer, July 18, 144

2 buses, 3 hours

2,788.15

Nat Geo, July 21, 100

3 buses, 3.5 hours each

4,074.62

Silver Explorer, July 29

2 buses, 3 hours each

2,788.15

Bremen, Aug 2, 155

2 buses, 4.5 hours each

4,052.30

Roald Amundsen, Aug 12, 530

2 buses, 9-4, 1 bus 9-12

$6,159.22 + 1,394.65 = 7,553.87$

Star Breeze, Aug 29, 208

Best guess 2 buses, 6 hours each

5,316.44

Viking Orion, Sept 3

3 buses 9-12, 1 bus 12-4  $4,321.92 + 1,816.61 = 6,138.53$

Scenic Eclipse, Sept 7, 228

2 buses, 7 hours each

6,159.22

Hanseatic Nature, Sept 8, 230

2 buses, 4 hours each

3,630.91

Silver Muse, Sept. 13, 596

Best guess: 2 buses, 4 hours each

3,630.91

Silver Cloud, Sept. 21, 296

3 buses, 4 hours each

5,628.03

L'Austral, September 23, 264

1 bus, 7-11

1,816.61

Oceania Regatta, Oct. 13, 684

Best guess: 2 buses for 7 hours, 1 for 5 hours

$6,159.22 + 2,238.57 = 8,397.79$

CITY OF UNALASKA  
UNALASKA, ALASKA

RESOLUTION 2020-46

ESTABLISHING THE FORMULAS TO BE USED IN AWARDING THE UNALASKA CARES GRANT FUNDS FOR LOCAL BUSINESSES AND NON-PROFIT ORGANIZATIONS WHO HAVE EXPERIENCED ECONOMIC IMPACTS DUE TO COVID-19.

WHEREAS, the City of Unalaska adopted Resolution 2020-37 on May 26, 2020, accepting Coronavirus Relief Funds made available by the Department of the Treasury to the State of Alaska, to be passed through to the City of Unalaska through the CARES Act; and

WHEREAS, the City of Unalaska adopted Resolution 2020-42 on June 26, 2020, establishing the formula to calculate pre-application amounts to be available to nonessential businesses that were forced to close due to COVID19; and

WHEREAS, the City of Unalaska is also eligible to use CARES Act funding to prepare for future COVID-19 related response as well as past related expenses;

WHEREAS, based on the information provided about the total number of essential and non-essential business licenses estimated to be on-island, the City Council sets out the following award formulas for non-essential and essential businesses for the March – May, 2020 mandated closure period,

**Formula for Non-Essential Businesses**

*Business daily gross sales revenue amount (based on 2019 filed tax returns; if 2019 is not available then 2018 tax returns); Multiplied by 80 days (the duration of the required closures for non-essential businesses); That result then multiplied by 0.50 Result equals the Disbursement – or the requested amount – whichever is less.*

**Formula for Essential Businesses**

*Business daily gross sales revenue amount (based on 2019 filed tax returns; if 2019 is not available then 2018 tax returns); Multiplied by 80 days (the duration of the required closures for non-essential businesses); That result then multiplied by 0.10 Result equals the Disbursement – or the requested amount – whichever is less.*

WHEREAS, for the period commencing on June 1 and ending December 31, 2020 all awards to all approved business applicants are to follow the Stratified Schedule that is attached as Exhibit 'A';

WHEREAS, based on the applications received from nonprofit organizations the City Council awards the total sum of \$909,832.73 per the attached Exhibit 'B';

WHEREAS, the deadline for the grant program is set for noon on July 24, 2020 and awards will be issued pursuant to the CARES Act spending plan approved by City Council, or reduced proportionately if the cumulative application requests exceed the spending cap.

NOW THEREFORE BE IT RESOLVED that the Unalaska City Council approves the grant program and awarding the amounts of CARES Act funding to approved business applicants per the above.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on July 14, 2020.



Dennis M. Robinson  
Vice Mayor

ATTEST:



Marjie Veeder, CMC  
City Clerk



## EXHIBIT A

### Stratified Schedule

<i>Annual Revenue of Businesses</i>	<i>Funding Support</i>
<\$50,000	\$5,000
\$50,000-\$100,000	\$15,000
\$100,000-\$300,000	\$25,000
\$300,000-\$500,000	\$40,000
\$500,000-\$700,000	\$60,000
\$700,000-\$900,000	\$80,000
>\$900,000	\$100,000

## EXHIBIT B

### Nonprofit Organization Request Schedule

<b><i>Non Profit</i></b>	<b><i>Contact</i></b>	<b><i>Funding Support</i></b>
<i>Iliuliuk Family and Health Services, Inc.</i>	<i>Melanee Tiura</i>	<i>\$500,000.00</i>
<i>Unalaska Visitors Bureau</i>	<i>Carlin Enlow</i>	<i>\$132,500.00</i>
<i>Unalaska Community Broadcasting</i>	<i>Lauren Adams</i>	<i>\$71,820.00</i>
<i>Unalaska Christian Fellowship</i>	<i>John Honan</i>	<i>\$47,830.56</i>
<i>Museum of the Aleutians</i>	<i>Virginia Hatfield</i>	<i>\$64,495.00</i>
<i>United Methodist Church of Unalaska</i>	<i>Matt Reinders</i>	<i>\$30,500.00</i>
<i>USAFV</i>	<i>M. Lynn Crane</i>	<i>\$21,418.80</i>
<i>Unalaska Senior Citizens</i>	<i>Daneen Looby</i>	<i>\$14,660.92</i>
<i>Alexandria House Inc.</i>	<i>Susan Honan</i>	<i>\$11,657.45</i>
<i>Russian Orthodox Church</i>		<i>\$6,500.00</i>
<i>Saint Christopher by the Sea</i>	<i>Deacon Dan Winters</i>	<i>\$8,450.00</i>
	<b><i>Total</i></b>	<b><i>\$909,832.73</i></b>

CITY OF UNALASKA  
UNALASKA, ALASKA

RESOLUTION 2020-47

A RESOLUTION OF THE UNALASKA CITY COUNCIL PROVIDING SPENDING GUIDELINES  
FOR CARES ACT FUNDS

WHEREAS, the City of Unalaska adopted Resolution 2020-37 on May 26, 2020, accepting Coronavirus Relief Funds in the amount of \$13,453,952, made available by the Department of the Treasury to the State of Alaska, to be passed through to the City of Unalaska through the CARES Act; and

WHEREAS, on June 4, 2020, the City received \$5,477,777 in CARES Act funding and must spend at least 80% to receive the second disbursement; and

WHEREAS, the City must spend all of the first disbursement and 80% of the second disbursement to be eligible to receive the third disbursement; and

WHEREAS, any CARES Act monies received and not spent by December 30, 2020, must be returned to the funding agency; and

WHEREAS, the City has incurred costs in their response to the Coronavirus pandemic and has identified projects to assist in limiting the spread and impact of the Coronavirus; and

WHEREAS, certain projects identified to assist in the future protective measures require lead time for completion.

NOW THEREFORE BE IT RESOLVED that the Unalaska City Council approves the following allocations of CARES Act spending:

- Grants to support Businesses and Non-Profit Organizations – 40%
- City's Response and Prevention – 50%
- The remaining 10% shall be set aside for potential grant usage if the need arises. If not used for grants prior to September 30, 2020, the amount becomes available to address any other of the City's response and prevention efforts.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on July 14, 2020.



Dennis M. Robinson  
Vice Mayor

ATTEST:



Marjie Veeder, CMC  
City Clerk

